

# Workplace Conditions Assessment Report

Measured Results — Improved Performance



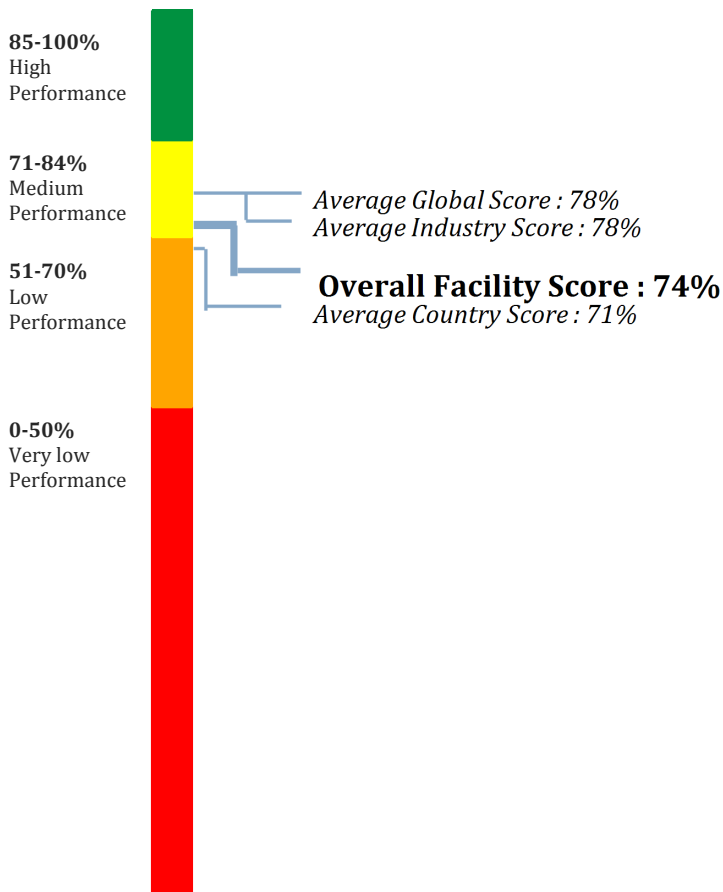
## UTAH FASHIONS LTD.

### GENERAL INFORMATION

Overall Facility Score : **74%**

Report No :	F_IAR_17061	City :	Gazipur
Audit Date :	Dec 02, 2018	Country :	Bangladesh
Last Audit :	May 11, 2017 (81%)	Auditors :	Primary: Quazi Marzia Rahman
Assessment Stage :	Re-Audit		Secondary: Davit Tripura, Mohammad Salah Uddin
Schedule Type :	Un-Announced	Service Provider:	Intertek

### WORKPLACE PERFORMANCE INDEX AND SUMMARY Participating facilities: 29760



Assessment area	Score results	Number of non-compliances by rating				
		Zero Tolerance	Major	Moderate	Minor	Notscored
<b>Overall</b>	<b>74%</b>	-	<b>1</b>	<b>10</b>	<b>4</b>	-
Labor	<b>100%</b>	-	-	-	-	-
Wages & Hours	<b>44%</b>	-	1	4	-	-
Health & Safety	<b>72%</b>	-	-	6	-	-
Management Systems	<b>85%</b>	-	-	-	4	-
Environment	<b>100%</b>	-	-	-	-	-

## A. FACILITY PROFILE

### A1. FACILITY INFORMATION

<b>Facility Name:</b>	UTAH Fashions Ltd.	<b>Facility Legal Status:</b>	Privately owned
<b>Facility Legal Name:</b>	UTAH Fashions Ltd.	<b>Year facility began operations:</b>	2005
<b>Audit Location:</b>	Village: South Salna, Post Office: Salna Bazar, Police Station: Gazipur Sadar,	<b>Located in special economic zone:</b>	No
<b>City:</b>	Gazipur	<b>Person responsible for overall social compliance issues:</b>	Syed Shamim Kadery; DGM (Compliance)
<b>Country:</b>	Bangladesh	<b>Valid certificate for social compliance certification program:</b>	None
<b>Contact Name:</b>	Syed Shamim Kadery	<b>Vendor Name:</b>	UTAH Fashions Ltd.
<b>Contact Title:</b>	DGM (Compliance)	<b>Security systems in place:</b>	<i>Yes The premises have a perimeter wall around the compound. Total 37 security guards are employed by the facility for controlling physical access to the facility. However the security system is controlled by CCTV.</i>
<b>Industry:</b>	Apparel		

**Building Description:** The facility compound consists of six RCC buildings and three prefabricated buildings (brick walled and tin roofed). In this facility premises also there is another facility named Label For Less Ltd. (Ground floor of 7 storied building used for embroidery) under the same owner and management. The facility does not provide dormitory facility. Detail floor description is mentioned below:

Building-1 (7 storied):

Ground floor: Label For Less Ltd. (sister concern), compressor room, reception (under retrofitting)

Mezzanine floor: Office, training room, meeting & conference room and show room.

1st floor: Sewing section, finishing section, office and maintenance room (knit items).

2nd floor: Central cutting section and spot removing room.

3rd floor: doctor's room, dining, prayer room, finishing section (woven items) and finished goods and carton area.

4th & 5th floor: Sewing section, finishing section (knit items), maintenance room, office

6th floor: Sewing section (woven items), office and maintenance room.

Building 2 (2 storied):

Ground floor: Child care room, fabric warehouse, Inspection rooms, fabric storage, accessorize storage, finished goods storage, Chemical store, Color kitchen and wastage store

Mezzanine floor: Printing section, sample section, training room for sewing section employees

1st floor: under construction

Building-3 (single storied): Security post, fire control room, office and sub-station room.

Building 4(single storied): Security post, officers' dining area

Building 5 (single storied): Security post

Building 6 (single storied):

Ground floor: generator area

Mezzanine floor: Office

Building 6 (single storied): Boiler room.

Shed 1: Backup generator room (1 generator installed here).

Shed-2: Driver's room

Shed 3: Temporary shed building for construction materials storage

Shed 4: Generator Room

Shed 5: Diesel storage

The facility building constructed for industrial purpose and approved by Local Government Engineering Department of Gazipur Sadar. Total land area of the facility is 115714.22 square feet and floor area is 251414 square feet.

