



COMPANIES: Mainland Headwear Holdings Limited
COUNTRY: Bangladesh
ASSESSMENT DATE: 10/25/16
ASSESSOR: Insync Global
PRODUCTS: Apparel
NUMBER OF WORKERS: 2921

FLA Comments

Mainland Headwear received an SCI Verification assessment at this facility in 2018. The verification report includes remediation verification by an FLA accredited assessor.

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
------------------	------------

Findings and Action Plans

FINDING NO.1

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

Although the assessment team underlined the importance of cooperation and transparency during the opening meeting and reminded management that there were transparency issues during the 2014 SCI assessment, factory management did not provide the actual working hours and payment records to the assessment team. The assessment team eventually received some information about actual working hours of the factory. Almost all workers interviewed provided uniform answers about working hours, most of the times without being asked, which indicates that workers are being coached on not to mention about excessive working hours during the interviews. Furthermore, some management representatives tried to ask workers questions after the interview sessions, and local auditors had to warn those management representatives about the confidential nature of the worker interviews.

As a result of this transparency issue, and due to inconsistencies identified between wages & time records provided by management and records collected by the auditor, worker compensation and hours of work could not be completely verified.

For example, the provided worker wages sheet shows that excessive overtime work was performed in May 2016, up to 103 hours/month. But worker job/time cards show only regular overtime hours, 48 hours/month. The daily goods in and out register showed that packing workers worked until 11:00 pm, whereas the worker's job cards showed they only worked to 7:00pm (legal overtime). The security guards duty register (collected from security section) showed that security guards work in two shifts where factory stated that security guards are working in three shifts. However, workers/supervisor time records provided by management did not reflect the above-mentioned weekly off day.

The assessment team spent considerable time trying to convince factory management about the importance of transparency, but management refused to cooperate and denied the obvious inconsistencies.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.16; Hours of Work Benchmarks HOW.1, HOW.7, and HOW.8; Compensation Benchmarks C.5, C.6, C.15, and C.16)

FINDING NO.2

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. There are five blocked fire hoses and extinguishers in the Building #2 cutting, loading, and warehouse areas.
2. Some electrical panels and wires in the factory are overheated (69C to 72C), and require maintenance.
3. Some sprinkler zone valves at Building #2 on floors 2 and 5 floors are shut off, so there is no sprinkler protection in these areas.
4. It is not clear fire alarm panel battery capacity is enough to provide power for at least 24 hours standby and 5 minutes alarm.
5. There is truck and car parking at the emergency assembly area in front of Building #1.
6. Sprinkler zone valves are not locked open, and drain valves are not locked closed.
7. Two emergency lights on the fourth and fifth floors of Building #1 are not operational.
8. One emergency exit door in the embroidery section at Building #1 opens inwards.
9. The fire exit doors in the embroidery section at Building #1 have secondary sliding doors to keep refrigerated air inside.
10. The factory has CO2 instead of Type A fire extinguishers in the Building #2 warehouse section.
11. There are production materials and waste stored around emergency exit stairs at the dormitory building that have partially blocked the exit.
12. Large amounts of work in progress are blocking evacuation routes in the production areas.
13. Stored items in building two exceed the maximum height reducing sprinkler efficiency, and some sprinkler zone valves are totally blocked by the stored material. Furthermore, it was not possible to check valves in this section of Building #2, due to the over stacked materials.
14. There is significant dust accumulation on electrical cable trays and panels.
15. There are no LPG gas detectors in the dormitory kitchen and factory canteen.
16. No anti-static grounding has been provided for metal gas canister case on the gas canister transport bicycle in front of the generator room.
17. The dormitory Emergency assembly area is not marked.
18. There are no explosion prevention covers on the lamps in the boiler room where compressed natural gas is used.
19. There is no emergency illumination at the Building #2 staircase.
20. The fire alarm panel room does not have a list of alarm zones, and dormitory and canteen areas are not correctly addressed, as the alarm zones are mixed.
21. The factory has not commissioned a fire risk assessment from a third party expert.

