



FAIR LABOR
ASSOCIATION®

INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: Fast Retailing Co., Ltd.

COUNTRY: Bangladesh

ASSESSMENT DATE: 08/20/17

ASSESSOR: Insync Global

PRODUCTS: Apparel

NUMBER OF WORKERS: 3900

Understanding this Assessment Report

This is a report of a workplace assessment conducted by Fair Labor Association assessors following FLA's Sustainable Compliance methodology (SCI), which evaluates a facility's performance in upholding fair labor standards through effective management practices throughout the entire employment life cycle.

This report identifies violations and risks of noncompliance with the Fair Labor Association Workplace Code of Conduct in its assessment of the employment functions, and includes a description of the root causes of violations, recommendations for sustainable and immediate improvement, and the corrective action plan for each risk or violation 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 for each finding.

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.

FLA Code Element	Violations
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Findings and Action Plans

FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The factory does not have policies regarding Personnel Development, Termination & Retrenchment, Industrial Relations, and Workplace Conduct & Discipline.
2. Procedures for termination do not include steps that will be followed in case of retrenchment as a result of extraordinary business circumstances.

Local Law or Code Requirement

FLA workplace Code (Employment Relation Benchmarks ER.1, ER.19, ER.25, ER.27, ER.28, ER.29, ER.30, ER.31, and ER.32)

COMPANY ACTION PLANS

1. We have policies regarding Personnel Development, Termination & Retrenchment, Industrial Relations, and Workplace Conduct & Discipline but did not meet FLA code. However we will implement accordingly.
2. Necessary steps will be included in termination procedure.

Action plan status: Completed

Planned completion date: 03/11/18

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

Factory has prepared a training schedule that provides information on topics that will be covered; however, it only covers 2.3% of workers. Though some training is provided during the orientation program, the factory does not provide any specific training to the workers or supervisors on Recruitment, Hiring & Personnel Development, Workplace Conduct & Discipline, Grievance System, Freedom of Association & Industrial Relations, Termination & Retrenchment, Compensation, Hours of work, or Environmental protection. Training on the company code of conduct has only been provided to 135 out of 4269 workers.

Local Law or Code Requirement

FLA Workplace Code (Employment Relation Benchmarks ER.1, ER.15, ER.16, ER.17, ER.25, ER.27, ER.28.2, and ER.30.2)

COMPANY ACTION PLANS

1. We have made training plan covering all topics and provided training to remaining workers according to plan.

Action taken:

#We have Initiated employent functions training program with supervisors

Employment function training will be provided to workers from April'2018 and it will be continued

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 03/31/18

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

Written Policies and Procedures are not dated, and a review period is not defined. All policies and procedures are signed, but the name and designation of person who signed is not recorded. Specific responsibilities for managing employment functions are not given in written but are communicated verbally.

Local Law or Code Requirement

FLA Workplace Code (Employment Relation Benchmarks ER.1, ER 29.1.1, ER 30.2, and ER 31.2)

COMPANY ACTION PLANS

1. Dates are marked and signed has been put in written policies. Remaining issues are taking care.

Action Taken:

Date & signature provided in the written policy and procedures

Review periods defined

Name and designation of signatory will be implemented in the policy and procedure.

Specific responsibility for managing employment functions will be written

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 01/31/18

FINDING NO.4

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The policy on Recruitment does not include any clauses regarding the use of service providers for loading, embroidery, housekeeping, childcare, medical care, canteen, and security services. ER.5, ER.6, ER.7
2. There is no written policy on performance reviews; however, there are policies for pay increases and promotions. These policies do not include the requirement for sharing evaluation results with workers and obtaining their signatures. The performance review procedures do not include steps and processes for providing written feedback. There are no written procedures on raising or broadening skills in order to advance workers in their careers. ER.28, ER.29
3. There is a written procedure for the recruitment of workers on the factory payroll, but not for service providers for loading, embroidery, housekeeping, childcare, medical care, canteen, and security services. The factory has not taken any steps to convert these workers to full time employees. ER.7, ER.9
4. Job descriptions are not prepared when workers need to be hired, but are only prepared for management staff. ER.1
5. Clause no. 2 in the contract signed between the factory and the loading service provider for providing workers, is worded incorrectly. Instead of contracting the service provider to provide workers for loading, the contract states that the factory will provide workers for loading, unloading and movement of goods. The signed agreement with another service is only for cleaning; however, the childcare and medical facilities are also outsourced to this service provider. The factory has signed an agreement with a third service provider for the disposal of waste; however, canteen services are also outsourced to this service provider.
6. Except for provisions regarding Compensation and Hours of Work, the FLA workplace standards on are not included in the signed contracts with any of the five service providers.
7. The results of performance evaluations were not signed by workers, on two out of six sampled documents. ER.1
8. Service books are not maintained for any of the security guards, loading workers and housekeeping workers. Service books maintained for outsourced workers from embroidery department, but they are not updated with information on wages and leave. ER.1
9. The appointment letters issued to day laborers does not include a pay schedule. In practice, workers are hired on a daily basis and then paid on a weekly basis. ER.1

