



COMPANIES: The s. Oliver Group

COUNTRY: Bangladesh

ASSESSMENT DATE: 11/19/16

ASSESSOR: Insync Global

PRODUCTS: Apparel

NUMBER OF WORKERS: 3621

FLA Comments

Company Exit Language: s.Oliver stopped their manufacturing with the factory in November 2018. The relationship was terminated on the basis of different business interests. Besides the FLA' SCI assessment in November 2016, s.Oliver Sustainability audit team had audited the factory on 17th December 2017, and has been in close contact with the factory management in order to improve the root causes of these findings, to work together on the CAPs and to improve the factory's policies and systems. At the time of exit, s.Oliver was 1.5% of the factory's production capacity, therefore its exit did not lead to risks of retrenchment.

Summary of Code Violations

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

Findings and Action Plans

FINDING NO.1

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The date the performance review takes place is not recorded on the evaluation sheets. Performance reviews are based on these evaluation sheets.
2. Performance review results are communicated verbally and are not signed by workers.
3. Letters announcing promotions, which include changes in wage grades and increase in wages, are not dated. The letter does not specify the effective date of promotion or the changes in wages.
4. The probation period for generator operators, mechanics, and electricians is six months.
5. Employee service books that contain individual workers' work history is not updated on the amount of used leave.

Local Law or Code Requirement

Bangladesh Labour Law 2006, Section 8; FLA Workplace Code (Employment Relationship Benchmark ER.2; Compensation Benchmark C.3)

Recommendations for Immediate Action

1. Change the probation period for power generator operators, mechanics, and electricians to three months; ensure that contracts with new workers have a maximum of three months probation period.
2. Update service books for all individual workers.

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. Female workers are not fully clear on the crèche policy. Out of the 40 interviewed workers, 50% stated that they could bring their children to the crèche after the child is one year old, the other 50% stated that they could bring their child at less than one year old. This factory policy is not well communicated and is only communicated during the orientation training.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1)

FINDING NO.3

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. The factory maintains two sets of payroll records. The first set reflects regular wages and compensation for up to two hours of overtime. The second set reflects compensation for overtime hours worked beyond two hours a day. The second set is not shared with all the brands that the factory produces for. 2. A review of seven housekeeping workers' time records revealed that all sampled housekeeping workers start work 20 to 30 minutes prior to the factory's regular working hours to clean the work areas. This was confirmed during interviews with the housekeeping workers. The factory does not compensate housekeeping workers for the extra 20 to 30 minutes of work. Management stated that these workers come early but do not start work until 3. All four power generator operators and all three-boiler operators are designated as "staff" rather than "workers" as they receive a higher salary. "Staff" does not receive compensation for overtime, so any additional hours that power generator operators and boiler operators work beyond regular hours are not considered overtime hours, or compensated as such. Power generator operators and boiler operators should be designated as "workers" based on the nature of their jobs and should be compensated for overtime hours worked. 4. An incentive called the "Tiffin bill" of BDT 300 (USD 3.8) per month is paid to workers who can operate eight to 10 Jacquard machines simultaneously. This payment is not recorded on their payroll records.

Local Law or Code Requirement

Bangladesh Labour Law 2006, Section 108 and Section 123. FLA Workplace Code (Employment Relationship Benchmark ER.2; Compensation Benchmarks C.1, C.5, C.7, C.15, and C.16)

Recommendations for Immediate Action

1. Maintain one pay record to reflect all hours worked and compensation paid.
2. Pay compensation for additional hours worked to housekeeping workers.
3. Pay compensation for additional hours worked to all power generator machine workers and boiler operators who should be treated as workers, even though they receive higher salaries.
4. Retroactively compensate workers who were not paid for their additional hours.
5. Record when workers are paid for the "Tiffin Bill" on their pay records.

