

Progress Report 2 Cycle 1



Azim & Son(Pvt.)Ltd.Unit-2

Reporting Period: Oct 2019 - Oct 2020

Better Work is a constructive process in which a Better Work enterprise advisor (hereinafter, "BW Advisor") supports the factory to improve compliance with national labor law and core international labor standards. In this context, BW and the factory regularly inform buyers about progress.

In the 5th month of the cycle, the factory releases the first progress report to buyers. This report gives an indication of initial progress on issues. This report will not contain recommendations by BW. The only BW verification provided in this report concerns issues for public reporting which the factory self-reports to be fully rectified.

In the 11th month of the cycle, Better Work will release the second progress report to buyers. This report contains feedback from the BW advisor on the role and effectiveness of the bipartite committee in strengthening social dialogue in the factory as well as the level of implementation of the learning plan. The second progress report contains feedback to the factory on its level of progress towards meeting Stage Two criteria. The Enterprise Advisor also offers recommendations as appropriate to support the factory to continue working towards Stage Two, but this report does not confirm in which stage the factory will be placed. In its next assessment, BW will determine whether the indicators for each criteria have been met.

ENTERPRISE DATA

Enterprise name:	Azim & Son(Pvt.)Ltd.Unit-2		
Enterprise code:	3188		
Enterprise address:	368,Gacha Road,Gacha,National University,Gazipur		
Enterprise phone:	01755582443		
Name of General Manager:	Mr.Azizur Rahman Mallik		
Primary contact:	Mr.Azizur Rahman Mallik, G.M(Admin,HR&Compliance)		
Email of primary contact:	azizur@azimandson.com		
Enterprise ownership:	Private		
Total number of workers:	1480	Female: 854	Male: 626
Name of Better Work Enterprise Advisor:	Maruf Kamal		
Last assessment date:	08/03/2020		
Date of first Advisory Visit:	24/10/2019		
Advisory Visits during the reporting period:	8		
Date of this Progress Report:	06/10/2020		

PERFORMANCE IMPROVEMENTS

Overview

Comments:

The factory was cooperative throughout the cycle and showed a good progress in the improvement plan. The owner, higher management and mid-level management of the factory took the ownership and tried best to come up with the actual root cause of the issue in the improvement plan.

The factory made progress in a certain number of areas such as maternity benefit payment, overtime wages, maintaining and providing accurate payslip to the workers, emergency preparedness including blockages and TnC of fire detection and alarm system, storage of chemicals and hazardous substances and maintaining proper layout plan. Factory also made development in maintaining accurate and single payroll, insurance scheme, making the appointment letter in accordance with law and timely issuing of appointment letter, updating service book, announcement of overtime work timely, ensuring washing facilities and eyewash facilities, ensuring label and MSDS for the chemicals, ensuring adequate fire fighting equipment, maintaining injury register, ergonomics and chemical management. In total, the factory completed 26 out of 52 Improvement plans.

The factory could focus more to capacity development of PC and safety committee awareness of the workers on using of PPE, plan for canteen and arranging refreshers training for workers. Factory also needs ensure proper risk assessment and mitigation system in place. The factory needs to be more proactive in engaging relevant process owners such as production, compliance, human resources, floor level administration, participation committee and safety committee to continue a sustainable improvement and progress according to the improvement plan.

To establish a sustained and improved management system in place, the factory is strongly recommended to conduct self-diagnosis, root cause analysis, Plan, Do, Check and Act (PDCA), use problem solving techniques with engagement of Participation Committee, Safety Committee and related process owners.

The factory has offered and accepted third party access to share reports with buyers. The factory needs to use the improvement plan as a tool to plan and implement the short, mid, and long-term goals for sustainable development.

The factory has a good human resource and compliance team, which can contribute more effectively in overall improvement by developing ownership and sharing responsibilities among the team members, improvement by developing ownership and sharing responsibilities among the team members.

COVID-19: Following the pandemic of COVID-19 the factory management performed several actions to reduce the risk of workers being infected. The factory followed the COVID-19 Management Guidance with Self-assessment Checklist for RMG and Footwear Factories provided by Better Work Bangladesh along with BGMEA and govt. provided guidelines. As part of the response, management done below activities:

1. Spreading disinfectant throughout factory;
2. Provided hand wash stations throughout the with adequate number of soap;
3. Social distance symbols have been marked inside the factory premises;
4. Arranged awareness training with all the employees;
5. Awareness poster with several emergency instructions posting throughout the factory;

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6. All workers were instructed to create an account with bKash (free virtual wallet). Wages were paid directly into the workers' bKash account to ensure social distancing;
7. Maintaining staggered opening/entry in in three phases (7:00 am, 7:30 am & 8:00 am);
8. The factory maintained regular communication during the general holidays with workers in the following ways:
 - Ensured ongoing honest communication with all employees;
 - Workers received regular phone calls regarding the health and wellbeing of the workers and their family members;
 - Workers were encouraged to stay safe and stay home and find support in their local communities;
 - Workers received direct and accurate information regarding factory reopening timelines;
9. The factory has with minimum workers, who are based in the city and then increased the number of workers considering the safety measures;
10. Factory provided full set of PPEs all of the medical centre staff (Doctor, Nurse & cleaner) and security guards;
11. Prepared the isolation rooms for patients if found;
12. Encouraged workers to take leave (omitted the doctors certificate provision) if they or family members feel sick; and
13. Factory was trying to install physical barriers as piloting basis.