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**Special building type:** NA

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## A2. PRODUCTION INFORMATION

<b>Products manufactured/ Services provided:</b>	Woven and Knitted items	<b>Time record system(s) used:</b>	Swipe Card system
<b>Production process/ Service elements:</b>	Cutting, Printing, Sewing, Finishing and Packing	<b>Chemicals or hazardous materials on-site:</b>	Yes <i>Printing Chemicals (Anti Tack B-7, Bezaprint Black Dw, Bezaprint Blue Bt, Bezaprint Blue Rr, Bezaprint Blue Tb, Bezaprint Green-Bt, Bezaprint Red Hbb, Bezaprint Red Kf, Bezaprint Turquoise -Gt, Bezaprint Violet Fb, Bezaprint Violet Kb, Bezaprint Yellow 3gt, Bezaprint Yellow Rr, Cresaprint Ars, Cresa Blanc Us-2005, Floritex Nert-N, Floritex Tr-Tn, Fixarez Fs 2000, Hardener A, Hardener Dl, Lumi Color G-31 Nn, Multitran Xm-378 Trans Adh., N.K. Binder R-5hn, Nk Couper El-594 Hn, Nk Couper Nr 351hn, Nk Plastur Ehhn, Nk Undercoat Rom, Nk Undercoat Rwm, Photocure Txr, Print Perfect Lac Lf, Ryudye-W Fixer Gkc, Ryudye-W Kn Clear Sp-01, Ryudye-W Kn Pai Sp-02, Seikapaste Va-1000, Seikapaste Va-1200, Seikapaste Va-1600, Sfx001 Screen Fix, Sfx002 Screenfix Catalyst, Ssc001 Screen Clean, Sst002k Screen Strip Powder, Sw 115 Lemon Yellow, Sw-111 Red Orange, Sw 113 Red, Sw 114 Orange, Sw 117 Pink, Sw-128 Blue, Sw-137 Rubin C, Sw-147 Violet, Translac Bond 55, Tubassist Fix 104 W, Tubiscreen Gd-200, Tubvinyl-235mc, Ycp001 Deep Black, Ycp004 Trichromatic Black, Ycp021 White, Ycp042 Light Chrome Yellow, Ycp043 Mid Chrome Yellow, Ycp058 Trichromatic Yellow, Ycp077 Opaque Fluorescent Yellow, Ycp119 Opaque Fluorescent Orange, Ycp124 Deep Red, Ycp134 Red, Ycp135 Trichromatic Magenta, Ycp162 Light Red, Ycp165 Magenta, Ycp203 Mid Blue, Ycp215 Trichromatic Cyan, Ycp285 Deep Green, Ycp417 Expending Base (Puff), Ycp591 Flow Reducer), Washing Chemicals, Diesel, Machine Oil &amp; Spot lifter-833.</i>
<b>Production capacity a week:</b>	75000 pieces (woven), 450000 pieces (Knit) & 2500000 (Screen printing)		
<b>Total number of machines:</b>	2400 sets		
<b>Main machine types:</b>	Cutting m/c , Plain m/c, Vertical m/c, Overlock, Button Stitch, Kansai, Feed of the Arm, Chain Stitch, Button Hole, Snap Button, Fusing, Generator,boiler etc.		
		<b>Current production/ Services for client:</b>	Yes

**Shifts and Operating hours:** 2 Shift in Garments unit: General working shift for garments unit is 8:00 am to 5:00 pm and 08:15 am to 05:15 pm with one hour lunch break by two shifts from 12:30 pm to 01:30 pm and 01:15 pm to 02:15 pm.  
 2 Shifts in printing unit: 06:00 am to 02:00 pm (Shift-1) and 02:00 pm to 10:00 pm (Shift-2) with 30 minutes break from 11:30 am to 12:00 pm for 1st shift and 06:00 pm to 06:30 pm for 2nd shift.

The employees work from Saturday to Thursday. Friday is their weekly holiday.

### A3. EMPLOYEE INFORMATION

<b>Range of total number of employees at the facility:</b>	1001-5000 employees	<b>Female Employees:</b>	2581
<b>Union name:</b>	None	<b>Male Employees:</b>	1107
<b>Employs juvenile workers:</b>	None	<b>Mgmt Employees:</b>	557
<b>Hires through employment agent:</b>	No Facility did not hire employees through an employment agent.	<b>Production (Non-Management) Employees:</b>	3131
<b>Employee nationalities/provinces:</b>	4 employees from Sri Lanka have been recruited in management section and the rest of the employees are Bangladeshi	<b>Local Employees:</b>	3684
		<b>Foreign/Migrant Employees:</b>	4
		<b>Languages spoken in the facility:</b>	Bengali as local language and English as official language
		<b>Management and employees speak same language :</b>	Yes

## A4. SUBCONTRACTOR INFORMATION

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<b>Subcontractor# :</b>	<b>1</b>		
<b>SubContractor Name:</b>	UTAH Washing Limited;	<b>Address:</b>	Monipur, Hotapara, Gazipur.
<b>Contact Name:</b>	Mr. Kumara- GM (Washing)		
<b>Telephone:</b>	01755620548		
<b>Email Address:</b>	uwlgm@utahgroup.com		
<b>Process Type:</b>	Subcontractor performs other subcontracting functions (i.e. printing, spraying, injection, dyeing, welding, washing, embroidery)		
<b>Process subcontracted:</b>	Washing process		
<b>Social Audits performed:</b>	Yes	<b>Type of Social Audits:</b>	WCA
<b>Private label items:</b>	Yes		
<b>Subcontractor# :</b>	<b>2</b>		
<b>SubContractor Name:</b>	Label For Less L	<b>Address:</b>	South Salna, Gazipur
<b>Contact Name:</b>	Mr. Rana		
<b>Telephone:</b>	01715788277		
<b>Email Address:</b>	lflooffice@utahgroup.com		
<b>Process Type:</b>	Subcontractor performs other subcontracting functions (i.e. printing, spraying, injection, dyeing, welding, washing, embroidery)		
<b>Process subcontracted:</b>	Embroidery Process		
<b>Social Audits performed:</b>	No	<b>Type of Social Audits:</b>	WCA
<b>Private label items:</b>	Yes		

## A5. GENERAL INFORMATION

In general, attitude of the workers was favorable. They seem to be simple, open and comfortable to express their views; they were satisfied with the factory in regard to the facilities provided to them, payments and the management's behavior.

The employees were assured of confidentiality of the interview outcome and they spoke freely of their views to the factory. During interview all employees stated that they were satisfied with their employment at the factory and they have received wages as per their employment contract. They are free to leave the employer and understood the notice period required for termination/resignation. The facility management treated them with respect and dignity.

