



INDEPENDENT EXTERNAL ASSESSMENT REPORT

Verification

AA0000000582

COMPANY: PUMA SE, PVH Corp, The s.Oliver Group
COUNTRY: Bangladesh
PRODUCT: Apparel
PROCESSES: Full [= full package]
NUMBER OF WORKERS: 5558
NUMBER OF WORKERS INTERVIEWED: 85
ORIGINAL ASSESSMENT DATE: 11/01/14
ORIGINAL ASSESSMENT MONITOR: ELEVATE Global Limited
VERIFICATION ASSESSMENT DATE: 10/08/17
VERIFICATION ASSESSMENT MONITOR: Insync Global

FLA Comment:

Understanding this Assessment Report

This report is to verify the remediation status of findings from a previous workplace assessment based on the Fair Labor Association's Sustainable Compliance methodology (SCI). This report also includes new findings utilizing the SCI methodology. The SCI assessments evaluate a facility's performance in upholding fair labor standards through effective management practices throughout the entire employment life cycle. SCI assessments are conducted by FLA accredited assessors.

This report identifies the status of remediation of violations and risks of noncompliance with the Fair Labor Association Workplace Code of Conduct in its assessment of the employment functions. It also includes a description of the root causes of violations, recommendations for sustainable and immediate improvement, and the corrective action plan for each finding as submitted by the company. This document is not a static report; rather, it reflects the most recent progress updates on remediation in the "Progress Update" section of each finding.

Glossary

Code violation: failure to meet standards outlined in the [FLA Workplace Code of Conduct](#) in the workplace implementation of employment or management functions.

Employment Functions: The different components of the relationship between management and employees in a factory. An employment function is a process regulating an aspect of the employment relationship, such as the recruitment of workers. All employment functions together constitute the employment relationship between an employer and an employee.

1. Recruitment, Hiring & Personnel Development (e.g., performance reviews)
2. Compensation (e.g., wages, health care)
3. Hours of Work (e.g., overtime, documentation of working hours)
4. Industrial Relations (e.g., collective bargaining agreements)
5. Grievance System (e.g., worker communication with management)
6. Workplace Conduct & Discipline (e.g., discrimination, harassment)
7. Termination & Worker Retrenchment (e.g., downsizing, resignation)
8. Health & Safety (e.g., exposure to chemicals)
9. Environmental Protection (e.g., energy saving)

Management functions: violations or risks related to an employment function could be caused by the absence – or a problem in the operation – of any one of the management functions or in more than one.

1. Policy
2. Procedure
3. Responsibility & Accountability
4. Review Process
5. Training
6. Implementation
7. Communication & Worker Involvement
8. Support & Resources (only for the in-depth level)

Finding: indicators of potential gaps between desired and actual performance of the workplace on different employment functions.

Finding type

- . *Immediate action required:* discoveries or findings at the workplace that need immediate action because they not only constitute an imminent danger, risk the workers' basic rights, threaten their safety and well-being or pose a clear hazard to the environment, but also are clear non-compliances with the FLA Workplace Code of Conduct and local laws. Examples include a finding by the assessor that crucial fire safety elements are not in place or that there is underpayment of wages and/or worker entitlements or that there is direct discharge of waste water, etc.
- . *Sustainable improvement required:* findings that require sustainable and systematic actions. The factory will be asked to tackle the underlying root causes and to do so in a long-term and systematic manner to bridge the gap between actual and desired performance. Examples include a finding by the assessor that there is lack of termination policies and procedures in the workplace, lack of grievance system, etc.

. *Notable feature*: indicates a remarkable feature or best practice at a workplace. Examples might include workers' wages and benefits that are significantly above the industry average, or community benefits such as free daycare.

Local law or Code Requirement: applicable regulations and standards in a workplace, which serve as the basis for an assessment, as per local law or FLA Workplace Code of Conduct. When these two do not concur, the stricter of the two standards applies.

Root causes: a systemic failure within an employment function, resulting in a "finding." Findings are symptoms of underlying problems or "root causes." Consider, for example, the case of workers not wearing hearing protection equipment in a high noise area. The most expedient conclusion might be that the worker did not use the hearing protection equipment because such equipment was not provided by management. However, upon a more thorough evaluation of available information, the assessor might find that the worker was indeed supplied with hearing protection equipment and with written information about the importance of wearing hearing protection, but was not trained on how to use the equipment and that use of the equipment was not enforced in a consistent manner by management.

Verification status: The status of the remediation plan for each finding as determined by the assessor. The findings are labeled either Not Remediated, Partially Remediated, or Remediated.

Company action plan: a detailed set of activities outlined by the sourcing company and/or direct employer to address FLA findings.

Findings and Action Plans

FINDING NO.1

RECRUITMENT, HIRING & PERSONNEL DEVELOPMENT

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The factory does not have the legally required business license.

Local Law or Code Requirement

The City Corporations (Taxation) Rules 1986, chapter-V, section-43, subsection-1

Recommendations for Immediate Action

1. Obtain and annually renew the required business license.

Action Plan Status:	Completed
Planned Completion:	06/08/15
Progress Update:	<u>Original Action Plan</u> We have business license valid until 30 Jun 2015. <u>Progress Updates</u> 9/01/15: We have business license valid until 30-Jun-2015; [File attached]
Completion Date:	06/08/15

Verification Result:

1. Finding Status: Remediated

Explanation: We have business license valid until 30 Jun 2015.

FINDING NO.2

TRAINING (MACRO)

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. The orientation program does not cover any human resources policies, and workers are not aware of any of the human resources policies.
2. Workers receive written documentation during the orientation training session; however, Recruitment, Hiring & Personnel Development and Termination are not covered in the orientation program. [ER.15.3]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.15.1 and ER.15.3)

Action Plan Status:	In Progress
Planned Completion:	12/31/15
Progress Update:	<u>Original Action Plan</u> 1. Workers training on human resource policies is an ongoing activity of our general awareness program; however, these kind of activity will be further strengthened. 2. Recruitment, Hiring & Personnel Development and Termination will be covered in the orientation program <u>Progress Updates</u> 09/01/15 : Continuous Practice
Completion Date:	

Verification Result:

1. Finding Status: Remediated

Explanation:

Based on worker interviews and documentation review, it was found that orientation program covers all human resource policies and workers were aware of the policies.

2. Finding Status: Not Remediated

Explanation:

Based on worker interviews and documentation review, it was found that information on Recruitment, Hiring and Personnel Development and Termination are not included in the orientation program and information on performance review is shared. [ER.15.1]

Root Causes:

As stated by management, workers are not involved in the Recruitment and Hiring Process and hence information is not shared except on minimum age of hiring which is 18 years.

Management is not aware of FLA Benchmarks, and thus management is not aware of the requirements under Personnel Development and also the need to include information on Termination during the orientation program.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.15.1)

Action Plan Status:	In progress
Planned Completion:	31-March-2018
Progress Update:	CAP: Recruitment, Hiring and Personnel Development and Termination all these contents will be included in orientation program. Workers' participation will be ensured through engagement of WPC during the orientation program. 1. Developing revised training contents for orientation 2. Revising Training Calendar 3. Inclusion of WPC members in orientation training
Completion Date:	

Verification Result (25-Apr-2019):

2. Finding Status: Partially Remediated

Explanation:

Based on worker interviews and documentation review, it was found that information on Recruitment, Hiring and Personnel Development and Termination are not included in the orientation program and information on performance review is shared. However, the Training Calendar is found revised. [ER.15.1]

Root Causes:

As stated by management, workers are not involved in the Recruitment and Hiring Process and hence information is not shared except on minimum age of hiring which is 18 years.

Management is not aware of FLA Benchmarks, and thus management is not aware of the requirements under Personnel Development and also the need to include information on Termination during the orientation program.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.15.1)

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	<p>CAP: Recruitment, Hiring and Personnel Development and Termination all these contents will be included in orientation program. Workers' participation will be ensured through engagement of WPC during the orientation program.</p> <ol style="list-style-type: none"> 1. Developing revised training contents for orientation 2. Inclusion of WPC members in orientation training <p><u>Progress Updates</u> 25/04/19:</p> <ol style="list-style-type: none"> 1. All the required topics are still not included in the module. 2. WPC members are still not included in the orientation training.
Completion Date:	

FINDING NO.3**RECRUITMENT, HIRING & PERSONNEL DEVELOPMENT**

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. The factory has written policies for Recruitment & Hiring, but no policies are available for personnel development and performance reviews. [ER.29, ER.30]
2. The factory does not have a formal consultative review process for any of the Employment Functions. For all Employment Functions, the factory does not communicate its policies and procedures to the general workforce. Nor does the factory have a system to receive worker input/feedback on the creation, implementation, and revision of its policies and procedures. [ER.1, ER.25.2, ER.30.2, ER.31]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.25.2, ER.29, ER.30.2, and ER.31)

Action Plan Status:	In Progress
Planned Completion:	12/31/15
Progress Update:	<p><u>Original Action Plan</u></p> <ol style="list-style-type: none"> 1. We have regular training program on employee development that includes regular employment, human rights, Policies and Procedures, Workplace Safety, Skill development etc. All categories of employees are also covered under periodic (yearly) performance review process. 2. Workers are regularly communicated about the policies and procedures by regular awareness and training programs, notice boards & using Public Address Systems. However, a system will be developed through which the Workers'

	<p>Participation Committee can take part in the policy and procedures development process.</p> <ol style="list-style-type: none"> 3. We have already created policies for personnel development and performance reviews of workers and a formal consultative review process for any of the Employment Functions. 4. Workers will be regularly communicated to about the policies and procedures by regular awareness and training programs, notice boards <p><u>Progress Updates</u> 09/01/15: Training Calendar and related documents will be uploaded.</p>
Completion Date:	

Verification Result:

1. Finding Status: Partially Remediated

Explanation: Based on worker interviews and documentation review, it was found that factory has written policy and procedures for performance reviews but not for Personnel Development. The policy on performance review does not include the need for documentation of evaluation results and communication of results with workers. [ER.29, ER.30]

Root Causes: Management is not aware of the requirements under Personnel Development and FLA Benchmarks on procedures for performance evaluations which includes the requirement of documentation and communication with workers on the outcome of evaluations.