Local Law or Code Requirement

BNBC 2006, part- 4, Appendices, Section- D12.3 & D12.4, FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.5, HSE.6, HSE.13, and HSE.25)

Root Causes

1. Safety and HR & Compliance team is less experienced on certain Health & Safety issues.
2. There is no effective internal monitoring program.
EHS committee has not involved into ongoing EHS efforts on a proactive basis, no EHS committee involvement observed on some key EHS related work like Risk Assessment, internal audits, PPE selection and policy & procedure development and review.
3. There wasn't any specific training planned and delivered to EHS committee members.
4. Most of these issues were not identified during the internal and external audits
5. Fire risk assessment report is very basic and doesn't include all risks and how to eliminate/manage those risks.
6. Lack of maintenance, loose connections, unbalanced load distribution and wrong wire diameter selection are main reasons behind overheated panels.
7. Lack of predictive/preventive maintenance activities in place.
8. No periodical thermal imaging efforts to identify overheated panels, electrical motors, wirings...etc.
9. Although there is a sprinkler system in place, relevant staff haven't received specific trainings on maintenance, control and safe operating principles of this system

Recommendations for Immediate Action

1. Ensure that all fire hoses and extinguishers in Building #2 are free from obstruction.
2. Inspect and perform maintenance on overheated electrical panels and wiring.

3. Ensure that all sprinkler zone valves at Building #2 are locked in the "open" position.
4. Calculate the power consumption of alarm panel to ensure that the battery capacity is enough to provide power to cover at least 24 hours standby and 5 minutes alarm.
5. Prohibit truck and car parking at emergency assembly area in front of the building.
6. Lock zone valves in the open position and drain valves in the closed position.
7. Ensure that all emergency lights at Building #1 are operational.
8. Change the opening direction of the emergency exit door in Building #1 that currently opens inwards.
9. Remove the sliding doors in the embroidery section.
10. Replace the CO2 type fire extinguishers in the warehouse with Class A fire type extinguishers.
11. Remove the production material and waste stored around the emergency exit stairs of the dormitory building.
12. Reduce the amount of work in progress in the production areas and remove them from the aisles.
13. Reduce the excessive storage in Building #2 to safe heights.
14. Ensure that sprinkler valves are not blocked with stored material and that they are accessible all the times.
15. Clean the dust that has accumulated on the electrical cable trays and panels.
16. Install LPG gas detectors in the dormitory kitchen and canteen area.
17. Provide a grounding connection for the gas canister metal case bicycle in front of the generator room.
18. Mark the dormitory emergency assembly area.
19. Provide protective covers for the lamps in the boiler room.
20. Install emergency illumination for the Building #2 staircase.
21. Post the list of alarm zones in the fire alarm panel room.
22. Properly mark all fire alarm zones on the fire alarm panel.

FLA's Recommendations for Sustainable Improvements

1. Active worker/union involvement will be provided for ongoing EHS efforts –audits, policy & procedure development, risk analysis...etc.-
2. A training needs assessment will be conducted for EHS staff and union/elected worker representatives to identify specific trainings that they should receive.
3. Fire risk assessment report will be updated with combined efforts of EHS committee to ensure that it covers all risk factors and how to eliminate/manage them
4. Internal audit system in place will be reviewed –both group and factory level- to make sure that scope/coverage of these audits are enough for capturing such H&S issues
5. Provide a thermal camera to maintenance and EHS team and let them conduct periodical checks –weekly- on below listed points:
Electrical panels: Especially panels in compressor rooms, main electrical panels in each section, power generator room and panels with high load, Electrical wiring within the factory, Electrical motors and pumps within the factory, Boilers and steam lines
6. Review existing maintenance program within the factory and implement more predictive/preventive actions rather than conventional maintenance activities such as: Provide specific training to maintenance staff on predictive/preventive maintenance, Use thermal imaging and ultrasonic measurements to identify potential issues before they occur, Follow normal life period of machine/infrastructure/equipment and conduct inspections, lubrications, repairs or rebuilds based on normal life period statistic
7. EHS committee will play an active role on ongoing EHS efforts. Such as participation into Risk Assessment studies –both fire and H&S- and internal audits, PPE selection, policy and procedure development and review of existing EHS policy and procedures.
8. Review and revise existing internal audit tool to ensure all these areas being covered
9. Organize trainings for EHS team and fire safety operators on maintenance, control and safe operating principles of sprinkler system

FINDING NO.3

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The laser cutting machines do not have proper safety labels, and there are no active interlocks installed on these machines.
2. The large fusing machine near the canteen does not have chain guards.
3. The belt guard on one of the punch button machines is not in its original position.
4. The safety system for the three punch button machines had been turned off by the operator.
5. The small fusing machines did not have guards.
6. The tape cutting machines do not have chain and blade guards.
7. The roofs of both building do not have proper fall protection barriers in roofs, except for one small section.
8. Needle finger guards are shifted up by operators, and not providing any protection.
9. No protective cover has been installed on the ventilation fans in the spot removing section.
10. Working and maximum working pressure levels are not marked on pressure vessel manometers.
11. Two of the legs on the generator exhaust platform have been extended with welded metal pipes, and do not have base plates.
12. The height of the wall under the windows in the first building are about 40 cm too short, and doesn't provide sufficient falling protection.