Note: Due to the worldwide pandemic situation for COVID-19, Better Work Bangladesh's in-person advisory, assessment and training services are suspended from 22 March 2020. In-person advisory visits have been replaced by tailored virtual advisory through video conferencing. Virtual visits include working with management and worker representatives, primarily focusing on practical guidance on COVID-19 response, addressing unforeseen compliance issues and validating all progresses made by the factory on previously identified issues. Progress of the enterprise was verified through virtual advisory, evidence provided by the enterprise through online system, virtual tour to the factory and by worker and management interviews, which were conducted virtually.

Improvement Plan

The improvement plan (attached as an annex) includes detailed information about the specific actions taken at the factory. The IP includes:

- **51** improvement areas found during the BW assessment
- **1** additional issue(s) identified during advisory before/after the assessment*

**Additional issues are those that were not identified in the BW assessment but were raised by management or union/worker representatives or identified by BW at a later point. The fact that a company has additional issues should not necessarily be interpreted as negative, as it may be an indicator of effective social dialogue.*

Better Work aims to create greater opportunities for social dialogue and workplace cooperation between managers and unions/workers.

As part of the BW improvement process, the factory is required to set up a bipartite committee whose goals are to help bring the factory into compliance with local labor law and core international labor standards and improve workplace cooperation. This committee is ideally comprised of an equal number of management and union/worker representatives and is the key vehicle through which Better Work works with participating factories on improvement activities.

In Cambodia, Haiti, Jordan, Ethiopia, Nicaragua and Vietnam, the term 'committee' refers to the Performance Improvement Consultative Committee (PICC). In Indonesia the term 'committee' refers to the Bipartit Cooperation Institution (LKSB). In Bangladesh the term 'committee' refers to the Participation Committee.

For detailed information about composition of the committee in this factory and about committee members, please see the PICC Member List.

The bipartite committee

This applies to the PICC/LKSB/PC only, not to the OSH committee.

1. During the reporting period, the bipartite committee:

- continued to function with the same composition

2. The committee was established through:

- an election

3. The bipartite committee was (re)established on:

07/03/2019

Progress in implementing effective social dialogue:

The BW advisor evaluates progress of the factory in implementing effective worker-management dialogue.

- "On track" means that the factory could possibly meet the indicators at the time of the assessment if it continues working along current lines.
- "Moderate progress" means that the factory will likely not meet the indicators at the time of the assessment unless it makes major changes in its approach.
- "No progress" means that the factory is not making credible efforts in working towards the indicators.

1. Active and effectively functioning bipartite committee:

- Moderate progress

Comments:

Management is trying to create an enabling environment and encouraging the PC members to be a part of self-diagnosis process, root cause analysis and management system improvement for sustainable solutions. Factory prepared plan for capacity building of PC. The factory holds regular scheduled PC meetings and tried to encourage and engage PC to identify workplace Issues/areas for improvement and solution.

2. Sufficient decision-making authority for management representatives on the committee:

- Moderate progress

Comments:

The management representatives have the authority to take decisions in the factory and most of them are the key decision maker of the factory. Workers' representatives cannot have much decision-making authorities or scope to participate in the decision making process. In addition, there is scope of development regarding the decision-making capacity of the PC workers representatives.

3. Freely chosen, representative worker members on the committee:

- Moderate progress

Comments:

The workers had elected the members of the participation committee (PC). The factory formed an election commission with two management official and three worker representatives. In the nomination process, workers themselves proposed the names of appropriate qualified candidates. However, the enterprise did not meet legal requirement in selecting vice president of the PC. The general workers instead of elected workers' representative of PC directly elected the vice president.

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4. Open communication with trade unions; union representatives have an opportunity to join the bipartite committee; and the committee is not used as an alternative to a trade union:

- Moderate progress

Comments:

Based on the worker and management interview and document review, the EA did not find any evidence of having trade union at the factory and the participation committee had not been used as an alternative to a trade union. The factory has a policy on Freedom of Association.

5. An effective grievance handling and dispute handling procedure, established through dialogue between management and worker representatives:

- Moderate progress

Comments:

The factory has the opportunity to improve grievance handling and dispute resolution procedure through dialogue between management and workers' representatives to ensure anonymity and non-retaliation. The factory is recommended to review the grievance handling policy/procedure and need to make sure there is a fair review and appeal process in place. In addition, general workers needs to know and aware about the process and should be motivated to submit if there any grievances from their side. There should be a committee for grievance handling and details of the committee should be in notice board along with picture. A decentralized decision-making is recommended, so that top management does not have to deal with similar issues that can be resolved at a lower level.

Recommendations

The Enterprise Advisor offers recommendations with regard to effective social dialogue to support the factory to continue working towards Stage Two.

1. Recommendations in relation to the bipartite committee and its role in implementing the improvement plan:

A plan for capacity development of the PC on grievance mechanism, disciplinary action, workers' rights and responsibilities is recommended. Besides, the PC members need to sit for internal discussion for identifying and remediating workplace issues including safety concerns.

PC should be given adequate time to play their roles in implementing the improvement plan especially to discuss with co-workers on grievance mechanism, needs analysis, usages of PPE and identifying hazards in the factory. Also, share, engage and discuss the improvement plan with PC regularly and get feedback from them will be helpful for the factory to sustain the development.

Besides, recommendations regarding the participation committee as per below:

1. The factory should ensure the PC election process comply with legal requirement in future.
2. The factory should plan and work for increasing the decision-making capacity of the PC members and need to create opportunity to participate more in decision-making process.
3. The factory need to ensure more time for PC members and role, responsibilities and effectiveness of PC need to be communicated among workers and production management through meetings and induction trainings.
4. Factory may engage PC in the grievance handing and dispute resolution process that will support PC to build the bridge between workers and management.

Industrial Dispute Communication Protocol

In accordance with its Industrial Dispute Communication Protocol, BW includes relevant information in its Progress Reports to ensure tracking and follow up by the factory, buyers and other relevant parties.