FINDING NO.4

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. Time records from September 2016 revealed that 10 out of 10 sampled workers from the linking section had worked 60 to 72 hours during the first and third weeks of the month. In the quality section, 10 out of 10 sampled workers worked 60 to 68 hours during the first and third week of the month. In the packing section, 10 out of 10 sampled workers worked 60 to 65 hours during the first and fourth week of the month. Workers from the knitting section were working under 60 hours a week but still over 48 hours throughout the month. In May 2016, 10 out of 10 sampled workers from the linking section had worked 60 to 68 hours during the first and third week of the month. In the quality section 10 out of 10 sampled workers worked 60 to 65 hours during the first and third week of the month. In the packing section, 10 out of 10 sampled workers worked 60 to 67 hours during the first and third week of the month. Workers from the knitting section were working within 60 hours a week. Time records from March 2016 revealed that all workers were working within 60 hours a week. These workers worked 10 to 12 hours a day in September and May 2016. Legally, workers are allowed to work up to 10 hours a day.
2. Time records for housekeeping workers showed that they start work 20 to 30 minutes prior to the regular shift, however these early hours worked are not considered as overtime hours and are not paid. Management stated that even though these workers come early, they do not start work until the start of the regular shift at 8 am. Five of these workers stated in interviews that they need to arrive early to clean the work areas prior to the arrival of workers.
3. Electronic time records are maintained for all workers except for workers from the knitting section for whom manual cards are maintained. Working hours for workers from the knitting section are recorded by the time keeper and signed by the worker. Cards are collected from workers in the morning prior to the start of work and returned to workers prior to them exiting the factory. Exit time is recorded 30 minutes prior to the actual end of work. A review of 20 sampled manual time cards for November 2016 for knitting operators revealed the following findings: 11 out of 20 sampled time cards were signed by workers for the current day (November 22, 2016) before an exit time or overtime had been recorded, this can lead to inaccurate recording of overtime hours; for five out of 20 time cards, workers were marked absent even though the cards were signed by the workers on that same day (November 22, 2016).
4. The factory does not record or identify pregnant women or workers under age 18.

Local Law or Code Requirement

Bangladesh Labour Rules 2006, Section 102; FLA Workplace Code (Employment Relationship Benchmark ER.2; Hours of Work HOW.1, HOW.5, and HOW.8)

Recommendations for Immediate Action

1. Ensure workers do not work beyond 60 hours a week or 10 hours a day.
2. Record actual working hours for housekeeping workers.
3. Record actual working hours for power generator and boiler operators.
4. Record working hours for workers from the knitting section using the electronic time recording system. Until then, entries in the manual time cards should be completed prior to obtaining worker signatures.

FINDING NO.5

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Termination & Retrenchment

Finding Explanation

1. The date is not recorded on the payment record of when termination dues are paid. Therefore, it could not be verified if payment is made within the legally defined timeline of 30 days from the date of termination of employment.
2. As a systematic practice, management stated that wages for the days worked between the last pay period and the date of termination is paid the following month along with regular wage payments, irrespective of the date of termination of employment. By law this payment is required to be paid within seven days after termination of employment. For example, according to management, one worker resigned on July 12, 2016 and was paid on August 7, 2016; a second worker resigned on May 14, 2016 and was paid on June 7, 2016; a third worker resigned on April 12, 2016 and was paid on May 7, 2016.

Local Law or Code Requirement

Bangladesh Labour Law 2006, Section 123; FLA Workplace Code (Employment Relationship Benchmarks ER.2, ER.19, and ER.32; Compensation Benchmarks C.1 and C.4)

Recommendations for Immediate Action

1. Record the date terminal dues are paid to workers on their pay records.
2. Pay wages for days worked between the last pay period and the date of termination of employment within 7 days after termination of employment.

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. One out of 10 reviewed files of workers who received written disciplinary actions did not have the worker's signature on their warning letter. Three out of the 10 reviewed files had worker signatures that did not match the signatures in their employment documents.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.27; Harassment and Abuse Benchmark H/A.1)

Recommendations for Immediate Action

1. Ensure workers sign written disciplinary action taken against them. Ensure that letters are signed by individual workers without any malpractices.