Local Law or Code Requirement

Bangladesh Labour Code 2006 (updated in 2015) Chapter II section 7(2); FLA Workplace Code (Employment Relation Benchmarks ER.1, ER.5, ER.6, ER.7, ER.9, ER.15, ER.28, and ER.29)

Recommendations for Immediate Action

1. Results of performance evaluations should be signed by individual worker.
2. Service books should be maintained for all workers.
3. Appointment letters issued to daily rated workers should define the pay period.

COMPANY ACTION PLANS

1. 1. Policy on Recruitment would be established for contract workers
2. Performance review policy to be established with process and steps and evaluation result to be shared with employees and take signature from them.
Written procedures on raising or broadening skills for workers to be established.
3. Written procedure to be established for contract workers.
They are full time workers under their contractors.
Revised CAP
As per the appointment letter all contract workers have been working full time with permanent nature of job under the contractors. A contractor works with different suppliers, if any where work completed then they supply their worker to others suppliers.
Agreement with contractor have a duration for limited periods which is revising while expired.
4. Job description for workers to be prepared
5. We have corrected revise agreement with below corrections
i) Loaders suppliers (Amirul Enterprise): "contracting the service provider to provide workers for loading,unloading and goods movement".
II) We have one canteen workers who is used to sell snacks among the employees and stay 5hrs/day.He is working under wastes disposal service provider (SS enterprise") We are maintaining personal file of the worker.
We will revise that agreement by including the canteen worker supply
6. To be implemented after review the feasibility
Revised CAP:

We are working to include point in to service providers contract as per FLA benchmark.

7. The results of performance evaluations were signed by workers.

Revised CAP:

We have instructed HR Manager to take workers signature in the evaluation result sheet.

Compliance team regularly checking whether it is maintain or not.

8. Service books for outsource workers to be maintained.

Revised CAP:

We will update embroidery workers service book information on wages and leaves.

9. Already implimented

Revised CAP:

We have revised to appointment letter of daily labor and Pay schedule has been included in the appointment letter after FLA audit and it will be continue.

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 11/01/18

2. -This action plan is combined with AP181212-0000394-005.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-005.-

Action plan status: Abandoned

Planned completion date: 03/11/18

4. -This action plan is combined with AP181212-0000394-005.-

Action plan status: Abandoned

Planned completion date: 03/11/18

5. -This action plan is combined with AP181212-0000394-005.-

Action plan status: Abandoned

Planned completion date: 03/11/18

6. -This action plan is combined with AP181212-0000394-005.-

Action plan status: Abandoned

Planned completion date: 03/11/18

7. -This action plan is combined with AP181212-0000394-005.-

Action plan status: Abandoned

Planned completion date: 03/11/18

8. -This action plan is combined with AP181212-0000394-005.-

Action plan status: Abandoned

Planned completion date: 03/11/18

9. -This action plan is combined with AP181212-0000394-005.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. Written policy on Compensation and Benefits states that factory will pay minimum wages and provide all legally mandated benefits. Policy on payment of attendance bonus (monthly and yearly), payment of production incentive and provision of Provident Fund (Social Security), which are not legal requirements, is not included in written policy. Further there is no information on factory's policy on loans and advances and voluntary deductions. Procedures on compensation and benefits do not define steps for applying for casual and sick leave, provisions for additional leaves once available leaves are used, calculation of wages, deductions and overtime payments and steps

for requesting advances and loans and related repayment conditions. C.1.2

2. The legally required documentation is not provided to notify the factory of the birth of children by workers. Post-delivery, workers provide the birth certificate of the child to the factory doctor who informs the HR department. C.1

3. As per practice, extra holidays provided along with festival holidays is adjusted against available casual leave and earned leave. Though the practice is discussed in the Participation committee meeting, minutes of meetings state that practices will be followed as done in the past years but does not specify the actual adjustment of leaves. New workers may not be aware of past practices. ER.22.2

Local Law or Code Requirement

FLA workplace code (Compensation Benchmark C.1; Employment Relationship Benchmark ER.22)

COMPANY ACTION PLANS

1. Policies stated in the column (f) already available in place but some procedures and steps to be implemented immediately.