1. Did any industrial disputes occur at the factory since the most recent assessment:

No

To support sustainable improvements, Better Work encourages factories to participate in learning events such as trainings and industry seminars.

Factories are required to develop and implement a learning plan in relation to its Improvement Plan. The learning plan should be developed by the bipartite committee or through another social dialogue process at the factory.

Progress in implementing the learning plan

The BW advisor evaluates progress of the factory in implementing its learning plan.

- "On track" means that the factory could possibly meet the indicators at the time of the assessment if it continues working along current lines.
- "Moderate progress" means that the factory will likely not meet the indicators at the time of the assessment unless its makes major changes in its approach.
- "No progress" means that the factory is not making credible efforts in working towards the indicators.

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1. The BW advisor evaluates the level of progress of the factory with regard to implementation of its learning plan as follows:

- Moderate progress

Comments:

The factory had developed a learning plan that includes trainings for management and workers. Factory participated training and seminars of Better Work Bangladesh such as:

- 1. Financial Literacy Training;*
- 2. Leadership Skills Program for Middle Managers;*
- 3. Industry Seminar on Grievance Mechanism;*
- 4. Industry Seminar on Emergency Preparedness and Accident Investigation;*
- 5. Training on Awareness on HIV & AIDS;*
- 6. Sexual Harassment and Prevention- Supervisor;*
- 7. Communication in the Workplace for Workers.*

Interview with the management and workers indicated that all these learning initiatives helped them to become more vigilant and pro-active to address their workplace issues in a sustainable way.

Continuous learning:

1. The factory has a need based learning plan - Moderate progress. The factory has a training/learning plan for the workers and management but need to do the training need assessment is a continuous basis and review the training plan accordingly.

2. The training in the Learning Plan relates to priorities discussed by the bipartite committee or in other social dialogue meetings, or identified in the Improvement Plan – Moderate progress. The factory has started to discuss training needs of the workers with PC and committed to plan training relate to priorities discussed by the committee or in other social dialogue meetings or identified in the Improvement Plan.

3. The learning plan includes potential trainees, and (if relevant) a follow up plan for those already trained – Moderate progress. The existing plan includes potential trainees and factory reviewed their manual to arrange refresher for the workers.

4. Learning plan priorities have been implemented (or are scheduled to be implemented) through training provided by the factory, Better Work, or another provider- In progress. The factory is implementing their training plan by participating Better Work training and arranging induction/refreshers training for the workers in the factory.

Recommendations

The Enterprise Advisor offers recommendations with regard to implementation of its learning plan to support the factory to continue working towards Stage Two.

1. Recommendations in relation to continuous learning:

The factory has received financial literacy training' leadership skills program for middle managers, industry seminar on grievance mechanism, industry seminar on emergency preparedness and accident investigation, training on awareness on HIV & AIDS, sexual harassment and prevention-supervisor and communication in the workplace for workers. It is recommended that the factory doing the training need assessment in a regular basis and make necessary adjustments in the training plan.

Factory needs to make sure that the participants of the training are sharing their learning with the management, co-workers and peers. Management should have learning plan for the staff and workers based on their need. In addition, sharing of the knowledge in the meetings, discussion on different issues is recommended to make sure continuous learning for the staff and workers. Factory may also search for external-internal sources to gather knowledge to foster learning of management/workers as per need. In addition, factory needs to practice openness and create opportunity for the management and workers to practice learning by doing.

The factory recommended for initiating following training:

1. Managing People (for management)
2. Management system (for management)
3. 5S (for management and production team)
4. Workers' rights and responsibilities (for PC)
5. Communication in the workplace for workers (for PC)
6. Training of trainers (for mid management)
7. Boiler safety (for boiler operators)

The factory is also advised to develop a system to analyse the effectiveness of the training through evaluating the training delivery, training materials, allocated time for training and tracking the changes of mandated results.

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KEY ADVISORY ACTIVITIES

No.	Advisory Visit Comments	Date
1	C1_FV8_VA_5: Virtual meetings with management and workers. 1. Review of the cycle. 2. Discussed on PR2 and planing for next cycle. 3. PC session on maternity benefit, day care and breastfeeding.	20/09/2020
2	C1_FV7_VA_4: Virtual meetings with management and workers. 1. IP Update and discussion. (Discussed on issues and evidences regarding improvement) 2. PC session (on good work environment)	20/08/2020
3	C1_FV6_VA_3: Virtual meetings with management and workers. 1. Session with management on Management System. (how to develop a system). 2. Discussion on Improvement plan and issues (Reference - 119239, 119254, 119256, 119257). 3. Session with PC - Safety on leadership skill and self reflection.	22/07/2020
4	C1_FV5_VA_2: Virtual IASW_ COVID-19 Response – Legal Framework on Employment Protection and Wage Protection 1. Basic legal framework regarding employment and wage protection and special provisions to combat the impact of COVID-19 on the Industry; 2. Framing effective mechanisms to solve issues relating to employment and wage protection; and 3. Adopting a systematic process to ensure proper implementation of the procedures to identify and solve workplace issues.	07/07/2020
5	C1_FV4_VA_1: Virtual meetings with management and workers. representatives 1. Discussion on Assessment report and factory's response. 2. Improvement plan. 3. Discussion on sustainable solution of issues. 4. Session with PC (COVID-19).	09/06/2020
6	C1_FV3. 1. Introduction of BWB Assessment 2. Instruction for Progress Report 1 (PR1) 3. Session with PC on work hour and leave 4. STAR Portal	14/01/2020
7	C1_FV2. 1. Session on risk management (Tiger in the Zoo) 2. Session on Problem solving techniques (5why?) 3. STAR Account 4. Improvement Plan	26/11/2019
8	C1_FV1. 1. Introduction with management. 2. Meeting with PC and Safety Committee. 3. Factory tour and get idea about factory production. 4. Plan for next visit.	24/10/2019

2 **Occupational Safety and Health: Chemicals and Hazardous Substances (per Assessment on 08/03/2020) 119242 [Public Reporting Issue No.20368]** **Completed**

Area of Improvement: The chemicals were observed on the floor without proper secondary containment. For example, the bleaching agent was kept in the floor without secondary containment.