13. The finger safety guards are out of position on all five end cutter machines in the cutting section of Building #2.
14. The grinding machine in the maintenance workshop does not have an adjustable tool rest and eye shield.
15. The interlining fusing machine in the sewing section does not have a safety cover.

Local Law or Code Requirement

Bangladesh Labor Law 2006, section-63(1) & section-67, FLA Workplace Code (Health, Safety & Environmental Protection Benchmarks HSE.1 and HSE.14)

Root Causes

1. There is a very basic risk assessment report in place. No specific risk grading and preventive/corrective actions defined in this report.
2. Safety and HR & Compliance team is less experienced on certain Health & Safety issues.
3. There is no effective internal monitoring program.
4. EHS committee has not involved into ongoing EHS efforts on a proactive basis, no EHS committee involvement observed on some key EHS related work like Risk Assessment, internal audits, PPE selection and policy & procedure development and review.
5. There wasn't any specific training planned and delivered to EHS committee members.
6. Most of these issues were not identified during the internal and external audits
7. Although there is a training provided to general workforce on machine safety/machine guards, it was observed that this was a 40 minutes training covered many other areas like electrical safety, PPE use, general H&S requirements w/o a specific focus on machine safety/machine guards. Furthermore, there wasn't any training efficiency evaluation effort taken place after this training.

Recommendations for Immediate Action

1. Place proper safety labels and install active interlocks on the laser cutting machines.
2. Install chain guards on the large fusing machine located next to canteen.
3. Ensure that belt guards on the punch button machines are properly located in their original positions.
4. Ensure that punch button machine safety systems are operational.
5. Ensure that guards on the small fusing machines are in the correct place.
6. Install chain guards and blade guards on the seam tape cutting machines.
7. Install falling barriers on the roofs.
8. Ensure that operators are not changing the positioning of the needle finger guards.
9. Provide protective covers for the ventilation fans at spot removing section.
10. Mark the working and maximum working pressure levels on the pressure vessel manometers.
11. Ensure that welded parts of the exhaust support platform footing are made of pieces with same diameter as the original pieces, and install base plates for this platform.
12. Increase the height of the wall under the windows to provide sufficient falling protection.
13. Ensure that the finger safety guards on the end cutter machines are in the correct place.
14. Provide an adjustable tool rest and eye shield on the maintenance workshop grinding machine.
15. Install a safety cover on the recon machine in the sewing section.

FLA's Recommendations for Sustainable Improvements

1. Active worker/union involvement will be provided for ongoing EHS efforts –audits, policy & procedure development, risk analysis...etc.-
2. A training needs assessment will be conducted for EHS staff and union/elected worker representatives to identify specific trainings that they should receive.
3. Risk assessment report will be updated with combined efforts of EHS committee to ensure that it covers all risk factors and how to eliminate/manage them
4. Internal audit system in place will be reviewed –both group and factory level- to make sure that scope/coverage of these audits are enough for capturing such H&S issues
5. EHS committee will play an active role on ongoing EHS efforts. Such as participation into Risk Assessment studies –both fire and H&S- and internal audits, PPE selection, policy and procedure development and review of existing EHS policy and procedures.
6. Review and revise existing internal audit tool to ensure all these areas being covered
7. Design and deliver a specific training on machine guards, ensure efficiency of this training being evaluated.