2. Legally required documents related to maternity entitled workers already provided

3. All employees are agreed on that practice. This practice have been running for long and there was no grievance raised by workers.

Revised CAP

Usually CL/EL included with Eid- holidays and this have been practicing from the beginning.

Communication with workers by providing notice and through PA system before starting leave.

Communication with PC members during meeting

We are also including this point during induction training so that new worker also updated on the practices.

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 09/30/18

2. -This action plan is combined with AP181212-0000394-014.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-014.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. There are delays in the payment Termination dues. Three sampled workers termination dues were paid 12 to 22 days after they left the factory. C.4

2. The factory stopped providing wage slips to out sourced workers two months prior to the assessment. C.13

3. Thirty of forty mechanics and technicians, and five of ten electricians are designated as staff, and not paid overtime. Management stated that these employees are paid higher salaries; and hence, not compensated for overtime. C.7

4. The production incentive is not provided to outsourced embroidery workers. ND.3.1.3

5. Although pay records include worker signatures as acknowledgement of receipt, the factory does not have a system in place to monitor and ensure accurate and timely payment of wages to out sourced workers. C.4

6. All workers on the factory payroll are covered under a group insurance scheme; however, outsourced daily rated loaders and un-loaders (45 workers) are not provided with medical insurance by the labor agencies, which is in violation of local legal requirements. C.5

Local Law or Code Requirement

Bangladesh Labour Code 2006 – Section 123(2); Bangladesh Labour Rules 2015 – Chapter Ten Section 111(3); Bangladesh Labour Rules 2015 – chapter Nine –section 102 Bangladesh Labour Rules 2015 – Chapter Ten Section 111; Bangladesh Gazette September 2015 - Chapter XII section 160(11) and FLA Workplace Code (Employment Relation Benchmarks E.R. 18 and E.R. 19; Compensation Benchmarks C.4, C.5, C.7, and C.13; Non Discrimination benchmark ND. 3.1)

Recommendations for Immediate Action

1. Pay termination dues within legally defined time lines

2. Ensure that labor agencies provide wage slips.

3. Revise the job classifications for electricians and mechanics, and compensate them for overtime.
4. Pay production incentives to embroidery section workers, as they directly contribute to production.
5. Create procedures to ensure accurate wages are paid correctly to outsourced workers.
6. Cover outsourced loaders and un-loaders in the group insurance scheme.

COMPANY ACTION PLANS

1. 4. we do not agreed on that issue

Revised CAP:

Embroidery worker coming to work everyday and their contract on monthly basis. This contract is prepared based on local labour law. Regarding the production incentives: Production incentives has been initiated to sewing, cutting and finishing. But other section like washing and non production does not included production incentive project.

Action plan status: In progress

Planned completion date: 03/11/18

Progress update:

1.

Separated employees files to be submitted to accounts department before the due date.

Strong follow up to be maintained with accountant upto settlement.

Alternative signatory authority to be assigned, in case of main authority not available.

2. Pay slips have been providing to outsource workers

3. Designations are given as per gazette and all mechanic/technicians are getting overtime compensation.

Revised CAP

We have been paying OT to all worker category employees, like electrician, mechanic.

Workers are not counted as staffs. We strongly follow labor law,wages gazette from the beginning,

5. We have been taking acknowledgement in payment sheet by receiving signature from outsource workers.

Revised CAP:

Payment is ensured by factory representative and outsource representatives. Both team present during payment time

Payment date mentioned in the payment sheet and it is by 7th working days.

Pay slip also provided to workers before/at the time of payment

6. All outsource workers are under insurance coverage.

Revised CAP:

All daily loader are covered under medical insurance.Update loaders list also sending to Insurance company.