They all are able to communicate directly to their supervisors/line manager and also are free to raise their general concerns through the participation committee representative.

The facility management showed a positive attitude to this audit during the whole process. All documentation requested for review was provided timely. The facility management allowed conducting employee interview. At the end of the audit, all findings and recommended corrective actions were accepted by the facility management.

### Emergency Preparedness Summary

Overall emergency preparedness of the facility was noted based on facility tour, documents review, management and employee interview:

1. The facility has a written policy and there was a procedure in place for emergency preparedness. Mr. Asraful Alam (Compliance Manager) has been assigned as a responsible person to monitor the effectiveness and implementation of the emergency program.
2. Sufficient fire rated door has been installed throughout the facility and no such door was locked or obstructed while work was being carried on in the audit day. All emergency evacuation exit doors were clearly marked and there was a system for emergency lighting. The emergency lighting has backup battery providing continuous lighting within a timeframe.
3. Automatic fire/smoke alarm system was found active for the entire building. During plant tour it was observed that the fire detection system was automated and has been installed throughout the facility.
4. Fire sprinkler system is not required by law for this facility. However, sprinkler system has been installed throughout the facility.
5. Evacuation plan has been posted throughout the facility.
6. All firefighting equipment was visible to employees and free from blockage. All fire extinguishers were properly mounted and securely placed throughout the facility. All the equipment were marked and equipped with operational instruction in a language understood by all employees.
7. Facility conducts emergency evacuation drill once in a month. Last fire drill was conducted on 24th November 2018 which was monitored by Fire Safety Officer
8. The facility arranges periodical training session on firefighting and the last training was held on 29th November 2018 where around 30 employees have participated. The facility has approximately 700 fire fighters and all of them have been trained by Fire service department.
9. Facility has sufficient fire detecting and firefighting equipment such as -398 ABC, 176 CO2 and 06 Foam fire extinguishers, 12 fire hose pipe, 66 fire alarm call point, 89 Fire alarm Sounder, 12 Fire bitter , 24 Fire blanket, 24 Fire bucket, 12 Fire hook, 144 G, 18 Helmet ,11 Smoke detector, 14 Stretcher. Lock cutter 06 etc.

## A6. AUDIT PROCESS

### *Audit pay period provided for review*

Records	From	To
12 Months Payroll	01-11-2017	31-10-2018
12 Months Attendance	01-11-2017	31-10-2018
<b>Special Comments</b>	Not applicable	

### *Employee interview sampling*

Individual	30
Group	2 groups of 5 employees.
<b>Total interviewed</b>	<b>40</b>

### *Payroll and attendance records sampling*

Period	From	To	Peak Season	Records Reviewed
Current Period	01-10-18	31-10-18	No	30
Period 1	01-04-18	30-04-18	No	10
Period 2	01-01-18	31-01-18	No	10
<b>Total</b>				<b>50</b>

### *Other records reviewed*

Personnel records  
 Security log book  
 Non-Production records  
 Legal Permits  
 Employee leave register  
 Health examination records  
 Other : All training records, policies etc.

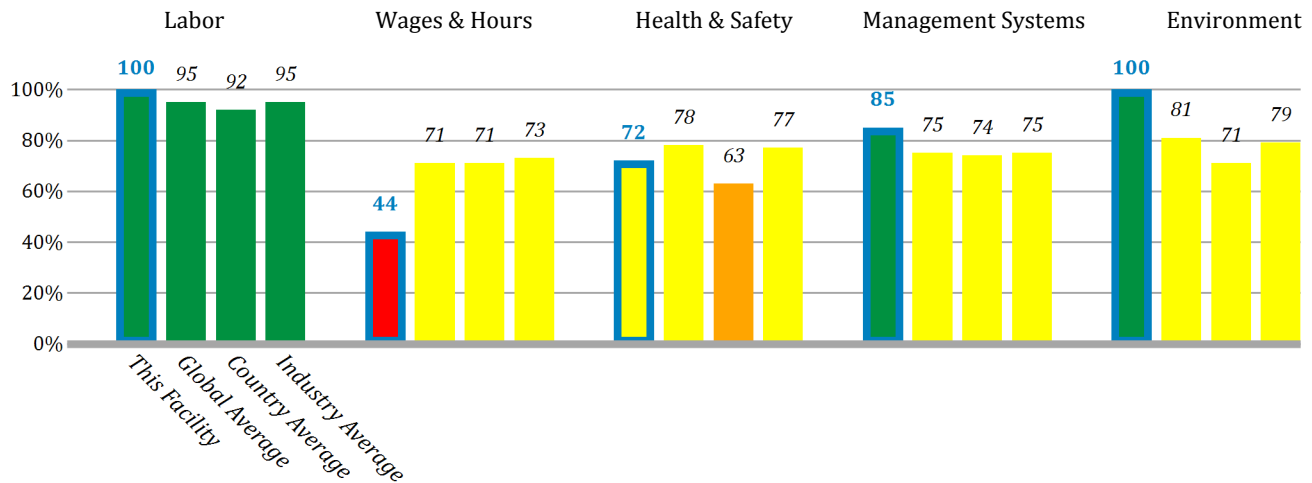
Machine maintenance records  
 Production records  
 Employment contracts  
 Social insurance documentation  
 Infirmary logs



## B. KEY PERFORMANCE METRICS

### B1. COMPARISON BENCHMARK

Current performance — Global average, Bangladesh average, Apparel average

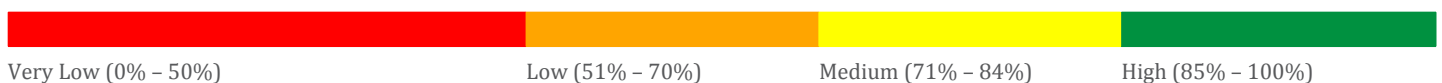


### B2. PERFORMANCE TREND ANALYSIS

Section Name	Current (02-Dec-2018)	Last (11-May-2017)	First (11-Oct-2013)	Change (Current-Last)	Change (Current-First)
Labor	100	97	89	3 % ▲	12 % ▲
Wages & Hours	44	51	58	-13 % ▼	-24 % ▼
Health & Safety	72	85	64	-15 % ▼	12 % ▲
Management Systems	85	86	100	-1 % ▼	-15 % ▼
Environment	100	100	29	0 % ■	244 % ▲
<b>Overall Score</b>	<b>74</b>	<b>81</b>	<b>71</b>	<b>-8 % ▼</b>	<b>4 % ▲</b>