2. Finding Status: Partially Remediated

Explanation: Based on management interviews and documentation review, it was found that all written policies and procedures are reviewed annually by the review team and were last reviewed on January 1, 2017.

The factory communicate policies and procedures to 15% of the total workforce during the last 12 months. The factory does not communicate policies and procedures to outsourced workers employed by service providers for security and housekeeping services. There is no defined plan to ensure policies and procedures are communicated to all workers. There is no system to receive input from workers on policies and procedures however if there are any concerns, they can be communicated through the Participation Committee [ER.1, ER.25.2, ER.30.2, ER.31]

Root Causes:

1. Management is not aware of FLA Benchmarks and do not understand the need of having a formal procedure which includes a training calendar, detailed agenda and documentation.
2. Management is not aware that they shall also communicate policies and procedure to outsourced workers.
3. As per industry practice, policies are made by management and workers are not involved and hence no feedback is invited from workers.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.25.2, ER.29, ER.30.2, and ER.31)

Action Plan Status:	<ol style="list-style-type: none"> 1. In-progress 2. In-progress
Planned Completion:	<ol style="list-style-type: none"> 1. 31-March-2018 2. 31-March-2018
Progress Update:	<ol style="list-style-type: none"> 1. CAP: Personal development plan will be included with performance appraisal process. <ol style="list-style-type: none"> 1. FLA Benchmark will be followed 2. Communication of personal development plan to all workers (including outsourced workers) during evaluation.

	<ol style="list-style-type: none"> 3. WPC will be involved while developing or revising policy 2. CAP: Personal development plan will incorporated with performance review policy; <ol style="list-style-type: none"> 1. FLA Benchmark will be followed 2. Once communicated, workers' feedback will be taken on policies and procedures; this practice will also be implemented for outsourced workers. 3. Communication of Policies and procedure to workers will be included in workers' training program 4. WPC will be involved while developing or revising policy
Completion Date:	

Verification Result (25-April-2019):

3. Finding Status: Partially Remediated

Explanation: Based on worker interviews and documentation review, it was found that factory has written policy and procedures for performance reviews but not for Personnel Development. The policy on performance review does not include the need for documentation of evaluation results and communication of results with workers. [ER.29, ER.30]

Root Causes: Management is not aware of the requirements under Personnel Development and FLA Benchmarks on procedures for performance evaluations which includes the requirement of documentation and communication with workers on the outcome of evaluations.

4. Finding Status: Partially Remediated

Explanation: Based on management interviews and documentation review, it was found that all written policies and procedures are reviewed annually by the review team and were last reviewed on January 1, 2018.

The factory communicated policies and procedures to 56% of the total workforce during the last 12 months. The factory does not communicate policies and procedures to outsourced workers employed by service providers for security and housekeeping services. There is no defined plan to ensure policies and procedures are communicated to all workers. There is no system to receive input from workers on policies and procedures however if there are any concerns, they can be communicated through the Participation Committee [ER.1, ER.25.2, ER.30.2, ER.31]

Root Causes:

4. Management is not aware of FLA Benchmarks and do not understand the need of having a formal procedure which includes a training calendar, detailed agenda and documentation.
5. Management is not aware that they shall also communicate policies and procedure to outsourced workers.
6. As per industry practice, policies are made by management and workers are not involved and hence no feedback is invited from workers.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.25.2, ER.29, ER.30.2, and ER.31)

Action Plan Status:	<ol style="list-style-type: none"> 3. In-progress 4. In-progress
Planned Completion:	<ol style="list-style-type: none"> 3. 30-June-2019 4. 30-June-2019
Progress Update:	<ol style="list-style-type: none"> 1. CAP: Personal development plan will be included with performance appraisal process. <ol style="list-style-type: none"> 1. FLA Benchmark will be followed 2. Communication of personal development plan to all workers (including outsourced workers) during evaluation.

<p>Completion Date:</p>	<p>3. WPC will be involved while developing or revising policy</p> <p>2. CAP: Personal development plan will be incorporated with performance review policy;</p> <ol style="list-style-type: none"> 1. FLA Benchmark will be followed 2. Once communicated, workers' feedback will be taken on policies and procedures; this practice will also be implemented for outsourced workers. 3. Communication of Policies and procedure to workers will be included in workers' training program. 4. WPC will be involved while developing or revising policy <p><u>Progress Updates</u></p> <p>25/04/19:</p> <p>1. CAP: Personal development plan will be included with performance appraisal process.</p> <ol style="list-style-type: none"> 1. FLA Benchmark is still not followed 2. Communication of personal development plan to all workers (including outsourced workers) during evaluation is still not taking place. 3. WPC is not involved while developing or revising policy. <p>2. CAP: Personal development plan will be incorporated with performance review policy;</p> <ol style="list-style-type: none"> 1. FLA Benchmark is still not followed 2. Once communicated, workers' feedbacks are not taken on policies and procedures; also, this practice is yet not implemented for outsourced workers. 3. Communication of Policies and procedure to workers is not included in workers' training program. 4. WPC is not involved while developing or revising policy
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FINDING NO.4

RECRUITMENT, HIRING & PERSONNEL DEVELOPMENT

FINDING TYPE: Immediate Action Required

Finding Explanation

1. According to factory policies on Recruitment, Hiring & Personnel Development, and in actual practice, worker probation lasts between three and six months. This is not aligned with the three-month probation period limit required by FLA benchmarks.

Local Law or Code Requirement

FLA Workplace Code (Compensation Benchmark C.3)

Recommendations for Immediate Action

1. Adjust probation period to no more than three months, in line with the FLA Workplace Code.

Action Plan Status:	Completed
Planned Completion:	11/02/14
Progress Update:	<p><u>Original Action Plan</u> As per industry practice & law of the land, majority of the workers are regularized automatically after completion of probation period (i.e. 3 months). However, employment related issues are executed as per Bangladesh Labour Law 2006 (with amendment on 2013) in our workplace, where based on workers' performance probation period can be extended up to 6 months. We have revised the policy aligned with 3- month in accordance with the FLA benchmark. Workers will be communicated to about the policy and procedures by regular awareness and training programs and notice boards.</p> <p><u>Progress Updates</u> 09/01/15: We follow local labour law</p>
Completion Date:	11/02/14

Verification Result:

1. Finding Status: **Remediated**

Explanation: Based on management and worker interviews and documentation review, it was found that since November 2016, all workers are hired on permanent status from day one, without any probation period.

FINDING NO.5

HOURS OF WORK

FINDING TYPE: Immediate Action Required

Finding Explanation

1. During the assessment, Hours of Work and Compensation could not be verified due to inconsistencies between records provided by the management and records collected & reviewed by the auditor. The daily short leave register (gate pass) for the sewing section showed that the facility was open on June 27, 2014, as well as, September 5 and 12, 2014 (weekly day off). S. Oliver production records from the printing section show that the factory was open on July 25, 2014 (weekly day off). None of these working days were recorded in the set of records provided by the management. [ER.2, ER.23, C.15]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.23; Compensation Benchmarks C.15 and C.16)

Recommendations for Immediate Action

1. Keep accurate and complete records to enable verification of the factory's Compensation and Hours of Work.

Action Plan Status:	Completed
Planned Completion:	11/02/14
Progress Update:	<p><u>Original Action Plan</u> It was a clerical mistake by respective security guard who maintained the daily short leave register. We have checked our payroll on particular holidays (mentioned above) and we did not find any evidence that workers have performed their duty on the same day; However, We took immediate action and stopped maintaining such short leave register so that this kind of confusions does not take place in future.</p>

	<ol style="list-style-type: none"> 1. We are providing pay slip to the workers with necessary information related to working day, overtime hour and wages. 2. As recommended we will keep working hour and production record properly. 3. As per recommendation we have revised hours of work and compensation policy and providing training to related staff as well as the workers. 4. We will conduct monthly internal audit on working hour, wages and benefit so that no inconsistency found between working hour and wages. 5. Prior consent is taking from the workers to conduct overtime. <p><u>Progress Updates</u> 09/01/15: We have stopped maintaining such short leave register so that this kind of confusions does not take place in future.</p>
Completion Date:	11/02/14

Verification Result:

1. Finding Status: **Not Remediated**

Explanation:

Factory did not provide gate pass (permission slips) or data for workers who left early (prior to end of shift) in the sampled months of October 2016, March 2017 and August 2017. Hence accuracy of time records could not be verified. Based on worker interviews and documentation made available for review; it was noted that weekly working hours from the months reviewed were between 48 to 58 hours, and workers had not worked on rest days. [ER.2, ER.23, C.15]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2.1 and ER.23.2 and Compensation Benchmark C.15)

Recommendations for Immediate Action

1. Keep accurate and complete records to enable verification of the factory's Compensation and Hours of Work.

Action Plan Status:	In progress
Planned Completion:	31-March-2018
Progress Update:	Concerning the gate pass records and evidence in FLA CAP, the gate pass system is removed and introduced Electronic card system using which workers can make early in/ out if any emergency occurs. But the fact is no record is being maintained for that. Therefore to satisfy the findings of FLA Audit it is decided to continue the use of electronic card at the same time a register will be maintained to record workers' entry and exit time.
Completion Date:	

Verification Result (25-April-2019):

1. Finding Status: **Remediated**

Explanation:

Based on management and worker interview the issue is found resolved. Employees who leave the premises for short time are provided with another card which they need to punch before and after the short out.