2. -This action plan is combined with AP181212-0000394-017.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-017.-

Action plan status: Abandoned

Planned completion date: 03/11/18

4. -This action plan is combined with AP181212-0000394-017.-

Action plan status: Abandoned

Planned completion date: 03/11/18

5. -This action plan is combined with AP181212-0000394-017.-

Action plan status: Abandoned

Planned completion date: 03/11/18

6. -This action plan is combined with AP181212-0000394-017.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. The policy on hours of work defines the legal requirements, but not the objective of the policy. The written procedures on hours of

work do not include information on steps to be followed to register attendance, should workers forget their swipe cards, or for lost and damaged cards. Additionally the factory does not have a system to identify and regulate the hours of work for pregnant workers. ER.23, HOW.5

2. While a one hour lunch break is provided after 5 hours of work, sometimes workers work until 9 pm without a second break. Legally there should be a break for 30 minutes after 5 hours of continuous work, or a break for one hour after 6 hours of continuous work. HOW.3

3. Daily working hours exceeded 10 hours a day, with a max of 12 hours, for 19 days in May 2017. This resulted in one 72 hour workweek. HOW.1.3

4. Outsourced housekeeping workers do not sign their time punch cards, to confirm hours worked. ER.23, HOW.1

Local Law or Code Requirement

Bangladesh Labour Code 2006 –section 101; Bangladesh Labour Code –section 102; FLA Workplace Code (Employment Relationship Benchmark ER.23; Hours of Work Benchmarks HOW.1, HOW.3, and HOW.5)

Recommendations for Immediate Action

Provide a break for rest after 5 hours of continuous work.

Ensure workers do not exceed 60 hours of worker per week.

COMPANY ACTION PLANS

1. 2. We do not agree on that issue:

As per Ibaor law we are providing legally mandated break time to employees.

Revised CAP:

Factory does not provide second break in case of work up to 9pm ie 12hrs/day.

As per Local Labour law working hour extension up to 12hrs/day, and lunch break did not mention two times.

#According to Labour law section 101, lunch break should be 1 hours in case of working more than 8 hours or more a day.

Action plan status: In progress

Planned completion date: 03/11/18

Progress update: 1. To be implemented the followings:
I) Objective of working hour policy
II) Steps of attendance to be regarding ID loss damage, forgotten swiping card.
III) Pregnant workers work hour previllage.

3. We delared 4 peak months in a year which was shared our customers accordingly. Working hour was more than 10 hrs/week during peak month.

Revised CAP:

We are working with our planning department to improve the productivity and reduce the excessive working hour. During Peak month in a year the weekly working hour exceeded 60 hours but we are working to reduce it.

4. Outsourced workers punching their cards by electronic punch machine, Signature is taking in case of manual attendance.

2. -This action plan is combined with AP181212-0000394-023.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-023.-

Action plan status: Abandoned

Planned completion date: 03/11/18

4. -This action plan is combined with AP181212-0000394-023.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.8

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. Written procedures on formation of the worker participation committee do not include any information on the rejection of applicants. Workers who wish to be a member in the committee apply to the coordinator. Once the applications are approved, their names are displayed and workers can elect their representatives from the nominees. Factory received 17 applications and 6 applications were

rejected for reasons of incorrect names, incorrect signatures, incorrect information of parent's name. Instead of asking for fresh applications, management declared the 11 accepted applications members of the committee. Factory has a letter from the Deputy Director of Labor department certifying acceptance of the process. ER.25 and FOA.11
2. Clause 5 (b) in written procedures on formation of Participation Committee states that the workers' representatives would be nominated from among the honest, qualified, and permanent workers and with service not less than 6 months in the factory, and that representatives of workers should be elected and not nominated. FOA.11

Local Law or Code Requirement

FLA workplace Code (Freedom of Association Benchmark FOA.11; Employment Relationship Benchmark ER.25)

COMPANY ACTION PLANS

1. As per Labor Director's certification, the election process was acceptable.

Revised CAP:

Existing PC committee has been expired on Jan '16, 2018. Now we are proceeding for new PC election.

During earlier PC election, 3 candidates nomination papers were rejected as provided information found mismatch. This was done as per law. Finally required member and candidate was same. So Director of labor certified them elected. However we will make sure that management will not eliminate the candidates as they are free to be applicant as elected representative.

2. As per Labor Director's certification, the election process was acceptable.

Revised CAP:

There was no issues raised regarding honesty and qualifications. We always follow the recent labor rules and law for PC election.

Existing committee has been expired, we are proceeding for new election.