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Grievance System

Finding Explanation

1. There is no paper or pencil available near the grievance boxes; workers need to request these from supervisor or personnel from the Human Resources (HR) department to record their grievances. This practice may discourage workers from using the grievance box and defeats the objective of 2. A review of the grievance log of grievances collected from the grievance box from January 2016 to November 2016 showed that no grievances were reported in January, March, June, August, September, or November. In February there was one grievance pertaining to not being provided with footwear for use in the toilets; in April there was one grievance pertaining to a female worker claiming harassment from a floor manager; in May 2016 there were two grievances pertaining to a lost mobile phone and one on not being provided with footwear for use in the toilets; in July there was one grievance reported pertaining to a supervisor asking a worker to resign for unauthorized absenteeism; in October there was one grievance pertaining to a female worker who did not have a designated area for prayer. All these grievances were resolved.
3. The Grievance Handling Committee has five management representatives and only one worker representative. No Committee meetings have been conducted as grievances reported through this channel are reported verbally to and are addressed directly by the welfare officer, who is a member of the Grievance Handling Committee. The welfare officer documents these grievances. Through this channel, from February 2016 until August 2016, five grievances were reported pertaining to the behavior of supervisors (shouting at workers) in the finishing section, one request was made for a fan in the final checking areas, one grievance was reported against the supervisors in the trimming section regarding a work-related matter, and one on the non-availability of drinking water during Iftar (the end of the daily fast during Ramadan). All of these grievances were resolved.
4. Grievances that are reported verbally are documented by the welfare officer. The document provides information on the date and name of the person reporting the grievance and what action was initiated by the welfare officer. However, information on the responsible person to take action, the time line for addressing the grievance, and the current status (open, closed, or pending) is not recorded.
5. The factory does not have a policy on non-retaliation.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.2, and ER.25)

Recommendations for Immediate Action

1. Ensure that workers can use grievance boxes confidentially and freely. Provide paper and pencil near the boxes.
2. Ensure that there is adequate worker representation in the grievance handling committee which currently has one worker representative for 3539 workers. Meetings should be held periodically and grievances reported should be addressed in a sustainable manner.

FINDING NO.8

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. The factory has a Participation Committee which is made up of 55% workers and 45% management, as required by law. The worker representative structure is not independent from interference from management.
2. Worker representatives are elected by the workers and management representatives are nominated by management.

Local Law or Code Requirement

FLA Workplace Code (Freedom of Association Benchmarks FOA.10 and FOA.11)

FINDING NO.9

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. Secondary containers that are provided for some chemicals are not made of the same material as the primary containers. Metal containers have been provided for chemicals stored in plastic containers which can cause a reaction; the edges of some of the metal secondary containers are rusty.
2. Spill response kits are not provided in the chemical storage areas, only sand is provided.
3. Waste storage areas are not marked with the type of material being stored, even though they are stored separately.
4. Chemical containers are labeled for contents but not for hazard.

Local Law or Code Requirement

Recommendations for Immediate Action

1. Provide secondary containers made of the appropriate material for primary chemical containers.
2. Provide spill response kits in all chemical storage areas.
3. Mark all waste storage areas for types of materials being stored.
4. Post hazard labels on chemical containers.