Action Plan Status:	In progress
Planned Completion:	31-March-2018
Progress Update:	Concerning the gate pass records and evidence in FLA CAP, the gate pass system is removed and introduced Electronic card system using which workers can make early in/ out if any emergency occurs. But the fact is no record is being maintained for that. Therefore to satisfy the findings of FLA Audit it is decided to continue the use of

	<p>electronic card at the same time a register will be maintained to record workers' entry and exit time.</p> <p><u>Progress Updates</u></p> <p>25/04/19: Based on management and worker interview the issue is found resolved. Employees who leave the premises for short time are provided with another card which they need to punch before and after the short out.</p>
Completion Date:	31-Dec-2018

FINDING NO.6

HOURS OF WORK

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. The factory's production plan always includes overtime, with 60 working hours/week as the standard working time.

Local Law or Code Requirement

FLA Workplace Code (Hours of Work Benchmarks HOW.1 and HOW.7)

Action Plan Status:	Completed
Planned Completion:	12/01/14
Progress Update:	<p><u>Original Action Plan</u></p> <p>We have Implemented 8 (eight) hours based production planning. Industrial Engineers section has clear instruction of making 8 hours production planning. Factory initiated additional projects for production efficiency and quality control.</p> <ol style="list-style-type: none"> 1. We have made a working hours policy to follow the local labor law and instructed to HR and production planning staff to maintain it strictly. 2. Also we have developed an overtime reduce plan and our production concern personal are instructed to maintain it certainly. 3. Workers and stuff will communicate about the policies and procedures by regular awareness and training programs, notice boards. <ol style="list-style-type: none"> 1. Lean Six Sigma - last December 2014 2. Gargy Project (related to multi-skill development) - February 2015 <p><u>Progress Updates</u></p> <p>09/01/15: 8-hours planning ongoing</p>
Completion Date:	12/01/14

Verification Result:

1. Finding Status: **Remediated**

Explanation:

Based on management and worker interviews and documentation review, it was found that production planning is based on 8 working hours per day.

FINDING NO.7

HEALTH & SAFETY

FINDING TYPE: Immediate Action Required

Finding Explanation

1. There are no Material Safety Data Sheets (MSDS) for any of the chemicals stored in the washing, dyeing, and compressor rooms. [HSE.10]
2. Chemicals are not properly stored in the sub-chemical store at Dyeing Section-1; there is no secondary containment provided for the chemicals. [HSE.9]

Local Law or Code Requirement

Bangladesh Labour Law 2006, section- 78 (a) & 79; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE. 9 and HSE.10)

Recommendations for Immediate Action

1. Obtain and post MSDS for all chemicals.
2. Ensure that all chemicals are properly stored, and provide secondary containment.

Action Plan Status:	Completed
Planned Completion:	11/16/14
Progress Update:	<u>Original Action Plan</u> <ol style="list-style-type: none">1. MSDS has been provided for washing chemicals in respective places. In addition, responsible maintenance persons have been engaged to ensure those MSDS are properly posted and followed. [picture uploaded]2. Secondary containments are provided in Dyeing Section- 1. [picture uploaded]3. Maintenance personal are now maintaining a daily checklist to ensure that all MSDS & secondary containment are in proper condition. <u>Progress Updates</u> 09/01/15: Corrected
Completion Date:	11/10/14

Verification Result:

1. Finding Status: **Remediated**

Explanation:

Based on visual inspection it was found that the factory posts MSDS for all chemicals in chemical storage areas in washing, dyeing and compressor rooms.

2. Finding Status: **Remediated**

Explanation:

Based on visual observation chemicals are stored in an organized manner and secondary containers have been provided for chemical containers stored in the chemical storage areas in Dyeing and washing sections.

FINDING NO.8

HEALTH & SAFETY

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The rib-cutting machines on the sewing floor, auto-placket machine on the knitting floor, and one dyeing machine in dyeing unit-1 do not have safety guards.

Local Law or Code Requirement

Bangladesh Labour Law 2006, section- 63 (d) 3; FLA Workplace Code (Health, Safety & Environment HSE.14)

Recommendations for Immediate Action

1. Install missing safety guards on all machinery.

Action Plan Status:	Completed
Planned Completion:	11/04/14
Progress Update:	<u>Original Action Plan</u> Safety guards have been provided in those particulars machines. <ol style="list-style-type: none">1. We are now maintaining a daily safety checklist to ensure that no safety guards missing, broken and unusable.2. We have started placing more emphasis on occupational health and safety training among the workers. <u>Progress Updates</u> 09/01/15: Corrected
Completion Date:	11/04/14

Verification Result:

1. Finding Status: **Remediated**

Explanation:

Based on visual observation, safety guards are installed on rib-cutting machines on the sewing floor, auto-placket machine on the knitting floor, and one dyeing machine in dyeing unit-1.

FINDING NO.9

HEALTH & SAFETY

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The factory does not employ an appropriate number of medical staff to be on duty during all working hours, including all shifts and overtime. The factory does not employ any medical staff for 2nd and 3rd shifts in the embroidery, knitting, and dyeing sections. [HSE.18]

Local Law or Code Requirement

Bangladesh Labour Law 2006, section- 89 (5); FLA Workplace Code (Health, Safety & Environment Benchmark HSE.18)

Recommendations for Immediate Action

1. Ensure that there is medical staff on duty during all working hours and all shifts.

Action Plan Status:	In Progress
Planned Completion:	02/27/15
Progress Update:	<u>Original Action Plan</u>

	<p>Factory recruited a medical assistant, who resides with the factory premises (in factory staff apartment) so that she is available during all emergencies. His picture (with contact number) posted in all strategic areas of the factory. Besides trained first aid providers in each section (embroidery, knitting & dyeing) are available in all shifts. Management has been following up on this issue on regular basis.</p> <p><u>Progress Updates</u> 09/01/15: In progress: since effectiveness of this step is being observed by management.</p>
Completion Date:	

Verification Result:

1. Finding Status: Partially Remediated

Explanation:

Based on management and worker interviews it was found that two doctors are available between 8 am and 10pm, adopting two shifts, the first one is from 6 am to 2 pm and the second shift is from 2 pm to 10 pm. However, doctors are not available between 10pm and 8am – during 3rd shift (10pm to 6am) and beginning of 1st shift (6am to 8am) during which 484 workers work.

Root Causes:

Lack of intent of management to engage a doctor for the night shift. Management stated that nurse is available and for any emergency during night shift, assistance from hospital located close to factory can be used.

Local Law or Code Requirement

Bangladesh Labour Law 2006, section- 89 (5); FLA Workplace Code (Health, Safety & Environment Benchmark HSE.18)

Recommendations for Immediate Action

1. Ensure medical staff is available on duty during all working hours.

Action Plan Status:	In progress
Planned Completion:	31-March-2018
Progress Update:	<p>One of the main problem is finding out a registered doctor, who's willing to work in this industry in different shifts.</p> <p>However, management took this seriously; and, in search of qualified doctor who would be available for all shifts (by rotation).</p>
Completion Date:	

Verification Result (25-April-2019):

1. Finding Status: Partially Remediated

Explanation:

The factory informed that they have made a contract with a doctor to cover the third shift on an on-call basis. However, the factory could not show any contract with any doctor for the third shift as shared.

Root Causes:

Lack of intent of management to engage a doctor for the night shift. Management stated that nurse is available and for any emergency during night shift, assistance from hospital located close to factory can be used.

Local Law or Code Requirement

Bangladesh Labour Law 2006, section- 89 (5); FLA Workplace Code (Health, Safety & Environment Benchmark HSE.18)

Recommendations for Immediate Action

1. Ensure medical staff is available on duty during all working hours.

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	<p>One of the main problem is finding out a registered doctor, who's willing to work in this industry in different shifts.</p> <p>However, management took this seriously; and, in search of qualified doctor who would be available for all shifts (by rotation).</p> <p><u>Progress Updates</u> 25/04/19: In progress: Management informed that they have contacted a doctor to be ready on call but do not have any contract. They will check if they can have a contract.</p>
Completion Date:	

(NEW) FINDING NO.10

RECRUITMENT, HIRING & PERSONNEL DEVELOPMENT

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. Factory does not communicate the recruitment, hiring and personnel development policies and procedures and their updates to the general workforce. Information on performance evaluations only is communicated during the orientation program. [ER.29]
2. Job responsibility for each employment function is not assigned in writing to management team. Responsibility is communicated verbally. The factory only has job description for machine operators, electricians and mechanics. [ER.1]
3. There is no written contract for the childcare service outsourced to PCS. This is a risk for children in the childcare as under current arrangement since there is no accountability assigned for child care facility. There are four attendants for 16 children and all of them are trained in Early Child Development (EDC) by an organization called "Social Development Activities in Bangladesh". Three-day training was conducted from June 11 to 13, 2017. [ER.1]
4. Factory does not have written policy and procedures for personnel development though there is a written policy on review of performance of assistant sewing machine operators who are promoted as sewing machine operators. The written procedure does not include criteria for performance evaluations. The factory conducts performance evaluation for workers who achieve targets once a year. After that, supervisors orally inform feedback on behavior and discipline and provide recommendation for increments to HR Team. There is no documentation maintained for evaluation result and there is no procedure for discussing outcomes of evaluation with workers. Workers will receive a letter in terms of being promoted (if there are vacancies) or provided increments, however, they only know the exact amount or the date when promotion is effective until the day when they receive their wages. [ER.29, ER.30, C.12]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, and ER.29)