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 04/10/18

2. -This action plan is combined with AP181212-0000394-027.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.9

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. The written procedure on work place conduct and discipline include a section regarding Termination and Retrenchment. The procedures do not include documenting verbal warnings. Though information on various types of misconduct is provided, the related disciplinary action is not included. Additionally, there is no appeal procedure. The procedures do not define timelines for taking action on misconduct, and name of person(s) responsible for Workplace Conduct & Discipline. ER.27
2. The workers are not provided with a copy of the workplace rules during orientation. ER.25.1
3. The factory does not have a system in place to ensure workers are informed when a disciplinary procedure has been initiated against them. In two of four sampled files, workers had not signed the warning letter issued to them. A dismissal letter dated August 6, 2017 was not signed by the concerned worker; however, the worker has acknowledged receipt of termination dues. ER.27.3
4. Per current practice, workers wishing to visit the medical room during working hours need to obtain a ticket (medical pass), which needs to be signed by their supervisors. In cases when the doctor recommends early leave, the production manager and supervisors usually do not allow worker to leave early. Sometimes when this occurs workers are able to approach the welfare officer or HR team, who convince the production manager or supervisor to grant sick leave. H/A.7, HOW.16

Local Law or Code Requirement

FLA workplace Code (Employment Relation Benchmark ER.25 and ER.27; Hours of Work Benchmark HOW.16; Harassment or Abuse Benchmark H/A.7)

Recommendations for Immediate Action

Ensure that workers sign documents regarding disciplinary action.

COMPANY ACTION PLANS

1. Procedure to be included

- I) Documented verbal warning
- II) Relevant disciplinary action
- III) Implementing appeal procedure
- IV) Defining time for disciplinary action
- V) Person's name responsible for taking disciplinary action.

2. We have provided hand book and it will be continued

Revised CAP:

Workplace rules clearly indicated in the hand book which was provided to workers.

3. Disciplinary action procedures are in place and workers sign has been taken in their warning letters

4. Workers are provided medical leave if doctor certify. Floor HR & Welfare team also made aware about the issue

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 01/31/18

2. -This action plan is combined with AP181212-0000394-029.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-029.-

Action plan status: Abandoned

Planned completion date: 03/11/18

4. -This action plan is combined with AP181212-0000394-029.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.10

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Grievance System

Finding Explanation

1. The written procedures define channels for reporting grievances; however, there is no information on how grievances reported using these channels will be addressed within defined timelines. The factory does not have a non-retaliation policy. ER.25.3.1
2. Grievances are verbally reported to the welfare officer are documented, and the action taken is recorded and signed by management; however, there is no documented evidence regarding how the grievances were initially submitted. Grievances collected from the suggestion boxes are filed separately and the actions taken are not recorded. ER.2

Local Law or Code Requirement

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

COMPANY ACTION PLANS

1. 1. Details grievance procedure are in place and also we have non retaliation policy

Revised CAP

We are working to revise our existing grievance procedure and ensuring all grievance channels, defined timelines, providing feedback to the workers and non-retaliation policy.

2. Documented evidence of grievances are maintained and recorded accordingly.

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 03/31/18

2. -This action plan is combined with AP181212-0000394-033.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.11

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. The written procedures on environmental protection do not include procedures that enable workers to raise environmental concerns and report environmental emergencies. ER.31
2. Hazardous and non-hazardous waste is not segregated in the waste storage area. Empty chemical containers and hazardous electrical waste are stored along with paper and fabric waste. HSE.1
3. Hazardous waste sludge from the wastewater treatment plant is disposed through an agent; however, this agent is not licensed to dispose of sludge. Medical waste is sent to local government authorities, but there is no documentation to confirm the receipt of the waste by the concerned authorities. HSE.4

Local Law or Code Requirement

Segregate hazardous and non-hazardous waste.

Dispose sludge from the wastewater treatment plant through a properly licensed waste handler.

COMPANY ACTION PLANS

1. Procedure on environmental protection to be implemented so that workers are able to raise environmental concern and report environmental emergencies.

2. Hazardous and non hazardous wastes are segregated at wastes area.

Revised CAP

Wastes are segregated and labelled according their types.

Training also provided relevant workers on wastes separation and storages.

3. We will hire an agent/supplier who have valid license.

Revised CAP:

We have initiated new agreement with authorized medical wastes taker and keep record accordingly.

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 01/31/18

2. -This action plan is combined with AP181212-0000394-035.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-035.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.12

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Traffic lanes are marked, but do not have walking paths, reflectors, speed breakers, and concave mirrors at blind ends. HSE.1
2. Confined spaces are not marked. HSE.14
3. Fall protection equipment is not used by maintenance workers; dust and cobwebs were covering the helmets stored in the maintenance room. HSE.8
4. The ladder used by maintenance workers in the pump house is not secured with a safe locking system. The legs are tied with an electric chord to prevent them from separating. Two out of four legs of one ladder being have damaged skid protectors. HSE.14
5. Snap button machine operators are not provided with eye shield to prevent injuries, and several over-lock machine operators were not using the installed eye shields. Some of the eye shields had scratches, and several others were not firmly fixed in place. Fusing machine workers are not provided with hand gloves to prevent burn injuries. Several workers in the embroidery section were not using