FINDING NO.4

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Four chemicals, Fevicol SR 998, Appriton, Jensolin Thinner, Spot Lifter 833, do not have Material Safety Data Sheets (MSDS), and the MSDS for Berger T6 is only in English.
2. The chemical storage area does not have spill kits.
3. The factory chemical PPE selection is not in line with the MSDS. Cloth masks are provided in the stain removing section, where the MSDS requires organic vapor filter masks. Additionally since there are missing MSDS it is impossible to identify the correct PPE for many chemicals.
4. One chemical container at the spot removing section is marked as "water."
5. No volatile organic compound measurement has been conducted in the chemical use areas.
6. Asbestos isolation tape is used in the generator room, boiler room, and on the steam lines.
7. Although sewing section is defined as a dust risk area and protective dust mask use signs are placed throughout, most of the workers were not using protective masks.
8. The PPE provided to workers do not have international quality certification marks.
9. There is no system for identifying hazardous chemicals, such as toluene, and replacing them with less hazardous alternatives.
10. Some chemical containers are kept in the general storage area, maintenance room, and near worker dining areas. Additionally these chemicals do not have MSDS and Secondary containment.
11. An unlabeled thinning chemical, without an MSDS, was found in the spot removing room.

Local Law or Code Requirement

Bangladesh Labor Rule 2015, section 68 (10), Section-79(d); FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.2, HSE.7, HSE.8, HSE.9, and HSE.10)

Root Causes

1. There is a very basic risk assessment report in place. No specific risk grading and preventive/corrective actions defined in this report.
2. Safety and HR & Compliance team is less experienced on certain Health & Safety issues.
3. There is no effective internal monitoring program.
4. EHS committee has not involved into ongoing EHS efforts on a proactive basis, no EHS committee involvement observed on some key EHS related work like Risk Assessment, internal audits, PPE selection and policy & procedure development and review.
5. There wasn't any specific training planned and delivered to EHS committee members.
6. Most of these issues were not identified during the internal and external audits.
7. Although there is a chemical safety delivered, there wasn't any training efficiency evaluation effort taken place after this training.

Recommendations for Immediate Action

1. MSDS forms for all of the chemicals used in the factory should be available in the local language in the areas where the chemicals are stored and used.
2. The MSDS should be in line with international standards including all 16 sections below: Identification of substance/mixture and of the company/undertaking, Hazards Identification, Composition/information on ingredients, First aid measures, Firefighting measures, Accidental release measures, Handling and storage, Exposure control/Personal protection, Physical and chemical properties, Stability and reactivity, Toxicological information, Ecological information, Disposal considerations, Transport information, Regulatory information, Other information.
3. Ensure that the PPE selection in the chemical use areas is in line with the MSDS forms and provide adequate protection from risks associated with the chemicals being used.
4. Ensure that all PPE have international quality certification marks.
5. Properly label all chemical containers in the factory.
6. Conduct volatile organic compound measurements in the chemical use areas at least annually.
7. Cease the use of asbestos isolation tape in the factory. Notify workers of the dangers of asbestos tape and label areas where asbestos is currently located.
8. Ensure that workers in the sewing section area using protective dust masks.
9. Ensure that all chemical containers are kept in the designated areas with secondary containment and MSDS.

FLA's Recommendations for Sustainable Improvements

1. Implement a system to ensure possible steps to be taken for replacing hazardous chemicals with less hazardous alternatives.
2. Active worker/union involvement will be provided for ongoing EHS efforts –audits, policy & procedure development, risk analysis...etc.-
3. A training needs assessment will be conducted for EHS staff and union/elected worker representatives to identify specific trainings that they should receive.
4. Risk assessment report will be updated with combined efforts of EHS committee to ensure that it covers all risk factors and how to eliminate/manage them.
5. Internal audit system in place will be reviewed –both group and factory level- to make sure that scope/coverage of these audits are enough for capturing such H&S issues
6. EHS committee will play an active role on ongoing EHS efforts. Such as participation into Risk Assessment studies –both fire and H&S- and internal audits, PPE selection, policy and procedure development and review of existing EHS policy and procedures.
7. Review and revise existing internal audit tool to ensure all these areas being covered
8. Review existing chemical safety training; ensure efficiency of this training being evaluated.

FINDING NO.5

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The current grounding measurement report doesn't include any measurements from sockets and machinery locations, and there are high grounding readings at some sockets in the production buildings.
2. Two-prong plugs are used at some three-prong sockets, which does not afford grounding protection.
3. Some extension cables are not properly insulated.
4. There is no residual current device protection provided on the electrical panels.
5. Phase-neutral is mis-wired in some sockets at the fusing machine section.
6. The cover-panel grounding connections are incomplete on some of the electrical panels.
7. Some sockets in the production area fusing machine section are damaged and require maintenance.