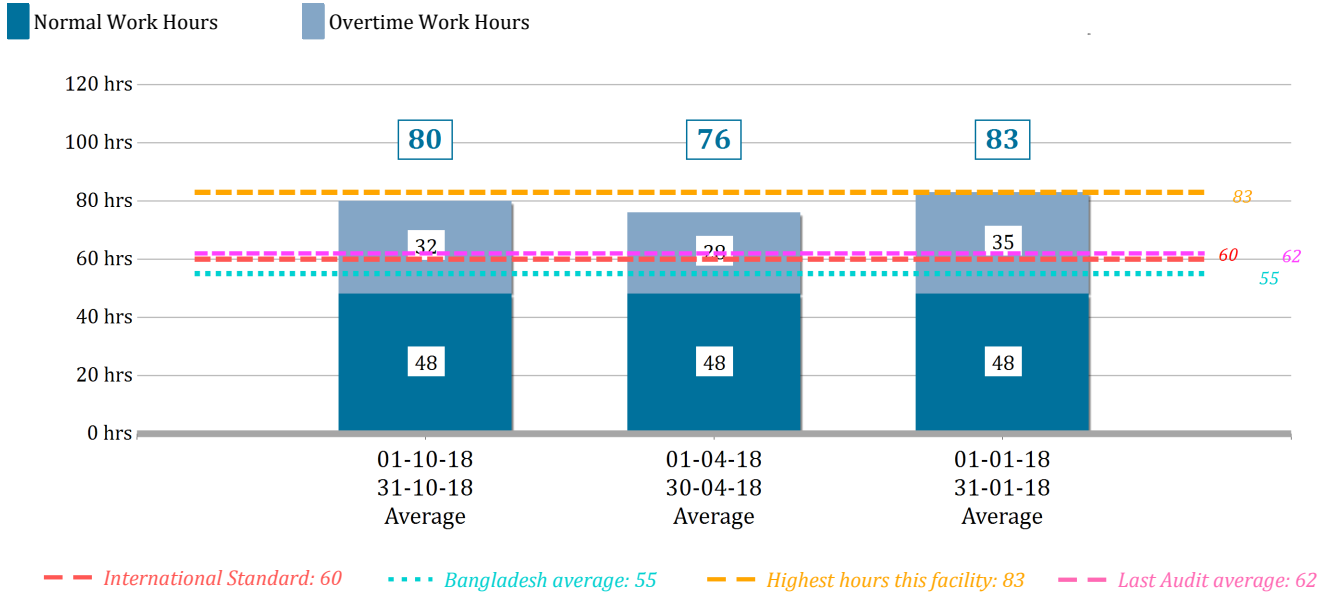
▲ Advancers ■ Constant ▼ Decliner

#### PERFORMANCE RATING

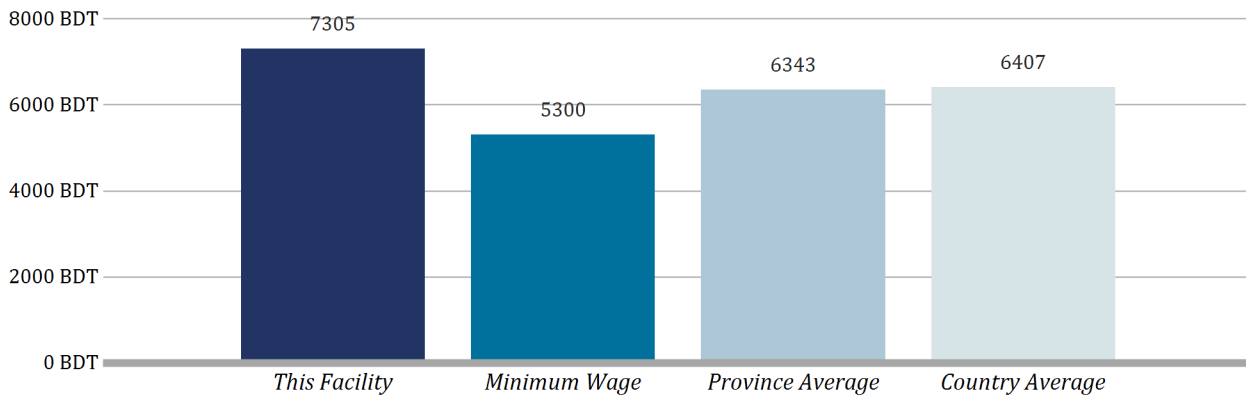


### B3. WORKING HOURS AND WAGES

#### Average total hours worked weekly



#### Average wages paid in local currency (BDT)



**Special wage circumstances:** As per Bangladesh Government Gazette 2013, December, 5

Grade-1  
Pattern Master: Basic salary- Tk. 8500, House rent- Tk. 3400, Medical- Tk. 250, Conveyance allowance 200, food allowance 650 Total- Tk. 13000.00

Grade-2  
Senior Mechanic: Basic salary- Tk. 7000, House rent- Tk.2800, Medical- Tk. 250, Conveyance allowance 200, food allowance 650, Total- Tk.10900.00

Grade-3  
Sample Machinist: Basic salary- Tk. 4075, House rent- Tk.1630, Medical- Tk. 250, Conveyance allowance 200, food allowance 650, Total- Tk.6805

Grade-4  
Sewing machine operator: Basic salary- Tk. 3800, House rent- Tk. 1520, Medical- Tk. 250, Conveyance allowance 200, food allowance 650, Total- Tk.6420.00

Grade-5  
Junior Sewing machine operator: Basic salary- Tk. 3530, House rent- Tk.1412, Medical- Tk. 250, Conveyance allowance 200, food allowance 650, Total- Tk.6042.00

Grade-6  
General sewing machine operator: Basic salary- Tk. 3270, House rent- Tk.1308, Medical- Tk. 250, Conveyance allowance 200, food allowance 650, Total- Tk.5678.00