- earplugs. Safety shoes are not provided to maintenance workers. HSE.7
- 6. Lifting belts are not provided to loaders. HSE.7
- 7. Needle guards are pushed up on most sewing machines, rendering them ineffective. HSE.8
- 8. Safe operating instructions are not posted at the sewing machines and washing machines in the cutting section. HSE.14.3
- 9. Factory has not implemented their lockout-tagout program. HSE.14
- 10. A pallet movement vehicle was not parked in designated area and was left unattended in the warehouse. An audio alarm system has not been installed on the vehicle to warn workers when it is in use. The load capacity is not marked on the forklift. HSE.14
- 11. Workers with standing jobs are not provided with anti-fatigue mats. HSE. 17
- 12. There is no spill response kit in chemical and oil storage and use areas. The factory does not have explosion proof lights in the washing section chemical storage room. HSE.9
- 13. Inspection reports for lifts states that two passenger elevators and two cargo elevators were inspect on July 20, 2017; however, there are three cargo elevators and one passenger elevator at the factory. Furthermore the inspector report for passenger elevator reflects that only 4 out of the 40 parameters were checked. The name of the inspector is not printed and, in absence of competency certificate, assessors could not confirm if the elevators were inspected by a qualified person. Air compressors, Boilers, and forklifts have not been inspected by a qualified person, as legally required. HSE .4

Local Law or Code Requirement

Bangladesh Gazette Special – September 2015 – Chapter eight –sections 77, 88(2); Schedule 2(4); Bangladesh Factories Rules 1979 section 51, 42 and 46; FLA workplace code (Health, Safety & Environment benchmarks HSE.1, HSE. 4, HSE.7, HSE.8, and HSE.14)

Recommendations for Immediate Action

1. Mark walking paths, and install reflectors, speed breakers, and concave mirrors to prevent accidents and secure safe driving practices inside factory.
2. Mark confined spaces.
3. Train maintenance workers on the proper use of fall protection equipment. 4. Secure ladders with a locking device when in use by maintenance, and install anti-skid protectors. Provide snap button machine operators with eye shields to prevent injuries, and monitor the use of eye shields by over-lock machine operators. Provide fusing machine workers with using hand gloves to prevent burn injuries. Ensure that workers in embroidery section use earplugs. Provide safety shoes to maintenance workers.
5. Provide lifting belts to loaders.
6. Ensure needle guards on sewing machines are correctly positioned.
7. Post safe operating instructions for machines in the cutting section.
8. Implement a lockout-tagout program.
9. Park the pallet movement vehicle should be parked in designated area. Install an audio alarm system on the vehicle. Mark the load capacity on the forklift.
10. Provide anti-fatigue mats to workers with standing jobs
11. Provide a spill response kit in chemical and oil storage and use areas. Install explosion proof lights in the washing section chemical storage room.
12. Ensure that elevators, air compressors, boilers and forklifts are inspected by qualified authorities, and maintain accurate inspection records.

COMPANY ACTION PLANS

1. 11. We will provide fatigue mats to all standing workers
Revised Action Planned: 6/30/2019

Action plan status: In progress

Planned completion date: 03/11/18

Progress update: 1. We will review and take care accordingly

Revise CAP:

We have straight pathway, so we walking path reflector may not required for us. We will discuss the issue with Uniqlo team

2. Confined space to be marked

Revised CAP

It is marked in fire safety plan. However we will board near the confined area.

3.

Appropriate equipments will be collected and preserve in the right place.

Awareness given among the concern employees.

Regular monitoring has been ensured.

4. We will arrange ladder with safe locking system (skid protector)

5. # Eye shield have been provided where missing and scratched.

Appropriate PPE have been provided to O/L operator, fusing op & Emb op.

Awareness given to the concerned workers

Welfare officer and compliance team will follow up the issue regularly

6. Loaders are using manual lifting belt while cartons pulling.

7. Appropriate needle guards have been provided. Maintenance team is monitoring the issue regularly

Revised CAP:

Machine safety training is giving in different interval

PA system awareness also giving everyday.

Regular monitoring is also continuing

8. Safe operating instruction to be posted with machines.

9. Lockout-Tag out system is in place

10. Pallet movement vehicle are parked in designated area. Flash light system already fixed to warn workers when it is in use. Load capacity also marked

12. Spill response kit already in place

To be implemented. We did not fix any light inside the chemical store and height of washing section is more (26 ft) and having adequate ventilation. So explosion proof light may not be required. However we will review the issue.