Local Law or Code Requirement

FLA Workplace Code (Health, Safety & Environment Benchmark HSE.13)

Root Causes

1. There is not a handheld multifunction electrical testing equipment in place to use for both maintenance and EHS team
2. RCD protection is not a legal requirement in Bangladesh
3. There is a very basic risk assessment report in place. No specific risk grading and preventive/corrective actions defined in this report.
4. Safety and HR & Compliance team is less experienced on certain Health & Safety issues.
5. There is no effective internal monitoring program.
6. EHS committee has not involved into ongoing EHS efforts on a proactive basis, no EHS committee involvement observed on some key EHS related work like Risk Assessment, internal audits, PPE selection and policy & procedure development and review.
7. There wasn't any specific training planned and delivered to EHS committee members.
8. Most of these issues were not identified during the internal and external audits

Recommendations for Immediate Action

1. Improve the grounding quality at the high grounding reading sections.
2. Ensure that grounding the measurement report includes measurements from sockets and machinery locations.
3. Stop using two-prong plugs in three-prong sockets.
4. Properly isolate extension cables.
5. Check and correct the mis-wired P-N sockets at the fusing machine section.
6. Ensure that all cover-panel grounding connections are complete.
7. Identify and repair damaged sockets.

FLA's Recommendations for Sustainable Improvements

1. Buy a multifunction electrical test equipment to conduct loop/RCD/voltage drop and insulation resistance tests within the factory.
2. Prepare a plan and install RCDs on electrical panels, starting from main panels with 300mA RCDs for fire protection and 30mA RCDs for distribution panels for personal safety –against electrical shocks-
3. Conduct a training needs assessment for EHS committee members and general workforce, revise existing training plan in light of this assessment and deliver these trainings
4. EHS committee will play an active role on ongoing EHS efforts. Such as participation into Risk Assessment study and internal audits, PPE selection, policy and procedure development and review of existing EHS policy and procedures.
5. Review existing internal audit tool to ensure all these areas being covered
6. Review and revise existing risk assessment report to ensure that it includes risk grading and covers all risk factors and how to eliminate/manage them

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. There are no brakes on the material transfer carts. During the day of the visit one material transfer cart fell down the stairs.
2. There is no refrigerator in medical room; therefore some medicines and vaccines that need to be refrigerated are kept at room temperature.
3. There are no caps on the eyewash station sprinkler heads.
4. Workers were working on the top of carton boxes in Building #2 warehouses, which posing a risk of falling.
5. Compressed air higher than two bars (6 bars) is used for cleaning activities.
6. There are unlabeled non-potable water sources in the factory.

Local Law or Code Requirement

FLA Workplace Code (Health, Safety & Environment Benchmark HSE.6, HSE.14, HSE.18, and HSE.23)

Root Causes

1. There is a very basic risk assessment report in place. No specific risk grading and preventive/corrective actions defined in this report.
2. Safety and HR & Compliance team is less experienced on certain Health & Safety issues.
3. There is no effective internal monitoring program.
4. EHS committee has not involved into ongoing EHS efforts on a proactive basis, no EHS committee involvement observed on some key EHS related work like Risk Assessment, internal audits, PPE selection and policy & procedure development and review.
5. There wasn't any specific training planned and delivered to EHS committee members.
6. Most of these issues were not identified during the internal and external audits

Recommendations for Immediate Action

1. Install brakes on the material transfer carts.
2. Install a refrigerator in the medical room, and ensure all necessary medicines and vaccines are refrigerated.
3. Ensure that warehouse workers are not working on top of the carton boxes.

FLA's Recommendations for Sustainable Improvements

1. Provide caps for eyewash station sprinkler heads
2. Use of compressed air for cleaning activities –air guns- will be prohibited. If its inevitable to use them in some sections, then pressure must be dropped to 2 bars in air guns at these sections
3. Conduct a training needs assessment for EHS committee members and general workforce, revise existing training plan in light of this assessment and deliver these trainings
4. EHS committee will play an active role on ongoing EHS efforts. Such as participation into Risk Assessment study and internal audits, PPE selection, policy and procedure development and review of existing EHS policy and procedures.
5. Review existing internal audit tool to ensure all these areas being covered
6. Review and revise existing risk assessment report to ensure that it includes risk grading and covers all risk factors and how to eliminate/manage them

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. There is no drainage pipe provided for the sinks at childcare area and workplace doctor's room, the sinks drain in to a bucket.
2. There are no maximum load labels on that shelves at the factory and warehouse areas.
3. The factory has not provided anti-fatigue mats for some standing workers. The seats provided to workers do not have backrests, and the workstations are not adjustable. The factory does not provide ergonomics training for workers to prevent repetitive stress injuries.
4. The factory does not provide lifting belts and training to the relevant workers.
5. One cutting operator at the fixed blade table saw was not using their mesh glove during the operation of the machine.
6. The factory has not defined a weight limit for hand carriage/manual handling operations.
7. The factory uses negative incentives to ensure that workers use machinery and tools safely.