FINDING NO.10

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. There are no written procedures on waste reduction.
2. The factory does not have an environmental clearance certificate which shows factory compliance with the legal requirements on environmental protection. The factory applied for the certificate to the concerned government department in October 2015 but has yet to receive the certificate.
3. The factory draws ground water but does not have a clearance certificate to do so. The factory applied for the certificate to the concerned city corporation authorities in April 2016 but has yet to receive the clearance.
4. The factory does not have an appropriate system to respond to any unexpected environmental emergency, such as a chemical spill or gas leak.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.2; Health, Safety and Environment Benchmarks HSE.1, HSE.4, and HSE.5)

FINDING NO.11

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Cooks in the kitchen who cook food for office staff were not using any Personal Protective Equipment (PPE) such as aprons, hand gloves and masks.
2. The washing machine operator had earmuffs but was not using them properly.
3. Lifting belts are not provided for loaders and no training in proper lifting has been provided.
4. Approximately 80% of workers with standing jobs, specifically in the checking areas, are not provided with anti-fatigue mats.
5. As a practice, workers are advised to leave footwear outside work areas with no alternate footwear provided. This exposes workers to risk of injury due to various debris on the ground, including stray metal pieces.
6. Except for the sewing operators, other workers with sitting jobs (linking, checking, mending) are not provided chairs with a backrest. Low stools are provided for these workers to sit on. This could cause bodily injury.
7. Sewing machines are adjustable in height; however, checking and pressing tables are not adjustable to suit individual height of the workers. It was noted in two instances, two workers in the mending section were seen sitting on low chairs and had to raise their shoulders to reach the worktable.
8. Rubber gloves used by electricians are kept in the maintenance room and not near the electric panel boards. If the electricians require rubber gloves, they have to go to the maintenance room to get their gloves. This practice may deter electricians from using the gloves. Eye shield is not provided to electricians.
9. Finger guards on sewing machines were seen pushed upwards on 90% of sewing machines rendering them ineffective in protecting workers from finger injuries.
10. Workers in the part winding section sit on hard floors while operating the winding machines.

Local Law or Code Requirement

Bangladesh Labour Law 2006 Section 75; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.8, HSE.14, and HSE.17)

Recommendations for Immediate Action

1. Educate and monitor workers to ensure finger guards on sewing machines are maintained in place used to protect workers from finger injuries.
2. Provide, educate and monitor usage of PPE like aprons, hand gloves and masks, by cooks in the kitchen.

3. Educate and monitor proper usage of earmuffs by the washing machine operator.
4. Provide, educate and ensure lifting belts are used by loaders.
5. Provide anti-fatigue mats for all workers with standing jobs.
6. Make appropriate arrangements for all workers working bare footed to prevent risk of injury due to debris on the ground.
7. Provide chairs with backrest for workers with sitting jobs in linking, checking, and mending sections to avoid bodily injury.
8. Provide rubber gloves and eye shields near electric panel boards for quick and easy access by electricians.
9. Provide appropriate seating arrangements for workers in the part winding section sitting on hard floors while operating the winding machines.
10. Provide appropriate arrangements for workers in checking section so work stations are adjustable to suit individual height of workers.

FINDING NO.12

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Gas masks and torches are not provided for the firefighting team even though they are included in the list of equipment. Helmets are only provided on the second and fourth floors.
2. Two areas in front of the factory building have been designated as emergency assembly areas but the space is not adequate to accommodate all the employees. There is only space for approximately 30% of workers. The factory is in the process of identifying and designating additional assembly areas. Vehicles were seen parked in one of the current assembly areas.
3. One door that is labeled an "exit" in the packing section on the sixth floor leads to the adjoining quality checking area. The exit direction marked on the floor from the quality checking section points towards the same exit leading into the packing section. This will result in workers from the packing and checking section running into each other.
4. Workers sitting on the floor in the part winding section do not have unrestricted access to emergency evacuation aisles. Threads from the knitted panels were being un-winded and wound on to cones placed across the access way.
5. In the trimming sections located on the first and sixth floors, four workers were seen sitting adjacent to each other at one work station. This would hamper quick evacuation.
6. 20% of the sewing machine operators had placed bins on either side of their chair restricting quick and easy access to the aisle behind them.
7. Evacuation drills are conducted at fixed times at 12pm for day shifts and at 9pm for night shifts. Logs for drills conducted during the day and night shifts were identical in recorded observations. For example, (1) "Doctor, Pregnant women and children were taken care and safety reached assembly area. Doctor, Pregnant women and children were not present during night shifts." (2) "Assembly was found indiscipline due to maintaining line." The logs of every evacuation drill reported five to eight people missing from the head count of evacuated employees. However, there is no information on the action taken and if the missing persons were located and accounted for.
8. A fire risk assessment is done internally, but the assessment does not provide information on the number on impacted employees and the probability of an incident. The results do not define remediation procedures except for providing PPE. The results are not considered and addressed properly.