Action Plan Status:	In progress
Planned Completion:	31-March-2018

Progress Update:	<ol style="list-style-type: none"> 1. Recruitment, hiring and personnel development policies and procedures and their updates will be communicated to the general workforce; 2. Job responsibility for each employment function will be developed and communicated to each management team. 3. During contract renewal time (Jan'2018) the clause of Child Care Service for the attendents will be mentioned separately. 4. Written policy and procedure will be developed on personal development, which will also be incorporated with personal evaluation system.
Completion Date:	

Verification Result (25-April-2019): Not Remediated

1. Factory does not communicate the recruitment, hiring and personnel development policies and procedures and their updates to the general workforce. Information on performance evaluations only is communicated during the orientation program. [ER.29]
2. Job responsibility for each employment function is not assigned in writing to management team. Responsibility is communicated verbally. The factory only has job description for machine operators, electricians and mechanics. [ER.1]
3. There is no written contract for the childcare service outsourced to PCS. This is a risk for children in the childcare as under current arrangement since there is no accountability assigned for child care facility. There are four attendants for 16 children and all of them are trained in Early Child Development (EDC) by an organization called "Social Development Activities in Bangladesh". Three-day training was conducted from June 11 to 13, 2017. [ER.1]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, and ER.29)

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	<ol style="list-style-type: none"> 1. Recruitment, hiring and personnel development policies and procedures and their updates will be communicated to the general workforce; 2. Job responsibility for each employment function will be developed and communicated to each management team. 3. During contract renewal time (Jan'2018) the clause of Child Care Service for the attendents will be mentioned separately. <p><u>Progress Updates</u> 25/04/19: In progress: Factory management is working on developing proper policy on recruitment, hiring but it is not completed yet. In addition, the factory has developed system of promotion but not included in policy. Also, the clause of Child Care Service for the attendants are still not mentioned separately.</p>
Completion Date:	

4. Factory does not have written policy and procedures for personnel development though there is a written policy on review of performance of assistant sewing machine operators who are promoted as sewing machine operators. The written procedure does not include criteria for performance evaluations. The factory conducts performance evaluation for workers who achieve targets once a year. After that, supervisors orally inform feedback on behavior and discipline and provide recommendation for increments to HR Team. There is no documentation maintained for evaluation result and there is no procedure for discussing outcomes of evaluation with workers. Workers will receive a letter in terms of being promoted (if there are vacancies) or provided increments, however, they only know the exact amount or the date when promotion is effective until the day when they receive their wages. [ER.29, ER.30, C.12]

Verification Result (25-April-2019): Partially Remediated

Explanation:

It was noted that the factory has developed a system of efficiency evaluation by the IE department. Based on the evaluation, IE recommends wages & grades. It was also noted that IE has developed system of evaluation for every grade of machine operators. However, it was noted that factory has not yet developed JD for all function / designation of the factory.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, and ER.29)

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	<p>1. Written policy and procedure will be developed on personal development, which will also be incorporated with personal evaluation system.</p> <p><u>Progress Updates</u> 25/04/19: In progress: It was noted that the factory has developed a system of efficiency evaluation by the IE department. Based on the evaluation, IE recommends wages & grades. It was also noted that IE has developed system of evaluation for every grade of machine operators. However, it was noted that factory has not yet developed JD for all function / designation of the factory.</p>
Completion Date:	

(NEW) FINDING NO.11**RECRUITMENT, HIRING & PERSONNEL DEVELOPMENT**

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Medical certificate seen on files of workers has questions like Development of secondary sex characters and growth of hair (hair on chin, Upper lip, Axilla, Pubic region and development of breast) which are not indicative of age of workers.
2. Promotion letter issued to worker does not contain information on wages that will be payable post promotion and effective date of promotion is also not mentioned

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1) and Bangladesh Labour Rules 2015 –Second chapter, section 21(d)

Recommendations for Immediate Action

1. Delete questions from medical certificate, pertaining to privacy of workers (like development of breast and growth of hair on chin, upper lip, Axilla and Pubic region) to determine age of worker.

Action Plan Status:	In-progress
Planned Completion:	31-March-2018
Progress Update:	1. All sensitive questions like Development of secondary sex characters and growth of hair (hair on chin, Upper lip, Axilla, Pubic region and development of breast) which are not indicative of age of workers will be excluded from Medical Certificates.

	2. Wages information will be included in promotion letter
Completion Date:	

Verification Result (25-Apr-2019): Remediated

Explanation:

1. It was noted that factory has removed all the personal informal from the age verification document and has implemented the requirement of age verification format as per law for the new hires. However, it was also noted that the factory has not changed the old age verification docs.
2. Wages information are now included in promotion letter.

Action Plan Status:	In-progress
Planned Completion:	31-March-2018
Progress Update:	<ol style="list-style-type: none"> 3. All sensitive questions like Development of secondary sex characters and growth of hair (hair on chin, Upper lip, Axilla, Pubic region and development of breast) which are not indicative of age of workers will be excluded from Medical Certificates. 4. Wages information will be included in promotion letter Progress Updates 25/04/19: Corrected.
Completion Date:	

(NEW) FINDING NO.12

GRIEVANCE SYSTEM

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. Suggestion boxes are opened once a month and the time line may deter workers from using the channel for communication as they will need to wait for a month.
2. Grievance record only reflects whether such a grievance has been addressed or not, instead of information on action taken. For instance, the record shows that one grievance occurred in July 2017 has been addressed. However, the whole process is missing. [ER.2, ER.25]
3. The grievance procedure lacks timelines for addressing grievance. [ER.1, ER.25]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2, and ER.25)

Action Plan Status:	In-Progress
Planned Completion:	31- March-2018
Progress Update:	<ol style="list-style-type: none"> 1. Increasing the frequency of opening the suggestion box is under discussion. A new SOP will be developed for handling suggestion boxes. Where the frequency of opening the suggestion box will be specified. 2. The set of actions taken against a grievance raised to management will be properly recorded. 3. Timelines for addressing the grievance will be mentioned.
Completion Date:	

Verification Result (25-Apr-2019):

Finding Status: Partially Remediated

1. Suggestion boxes are opened once a month and the time line may deter workers from using the channel for communication as they will need to wait for a month.
2. Grievance record only reflects whether such a grievance has been addressed or not, instead of information on action taken. For instance, the record shows that one grievance occurred in July 2017 has been addressed. However, the whole process is missing. [ER.2, ER.25]
3. The grievance procedure lacks timelines for addressing grievance. [ER.1, ER.25]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2, and ER.25)

Action Plan Status:	In-Progress
Planned Completion:	30-June-2019
Progress Update:	<ol style="list-style-type: none">1. Increasing the frequency of opening the suggestion box is under discussion. A new SOP will be developed for handling suggestion boxes. Where the frequency of opening the suggestion box will be specified.2. The set of actions taken against a grievance raised to management will be properly recorded.3. Timelines for addressing the grievance will be mentioned. <p><u>Progress Updates</u> 25/04/19: In Progress The factory has developed a policy of grievance handling but that is still inadequate for example, it does not specify how frequently the suggestion box will be opened. The factory has taken the decision that they will open the suggestion box every 15 days but it is not implemented yet.</p> <p><u>Progress Updates</u> 21/05/19: 12.1 & 12.2 - In Progress The factory has developed a policy of grievance handling considering the PDCA. It has been approved by the COO of the company. The policy was enforced on April 18, 2019. It also has the detailed procedure along with the concerned person and timeline.</p> <p>Currently the grievance boxes are being opened by a group of people including HR, Compliance and a third party called Hoda Vasi. The key to the lock of the grievance boxes are with that 3rd party. Currently the box is open once in a week and the 3rd party put them into a envelop, sign it and submits to the top management directly. Top management then go through the complaints and give the required instructions to the different departments on next steps. Relevant documents and records are maintained.</p> <p>Factory has shown good progress in grievance handling. However, since this issue needs sustainable solution, need to observe the factory for some more time.</p> <p>12.3 Corrected</p>
Completion Date:	

(NEW) FINDING NO.13

HOURS OF WORK

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. HOW procedures lacks the following information:
 - a. working hours during extra ordinary business circumstances. [ER.1]
 - b. shift and break times for workers from Washing, Dyeing and Knitting sections, embroidery section, and housekeeping workers.
2. The factory has signed an outsourcing contract with PCS (Property Care Services Bangladesh (Pvt) Ltd) since February 1, 2014. Article 5 of the contract states that working hours shall be 9 hours a day, with possibility of 10 hours if any extra work. The clause on working hours does not comply with legal requirements on working hours per which regular working hours should be 8 hours a day and any work beyond regular working hours should be considered overtime work and compensated. [ER.1, HOW.1]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.17, ER.25, ER.27, ER.29, ER.30, ER.31, and ER.32; Hours of Working Benchmark HOW.1, Health, Safety and Environment Benchmark HSE.5; Compensation Benchmark C.12)

Action Plan Status:	In progress
Planned Completion:	31-Mar-2018
Progress Update:	Finding Explantiona 1:- a. Working hour procedure for extra ordinary business circumstance will be developed. It would be helpful if the extra ordinary business circumstances are explained a bit more b. Break time will be separately mentioned for Washing, Dyeing and Knitting sections, embroidery section, and housekeeping workers. Finding Explantiona 2 The 9 hour issue will be removed by replacing 8 hour (instead) in the specific area. It will be done during our next contract renewal with PCS in January'2018.
Completion Date:	

Verification Result (25-April-2019):

Finding Status: **Partially Remediated**

1. HOW procedures lacks the following information:
 - a. working hours during extra ordinary business circumstances. [ER.1]
 - b. shift and break times for workers from Washing, Dyeing and Knitting sections, embroidery section, and housekeeping workers.
2. The factory has signed an outsourcing contract with PCS (Property Care Services Bangladesh (Pvt) Ltd) since February 1, 2014. Article 5 of the contract states that working hours shall be 9 hours a day, with possibility of 10 hours if any extra work. The clause on working hours does not comply with legal requirements on working hours per which regular working hours should be 8 hours a day and any work beyond regular working hours should be considered overtime work and compensated. [ER.1, HOW.1]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.17, ER.25, ER.27, ER.29, ER.30, ER.31, and ER.32; Hours of Working Benchmark HOW.1, Health, Safety and Environment Benchmark HSE.5; Compensation Benchmark C.12)