Root Cause:

1. Lack of Monitoring.

Actions Needed: 1. Ensure Monitoring. 2. Need to ensure secondary containment as required.

Progress: The factory has successfully addressed the issue and the issue marked as 'completed' based on the discussion in the advisory and evidences provided by the factory. To complete the issue in a sustainable way, the factory performed below tasks: 1. The factory provided secondary containment for the chemical and hazardous substances and submitted pictorial evidences in C1_FV6_VA_3. However, as per review of the Advisor, the factory needed some more support regarding this issue to make sure proper secondary containment was in use. 2. Factory covered all of the staff/workers who were responsible for handling chemicals in the training and awareness session on safe storage of chemicals and hazardous substances. 3. Factory done necessary changes and submitted evidences again to the advisor on C1_FV8_VA_5. 4. A person from chemical management team and one from compliance team was monitoring the issue.

Key Work Ahead: Ensuring proper secondary containment is a continuous process and it has two major requirements – choosing of secondary containers based on the chemical type and amount and using the container in a regular basis. Therefore, factory need to ensure both in place. Factory needs to continue the monitoring and procurement team should make sure proper secondary containers are available as per need. Chemical store manager should have pre-plan about the storing of the chemicals and hazardous substances considering the order volume and season. Other factors of chemical storage including ventilation, use of good containers, spillage control should be maintained properly based on the MSDSs. **(20/09/2020)**

3 **Compensation: Paid Leave (per Assessment on 08/03/2020) 119221 [Public Reporting Issue No.20365]** **Completed**

Area of Improvement: Interview with the workers indicated that the employer did not ensure payment of the maternity benefit for the women workers according to law. For example, according to document review a worker's payable was BDT. 64,299 in two installments, however the interview with worker indicated that the worker received BDT 20,000 in two installments. This was confirmed through the interview with the general workers. Management was well informed about issue during the closing meeting. However, the employer had paid maternity benefits to 45 workers in last 12 months. There were currently 13 workers on maternity leave in the factory. Moreover, the management stated that the workers became eligible for maternity benefits after 6 months of the service as stated in the appointment letter. Documents checked: 10 maternity workers personnel files, maternity leave register and benefits calculation at random. Interviewed: 05 workers returned from maternity leave.

Root Cause:

1. Lack of communication gap
2. The employer did not ensure payment of maternity benefit

Actions Needed: 1. Improve the communication 2. Maternity benefits are being provided to women workers according to law.

Progress: The factory have made the necessary development to ensure the maternity leave as per law and EA verified the issue based on the discussion and evidences provided by the factory after C1_FV7_VA_4 prior to mark the issue 'completed'. The enterprise performed below actions to complete the issue: 1. Management sit in a meeting with the owners and decision makers to discuss the issue and there the management took decision to ensure maternity benefit and leave as per law to the eligible workers. 2. An officer order issues after a meeting in the factory with HR, admin and compliance person to make sure workers are getting maternity leave properly. 3. Necessary review done in the maternity policy to make sure leave as per law. 4. Issue discussed with the PC and PC is working to make sure maternity leave is given properly. (EA discussed this in the meeting with PC in C1_FV8_VA_5)

Key Work Ahead: To keep the development sustained, the factory should arrange awareness sessions for the mid and floor managers especially on the gender and legal provisions regarding maternity. PC needs to make sure workers' voice is in place especially when the workers did not enjoy any entitlements. Responsible welfare team and/or medical team needs to follow up the pregnant workers' condition over phone when they are on maternity leave and make sure they are enjoying leave properly as per law. **(15/09/2020)**