Local Law or Code Requirement

FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.7, HSE.8, HSE.14, HSE.15, and HSE.17, and HSE.19)

Root Causes

1. There is a very basic risk assessment report in place. No specific risk grading and preventive/corrective actions defined in this report.
2. Safety and HR & Compliance team is less experienced on certain Health & Safety issues.
3. There is no effective internal monitoring program.
4. EHS committee has not involved into ongoing EHS efforts on a proactive basis, no EHS committee involvement observed on some key EHS related work like Risk Assessment, internal audits, PPE selection and policy & procedure development and review.
5. There wasn't any specific training planned and delivered to EHS committee members.
6. Most of these issues were not identified during the internal and external audits

Recommendations for Immediate Action

Ensure that all cutting operators are using mesh gloves during the cutting operations.

FLA's Recommendations for Sustainable Improvements

1. Provide drainage pipe for sinks at childcare area and workplace doctor's room
2. Maximum load labels will be placed on shelves at factory/warehouse areas
3. Provide anti-fatigue mats all workers working by standing
4. Prepare a procedure for hand carriage/manual handling operations and define a limit for these operations. Train relevant workers on this procedure and post maximum limit for hand carriage/manual handling operations in warehouse/loading-unloading areas
5. Conduct a training needs assessment for EHS committee members and general workforce, revise existing training plan in light of this assessment and deliver these trainings
6. EHS committee will play an active role on ongoing EHS efforts. Such as participation into Risk Assessment study and internal audits, PPE selection, policy and procedure development and review of existing EHS policy and procedures.
7. Review existing internal audit tool to ensure all these areas being covered
8. Review and revise existing risk assessment report to ensure that it includes risk grading and covers all risk factors and how to eliminate/manage them

FINDING NO.8

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. Oil contaminated water is directly discharged from the air compressor and dryer to the outside environment.
2. Solid waste, both hazardous and non-hazardous, is not kept in a designated waste storage area, instead it is store throughout the factory.
3. No secondary containment is provided for the chemicals in the generator room.
4. An ozone depleting refrigerant, HCFC-22, is used in the air conditioning systems.
5. Although the factory has a non-hazardous waste storage area, the waste is not separate by type. Hazardous waste is not properly stored and is stored outside by the factory building.
6. Mixed solid waste, hazardous and nonhazardous is stored at the back of the dormitory building.
7. The compressed air on the punch button machines is leaking.
8. Compressed air is used for some sewing operation, creating a noisy environment and energy waste.
9. Empty chemical drums are stored outside.
10. The factory Environment Clearance Certificate expired on March 19, 2016. However, the factory has applied to the concerned authority on July 8, 2016 to receive a new certificate, but the certificate has yet been received from the agency.
11. The factory burns solid waste, both hazardous and non-hazardous, on the factory premises.
12. The factory does not have the appropriate systems to respond to a potential environmental emergency.

Local Law or Code Requirement

Bangladesh Labor Law 2006, Section-54; Bangladesh Environment Conservation Act, 1995 Section 12, FLA Workplace Code (Employment Relationship Benchmark ER.31; Health, Safety & Environment Benchmark HSE.1, HSE.4, HSE.5, and HSE.9

Root Causes

1. Internal audits doesn't focus environmental protection as a result, there wasn't any environmental protection finding observed in internal audit reports
2. There is not an environmental risk assessment report in place
3. No specific environmental protection trainings designated for workers and managerial staff on annual training plans, no training needs assessment taken place.
4. Although some written documentation on environmental protection exists –waste control form/wastewater analysis...etc.- , there are no written procedures in place
5. EHS committee doesn't involve any environmental protection related issues and their scope of work is limited with H&S
6. There wasn't any specific training planned and delivered to EHS committee members.

Recommendations for Immediate Action

1. Collect and treat oil contaminated water from the air compressor and dryer.
2. Ensure that all solid waste is kept in designated waste storage areas.
3. Provide secondary containment provided for the chemicals in the generator room.
4. Prohibit the practice of burning solid waste in factory premises.