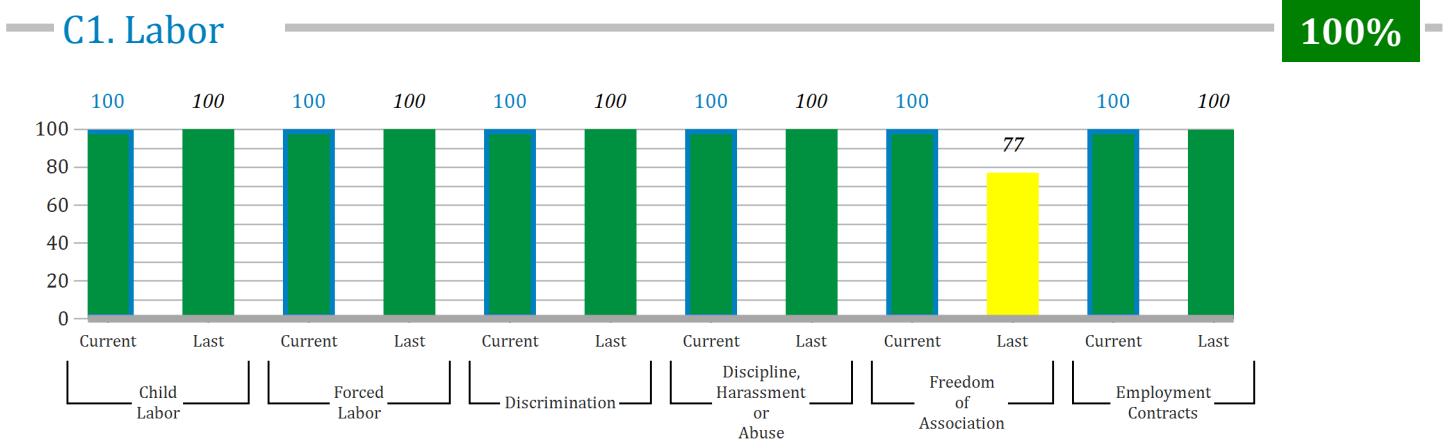
Grade-7  
Assistant sewing machine operator: Basic salary- Tk.3000, House rent- Tk. 1200, Medical- Tk. 250, Conveyance allowance 200, food allowance 650, Total- Tk.5300.00

**Wages and hours summary:** Following information was noted based on document review, employee and management interview:

- 1) General working shift for garments unit is 8:00 am to 5:00 pm and 08:15 am to 05:15 pm with one hour lunch break by two shifts from 12:30 pm to 01:30 pm and 01:15 pm to 02:15 pm. Printing section only operates by two (2) shifts from 06:00 am to 02:00 pm and 02:00 pm to 10:00 pm. Half an hour break provided for printing section employees from 11:30 am to 12:00 pm for 1st shift and 06:00 pm to 06:30 pm for 2nd shift.
- (2) The facility remains open from Saturday to Thursday and Friday is weekly holiday for all employees. All of them generally receive their wages monthly and the pay cycle for this facility is 1 to 30/31.
- (3) The management has formulated working hour and social benefits policy where it is mentioned that the working hours would be in compliance with local law. As per government gazette notification on working hours, a facility can do 4 hours overtime in a day and 24 hours overtime in a week with the consent of employees which is valid till 16/04/2019.
- (4) The weekly regular working hour was in line with the legal limit (48 hours per week). Total overtime hours per week exceed the local waiver limit (24 hours overtime per week) which is mentioned in working hour section. The sampled employees did not receive one day off following 6 consecutive days work.
- (5) Facility management has formulated a policy on providing festival bonus twice in a year and maternity benefit to all of its employees who would be legally entitled to.
- (6) Facility management has formulated a policy on providing yearly increment (5% on basic wage) as per gazette published on 5 December, 2013.
- (7) The management is communicating the wage calculation to their employees by using pay slip. All the employees can read and understand the pay slip as it is written in native language.
- (8) The payment of wage is made regularly without any delay in accordance with the local law. The facility management generally provides salary within the 7th days after the end of the calculation period. The last wage payment was made on 6th November 2018.

## C. PERFORMANCE DETAILS

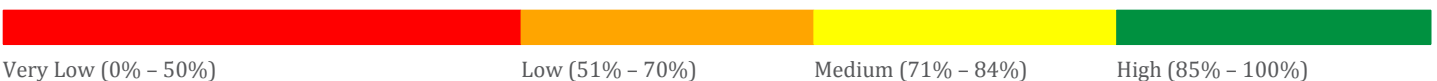
Current (02-Dec-2018) Last (11-May-2017)



### Sub Section: Freedom of Association

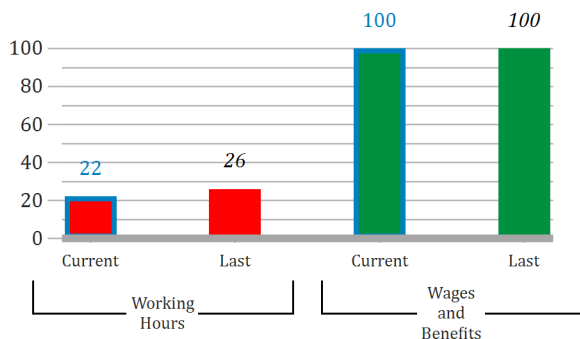
Status	Findings	% Global freq of compliance
● Corrected	<p><b>86.00</b> : Previous Non-Compliance : Work representatives within the facility are not freely elected without management interference</p> <p><b>Auditor's comment</b> Facility management established a Workers' Participation Committee through election as per law and the committee consists of 22 members and the whole election procedure has been acknowledged by the Labour Director. Last election was held on 13th October 2018.</p>	96%

### PERFORMANCE RATING



## C2. Wages & Hours

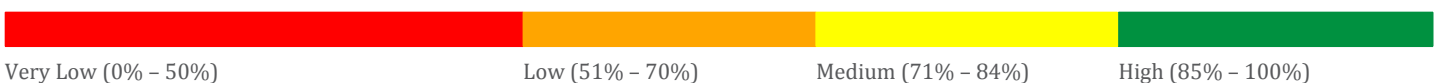
44%



### Sub Section: Working Hours

Status	Findings	% Global freq of compliance
● Moderate	<p><b>120.02</b> : Total working hours during the period specified by the waiver exceeds allowable limits under the waiver.</p> <p><b>Auditor's comment</b> A review of the 50 sampled employees time records and salary sheets for 3 sample months (October'18, April'18 and January'18) revealed that daily and weekly total working hours exceed the maximum permitted by local legislation and/or Code of Conduct as follows: • 12 out of 30 sampled employees worked 76 hours (48 hours regular+ 28 hours overtime) to 93 hours (48 hours regular+ 45 hours overtime) in a week in October 2018 (Current month). Moreover, 22 out of 30 sampled employees worked daily 13 hours (8 hours regular + 5 hours overtime) to 18 hours (8 hours regular + 10 hours overtime) in a day in October 2018. • 3 out of 10 sampled employees worked 74 hours (48 hours regular+ 26 hours overtime) to 81 hours (48 hours regular + 33 hours overtime) in a week in April 2018 (Off Peak month). Moreover, 10 out of 10 sampled employees worked daily 13 hours (8 hours regular + 5 hours overtime) to 17 hours (8 hours regular + 9 hours overtime) in a day in April 2018. • 9 out of 10 sampled employees worked 74 hours (48 hours regular+ 26 hours overtime) to 94.30 hours (48 hours regular+ 46.30 hours overtime) in a week in January 2018 (Peak month). Moreover, 10 out of 10 sampled employees worked daily 13 hours (8 hours regular + 5 hours overtime) to 20.3 hours (8 hours regular + 12.30 hours overtime) in a day in January 2018.</p>	58%