- 4 **Compensation: Wage Information, Use and Deduction (per Assessment on 08/03/2020) 119219** **Completed**
- Area of Improvement:** The employer maintained more than one accurate payroll records. For example; the employer maintained two separate payroll records for washing and maintenance section. -One set of payroll recorded the payables to the workers of the washing and maintenance section workers for 8 regular working hours +2 hours of overtime. - Another set of payroll reflected payment of monthly fixed salary, weekly off day and all kinds of deduction including punishment deduction. Management stated that workers received payment according to second set of payroll records. Documents checked: Payroll records of October and November, 2019 and February, 2020.
- Root Cause:**
1. For having a fixed salary worker.
- Actions Needed:** 1. Take necessary action to ensure proper payment for the workers. 2. Policy level change if necessary regarding Friday work.
- Progress:** The factory has successfully addressed the issue, which was verified based on the discussion in C1_FV6_VA_3 and C1_FV7_VA_4 and the evidences provided by the factory. EA also verified the issue in discussion with PC and related section workers. To complete the issue below action taken: 1. Factory made necessary changes in the software to include all of the earnings and deductions in a single payroll for the workers. 2. Factory is ensuring overtime payment to the workers (previously fixed waged) instead of a fixed amount for additional work which was reflected in the provided job card and payroll. (checked job card and payment of dry sample workers.
- Key Work Ahead:** As factory is working to revise its payment system and restructuring the human resources to make sure there is no such payment/payroll related issues raised in future, it is recommended that proper method and analysis is in place to take the decisions. For restructuring of payment system and human resource, factory should analyse the order volume and capacity and should focus more to increase the efficiency. In addition, higher management needs to ensure support to the HR Admin team to make sure they are producing single payroll for the workers and workers know their actual earnings and deductions from a single document. **(31/08/2020)**
- 5 **Contracts and Human Resources: Employment Contracts (per Assessment on 08/03/2020) 119227** **Completed**
- Area of Improvement:** The enterprise provided letters of appointment to the workers but not on the day of joining. Approximately 70% of the interviewed newly recruited workers indicated that the appointment letter was issued 5 to 7 days after joining. Moreover, one of the interviewed worker who joined the factory on 08 February, 2020 and received appointment letter on 09 March, 2020. The management stated that they will take necessary action to ensure appointment letters provided on the day of joining.
- Root Cause:**
1. Lack of monitoring.
 2. Lack of improvement.
- Actions Needed:** 1. Ensure monitoring. 2. Ensure improvement. 3. The management have take necessary action to ensure appointment letters provided on the day of joining.
- Progress:** To complete the issue, the factory has taken initiative to make sure workers are getting appointment letter in the day of joining. Based on the discussion in C1_FV7_VA_4 and evidences (picture, copy of appointment letter and appointment letter register) provided by the factory EA marked the issue as 'completed'. Actions taken by the factory to address the issue: 1. Factory assigned HR personnel to prepare appointment letter when factory recruit many workers at a time. 2. Production team were advised by higher management to make sure no new workers are starting working without getting appointment letter. 3. Factory (compliance team) is maintain a register to track the appointment letter receive date. 4. Production team advised to plan the resource based on the order status and let the HR team know one month before if they need new recruits.
- Key Work Ahead:** To keep the development sustained and make sure all workers are receiving on time, the factory should assign additional personnel when they recruit many workers at a time. More than one recruitment team is recommended if necessary to make sure possible candidates are coming with necessary documents to support HR team to prepare necessary filing work. In addition, IE team should have the human resource plan in advance to and consult with HR to see if there any new workers recruitment is necessary. In addition, factory may designate additional signatory for appointment letter to avoid any delay in case of current signatory is unavailable or unable to sign. **(31/08/2020)**

- 6 **Occupational Safety and Health: OSH Management Systems (per Assessment on 08/03/2020) 119238** **Completed**
- Area of Improvement:** Document review and interview with the workers indicated that the facility management did not keep record of all workplace injuries. For example, one injury case has been identified where worker was injured on feet which was not recorded in the injury register correctly. Interview with the worker, workers representatives and time card of the worker confirmed that the worker took leave for 03 days from 03 to 05 March, 2020. This incident was not recorded in the injury register. Moreover, the facility management also did not send the information through proper form to the concern government agency (Inspector and the Deputy Commissioner) within 7 days immediately after the incident of injury.
- Root Cause:**
1. Lack of monitoring.
- Actions Needed:** 1. Ensure monitoring. 2. Now management are keep record of all workplace injuries.
- Progress:** The factory completed the issue successfully, which was discussed in the completed cycle and verified based on the provided evidences and discussion with welfare team in C1_FV7_VA_4. To complete the issue, the factory performed below actions: 1. Factory assigned a focal from factory medical centre to enlist all of the injuries including minor injuries in the injury register. 2. Compliance team will randomly check the lists to make sure all of the injuries registered properly. 3. Company issued an office order to make sure sending of the injury information (more than 3 days) through proper form to the concern government agency (Inspector and the Deputy Commissioner) within 7 days immediately after the incident of injury.
- Key Work Ahead:** Factory should engage safety committee to monitor proper listing of the injuries in the register. As safety committee conducting daily/weekly/monthly safety check, checking of injury register could be a part of their safety check. Medical officer, nurse and medical assistant should lead the process of listing down all of the injuries as well as providing proper compensation for injuries should be a priority. **(31/08/2020)**
- 7 **Occupational Safety and Health: OSH Management Systems (per Assessment on 08/03/2020) 119239** **Completed**
[Public Reporting Issue No.20367]
- Area of Improvement:** The new building (two storied) of the factory was not included in the fire license. The management stated, they have applied for the inclusion of the new building in the fire license.
- Root Cause:**
1. Delay in the license collection process.
2. Delay from govt. authority.
- Actions Needed:** 1. Follow up with related authority. 2. Collect the fire license with inclusion of new building. 3. Set a system for not to repeat this kind of delay.
- Progress:** The factory has taken initiative to collect the updated fire license. Progress as per below: 1. Factory regular communicated with the respective authority to get the updated fire licence. 2. Factory Received the license after following up continually (collected on 16/06/2020). 3. Factory assigned responsible person to regular track all kind of license to make sure all of the documents are up to date.
- Key Work Ahead:** Factory should plan early if there any changes necessary especially when it related to safety issue and should take necessary action timely. Compliance team should use a tracking sheet to keep the information of all licences and registrations and responsible person should start the process of getting updated documents as early as possible. **(31/08/2020)**
- 8 **Occupational Safety and Health: Emergency Preparedness (per Assessment on 08/03/2020) 119253** **Completed**
[Public Reporting Issue No.20366]
- Area of Improvement:** The factory has installed a fire detection and alarm system. However, the enterprise has not received any testing and commissioning report by the installer till the assessment date.
- Root Cause:**
1. Lack of monitoring.
- Actions Needed:** 1. Ensure monitoring. 2. Testing and commissioning reports have issued by the installer up to date of evaluation from the enterprise.