Local Law or Code Requirement

Bangladesh Labour Law 2006 Sections 62; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1 and HSE.5; Employment Relationship Benchmark ER.31)

Recommendations for Immediate Action

1. Provide gas masks, torches and helmets on all floors along with other equipment for use by fire fighters.
2. Provide adequate assembly space to accommodate all workers and ensure vehicles are not parked in assembly areas at anytime.
3. Reassign exits from the packing section and quality checking section and mark accordingly to prevent workers running into each other.
4. Realign workstation for workers sitting on the floor in the part winding section to ensure they have unrestricted access to passages.
5. Rearrange workstations in the trimming sections located on first to sixth floors, to allow for quick and easy evacuation of workers.
6. Ensure that bins are not blocking passageways in the sewing section.
7. Conduct evacuation drills at varying times during shifts instead of conducting them at fixed times. Record accurate observations for each drill instead of recording similar observations for all drills and record the actual number of present persons during each drill. All missing persons should be accounted for and recorded in the logs.

FINDING NO.13

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. A canteen facility is not provided for workers as legally required.
2. The dining area that is provided for seating was seen overcrowded during the lunch break. The lunch break has two shifts for two groups. The dining area can seat 750 workers at a time which is the designated group size. Approximately more than 100 workers were seen sitting on the floor and having lunch. Stated by management, workers from the second group were having lunch at the time scheduled for the first group of workers; hence the overcrowding. Management does not restrict workers if they wish to have an early lunch, this occurs every lunch time.
3. Food is cooked in the kitchen for office staff and the management team. Cooking areas are not clean and tidy with raw food left uncovered. Wood is used as fuel and black soot from the fire was seen on the walls.
4. Food preparation areas, which is separate from the kitchen, are not well covered or protected.
5. Cooks and food handlers were not provided with or use any hair nets, masks, aprons, or gloves.
6. A health check has been conducted for two cooks, but not for the four food handlers.
7. A health check has been conducted for one out of the two child care attendants.
8. Hand washing and drinking water areas in the dining areas are not marked. Workers were seen washing plates and drinking water from the same taps.

Local Law or Code Requirement

Bangladesh Labour Law 2006 Section 92; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.4, HSE.8, HSE.19, and HSE.22; Employment Relationship Benchmark ER.31)

Recommendations for Immediate Action

1. Provide canteen facility for workers as required by law.
2. Provide adequate seating arrangements for workers in the dining area.
3. Ensure that the kitchen, where food is cooked for office staff and management, is kept clean at all times.
4. Ensure food preparation areas are well covered and protected.
5. Provide and ensure cooks and food handlers use hair nets, masks, apron and gloves while handling food.
6. Conduct legally required health checks for all food handlers.
7. Conduct legally required health checks for the second child care attendant.
8. Designate and mark hand washing and drinking water areas in the dining areas.

FINDING NO.14

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Traffic lanes and walk paths are not marked inside the factory premises.
2. The factory does not provide any visual management such as indicators, convex mirrors in blunt ends, reflectors, etc., to ensure safe driving practices on factory premises and while exiting the factory's main gate.
3. Electrical tape was seen on cords connecting linking machines with the main power supply. Workers were working barefoot and one of their feet was seen resting on the taped areas posing a risk of electrocution.
4. Work is in progress on the installation of a lightening protector.
5. The factory has three confined spaces that are not marked; two underground water tanks and one sewer tank.
6. Appropriate rescue equipment is not available at the factory for workers entering confined spaces.
7. The factory has not implemented a lockout/tag out program by locking out equipment when needed.