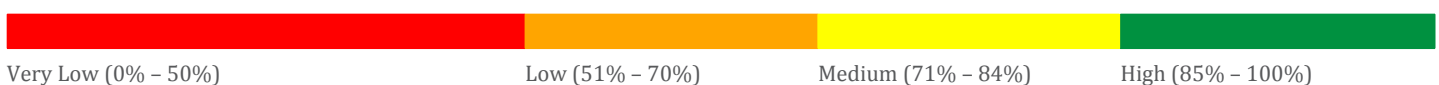
### PERFORMANCE RATING



Sub Section: **Working Hours**

Status	Findings	% Global freq of compliance
● Moderate	<p><b>122.00</b> : Total overtime hours exceeds allowable limits under applicable law or agreement.</p> <p><b>Auditor's comment</b> A review of the 50 sampled employees time records and salary sheets for 3 sample months (October'18, April'18 and January'18) revealed that daily and weekly total working hours exceed the maximum permitted by local legislation and/or Code of Conduct as follows: • 12 out of 30 sampled employees worked 76 hours (48 hours regular+ 28 hours overtime) to 93 hours (48 hours regular+ 45 hours overtime) in a week in October 2018 (Current month). Moreover, 22 out of 30 sampled employees worked daily 13 hours (8 hours regular + 5 hours overtime) to 18 hours (8 hours regular + 10 hours overtime) in a day in October 2018. • 3 out of 10 sampled employees worked 74 hours (48 hours regular+ 26 hours overtime) to 81 hours (48 hours regular + 33 hours overtime) in a week in April 2018 (Off Peak month). Moreover, 10 out of 10 sampled employees worked daily 13 hours (8 hours regular + 5 hours overtime) to 17 hours (8 hours regular + 9 hours overtime) in a day in April 2018. • 9 out of 10 sampled employees worked 74 hours (48 hours regular+ 26 hours overtime) to 94.30 hours (48 hours regular+ 46.30 hours overtime) in a week in January 2018 (Peak month). Moreover, 10 out of 10 sampled employees worked daily 13 hours (8 hours regular + 5 hours overtime) to 20.3 hours (8 hours regular + 12.30 hours overtime) in a day in January 2018.</p> <p><b>Bangladesh Labor Law 2006, Sec: 100.102</b>          Provided that, subject to the provisions of section 108 an adult worker may also work up to ten hours a day in an establishment. Provided that the total hours of work of an adult worker shall not exceed sixty hours in any week and the average fifty-six hours per week in any year:</p>	47%
● Major	<p><b>123.00</b> : The total weekly working hours (normal &amp; overtime) are 91 or over 91 hours.</p> <p><b>Auditor's comment</b> A review of the 50 sampled employees time records and salary sheets for 3 sample months (October'18, April'18 and January'18) revealed that daily and weekly total working hours exceed the maximum permitted by local legislation and/or Code of Conduct as follows: • 12 out of 30 sampled employees worked 76 hours (48 hours regular+ 28 hours overtime) to 93 hours (48 hours regular+ 45 hours overtime) in a week in October 2018 (Current month). Moreover, 22 out of 30 sampled employees worked daily 13 hours (8 hours regular + 5 hours overtime) to 18 hours (8 hours regular + 10 hours overtime) in a day in October 2018. • 3 out of 10 sampled employees worked 74 hours (48 hours regular+ 26 hours overtime) to 81 hours (48 hours regular + 33 hours overtime) in a week in April 2018 (Off Peak month). Moreover, 10 out of 10 sampled employees worked daily 13 hours (8 hours regular + 5 hours overtime) to 17 hours (8 hours regular + 9 hours overtime) in a day in April 2018. • 9 out of 10 sampled employees worked 74 hours (48 hours regular+ 26 hours overtime) to 94.30 hours (48 hours regular+ 46.30 hours overtime) in a week in January 2018 (Peak month). Moreover, 10 out of 10 sampled employees worked daily 13 hours (8 hours regular + 5 hours overtime) to 20.3 hours (8 hours regular + 12.30 hours overtime) in a day in January 2018.</p> <p><b>Bangladesh Labor Law 2006, Sec: 100.102</b>          Daily hours: No adult worker shall generally be required or allowed to work in an establishment for more than eight hours in any day. Provided that, subject to the provisions of section 108 an adult worker may also work upto ten hours a day in an establishment. Weekly hours: (1) No adult worker shall ordinarily be required or allowed to work in an establishment for more than forty-eight hours in any week. (2) Subject to the provisions of section 108, an adult worker may work for more than forty-eight hours in any week:</p>	73%