13. We will impliment effective lift maintenance system and all parameter will be checked.

Competant person/service provider will be assigned to check boiler, fork lift, air compressor.

2. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

4. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

5. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

6. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

7. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

8. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

9. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

10. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

11. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

12. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

13. -This action plan is combined with AP181212-0000394-038.-

Action plan status: Abandoned

Planned completion date: 03/11/18

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Aisles and evacuation route markings are faded in the washing, sewing, and finishing sections. Several of the evacuation directions in the fusing section point towards the cargo lift and away from exits. Evacuation directions have not been reviewed and revised based on current location of machinery. HSE.5
2. Some work areas in the sewing, ironing, finishing, snap button, and packing sections are congested. Workers in the finishing sections are blocked in their workstations by hanger stands, worktables, and garment bins. Several stations have pillars on the rear side and tables on both sides of them blocking all access to evacuation passages. In the finishing section, several machines were being relocated and were left in evacuation routes, completely blocking the routes. In some work areas in the sewing section, access to passages are blocked with garment stands. Some workstations are placed adjacent to each other with inadequate space for free movement and quick access to passages. HSE.5
3. Electric chords connecting sewing machines with the main power source lay directly on the floor, close workers' feet. Some work stations in the fusing station were located in evacuation routes, these were relocated during the assessment. HSE.5
4. At some workstations in the fusing section, workers were standing in evacuation routes while working. Trolleys with garments were parked in evacuation routes in the packing section. HSE.5
5. Emergency lights have not been installed above exits in the embroidery and printing sections. HSE.5
6. The doormat placed outside exit door number one in the child care room, prevents the door from correctly opening. The locking device on exit door number 2, is not functioning properly; the childcare attendant could not open the door and additional assistance was needed to force the door open. HSE.5
7. Emergency lights are not installed above exits from childcare room. HSE.5
8. Pictures filed for the evacuation conducted in October 2016 and December 2016 were duplicates, even though the dates printed on them reflected Oct 2016 and Dec 2016. HSE.5

Local Law or Code Requirement

Bangladesh Factories Rules 1979, Section 51; FLA Workplace Code (Health, Safety & Environment Benchmark HSE.5)

Recommendations for Immediate Action

1. Remark the faded aisle and evacuation route markings. Revise the evacuation directions in the fusing section so that they point towards exits.
2. Decongest work areas in sewing, ironing, finishing, snap button sections and packing section and ensure unrestricted access to passages. Relocate work stations behind pillars and make appropriate arrangements in the finishing section to allow unrestricted access to passages for workers.
3. Fix electric chords connecting sewing machines with the main power source to avoid any injury from falls during an emergency evacuation.
4. Ensure workers do not stand on evacuation routes while working, and that trolleys with garments are not parked on evacuation routes.
5. Install emergency lights above all exits.
6. Make arrangements so that all exit doors can be freely opened outwards. Repair the locking device on exit doors number two.
7. Accurately file pictures for evacuation logs conducted in October 2016 and December 2016.

COMPANY ACTION PLANS

1. 1.
 - # Faded aisles have been repainted at washing, sewing and finishing.
 - # Evacuation plan have been revised as per existing lay-out.
 - # Fire safety team advised to monitor the issue regularly.
2.
 - # Machine lay-out have been changed
 - # Awareness given to the IE & production team
 - # Floor HR & Compliance team monitoring the issue regularly.
3.
 - # Electric cords/wire have been fixed away from the floor and keep out of reach of workers. Electricians are made aware to ensure safety and monitor regularly.
 - # Evacuation plan have revised as per existing lay-out and safety officer is advised to follow up regularly.
- 4.

- # Evacuation plan have been revised as per existing lay-out and safety officer is advised to follow up regularly.
- # Floor supervisor/In-charge are made aware to keep aisles free of obstacles.
- # Regular monitoring will be continued by safety officer

- 5.
- # Emergency light has been fixed nearby pillar focusing exit doors.
 - # Emergency light has been fixed on top of exit door.
 - # Fire safety officer is advised to monitor regularly.

Revised CAP:

- # Embroidery: Being a glass door, emergency light has been fixed with nearby RCC column/pillar which is directly focused the exit door.
- # Printing- Emergency light fixed on top of exit door

6. Implemented immediately

7. Implemented immediately

8. Corrected as per drill schedule

Revised CAP:

There was a mistake back in 2016. But Fire drills are conducted properly with all employees participation and record are keeping accordingly.