Action Plan Status:	In progress
Planned Completion:	30-Jun-2019

<p>Progress Update:</p>	<p>Finding Explantiona 1:-</p> <p>c. Working hour procedure for extra ordinary business circumstance will be developed. It would be helpful if the extra ordinary business circumstances are explained a bit more</p> <p>d. Break time will be separately mentioned for Washing, Dyeing and Knitting sections, embroidery section, and housekeeping workers.</p> <p>Finding Explantiona 2</p> <p>The 9 hour issue will be removed by replacing 8 hour (instead) in the specific area. It will be done during our next contract renewal with PCS in January'2018.</p> <p><u>Progress Updates</u> 25/04/19: In Progress The factory is currently working on revising the policies and procedures. However, the above issues remain same as before.</p> <p><u>Progress Updates</u> 21/05/19: In Progress</p> <p>13.2. The factory has already revised the contract mentioning that the work hours will be 8 hours per day and that the PCS employees will be entitled for overtime. However, it was noted through payroll review that the PCS employees are already getting overtime payment for any work beyond 8 hours. Note that the revised contract will be signed by the end of this month.</p>
<p>Completion Date:</p>	

(NEW) FINDING NO.14

INDUSTRIAL RELATIONS

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. The factory lacks a complete policy and procedure on Industrial Relations, only on Freedom of Association. Though there is a written procedure on formation of Participation committee which is a joint worker - management committee as legally required. [ER.25]
2. The factory does not communicate its policy and practices on Industrial Relations, consequently awareness on functioning of Participation Committee is low amongst workers. [ER.25]
3. Clause 14 in agreement with Security service provider states that “the service provider binds themselves to keep their personnel free from all sorts of trade union activities, strike / hartal.” [FOA.10, FOA.11]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.25; Freedom of Association and Collective Bargaining Benchmarks FOA.10, and FOA.11)

<p>Action Plan Status:</p>	<p>In progress</p>
<p>Planned Completion:</p>	<p>31-Mar-2018</p>
<p>Progress Update:</p>	<p>1. Policy and procedure on Industrial Relation will be developed 2. Since the policy and procedure on Industrial policy and procedure is not in place –</p>

	<p>this is not communicated to workers. It will be communicated to workers once the policy is developed.</p> <p>3. Clause 14 will be revised on line with FOA protocol ensuring there is no binding with Security Guards on FOA.</p>
Completion Date:	

Verification Result (25-April-2019):

Finding Status: Not Remediated

1. The factory lacks a complete policy and procedure on Industrial Relations, only on Freedom of Association. Though there is a written procedure on formation of Participation committee which is a joint worker - management committee as legally required. [ER.25]
2. The factory does not communicate its policy and practices on Industrial Relations, consequently awareness on functioning of Participation Committee is low amongst workers. [ER.25]
3. Clause 14 in agreement with Security service provider states that “the service provider binds themselves to keep their personnel free from all sorts of trade union activities, strike / hartal.” [FOA.10, FOA.11]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.25; Freedom of Association and Collective Bargaining Benchmarks FOA.10, and FOA.11)

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	<ol style="list-style-type: none"> 1. Policy and procedure on Industrial Relation will be developed 2. Since the policy and procedure on Industrial policy and procedure is not in place – this is not communicated to workers. It will be communicated to workers once the policy is developed. 3. Clause 14 will be revised on line with FOA protocol ensuring there is no binding with Security Guards on FOA. <p><u>Progress Updates</u> 25/04/19: In Progress The factory has developed a policy of industrial relations but is it still not communicated with all the employees. The factory is providing training to the workers on the same however, it will take some time.</p>
Completion Date:	

(NEW) FINDING NO.15

TERMINATION & RETRENCHMENT

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The termination and retrenchment policy lacks the following information: How termination works under the condition of death, disability or retirement, and the selection criteria of workers who will be retrenched. [ER.17, ER.32]
2. From document review, the date of actual payment is not recorded on pay sheet. According to management interview, terminal payout is paid on 20th of the following month after worker resignation instead of being paid within 7 following working days after termination as legally required. [ER.19, C.1, C.4]

Local Law or Code Requirement

Bangladesh Labour Rules 2015 - Chapter Ten section 112 (4) and FLA Workplace Code (Compensation Benchmarks C.1, and C.4; Employment Relationship Benchmark ER.19)

Recommendations for Immediate Action

1. When applicable, termination payout shall be paid within 7 following workings days after termination as local legally required.

Action Plan Status:	In progress
Planned Completion:	31-Mar-2018
Progress Update:	<ol style="list-style-type: none">1. Termination policy will be revised and all information will be included -- condition of death, disability or retirement, and the selection criteria of workers who will be retrenched.2. Date of Actual of Payment will be included during payment settlement time after workers' resignation, which will be in line with local law
Completion Date:	

Verification Result (25-April-2019):

Finding Status: **Not Remediated**

1. The termination and retrenchment policy lack the following information: How termination works under the condition of death, disability or retirement, and the selection criteria of workers who will be retrenched. [ER.17, ER.32]
2. From document review, the date of actual payment is not recorded on pay sheet. According to management interview, terminal payout is paid on 20th of the following month after worker resignation instead of being paid within 7 following working days after termination as legally required. [ER.19, C.1, C.4]

Local Law or Code Requirement

Bangladesh Labour Rules 2015 - Chapter Ten section 112 (4) and FLA Workplace Code (Compensation Benchmarks C.1, and C.4; Employment Relationship Benchmark ER.19)

Recommendations for Immediate Action

1. When applicable, termination payout shall be paid within 7 following workings days after termination as local legally required.

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	<ol style="list-style-type: none">1. Termination policy will be revised and all information will be included -- condition of death, disability or retirement, and the selection criteria of workers who will be retrenched.2. Date of Actual of Payment will be included during payment settlement time after workers' resignation, which will be in line with local law <p><u>Progress Updates</u> 25/04/19: In Progress The factory is currently working on revising the policies and procedures. However, the above issues remain same as before.</p> <p><u>Progress Updates</u> 21/05/19: Corrected</p> <p>15.1 The factory has already revised the termination policy and have added the mentioned criteria on how termination works under the condition of death, disability or retirement, and the selection criteria of workers who will be retrenched etc.</p>
Completion Date:	

(NEW) FINDING NO.16

COMPENSATION

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Date on written notice of pregnancy is missing and also date on leave application is missing. Thus, it is not able to verify compliance with legal requirement that maternity leave benefit shall be paid within 3 days from date of application. Furthermore, the factory pay BDT82 (USD1.01)less to one of the 5 selected sample workers due to calculation error. [C.5, ER.2]
2. The factory does not pay overtime to all electricians and mechanics. According to management interview, since these workers are paid high wages, overtime hours are not compensated. [C.5, C.1]
3. The factory does not provide wage slips to outsource workers. [C.13]
4. Information on available, used, and unused leave is not updated on leave records and service cards. Service book is missing on files of outsourced Security guards and housekeeping workers. [C.5, ER.2]
5. Time records for days worked from date of resignation until last day of work is not maintained along with records for terminal dues. [C.6, ER.2]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER. 2; Compensation benchmarks C.1, C.5, C.6, and C.13); Bangladesh Factories Rules 2015- Chapter Ten section 111.

Recommendations for Immediate Action

1. Record date on all documents related with payment of maternity benefits. Ensure maternity benefits are accurately calculated and compensated.
2. Ensure all payments to workers including overtime payment shall be calculated, recorded, and paid accurately.
3. Ensure provide workers a pay statement each pay period.
4. Update information on earned leaves available, used and unused on leave records and service cards of workers, including outsourced workers.
5. Ensure factory to maintain all necessary records concerning working hours.

Action Plan Status:	In progress
Planned Completion:	31-Mar-2018
Progress Update:	<ol style="list-style-type: none">1. Date of written notice of pregnancy and leave application will be included2. We follow local law on this issue; It will further be investigated to take necessary actions;3. Wage slips will be issued to outsource workers4. Leave records will be updated in Service books; We are checking the missing service book issue and actions will be taken accordingly.5. We'll check this issue and take necessary actions so that such nonconformities can be resolved.
Completion Date:	

Verification Result (25-April-2019):

Finding Status: **Not Remediated**

1. Date on written notice of pregnancy is missing and also date on leave application is missing. Thus, it is not able to verify compliance with legal requirement that maternity leave benefit shall be paid within 3 days from date of application. Furthermore, the factory pay BDT82 (USD1.01)less to one of the 5 selected sample workers due to calculation error. [C.5, ER.2]
2. The factory does not pay overtime to all electricians and mechanics. According to management interview,

- since these workers are paid high wages, overtime hours are not compensated. [C.5, C.1]
3. The factory does not provide wage slips to outsource workers. [C.13]
 4. Information on available, used, and unused leave is not updated on leave records and service cards. Service book is missing on files of outsourced Security guards and housekeeping workers. [C.5, ER.2]
 5. Time records for days worked from date of resignation until last day of work is not maintained along with records for terminal dues. [C.6, ER.2]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER. 2; Compensation benchmarks C.1, C.5, C.6, and C.13); Bangladesh Factories Rules 2015- Chapter Ten section 111.