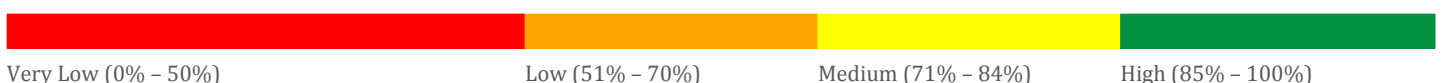
**PERFORMANCE RATING**



**Sub Section: Working Hours**

Status	Findings	% Global freq of compliance
● <b>Moderate</b>	<p><b>127.00</b> : Employees are not provided with at least one day off in seven (7) in accordance with local law.</p> <p><b>Auditor's comment</b> It was noted through time records review and employee interview that a. 12 out of 30 employees worked 13 days consecutively in October 2018 (Current month). b. 7 out of 10 employees worked 12 days consecutively in April 2018 (Off Peak month). c. 2 out of 10 employees worked 13 days consecutively in January 2018 (Peak month).</p> <p><b>In accordance with Bangladesh Labor Rules 2015, Section-101, BEPZA Instruction, Section-9</b> As per Section 103 (BLL 2006), if weekly leaves cannot be given to the workers, the due leaves must be given to them within the next 3 (three) working days; (2) No worker cannot be made to work for more than 10 (ten) days consecutively without giving him/her the weekly leave; (3) As per Section 104, the dues of exempted workers must be paid to the workers within 30 days of receiving any weekly leaves with compensation facilities; (4) After the approval of the leaves with compensations, the Manager of the institute shall hang a notice of the type of leave as per Section 104; (5) If the job of any worker gets terminated before enjoying the leaves with compensation, the worker has to be paid full wages for the unconsumed/enjoyed leaves along with paying all other dues. (6) The Owner of the institute shall preserve a Register of leaves with compensation in accordance with Form-33. The Register has to be preserved for 3 (three) years after the last entry. The Register has to be submitted to the Inspector whenever he/she wants it. Bepza Instruction: Section 9: An employee when required to work on a Friday or holiday a 'Day off' shall be given as a substitute on any other day.</p>	78%
● <b>Moderate</b>	<p><b>128.00</b> : Employees are not provided with at least one day off following six consecutive days worked.</p> <p><b>Auditor's comment</b> It was noted through time records review and employee interview that a. 12 out of 30 employees worked 13 days consecutively in October 2018 (current month). b. 7 out of 10 employees worked 12 days consecutively in April 2018 (Off Peak month). c. 2 out of 10 employees worked 13 days consecutively in January 2018 (Peak month).</p>	76%

**PERFORMANCE RATING**



### C3. Health & Safety

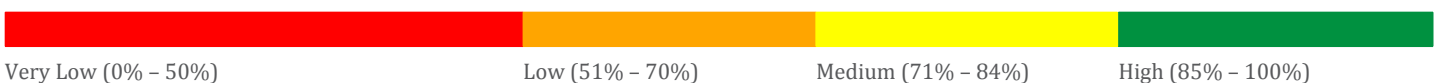
72%



#### Sub Section: Emergency Preparedness

Status	Findings	% Global freq of compliance
● Corrected	<p><b>180.02 : Previous Non-Compliance :</b> Smoke detector is not properly installed throughtout the facility and/ or not regularly maintained.</p> <p><b>Auditor's comment</b> Sufficient smoke alarm and fire detection system have been installed throughout the facility.</p>	81%
● Moderate	<p><b>193.00 :</b> Access to aisles, stairs and passageways are not kept clear at all times</p> <p><b>Auditor's comment</b> Based on facility visit it was noted that approximately 30 employees were partially obstructed by co-workers, semi-finished goods and working table in the finishing section and packing section on the 1st floor of building 1. Moreover, 3 out of 12 sub-aisles were partially blocked by trolley, carton, employees in cutting section on the 2nd floor of building 1.</p> <p><b>Bangladesh Labour Law 2006, Chapter VI, Safety, Section 72 ©, Labor Rules 2015, Section 59</b> All floors, ways and stairways shall be clean, wide and clear of all obstructions. Installation of equipment and rout- In case of installation of any equipment in any place of the company, the distance of the equipment from the wall must be at least 1 meter and near the installed equipment or the row of the equipment at least 1 meter wide passage must have: Provided that, at present in case of the running institution if there is no place, the distance of equipment from the wall and passage can be kept at least 0.75 meter.</p>	93%
● Corrected	<p><b>196.00 : Previous Non-Compliance :</b> Stairways and emergency evacuation exits are not equipped with railing to protect employees from falling</p> <p><b>Auditor's comment</b> Based on facility visit it was noted that in the building there were minimum two stair case but no barricade found which will cause of serious injury for their employees.</p>	97%

#### PERFORMANCE RATING





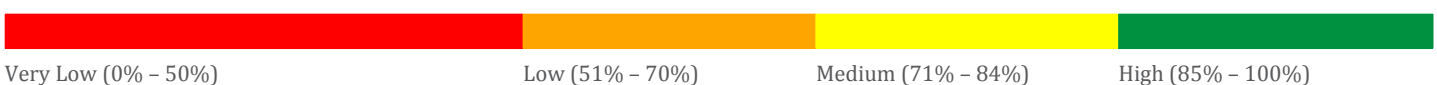
Sub Section: **Machine Safety**

Status	Findings	% Global freq of compliance
● Moderate	<p><b>223.00</b> : Points of operation and other potentially dangerous parts are not operated with proper machine safeguards</p> <p><b>Auditor's comment</b> Based on facility visit it was noted that needle guards for approximately 20% sewing machines and eye guards for approximately 30% sewing machines (over lock, bartack, flat lock and kansai) were misplaced in sewing section on 1st, 4th, 5th and 6th floor of facility building.</p> <p><b>Bangladesh Labour Law 2006, Chapter VI, Safety, Section 63 (1)d 3 and Labor Rules 2015, Section 64(2)</b></p> <p>In every establishment the following shall be securely fenced by the safeguards of substantial construction which shall be kept in position while the part of machinery required to be fenced are in motion or in use, namely-d. Unless they are in such positions or of such construction as to be as safe to every person employed in the establishment as they would be if they were securely fenced-iii) every dangerous part of any machinery. Effective machine guard or eye safety goggles must be installed/used in all cases where the possibility of having injuries in the eye is high.</p>	84%