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 03/31/18

2. -This action plan is combined with AP181212-0000394-051.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-051.-

Action plan status: Abandoned

Planned completion date: 03/11/18

4. -This action plan is combined with AP181212-0000394-051.-

Action plan status: Abandoned

Planned completion date: 03/11/18

5. -This action plan is combined with AP181212-0000394-051.-

Action plan status: Abandoned

Planned completion date: 03/11/18

6. -This action plan is combined with AP181212-0000394-051.-

Action plan status: Abandoned

Planned completion date: 03/11/18

7. -This action plan is combined with AP181212-0000394-051.-

Action plan status: Abandoned

Planned completion date: 03/11/18

8. -This action plan is combined with AP181212-0000394-051.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.14

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. A doctor is not available in the medical room during working hours in the morning, as the previous doctor has resigned, and has not yet been replaced. HSE 18.2.1
2. Childcare workers are not formally trained in child care procedures HSE.1

3. The food server was not using hand gloves, hair cap and face mask while handing snacks. HSE. 22
4. The flushes are not working in the male toilets located on the first floor. HSE. 20

Local Law or Code Requirement

Bangladesh Gazette Special, September 2015, Chapter Eight, Sections 77 and 88(2); Bangladesh Factories Rules 1979, Section 28; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.18, HSE.20, and HSE.22)

Recommendations for Immediate Action

1. Ensure that a doctor is available during working hours in the mornings.
2. Train Childcare workers in child care procedures.
3. Provide hand gloves, hair cap and nose mask for food handlers in the Canteen for use while handing snacks.
4. Repair the flushes in the male toilets on the first floor.

COMPANY ACTION PLANS

1. 1. Doctor is in place now

2. Training has given to childcare attendant

3. hand gloves and hair cap already provided.

Revised CAP:

Kitchen staffs are trained on hygiene and using PPE. Handgloves, hair cap, face mask also provided to them and refill when required from safety department. The safety team also monitoring on regular basis.

- 4.

Toilet flushes have been repaired where not functioning.

Compliance team checking toilet related issues once in a week.

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 10/30/18

2. -This action plan is combined with AP181212-0000394-059.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-059.-

Action plan status: Abandoned

Planned completion date: 03/11/18

4. -This action plan is combined with AP181212-0000394-059.-

Action plan status: Abandoned

Planned completion date: 03/11/18

FINDING NO.15

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The written procedures on Health & Safety do not include: Standard Operating Procedures (SOPs) for each job with a focus on performing the job safely, measures to protect the reproductive health of workers through, steps for workers to raise health and safety concerns minimizing exposure to workplace hazards and protection against retaliation for workers who raise health and safety concerns. Procedures do not include information on how to ensure that all personnel, visitors, contractors, service providers, all special categories of workers and children in childcare facilities are safely evacuated. ER.31
2. There are no written procedures for working in confined spaces. ER.31
3. There is no list of equipment that requires lockout-tagout. ER.31
4. The risk assessment on chemical use talks about use of water and its effects, but not risks associated with use of chemicals on the health of workers. It does not provide information on number of workers that would be effected based on nature of job, harmful effects to health, probability, frequency and severity, control measures, and provision of required PPE. ER.31
5. The factory does not have any guidance documents for external contractors and service providers concerning health and safety. ER.31

COMPANY ACTION PLANS

1. Existing health & safety policy to be revised by implementing
 - I) SOP for each job with a focus on performing the job safely, measures to protect the reproductive health of workers through, steps for workers to raise health & safety concerns.
 - II) Also be included information on how to ensure that all personnel, visitor, contractors, service providers, all special categories of workers and children childcare facilities are safely evacuated.

2. Written procedure to be implemented

3. Lockout-Tag out equipment list already prepared.

4. Risk associated with use of chemical on the health of workers to be implemented.

It will also provide information of number of workers that would be effected based on nature of job, harmful effects to health, probability, frequency & severity, control measures and provision of required PPE.

5. Guidance documents for external contractors to be implemented.

Action plan status: Completed

Planned completion date: 03/11/18

Completion date: 06/28/18

2. -This action plan is combined with AP181212-0000394-063.-

Action plan status: Abandoned

Planned completion date: 03/11/18

3. -This action plan is combined with AP181212-0000394-063.-

Action plan status: Abandoned

Planned completion date: 03/11/18

4. -This action plan is combined with AP181212-0000394-063.-

Action plan status: Abandoned

Planned completion date: 03/11/18

5. -This action plan is combined with AP181212-0000394-063.-

Action plan status: Abandoned

Planned completion date: 03/11/18