Recommendations for Immediate Action

1. Record date on all documents related with payment of maternity benefits. Ensure maternity benefits are accurately calculated and compensated.
2. Ensure all payments to workers including overtime payment shall be calculated, recorded, and paid accurately.
3. Ensure provide workers a pay statement each pay period.
4. Update information on earned leaves available, used and unused on leave records and service cards of workers, including outsourced workers.
5. Ensure factory to maintain all necessary records concerning working hours.

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	<ol style="list-style-type: none"> 1. Date of written notice of pregnancy and leave application will be included 2. We follow local law on this issue; It will further be investigated to take necessary actions; 3. Wage slips will be issued to outsource workers 4. Leave records will be updated in Service books; We are checking the missing service book issue and actions will be taken accordingly. 5. We'll check this issue and take necessary actions so that such nonconformities can be resolved. <p><u>Progress Updates</u> 25/04/19: In Progress The factory is mentioning the date of written notice of pregnancy and leave is included however, the other issues remain same as before.</p> <p><u>Progress Updates</u> 21/05/19: Corrected</p> <p>16.2 The factory has corrected the issue. It was noted through randomly checked payroll records of electrician and mechanic that the factory is now paying Overtime to them.</p> <p>16.4 The factory has corrected the issue. It was noted through randomly checked personal files that the factory is now maintaining information on available, used, and unused leave records in the service book. Service books are also being maintained on files of outsourced Security guards and housekeeping workers.</p>
Completion Date:	

(NEW) FINDING NO.17

TRAINING (MACRO)

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. There is no training schedule for supervisor training. Consequently, the factory does not provide comprehensive training to all supervisors concerning Employment Functions such as Hours of Work, Termination & Retrenchment and Environment. [ER.17, ER.1]
2. There is no training schedule for all workers. And thus, the factory only provides training to 14% to 16 % of the total workforce concerning Employment Functions such as Health and Safety, Disciplinary, and Grievance. The factory does not provide any training on the rest Employment Functions. Furthermore, according to management interview, workers are not included in any trainings. [ER.1, ER.15, ER.16, ER.17]
3. Fire drills are conducted 15 minutes prior to lunch time for minimizing the loss of production time. However, it reduces break time for workers. Furthermore, logs do not provide information on number of visitors present, total employees present at work prior to start of drill, number of children in child care room and number of special category workers and total time taken for completion of drill. [HSE.6]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER 1.2, ER 17, ER 25 .3.2 and ER 27.3)

Action Plan Status:	In progress
Planned Completion:	31-Mar-2018
Progress Update:	<ol style="list-style-type: none">1. Training schedule for supervisors training is already developed. Supervisors will be trained on Employment Functions such as Hours of Work, Termination & Retrenchment and Environment.2. Training schedule for workers training is already developed. Workers will be trained on Employment Functions such as Hours of Work, Termination & Retrenchment and Environment.3. Fire Drill time will be adjusted accordingly so that workers' break time doesn't get reduced. Besides, other necessary information like number of visitors present, total employees present at work prior to start of drill, number of children in child care room and number of special category workers and total time taken for completion of drill will be included.
Completion Date:	

Verification Result (25-April-2019):

1. Finding Status: Partially Remediated

Explanation:

The factory has provided training to all workers including supervisors on general policies. However, no comprehensive training has been developed.

2. Finding Status: Partially Remediated

Explanation:

Training schedule for workers training is already developed. Yearly Training calendar has been developed. Workers will be trained on Employment Functions such as Hours of Work, Termination & Retrenchment and Environment but it is not comprehensive.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER 1.2, ER 17, ER 25 .3.2 and ER 27.3)

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	<ol style="list-style-type: none">1. Training schedule for supervisors training is already developed. Supervisors will be trained on Employment Functions such as Hours of Work, Termination & Retrenchment and Environment.2. Training schedule for workers training is already developed. Workers will be trained on Employment Functions such as Hours of Work, Termination & Retrenchment and Environment.

	<p><u>Progress Updates</u> 25/04/19: In Progress The factory is providing training to the workers and supervisors but it will take some time to train up all the employees.</p>
Completion Date:	

3. Finding Status: Remediated

Explanation:

It was noted during documents review, management and worker interview that the fire drills are not conducted during the lunch periods anymore.

Action Plan Status:	In Progress
Planned Completion:	31-Mar-2018
Progress Update:	<p>3. Fire Drill time will be adjusted accordingly so that workers' break time doesn't get reduced. Besides, other necessary information like number of visitors present, total employees present at work prior to start of drill, number of children in child care room and number of special category workers and total time taken for completion of drill will be included.</p> <p><u>Progress Updates</u> 25/04/19: Completed It was noted during documents review, management and worker interview that the fire drills are not conducted during the lunch periods anymore.</p>
Completion Date:	31-Dec-2019

(NEW) FINDING NO.18

HEALTH & SAFETY (FIRE SAFETY)

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Emergency lights are not installed in the following areas: [HSE.5]
 - a. exits from checking room on the 6th floor,
 - b. main exit from 6th floor
 - c. exits from accessories storage area, fabric storage area and Dyeing section on ground floor of building 1
 - d. rear staircase landings of building 1
 - e. washing section in building 2,
 - f. above exits from shed # 3 (knitting) , Shed # 2 (dyeing 2) and Embroidery section in building # 2.
2. Aisle and evacuation route markings have been faded in all work areas located in all buildings. [HSE.5]
3. Few work stations on sewing floors in Building 1 are congested with restricted access to passage for workers. [HSE.5]
4. Forklift vehicle is parked on evacuation route in accessories storage area. Parking area is not designated. HSE.5
5. Waste fabric packed in polythene is stored in waste storage area, close to electric switches which could be a risk for fire safety. [HSE.5, HSE.6]
6. Three nos. fire extinguishers each with a capacity of 5 kg is provided in the oil storage area where 22 barrels, each containing 200 liters of oil is stored. This may not be adequate to control incase of fire.
7. Collar knitting section is congested with only one exit. Eight workers work in the room. [HSE.5]

- Electric chords connecting sewing machines to the main power source lying loose near chains of workers may post a risk of getting entangled in the legs of chairs and feet of workers, and causing injury during an evacuation process. [HSE.5]

Local Law or Code Requirement

FLA Workplace Code (Health, Safety & Environment Benchmark HSE.5) and Bangladesh Factories Rules 2015 –Chapter Six – section 54 and 55)

Recommendations for Immediate Action

- Install emergency lights above exits from checking room on the 6th floor, above main exit from the 6th floor and above exits from accessories storage area, fabric storage area and Dyeing section on ground floor of building 1. Emergency lights are not installed on rear staircase landings of building 1 and washing section in building 2, above exits from shed 3 (knitting) , Shed 2 (dyeing 2) and Embroidery section in building 2.
- Remark aisle and evacuation route markings in all work areas located in all buildings.
- Decongest work stations on sewing floors in Building 1 to ensure unrestricted access to passage for workers.
- Designate and ensure forklift vehicle is parked in designated area.
- Store waste fabric away from electric switches.
- Provide additional firefighting equipment in oil storage areas near power generator room.
- Decongest collar knitting section and provide a second exit from the room.
- Fix electric chords connecting sewing machines to the main power source firmly to avoid injuries during an evacuation process.

Action Plan Status:	In progress
Planned Completion:	31-Mar-2018
Progress Update:	<ol style="list-style-type: none"> Emergency lights will be installed in all required areas Aisles and evacuation mark will be also be completed very soon We are working on it – checking how this arrangement can be readjusted to reduce congestion Separate designated area is allocated for the parking for forklift Necessary actions will be taken to minimize fire hazard in fabric storage area This requirement is due to the existence of oil barrels. Now, the fire barrels are removed to minimize fire hazard. But, sufficient fire fighting apparatus can be arranged further in case of fire hazard identified. Decongestion thing in collar knitting section will be minimized. By law, it requires 20 person to have a secondary exit. It was there duing ACCORD remediation. This hazard no more exists.
Completion Date:	

Verification Result (25-April-2019):

Finding Status: Not Remediated

- Few work stations on sewing floors in Building 1 are congested with restricted access to passage for workers. [HSE.5]

Local Law or Code Requirement

FLA Workplace Code (Health, Safety & Environment Benchmark HSE.5) and Bangladesh Factories Rules 2015 –Chapter Six – section 54 and 55)

Recommendations for Immediate Action

- Decongest work stations on sewing floors in Building 1 to ensure unrestricted access to passage for workers.

Finding Status: Remediated

Action Plan Status:	In progress
Planned Completion:	30-Juns-2019
Progress Update:	<ol style="list-style-type: none"> 1. Emergency lights will be installed in all required areas 2. Aisles and evacuation mark will be also be completed very soon 3. We are working on it – checking how this arrangement can be readjusted to reduce congestion 4. Separate designated area is allocated for the parking for forklift 5. Necessary actions will be taken to minimize fire hazard in fabric storage area 6. This requirement is due to the existence of oil barrels. Now, the fire barrels are removed to minimize fire hazard. But, sufficient fire fighting apparatus can be arranged further in case of fire hazard identified. 7. Decongestion thing in collar knitting section will be minimized. By law, it requires 20 person to have a secondary exit. 8. It was there duing ACCORD remediation. This hazard no more exists. <p><u>Progress Updates</u> 25/04/19: In progress All the other issues except for the issue (point no. 3) of removal of congestion are remediated. It will be completed in 30-June 2019</p>
Completion Date:	