Sub Section: **Safety Hazards**

Status	Findings	% Global freq of compliance
● Moderate	<p><b>232.00</b> : Special appliances such as boilers, unfired pressure vessels, and furnaces have not been registered and affixed with a registration certification</p> <p><b>Auditor's comment</b> It was noted through facility tour, document review and management interview that there were 5 generators (740 KW+ 440 KW+ 520KW+ 106KW+ 18KW) installed inside the facility with total capacity of 1.854 MW for which the facility management has not yet obtained waiver from the concerned authority (Bangladesh Energy Regulatory Commission). However, management has already applied to the concerned authority on 10 September 2018 to obtain CPP for 1.854 MW.</p> <p><b>Energy Regulatory Commission Act, 2003 (Act No. 13 of 2003), (Chapter 6),</b> Licenses shall be issued by the Commission for the following activities: power generation; energy transmission; distribution and marketing of energy; supply of energy; and, storage of energy.</p> <p><b>The Boilers Act, 1923, Section 6,</b> Prohibition of the use of unregistered or uncertified boiler- Save as otherwise expressly provided in this Act, no owner of a boiler shall use the boiler or permit it to be used— Unless it has been registered in accordance with the provisions of this Act. Unless a certificate or provisional order authorizing the use of the boiler is for the time being in force under this Act.</p>	84%
● Moderate	<p><b>239.00</b> : The facility does not operate in a building matched to its authorized purpose</p> <p><b>Auditor's comment</b> Through facility tour and layout plan review, following mismatch has been identified between the approved layout plan and existing layout: • Finished goods area and Empty carton area was observed in 3rd floor of building-1, but in approved layout plan it shows Finishing section for woven. • Cutting section, CAD and Spot removing room in 2nd floor of building-1, but in approved layout plan it shows Accessories storage area. However, facility management has applied to the concerned authority to get the approval</p> <p><b>Bangladesh Labour Law Ammendment 2013, Section: 326 (1),</b> The Government may- (a) require that previous permission in writing be obtained in the prescribed manner from the chief Inspector for the construction or extension of any factory or class of factories; "Provided that in that case no deviation or change shall be made between the factory layout plan and structural design approved by the authority;"</p>	89%

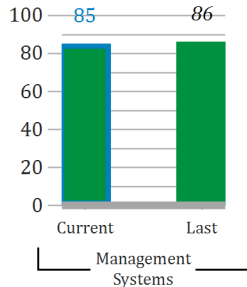
**PERFORMANCE RATING**





## C4. Management Systems

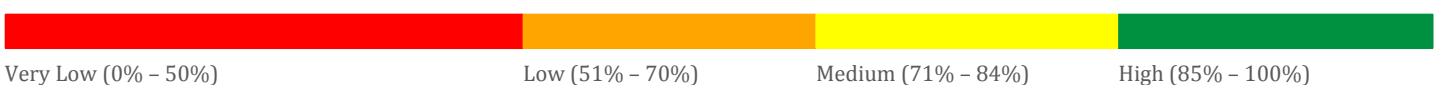
85%



### Sub Section: Management Systems

Status	Findings	% Global freq of compliance
● Corrected	<p><b>296.03 : Previous Non-Compliance :</b> The facility has comprehensive employment practice processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly implemented</p> <p><b>Auditor's comment</b> The facility management has established a policy and there was procedure in place on employment practice in written manual that support adherence to social compliance requirement.</p>	82%
● Minor	<p><b>296.04 :</b> The facility has comprehensive working hour and wages management processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly implemented</p> <p><b>Auditor's comment</b> The facility management has established a policy and there was procedure in place on working hours and wage management but gap has been identified as the total working hours in a day and week has exceeded the legal limit. Beside this, employees did not receive one day off following 6 consecutive days work.</p>	49%
● Minor	<p><b>296.06 :</b> The facility has comprehensive emergency preparedness processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly implemented</p> <p><b>Auditor's comment</b> The facility management has established a policy and there was procedure in place on emergency preparedness but gap has been identified as approximately 30 employees were partially obstructed by co-workers, semi-finished goods and working table in the finishing section and packing section and 3 out of 12 sub-aisles were partially blocked by trolley, carton, employees in cutting section.</p>	64%
● Minor	<p><b>296.07 :</b> The facility has comprehensive employee safety processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly implemented</p> <p><b>Auditor's comment</b> The facility management has established a policy and there was procedure in place on employee safety procedure but gap has been identified as few machine guards for sewing machines were not properly installed, CPP license for generator was not available and mismatch has been identified between approved layout plan and existing layout.</p>	52%

### PERFORMANCE RATING

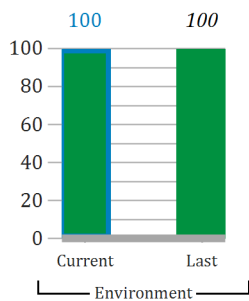


Sub Section: **Management Systems**

Status	Findings	% Global freq of compliance
● <b>Minor</b>	<p><b>296.09</b> : The facility has comprehensive chemicals management processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly implemented</p> <p><b>Auditor's comment</b> The facility management has established a policy and there was procedure in place on chemical management procedure but gap has been identified as no MSDS and spill kits were available for few chemicals.</p>	74%

**C5. Environment**

**100%**



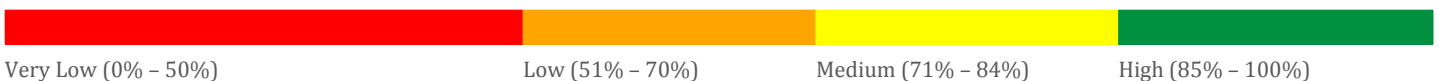
**% Global Frequency of Compliance:** Represents the implementation percentage performance of all suppliers participating in the WCA Community globally for each issue

**Identification numbers:** Represents the finding ID associated with each checklist question

**RECOMMENDATION FOR IMPROVEMENT PLAN TIMELINE**

- **Minor** Take action within 0 ~ 6 months to make necessary improvements.
- **Moderate:** Take action within 0 ~ 3 months to make necessary improvements.
- **Major :** Take action within 0 ~ 1 month to make necessary improvements.
- **Zero Tolerance:** Take immediate action to make necessary improvements.

**PERFORMANCE RATING**



## D. STRENGTHS AND CHALLENGES

Facility Strengths: Facility performance ranks in the top percentile of the population and/or has implemented a best practice process	Rating	Global Freq. of Compliance%
The facility provides social security, pensions, healthcare and/ or other insurance to employees as per legal requirement.	Moderate	57%

Challenges: Facility performance ranks in the bottom percentile of the population	Rating	Global Freq. of Compliance%
Access to aisles, stairs and passageways are not kept clear at all times	Moderate	93%
The facility does not operate in a building matched to its authorized purpose	Moderate	89%
Material safety data sheets (MSDS) are not available	Moderate	87%
Points of operation and other potentially dangerous parts are not operated with proper machine safeguards	Moderate	84%
Special appliances such as boilers, unfired pressure vessels, and furnaces have not been registered and affixed with a registration certification	Moderate	84%
Employees are not provided with at least one day off in seven (7) in accordance with local law.	Moderate	78%
Employees are not provided with at least one day off following six consecutive days worked.	Moderate	76%
Preventative measures are not in place to prevent chemical leakage	Moderate	76%
The facility has comprehensive chemicals management processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly implemented	Minor	74%
The total weekly working hours (normal & overtime) are 91 or over 91 hours.	Major	73%

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