- 8 **Progress:** The factory address the issue successfully and advisor marked the issue completed based on the discussion during advisory and evidences provided by the factory over the timeline. 1. The factory received installation certificate from M.M Safety and Security Limited (MMSSL) dated 12/08/2020 stating that completion of installation of the Fire Detection system (fire detection panel, detectors, alarm bell, call point and zone point valve interface with detection system) has successfully installed, testing and commissioning completed and the system working properly. 2. Factory also received the installation sheet form the M.M Safety and Security Limited (MMSSL) dated 12/08/2020 stating that fire protection system (fire pump, sprinklers, fire hose reel, interface with detection system) has successfully installed and working properly. (All these documents submitted to advisor in C1_FV8_VA_5).

Key Work Ahead: As fire detection and alarm system is one of the most important safety element, factory needs to continue the good maintain work of the system combing continuous check, maintenance/repair work, logbook and awareness of the related staff/workers. Involvement of the safety committee in the monitoring process may support factory to use the third eye in the monitoring system, especially safety committee can check if the detection system is working properly. Factory is recommended to keep communicating respective technical authority for periodic/TnC visit as per need. In addition, routine check by the internal technical person and periodic check by the service provider(s) should be continued until the final TnC by technical authority/3rd party.

(31/08/2020)

- 9 **Occupational Safety and Health: Worker Protection (per Assessment on 08/03/2020) 119247**

Completed

Area of Improvement: According to management statement, workers were given orientation and awareness training on using personal protective equipment and safety equipment after recruitment. However, the EAs observed that the training was not effective enough to encourage them use personal protective equipment properly. Approximately, 30% of the over lock operator were not using the eye glass and 50% of the sewing machine operator had needle guards removed or wrongly placed.

Root Cause:

1. Lack of awareness training.

Actions Needed: 1. Need to arrange awareness training (refreshers training) for the workers. 2. Make sure all of the necessary needle guards are in place. 3. Engage floor management in the process.

Progress: Though it is an issue of continuous development, the factory has done excellent job to address the issue successfully in this reporting period. The factory has performed below actions: 1. The factory repaired/installed necessary guards for the machines. (Pictorial evidences provided in FV6). As most of the guards were broken, displaced or easily movable, the factory is replacing these with fixed guards. 2. Technician team is regularly checking the machines if there any repair necessary regarding eye guard and needle guards. 3. Awareness session ongoing to motivate workers to use the guards/eye glass properly. 4. Floor production team (supervisors) are responsible to make sure all of the eye guards and needle guards are in place and being properly used by the workers.

Key Work Ahead: The factory needs to arrange floor meeting/line meeting and small discussion sessions with operators to ensure proper use of safety guards/eye guards/needle guards. Floor management especially supervisors should be trained and continue the monitoring. This issues need to be discussed in the monthly management meeting and management needs to follow up the issue. Safety committee should plan a strong role to make sure workers are using guards properly. OSH day observation should include events on guards. In addition, management could use PA system to announce the awareness raining contents for the workers.

(15/08/2020)

- 10 **Occupational Safety and Health: Chemicals and Hazardous Substances (per Assessment on 08/03/2020) 119240**

Completed

Area of Improvement: The enterprise maintained two set of inventories. One set did not include the data of chemical component, area of usage, the hazard statement and availability of the MSDS. Another inventory included the data of chemical component, area of usage, the hazard statement and availability of the MSDS was available in the inventory. However, this inventory did not include all the chemicals, such as, polymer, hydrochloric acid, acetic acid used in ETP, anti rust used in maintenance and bleaching agent, hypo, dyes used in the washing.

Root Cause:

1. Lack of monitoring.

Actions Needed: 1. Factory needs to ensure proper inventory system for the chemicals and hazardous substances.

- 10 **Progress:** The factory completed the issues by taking necessary steps that was verified in C1_FV7_VA_4 and provided evidences. The action taken by factory: 1. Maintain a standard inventory that includes data on chemical components, area of usage, the hazard statement and availability of the MSDS. 2. Trained the person/staff/workers related to chemical management about the inventory. 3. Ensured monitoring form HR and admin team to make sure all of the used chemicals and hazardous substances are properly listed in the inventory. **Key Work Ahead:** To make sure the issue in not reoccurring, the factory (compliance) should ensure no chemical or hazardous substances are coming to the floor without listed properly in the inventory. Any chemical incoming to the factory or cross though the gate, should be reflected in the inventory and security guards may also play a role to this. Assigned person should check the stock based on the inventory to make sure the system is working properly. **(01/08/2020)**
- 11 **Occupational Safety and Health: Welfare Facilities (per Assessment on 08/03/2020) 119249** **Completed**
Area of Improvement: There was a day care facility in the enterprise. However, following requirements were missing in this facility: - no towel and clothes were provided for the children; - no escape plan has been developed to be followed at the time of emergency.
Root Cause:
1. Lack of monitoring.
2. No assigned person to look after this issue.
Actions Needed: 1. Ensure requirements for the children and the facility. 2. Ensure monitoring.
Progress: The factory management successfully addressed the issues and it was verified in the C1_FV7_VA_4 in discussion with management and PC and evidences provided by the factory. Below actions performed by the factory: 1. The factory ensured necessary requirements - towels, clothing and soap for children of the day care. 2. With support from fire officer, the factory has developed an emergency escape plan with responsible person and oriented related persons. 3. With support from higher management, the factory ensured food for the children of the day care. 4. Factory assigned a staff to take of the issues related to day care.
Key Work Ahead: To make sure the development is sustained, the factory needs arrange refreshers training/discussion with the care giver(s). A regular monitoring system is necessary especially led by the assigned staff who may take support from the safety committee. Also, bi-monthly/monthly meeting with the mothers who keep their child in the day care is recommended to find out if there any development necessary. **(01/08/2020)**
- 12 **Occupational Safety and Health: Emergency Preparedness (per Assessment on 08/03/2020) 119259** **Completed**
Area of Improvement: EAs observed that flammable materials were not safely stored. The cut fabric roll were kept under the ramp, in front of the day care area.
Root Cause:
1. Lack of monitoring.
Actions Needed: 1. Now flammable materials have safely stored. 2. No more cut fabric rolls are placed in front of day care room. 3. Ensure monitoring.
Progress: Factory has taken necessary initiatives to complete the issue successfully. Based on the discussion in C1_FV7_VA_4 and provided evidences, the factory has achieved below improvements: 1. The factory transferred all of the materials in proper place and making sure no materials stored there. 2. Factory allocated space and instructed responsible persons to manage the cut fabrics properly. 3. Monitoring is continuing in a regular basis by compliance team and fire officer to make sure no flammable materials are stored safely.
Key Work Ahead: Continuation of a good housekeeping especially waste management is necessary to avoid recurrence of such issues. The engagement of safety committee in the monitoring process could support more to sustain the result. Continuous discussion with cutting department would be helpful to a avoid these kind of issues. **(01/08/2020)**
- 13 **Working Time: Regular Hours (per Assessment on 08/03/2020) 119260** **Completed**