(NEW) FINDING NO.19

HEALTH & SAFETY

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Safe Operating Instructions (SOP) are not posted near cutting, washing, dyeing, embroidery and knitting machinery. [HSE.14]
2. Emergency stop arrangement is not provided for hydro extractor. Machine is operating while lid is open. [HSE.14]
3. Needle guards on 5 % of sewing machines are pushed upwards rendering them ineffective. [HSE.14]
4. Eye shields in most over lock machines are small in size and few are scratched. These do not provide required protection to eyes from fabric dust that was seen on machines. Snap button machine operators are not provided with eye shield. [HSE.14]
5. The factory does not provide adequate and sufficient Personal Protective Equipment (PPE) to the eligible workers. [HSE.7]
 - a. ear plugs are not provided to workers in knitting section
 - b. safety shoes are not provided to forklift vehicle operator and machine maintenance workers
 - c. lifting belts are not provided to loaders and unloaders and maintenance staff
6. The factory does not make enough effort to ensure workers use PPE. For example, [HSE.8]
 - a. most operators in Knitting section are not using dust masks
 - b. maintenance workers are not using helmets when work at heights.
7. Traffic lanes are not marked. Furthermore, reflectors and speed breakers are not provided in vehicle movement areas inside the factory. Mirrors are not installed near blind turns between other buildings inside the factory and at exit gate from factory. Only one convex mirror is installed on the wall of the boiler room at the blind turn near Building 3. However, such a mirror is small and ineffective. [HSE.1]
8. Three ladders used outside the factory have no hand rails and fall protection. Random check of 5 ladders used inside the factory revealed that interlocking arrangement between the two stands was missing and pieces of fabric was tied to prevent stands from moving away from each other. Slip preventers are missing from base of legs of the ladders. Locking arrangement of step on the top was damaged on two out of five ladders. [HSE.6]
9. Three metal manhole covers on walkways and vehicle traffic movement areas are rusted and damaged which posts a high risk of injury. [HSE.6]

10. Workers are not allowed to use footwear inside production area. This can cause injury from broken metal pieces. Workers in cutting section are exposed to risk of electrical shock. [HSE.1]
11. Visual and audio warning system is not provided in two out of three forklift vehicles. Three forklift vehicles are not inspected at all to confirm safe usage. [HSE.7]
12. Load capacity is not marked on fabric storage racks. [HSE.1]
13. Factory does not have an ambulance as legally required. [HSE.1]
14. Canteen facility is not provided for workers as legally required. Only dining areas have been provided and no food/snack is available for workers to buy. [HSE.1, HSE.22]
15. Confined space inside the boiler room is not marked and cover is left open increasing the risk of accidental fall. [HSE.1]
16. The factory does not implement a lockout-tagout procedure. [HSE.14]
17. Childcare workers do not go through any pre-work screening process. [HSE.27]
18. Not all the individual workstations are adjustable to fit individual workers. Only sew machine tables are adjustable in height. Checking tables, cutting tables and ironing stations are not adjustable in height. [HSE.17]
19. The factory lacks the measures to protect the reproductive health of workers through minimizing exposure to workplace hazards. [HSE.12, ND.8]

Local Law or Code Requirement

Bangladesh Factories Rules 2015 –Chapter Six – section 60, 64, 67 ; Chapter Eight – section 77(1) and 77 (6); FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.6, HSE.7, HSE.8, HSE.12, HSE.14, HSE.17, HSE.22, and HSE.27; Non-discrimination Benchmark ND.8)

Recommendations for Immediate Action

1. Post Safe Operating Instructions (SOP) near cutting, washing, dyeing, Embroidery and knitting machinery.
2. Provide emergency stop arrangement for hydro extractor.
3. Monitor and ensure needle guards on sewing machines are maintained in place to prevent injuries.
4. Replace eye shields in over lock machines to provide required protection to eyes from fabric dust Educate and monitor to ensure workers in Knitting section use dust masks and provide ear plugs to workers in knitting section. Furthermore, provide eye shields to snap button machine operators.
5. Provide all workers with the proper PPE.
6. Train them on the proper use and maintenance of PPE.
7. Mark traffic lanes and install reflectors and speed breakers in vehicle movement areas inside the factory. Install convex mirror of adequate size on the wall of the boiler room at the blind turn near Building 3 so it is effective and near blind turns between other buildings inside the factory and at exit gate from factory.
8. Install hand rails and fall protection on three ladders used outside the factory. Install interlocking arrangement between the two stands on ladders and slip preventers on base of legs of the ladders used inside the factory for maintenance purpose. Replace the damaged locking arrangement of step on the top of two ladders.
9. Replace rusted and damaged metal manhole covers on walkways and vehicle traffic movement areas.
10. Make arrangements for workers who work bare feet in work areas, to prevent injuries from broken metal pieces and electric shocks.
11. Provide visual and audio warning system on two out of three forklift vehicles. Periodic inspection should be carried out for all three forklift vehicles to confirm safe usage.
12. Mark load capacity on fabric storage racks to avoid overloading.
13. Provide an ambulance for use in the factory as legally required.
14. Provide canteen facility for workers as legally required.
15. Mark confined space inside the boiler room and ensure it is covered at all times.
16. Implement a lockout-tagout procedure.
17. Childcare workers should go through a pre-work screening process.

Action Plan Status:	In progress
Planned Completion:	31-Mar-2018
Progress Update:	<ol style="list-style-type: none"> 1. Safe Operating Instructions (SOP) will be posted near cutting, washing, dyeing, embroidery and knitting machinery. 2. It's a technical issue, engineers are working on this. Might require some time to resolve this issue. 3. This is an workers' awareness issue, It has been under continuous process to improve the situation 4. In most of the cases these eye shields are comes with the machine when procured; however further efforts will be made to minimize the risks

	<ol style="list-style-type: none"> 5. PPEs are always provided to workers for their personal safety 6. We have been conducting regular training on appropriate use of PPEs; which is also an ongoing one. 7. One reflector is already in place; another one will be given; However, considering the smooth movement of operations – providing speed breakers doesn't seem to be feasible at this moment. 8. We will arrange new ladders to minimize such risk 9. Efforts will be made to improve the situation. If necessary, the covers will be changed 10. It's a cultural issue; however, we are encouraging workers to use sandals or flip-flops; 11. It's a technological issue; the technicians are checking, whether it can be fitted in forklifts or not? 12. Load Capacity labels will be tagged in fabric store in each segment of fabric storage area. 13. It's capital investment decision; Besides, the factory always has a vehicle ready for emergency situation handling. 14. There is a canteen; It was not open during the visit of the FLA assessor. Now it is decided to keep it open as long as the factory remains open. 15. Marking will be done in confined space. 16. Implemented and tag-out process will be done. 17. Pre-work screening will be done for Child-care workers 18. It's a very long-process; the effectiveness of adjusting the heights for individual workers will be further reviewed . As a whole, it will take time. 19. We are working on this; Periodical measurement of re-productive health condition of the workers working in the hazardous areas is under consideration.
Completion Date:	

Verification Result (25-April-2019):

Finding Status: **Not Remediated**

Explanation:

2. Emergency stop arrangement is not provided for hydro extractor. Machine is operating while lid is open. [HSE.14]
8. Three ladders used outside the factory have no hand rails and fall protection. Random check of 5 ladders used inside the factory revealed that interlocking arrangement between the two stands was missing and pieces of fabric was tied to prevent stands from moving away from each other. Slip preventers are missing from base of legs of the ladders. Locking arrangement of step on the top was damaged on two out of five ladders.
10. Workers are not allowed to use footwear inside production area. This can cause injury from broken metal pieces. Workers in cutting section are exposed to risk of electrical shock.
11. Visual and audio warning system is not provided in two out of three fork lift vehicles. Three fork lift vehicles are not inspected at all to confirm safe usage.
12. Load capacity is not marked on fabric storage racks.
13. Factory does not have an ambulance as legally required.
14. Canteen facility is not provided for workers as legally required. Only dining areas have been provided and no food/snack is available for workers to buy.
15. Confined space inside the boiler room is not marked and cover is left open increasing the risk of accidental fall.
16. The factory does not implement a lockout-tagout procedure.
17. Childcare workers do not go through any pre-work screening process.
18. Not all the individual workstations are adjustable to fit individual workers. Only sew machine tables are adjustable in height. Checking tables, cutting tables and ironing stations are not adjustable in height.
19. The factory lacks the measures to protect the reproductive health of workers through minimizing exposure to workplace hazards.

Finding Status: **Partially Remediated**

Explanation:

7. One reflector is already in place.

Local Law or Code Requirement

Bangladesh Factories Rules 2015 –Chapter Six – section 60, 64, 67 ; Chapter Eight – section 77(1) and 77 (6); FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.6, HSE.7, HSE.8, HSE.12, HSE.14, HSE.17, HSE.22, and HSE.27; Non-discrimination Benchmark ND.8)

Recommendations for Immediate Action

1. Provide emergency stop arrangement for hydro extractor.
2. Install hand rails and fall protection on three ladders used outside the factory. Install interlocking arrangement between the two stands on ladders and slip preventers on base of legs of the ladders used inside the factory for maintenance purpose. Replace the damaged locking arrangement of step on the top of two ladders.