Local Law or Code Requirement

Bangladesh Labour Law 2006 Section 61 and Section 73; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.6, HSE.13, and HSE.14; Employment Relationship Benchmark ER.31)

Recommendations for Immediate Action

1. Mark traffic lanes and walk paths inside factory premises.
2. Install indicators, convex mirrors in blunt ends, reflectors, etc., to ensure safe driving practices on factory premises and while exiting the factory's main gate.
3. Replace taped electric cords connecting linking machines with the main power supply with continuous cords.
4. Install lightening protector for the building.
5. Mark all confined spaces.
6. Provide appropriate rescue equipment for workers entering confined spaces.
7. Implement a lockout/tag out program by locking out equipment when needed.

FINDING NO.15

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Safety instructions are not displayed or posted near machinery.
2. Lifts are inspected on a monthly basis. The competency certificate of the inspector was not available for review therefore his competency could not be verified.
3. The lift inspection report does not indicate the condition of the emergency stop switch, the overload alarm, or the movement of the lift in case of power failure. One common inspection report is maintained for one passenger and two cargo lifts.
4. Signs indicating that lifts are only to be used for cargo are posted in English and not in the local language. No sign is posted near the lift intended for use by passengers.
5. Signs prohibiting use of the lift in case of fire are not posted near any of the three lifts (one passenger and two cargo lifts).
6. The air compressor was last inspected when installed on November 3, 2015. The two boilers in the factory have not been inspected by a certified or competent person as required by law.

Local Law or Code Requirement

Bangladesh Labour Law 2006, Section 69; FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.1, HSE.4, HSE 6, HSE.14, and Employment Relationship Benchmark ER.31)

Recommendations for Immediate Action

1. Display safety instructions near machinery. This should be in workers' language.
2. The competency certificate of the inspector inspecting lifts should be kept in the factory and made available for review.
3. Inspection of lifts should include the condition of the emergency stop switch, the over load alarm, and the movement of lifts in case of power failure. Individual reports should be maintained for the one passenger and two cargo lifts.
4. Signs indicating the lift used for cargo and lifts used for passengers should be posted in the local language.
5. Post signs prohibiting use of the lifts in case of fire near all three lifts (one passenger and two cargo lifts).
6. The air compressor and boilers should be inspected at least once every year by a certified and competent person as required by law.

FINDING NO.16

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Sterilized hand gloves are not provided in the first aid kits.
2. An excessive quantity of waste panels are stored on the seventh floor in a haphazard manner with no defined passages. There was no access provided to reach the rear end of the storage area.
3. Stagnant water was seen on the terrace near the reverse osmosis plant. Workers work in this area and are exposed to the risk of a fall injury due to an accidental slip.
4. The men's toilets were not clean or sanitized. A bad odor was noted.

Local Law or Code Requirement

Bangladesh Labour Law 2006 Section 59, Section 62, Section 72, Section 89; FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.1, HSE.5, HSE 6, HSE.13, HSE.18, HSE.19 and Employment Relationship Benchmark ER.31)

Recommendations for Immediate Action

1. Provide sterilized hand gloves in first aid kits for use by first aid trained employees.
2. Organize storage area of waste panels on the 7th floor to ensure adequate access to the rear end of the storage area.
3. Ensure there is no stagnant water on the terrace near reverse osmosis plant.
4. Ensure the toilets are clean and sanitized. Assign a responsible person to frequently clean the toilets.

FINDING NO.17

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Child care workers and canteen workers are not trained in first aid or firefighting procedures.
2. The factory does not track worker illnesses.