FLA's Recommendations for Sustainable Improvements

1. A phase-out plan will be prepared and implemented for ozone depleting refrigerant in use –R22- in air conditioning systems
2. Compressed air leaks on punch button machines will be fixed
3. Unnecessary compressed air use will be prohibited Empty chemical drums will be kept in designated areas
4. Factory management will follow up with local authorities to obtain Environment Clearance Certificate of the factory
5. An ultrasonic leak detector will be provided to maintenance team to identify and maintain compressed air leaks in factory
6. Conduct a training needs assessment for EHS committee members and general workforce, revise existing training plan in light of this assessment and deliver these trainings
7. EHS committee will play an active role on ongoing EHS efforts. Such as participation into Risk Assessment study and internal audit, policy and procedure development and review of existing EHS policy and procedures.
8. Review existing internal audit tool to ensure that environmental protection related issues being covered
9. Conduct an environmental risk assessment to identify and address environmental risks

FINDING NO.9

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Termination & Retrenchment

Finding Explanation

The factory does not have any written documents on retrenchment and there is no indication that the factory has a system in place for arranging consultation meetings with workers or worker/union representatives before reaching any final decisions on retrenchment.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.32)

Root Causes

It is not a common practice in Bangladesh for factories to have retrenchment procedures.

FLA's Recommendations for Sustainable Improvements

1. Prepare a detailed procedure for regulating retrenchment activities. This procedure, at minimum, should include the following items:
2. A formal communication system for when employers are faced with major changes in production, program, organization, structure, or technology and those changes are likely to result in temporary or permanent layoffs.
3. Communication of any alternatives to retrenchment that have been considered.
4. Consultation with any workers' representatives as early as possible with a view to averting or minimizing layoffs.

FINDING NO.10

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. The factory does not have formal written procedures for regulating workplace conduct and disciplinary measures; however, some documents and systems are in place.

2. The system of workplace conduct and discipline does not include a third party witness during imposition and procedures for workers to appeal disciplinary action.
3. There are no clear definitions either informally, or in writing, of responsible/accountable person(s) for workplace conduct and discipline in all areas/departments within the factory.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.27)

Root Causes

The management lacks knowledge regarding workplace conduct and discipline. Furthermore, there is a lack of communication between departments, procedural mistakes, and a lack of responsible personnel specifically assigned to the task, leading to these errors.

FLA's Recommendations for Sustainable Improvements

1. Prepare, with participation from elected worker representatives, written disciplinary rules, procedures, and practices that embody a system of progressive discipline (e.g., a system of maintaining discipline through the application of escalating disciplinary action, moving from verbal warnings, to written warnings to suspension, and finally to termination).
2. Ensure that the disciplinary system includes a third party witness during imposition, and an appeal process.
3. Assign a responsible person for the administration of Human Resources to a clearly defined and adequately qualified staff member, or staff members, and ensure that workers at all levels receive communication and training about existing policies and procedures.
4. Carry out training needs assessment to identify training needs of HR & Compliance staff.

FINDING NO.11

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. Factory provided worker's wages sheet shown that excessive overtime work has been performed in May 2016, up to 103 hours/month. But workers job/time cards show only regular overtime hours, 48 hours/month.
2. The daily goods in and out register showed that packing workers worked until 11:00 pm, whereas the worker's job cards showed they only worked to 7:00pm (legal overtime).
3. The security guards duty register (collected from security section) showed that security guards work in two shifts where factory stated that security guards are working in three shifts.

Local Law or Code Requirement

FLA Workplace Code (Hours of Work Benchmarks HOW.1, HOW.7, and HOW.9)

FINDING NO.12

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

Factory management does not provide any office space or other facilities for the Work Participation Committee.

Local Law or Code Requirement

FLA Workplace Code (Freedom of Association Benchmarks FOA.11 and FOA.15)

FINDING NO.13

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. Workers were not trained on the Mainland code of conduct and don't know their rights and responsibilities in light of this code of conduct. None of the workers interviewed were aware of Mainland or the FLA.
2. Employee handbook doesn't include any information on the Mainland code of conduct or the FLA.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1, ER.16, and ER.17)

Root Causes

Communication issues between HQ and factory management as HQ staff thought that handbooks being revised and distributed to the workers which is not the case

FLA's Recommendations for Sustainable Improvements

1. Workers will be trained on Mainland COC
2. New employee handbook will be distributed to the workers