Action Plan Status:	In progress
Planned Completion:	30-Jun-2019
Progress Update:	<ol style="list-style-type: none"> 1. Safe Operating Instructions (SOP) will be posted near cutting, washing, dyeing, embroidery and knitting machinery. 2. It's a technical issue, engineers are working on this. Might require some time to resolve this issue. 3. This is an workers' awareness issue, It has been under continuous process to improve the situation 4. In most of the cases these eye shields are comes with the machine when procured; however further efforts will be made to minimize the risks 5. PPEs are always provided to workers for their personal safety 6. We have been conducting regular training on appropriate use of PPEs; which is also an ongoing one. 7. One reflector is already in place; another one will be given; However, considering the smooth movement of operations – providing speed breakers doesn't seem to be feasible at this moment. 8. We will arrange new ladders to minimize such risk 9. Efforts will be made to improve the situation. If necessary, the covers will be changed 10. It's a cultural issue; however, we are encouraging workers to use sandals or flip-flops; 11. It's a technological issue; the technicians are checking, whether it can be fitted in forklifts or not? 12. Load Capacity labels will be tagged in fabric store in each segment of fabric storage area. 13. It's capital investment decision; Besides, the factory always has a vehicle ready for emergency situation handling. 14. There is a canteen; It was not open during the visit of the FLA assessor. Now it is decided to keep it open as long as the factory remains open. 15. Marking will be done in confined space. 16. Implemented and tag-out process will be done. 17. Pre-work screening will be done for Child-care workers 18. It's a very long-process; the effectiveness of adjusting the heights for individual workers will be further reviewed . As a whole, it will take time. 19. We are working on this; Periodical measurement of re-productive health condition of the workers working in the hazardous areas is under consideration. <p><u>Progress Updates</u> 25/04/19: In progress All the other issues except for the issue no. 2, 7 & 8 are remediated. These will be completed in 30-June 2019</p>
Completion Date:	

Finding Status: **Remediated**

(NEW) FINDING NO.20

HEALTH & SAFETY (CHEMICAL SAFETY)

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Health & Safety procedures do not include the following information: [ER.1, ER.31, HSE.5]
 - a. measures to protect the reproductive health of workers through minimizing exposure to workplace hazards,
 - b. Steps for workers to raise health and safety concerns and environment concerns,
 - c. Emergency evacuation requirements and procedure
2. Sweeping broom, hand gloves, shoes, bucket and other PPE are not available in spill response kits in the chemical storage areas. [HSE.7]
3. There is no arrangement to drain or clean leaked chemicals from containers that are stored in blocks separated by low cemented partitions. Though a common drain is provided in front of the blocks to drain all leaked chemicals, access to the drain is not provided from individual blocks. [HSE.9]
4. Secondary containers are not provided for oil barrels (22 barrels x 200 liters each) stored outside the power generator room. Oil was seen from spillage near lids on the oil barrels and on the floor (from spillage or leakage) where the barrels are stored. Secondary containers are also not provided for oil barrels (9 barrels x 200 liters) stored inside the power generating room. [HSE.9]
5. Explosion proof lights are not installed in chemical storage areas in dyeing and washing sections. [HSE.13]
6. An alarm notification system for chemical emergencies is not installed in chemical storage and usage areas. [HSE.6]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1, ER.31, HSE.5; Health, Safety & Environment Benchmarks HSE.6, HSE.7, HSE.9, and HSE.13) and Bangladesh Environment Conservation Act 1995, section 9.

Recommendations for Immediate Action

1. Provide sweeping broom, hand gloves, shoes, bucket and PPE in spill response kits that are provided in the chemical storage areas.
2. Make arrangement to drain or clean leaked chemicals from containers that are stored in blocks separated by low cemented partitions and provide drainage system from individual blocks.
3. Provide secondary containers for oil barrels (22 barrels x 200 liters each) stored outside the power generator room and for oil barrels (9 barrels x 200 liters) stored inside the power generating room.
4. Install explosion proof lights in chemical storage areas in dyeing and washing sections.
5. Install an alarm notification system for chemical emergencies in chemical; storage and usage areas.

Action Plan Status:	In progress
Planned Completion:	31-Mar-2018
Progress Update:	<ol style="list-style-type: none"> 1. All necessary information will be included in the Health & Safety procedures :- <ol style="list-style-type: none"> a. measures to protect the reproductive health of workers through minimizing exposure to workplace hazards, b. Steps for workers to raise health and safety concerns and environment concerns, c. Emergency evacuation requirements and procedure 2. Sweeping broom, hand gloves, shoes, bucket and other PPE will be ensured in spill response kits in the chemical storage areas. 3. Necessary actions will be taken to arrange to drain or clean leaked chemicals in

	<p>required area.</p> <p>4. LED lights are provided as alternative; looking for better options (if any).</p> <p>5. ACCORD safety standard is being implemented in the facility -- where the entire fire safety, electrical safety and structural safety are taken care of. ACCORD has their regular follow up visits/inspections here.</p>
Completion Date:	

Verification Result (25-April-2019):

Finding Status: **Not Remediated**

1. Health & Safety procedures do not include the following information: [ER.1, ER.31, HSE.5]
 - a. measures to protect the reproductive health of workers through minimizing exposure to workplace hazards,
 - b. Steps for workers to raise health and safety concerns and environment concerns,
 - c. Emergency evacuation requirements and procedure
5. Explosion proof lights are not installed in chemical storage areas in dyeing and washing sections.
6. An alarm notification system for chemical emergencies is not installed in chemical storage and usage areas.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1, ER.31, HSE.5; Health, Safety & Environment Benchmarks HSE.6, HSE.7, HSE.9, and HSE.13) and Bangladesh Environment Conservation Act 1995, section 9.

Recommendations for Immediate Action

1. Provide sweeping broom, hand gloves, shoes, bucket and PPE in spill response kits that are provided in the chemical storage areas.
2. Install an alarm notification system for chemical emergencies in chemical; storage and usage areas.

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	<p>6. All necessary information will be included in the Health & Safety procedures :-</p> <ol style="list-style-type: none"> d. measures to protect the reproductive health of workers through minimizing exposure to workplace hazards, e. Steps for workers to raise health and safety concerns and environment concerns, f. Emergency evacuation requirements and procedure <p>7. Sweeping broom, hand gloves, shoes, bucket and other PPE will be ensured in spill response kits in the chemical storage areas.</p> <p>8. Necessary actions will be taken to arrange to drain or clean leaked chemicals in required area.</p> <p>9. LED lights are provided as alternative; looking for better options (if any).</p> <p>1. ACCORD safety standard is being implemented in the facility -- where the entire fire safety, electrical safety and structural safety are taken care of. ACCORD has their regular follow up visits/inspections here.</p> <p><u>Progress Updates</u> 25/04/19: In progress All the other issues except for the issue no. 1, 5 are remediated. These will be completed in 30-June 2019</p>
Completion Date:	

Finding Status: Remediated

Issues 2-4

(NEW) FINDING NO.21

ENVIRONMENTAL PROTECTION

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. The factory has an agreement with a service provider for disposal of waste. However, there is no documented evidence to prove that the service provider is authorized by government environmental authorities to provide such services, as trade license of the service provider states its nature of job as "Garments and accessories". [ER.1, HSE.4]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1, Health, Safety & Environment Benchmark HSE.4)

Action Plan Status:	In Progress
Planned Completion:	31-Mar-2018
Progress Update:	It's difficult to find out authorized service provider to handle wastes licensed by government. However, we are checking out, whether such waste handlers are their in the market or not?
Completion Date:	

Verification Result (25-April-2019):

1. Finding Status: Not Remediated

Explanation:

The factory has an agreement with a service provider for disposal of waste. However, there is no documented evidence to prove that the service provider is authorized by government environmental authorities to provide such services, as trade license of the service provider states its nature of job as "Garments and accessories". [ER.1, HSE.4]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1, Health, Safety & Environment Benchmark HSE.4)

Action Plan Status:	In Progress
Planned Completion:	30-June-2019
Progress Update:	It's difficult to find out authorized service provider to handle wastes licensed by government. However, we are checking out, whether such waste handlers are their in the market or not. <u>Progress Updates</u> 25/04/19: In progress The issues remains the same. This is a national issue. However, the supplier is keeping an eye of availability of license service provider.
Completion Date:	

(NEW) FINDING NO.22

COMMUNICATION & WORKER INVOLVEMENT (MACRO)

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. The factory does not properly or effectively communicate policies and procedures and their updates to the general workforce across all Employment Functions except environment, compensation and grievance. [ER.1, ER.16, ER.25, ER.27, ER.28, ER.29, ER.30, ER.32]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, ER.25, ER.27, ER.28, ER.29, ER.30, ER.32)

Action Plan Status:	In progress
Planned Completion:	31-Mar-2018
Progress Update:	Steps will be taken to effectively communicate policies and procedures and their updates to the general workforce across all Employment Functions.
Completion Date:	

Verification Result (25-April-2019):

1. Finding Status: **Partially Remediated**

Explanation:

Training schedule for workers training is already developed. Yearly Training calendar has been developed. Workers will be trained on Employment Functions such as Hours of Work, Termination & Retrenchment and Environment etc. during the induction training and during regular training. However, till now 100% of the employees are not covered. So far only 56% employees (2856 out of 5100 employees) have received training on policies and procedures.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, ER.25, ER.27, ER.28, ER.29, ER.30, ER.32)

Action Plan Status:	In progress
Planned Completion:	30-June-2019
Progress Update:	Steps will be taken to effectively communicate policies and procedures and their updates to the general workforce across all Employment Functions. <u>Progress Updates</u> 25/04/19: In progress All the other issues except for the issue no. 2, 7 & 8 are remediated. These will be completed in 30-June 2019
Completion Date:	

(NEW) FINDING NO.23

WORKPLACE CONDUCT & DISCIPLINE

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. The workplace conduct procedure lacks the requirement to record and archive all warnings and disciplinary actions. [ER.27]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.27)

Action Plan Status:	In Progress
Planned Completion:	31-Mar-2018
Progress Update:	Workplace conduct procedures will be further reviewed and efforts will be made to improve the situation.
Completion Date:	

Verification Result (25-April-2019):

1. Finding Status: **Not Remediated**

Explanation:

The workplace conduct procedure lacks the requirement to record and archive all warnings and disciplinary actions. [ER.27]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.27)

Action Plan Status:	In Progress
Planned Completion:	30-June-2019
Progress Update:	Workplace conduct procedures will be further reviewed, and efforts will be made to improve the situation. <u>Progress Updates</u> 25/04/19: In progress The factory is providing training to the workers and supervisors, but it will take some time to train up all the employees. Also, the top management is taking steps to create greater awareness and more engagement.
Completion Date:	