Local Law or Code Requirement

FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.1 and HSE.3)

FINDING NO.18

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The written procedures on promotions include the steps and requirements for promotion but do not define the demotion and reassignment scheme, or how to ensure non-discrimination in promotions. The procedures do not include providing written outcomes of promotion and to allow workers to review and acknowledge outcomes of performance reviews. Results are communicated verbally.
2. Written procedures on Workplace Conduct do not define the requirement to record all warnings, including verbal warnings, and disciplinary actions and filing requirements. The policy states that workers can appeal directly to the Managing Director or labour court within 30 days of an action being taken. However, the procedure for an appeal is not defined.
3. A document titled the Working Hour policy quotes the local legal requirement on daily working hours, number of working days in the week, regular working hours in a week, overtime limitations per day and total working hours in the week. This document is not a policy and does not provide information regarding the factory's policy on working in shifts, on rest days, public holidays, extraordinary business circumstances, or working hours for special category of workers. Break time for security guards is not defined in the procedures, it was noted during the assessment that security guards take a short break for lunch.
4. The "Tiffin Bill", the incentive of BDT 300 (USD 3.8) per month that is paid to workers who can operate eight to 10 Jacquard machines simultaneously, is not mentioned in the policy and procedures on Compensation.
5. The factory has a written policy and procedures for Termination but not for Retrenchment. The procedures on Termination define time lines for the resignation period, but do not define the steps to be followed should a worker have a need to resign and leave prior to 60 days. It also does not include methods for calculating final pay outs in accordance with legal requirements, timelines for pay outs, or payment method.
6. The factory has a policy on Freedom of Association and not on Industrial Relations. A requirement for trainings is not included in the policy on Freedom of Association or the procedures on the Participation Committee.
7. The written procedures on Health & Safety do not include the following: measures to protect the reproductive health of employees through minimizing exposure to workplace hazards, how workers can raise health and safety concerns, protection against retaliation for workers who raise health and safety concerns, steps for ensuring that walkways/aisles and emergency exits are free from obstruction, emergency assembly areas, steps on how to ensure that all personnel, visitors, contractors, service providers and all special categories of workers and children in childcare facilities are safely evacuated, the steps that should be taken to protect workers if there is an accidental chemical spill, including identifying those who are responsible for cleaning up the spill.
8. A list of confined spaces that require work permits is not included in the Health & Safety procedures. The procedures do not define precautions people must take prior to, or during entry and stay in each confined space, a list of equipment and/or machines that require lockout/tag out, a list of the employees (names and/or titles) responsible for managing fire equipment.
9. There are no guidance documents for external contractors or service providers concerning Health & Safety.
10. There are no written procedures to enable workers to raise environmental concerns, for reporting environmental emergencies or procedures that include protection for workers who allege environmental violations.
11. All policies and procedures are signed by HR staff and not by senior management.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1, ER.19, ER.23, ER.29, ER.30, ER.31, and ER.32)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Factory management prepared policy on the Promotion and Demotion which is posted it on the factory Policy board and started to communicate with workers.
- 2) Already factory management prepared the disciplinary Action policy and procedure and started to communicate regularly with all employees.

3) Already factory management made working hour policy and posted at main gate master policy board as well as communicating with Employees through Training.

Planned completion date
07/22/19

Action Plan no 2.

Description

Factory management has already included BDT 300 as motivation bonus in the salary sheet.

Planned completion date
07/22/19

Action Plan no 3.

Description

5) Factory management prepared the Policy regarding Termination, Retrenchment and posted at policy board for visible.

Planned completion date
07/22/19

Action Plan no 4.

Description

6) Meanwhile factory management has developed the Freedom of Association Policy and included it in training to communicate with all employees.

Planned completion date
07/22/19

Action Plan no 5.

Description

7) Factory management will assign HR person to take initiative for developing the policy within short time and ensure all parameters are included according to FLA recommendation which are: measures to protect the reproductive health of employees through minimizing exposure to workplace hazards, how workers can raise health and safety concerns, protection against retaliation for workers who raise health and safety concerns, steps for ensuring that walkways/aisles and emergency exits are free from obstruction, emergency assembly areas, steps on how to ensure that all personnel, visitors, contractors, service providers and all special categories of workers and children in childcare facilities are safely evacuated, the steps that should be taken to protect workers if there is an accidental chemical spill, including identifying those who are responsible for cleaning up the spill.

8) Factory management will also revise the policy including precautions on entry and stay in each confined space, a list of equipment and/or machines that require lockout/tag out, a list of the employees (names and/or titles) responsible for managing fire equipment.

Planned completion date
07/22/19

Action Plan no 6.

Description

9) Factory management has made a contract with external contractor to provide Health & Safety Service to mass workers in this factory.

Planned completion date

07/22/19

Action Plan no 7.

Description

10) Factory management made an procedures regarding environmental concern and posted at whole premises staircases. 11) Already all policies are signed by senior Management.

Planned completion date

07/22/19

FINDING NO.19

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

1. The review period for policies and procedure is not defined in the policies and procedures. The document on Hours of Work and Environmental Protection is not dated; the policy on Freedom of Association is dated December 2015 and has not been reviewed since. The policy on Recruitment Hiring, Personnel Development and Termination were created in May 2015 and was reviewed in October 2016. The policies on Compensation, Grievances and Health & Safety were created in March 2016 and have not been reviewed since.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Onwards factory management has reviewed and updated records ion Compensation, Grievances and Health & Safety policies.

Planned completion date

07/22/19

Company Action Plan Update

FINDING NO.20

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. Between January 2016 and November 2016, the factory conducted a general training program for 14 out of 130 supervisors including persons in charge of the floor on October 10, 2016. Training for others is yet to be conducted. Topics covered in the training included awareness on Recruitment, Hiring and Personnel Development and Workplace Standards, Termination, Compensation, Hours of Work, Grievance Procedures, Workplace Conduct, Freedom of Association and basic Health & Safety standards.

2. Between January 2016 and November 2016, the factory conducted a general training program for 781 out of 3539 workers. Training for others is yet to be conducted but is planned. This training includes Recruitment but not Hiring and Personnel Development. Workplace standards are also included in the training programs. Workers are not trained or communicated on the criteria for performance reviews and grading. A review of the training calendar shows that it would take over four years to ensure 100% of the workers are covered by the training program.

3. Training programs conducted for supervisors and workers do not include Personnel Development, Industrial relations, non-retaliation in the Grievance System or Retrenchment.
4. The factory has trained 895 workers out of 3539 on the use of PPE. Review of training records revealed that the type of PPE to be used is not shown to workers but is verbally communicated, which can be ineffective. Training on safe operation of machines is provided to 108 out of 444 Jacquard machine operators, 89 out of 705 linking machine operators, 106 out of 184 sewing machine operators, 32 pressmen out of 114, 18 out of 40 in washing machine operators. No training is provided to workers in the winding section. Training on fire safety procedures does not include training on evacuation of special category of workers, children from the crèche, and visitors. Training programs on Health & Safety do not cover ergonomics and proper lifting techniques.
5. The notice board for workers is available on the ground floor near the exit from the north side and not on all eight floors. It is not guaranteed that all workers use this exit, therefore, important postings might be missed

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, ER.17, ER.27, and ER.32)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1) Factory management has gradually organized training for restof the supervisors regarding Hours of Work, Grievance, Recruitment, health and safety and Freedom of Association. 2) Factory management has increased the workers in training regarding Hiring and Personal Development. 3) Training programs conducted for supervisors and workers has been included Personnel Development, Industrial relations, non-retaliation in the Grievance System or Retrenchment. 4) Factory managemnet has started training for increased number of workers regarding PPE to all section as well as safe operating machines. 5) Already factory management have installed the notice boards at all stair cases for visible to all employees.

Planned completion date

07/22/19