13 **Area of Improvement:** The working time records did not reflect the hours actually worked. For example: -Management and workers interview confirmed that workers in the washing and maintenance section worked from 8:00 am to 8:00 pm and 8:00 pm and 8:00 am, however, provided time records showed that the workers worked from 8:15 am to 7:15 pm and 8:15 pm to 7:15 am commonly including two hours overtime . -Document review (Wash holiday register and mechanic register) indicated that workers of the washing and maintenance section worked on weekly holiday such as on 04, 18 and 25 October, 11 November, 2019 and 07 February, 2020. The time records did not reflect the weekly off day work. -At least 5 electricians worked from 03-06 June, 2019 which were declared festival holiday (Eid ul Fitr), the time records of the respective workers did not reflect their work during festival holiday. Document checked: Time records of October, November, 2019 and February, 2020, Wash holiday register, register to record the work during Eid holiday and mechanic register.

Root Cause:

1. Facility did not install ERP software.
2. Facility HR team update attendance manually.
3. Regarding 5 electricians worked. In that time factory HR team was lack of awareness.

Actions Needed: 1. Install new ERP. 2. Review the policy. 3. Ensure weekly holidays of the workers.

Progress: The factory successfully completed the issue, which was verified by the advisor in C1_FV6_VA_3 based on the discussion with management and evidences provided by the factory. The factory performed below actions to address the issue: 1. Factory management installed new ERP Software. Currently, all workers in the washing section use punching machine for the attendance. Now In-out time has been done recorded properly. 2. Factory management provided substitute leave of 5 Electricians and changed their policy of fixed waged work. 3. For the longer run, the factory is trying to pilot roster system to reduce this kind of issues.

Key Work Ahead: To sustain the development for longer run, the factory (HR) should perform work hour analysis of maintenance department to make sure effective use of the work hour. If the roster system seems useful to the factory, factory may use this system. A back up plan to meet the emergency need is necessary.

(01/08/2020)

14 **Working Time: Overtime (per Assessment on 08/03/2020) 119262**

Completed

Area of Improvement: Approximately 80% of the sampled interviewed workers informed that the workers were not informed about overtime work at least two hours before the start of the overtime period. Workers were informed about overtime just before the start of overtime hours.

Root Cause:

1. Factory Compliance Team did not provide training to worker of legal rights of worker.

Actions Needed: 1. Make sure factory management inform workers about overtime work as per law. 2. Facility compliance team conducts awareness tanning to all worker..

Progress: The factory completed the issues successfully and it was verified by the EA in C1_FV7_VA_4 based on discussion with management and PC and evidences provided by the factory. Below actions taken by the factory: 1. Facility using PA system to let workers know about overtime. 2. Facility management hanging board in the wall regarding worker legal right. 3. In addition, factory management conducted awareness to mid-level management & floor staff.

Key Work Ahead: The factory production team should have a plan including the production target and necessary person hours for the production. Based on the plan, the factory may take necessary initiative to meet the necessary person hour by letting workers know about the overtime hour. Line supervisors should let his/her line workers know about the overtime (if necessary). Announcing in PA system also a good option to carry on.

(01/08/2020)

15 **Occupational Safety and Health: Chemicals and Hazardous Substances (per Assessment on 08/03/2020) 119245**

Completed

Area of Improvement: No eye wash station was installed in the PP Spray area.

Root Cause:

1. Lack of monitoring.
2. Did not properly maintain requirement procedure.

Reporting Period: Oct 2019 - Oct 2020

- 15 **Actions Needed:** 1. Need to install eye wash as per need. 2. Ensure monitoring to make sure eye was is functional all the time.
- Progress:** The factory successfully completed the issue and EA verified based on the discussion in C1_FV6_VA3 and evidences provided by the factory. Factory performed below actions to resolve the issue: 1. The factory installed eyewash station as per need. 2. Now there is a new functional eyewash station have in the PP Spray area. 3. Compliance team and safety committee will check it on regular basis to see if it is functional or not.
- Key Work Ahead:** As facility is expanding, the factory need to make sure all of the necessary elements is present in the factory. If factory relocate their chemical related sections/stores, factory should ensure eyewash facility as per need. Safety committee should add this issue in their daily safety checklist and monitor if the eyewash facility functioning properly. (15/07/2020)
- 16 **Occupational Safety and Health: Emergency Preparedness (per Assessment on 08/03/2020) 119256** **Completed**
- Area of Improvement:** The factory has not posted any evacuation plan in the storage area and in finishing section of new building. The evacuation plan was not updated on the 2nd, 3rd and 5th floor. Management stated, on the 26th March, 2020 the rearrangement of the floor will be completed and new evacuation plans will be posted.
- Root Cause:**
1. Evacuation plan need to be collected.
 2. Evacuation plans need to be installed.
 3. Lack of monitoring.
- Actions Needed:** 1. The factory has posted evacuation plan in the storage area and in finishing section of new building. 2. Ensure Monitoring.
- Progress:** The factory has successfully completed the issue, which was verified by the EA based on the discussion in C1_FV6_VA3 and evidences provided by the factory. The factory performed below actions for the development in this regard: 1. Evacuation plan (print and boards) received from vendor. 2. Evacuation plan installed in all of the floors of new building. 3. Safety Committee will check regularly if the evacuation plan is properly visible and report in meetings. 4. Fire officer included the evacuation plans in the emergency drill plan.
- Key Work Ahead:** To sustain the development, the factory needs to do proper (pre)planning to make sure necessary safety requirement being fulfilled in future if factory needs to change their floor plan/layout. The management should take the safety issue seriously in future and appoint tram/person with decision making power to address safety related issues. In addition, factory needs to make sure that safety committee is functional and recommendations of safety committee are implemented properly. (15/07/2020)
- 17 **Occupational Safety and Health: Emergency Preparedness (per Assessment on 08/03/2020) 119257** **Completed**
[Public Reporting Issue No.20369]
- Area of Improvement:** The secondary exits from the fabric store, boiler and new building (finishing section) were obstructed by construction work.
- Root Cause:**
1. Because of the construction work going on.
- Actions Needed:** 1. Make sure that the necessary steps taken to keep all of the exists unobstructed and usable. 2. Proper monitoring by fire officer and safety committee to check if any exit is obstructed.
- Progress:** 1. The secondary exits from the fabric store, boiler and new building (finishing section) were obstructed by construction work and factory has removed all of the construction materials. 2. Management has checked all of the exists to make sure there is no obstructions. 3. Safety committee included the issues in their routine checklist and report after each check. (This issue marked 'completed' based on the discussion in C1_FV6_VA3 and pictorial evidences provided by the factory.)
- Key Work Ahead:** As the factory is expanding its space facility, it is necessary to have proper monitoring and follow-up system to make sure all of the safety requirements are meeting properly. Safety committee will continue the daily/regular monitoring and if there any such issue reported by them - should be addressed as soon as possible. A back-up plan for future construction work (if any) is recommended to ensure construction materials are not obstructing any of the exits. (15/07/2020)

18	Occupational Safety and Health: Emergency Preparedness (per Assessment on 08/03/2020) 119254	Completed
	<p>Area of Improvement: In the finishing section of new building, (approximately, 500 workers) no fire fighting equipments were available. For example, no fire hose, sprinkler or fire extinguishers were available. However, the new building is connected with the existing production floor with ramp in the same floor of finishing and fire fighting equipments were available on the floor.</p> <p>Root Cause:</p> <ol style="list-style-type: none">1. Need to procure fire equipment.2. Fire equipment must be installed.3. Lack of monitoring.4. Fire equipment testing is required. <p>Actions Needed: 1. In the finishing section of new building all fire fighting equipment are available. For Example, Fire hose rill, Fire Extinguishers etc. are available.Smoke Detector and Fire Door are connected with main panel. 2. Ensure monitoring.</p> <p>Progress: The factory address the issue successfully and to develop, the factory performed below actions: 1. The factory received necessary fire equipment from the vendor. 2. Factory installed necessary fire equipment including fire hose rill, fire extinguishers etc. Smoke Detector and Fire Door are connected with main panel. 3. Fire Officer has been assigned to take care of these equipment. 4. Safety committee has been alerted to ensure monitoring of the issue in a regular basis. This issue marked 'completed' based on the discussion in C1_FV6_VA3 and evidences provided by the factory.</p> <p>Key Work Ahead: To make sure this kind of issues are not reoccurring, the factory should follow below advises: 1. Factory needs to make sure necessary equipment in the stock by ensuring proper need assessment and supply in future. 2. A team will work on to make sure safety materials-logistics are in place as the factory is expanding. 3. Ensure safety committee, compliance team are working together to make sure logistics are usable and properly arranged in the floor.</p>	(15/07/2020)
19	Compensation: Social Security and Other Benefits (per Assessment on 08/03/2020) 119223	Completed
	<p>Area of Improvement: Document review and interview with the management indicated that all workers were not covered by the Insurance Scheme. In a random check, it was observed that the facility management recruited approximately 42 new workers from 15 February-08 March, 2020, but did not enter these workers profile into the biometric database. This indicated that these newly recruited workers were not covered by the safety net of insurance.</p> <p>Root Cause:</p> <ol style="list-style-type: none">1. Lack of improvement.2. All workers were not covered by the Insurance Scheme. <p>Actions Needed: 1. Planning to cover all of the workers. 2. Assign responsible person to complete the task in a regular basis. 3. Planing to cover all new worker on time.</p> <p>Progress: The factory has taken necessary steps to address the issue and successfully completed the actions which was verified in 6th advisory. Factory performed as per below: 1. Focused on updating bio metric data update in timely manner. 2. Dedicated resource has been deployed to work on a daily routine update to complete the pending and update the on time. 3. Compliance team (Assistant Manager- Compliance) will monitor the process on regular basis. (This issue marked 'completed' based on the discussion in C1_FV6_VA3 and evidences provided by the factory.)</p> <p>Key Work Ahead: To keep the development sustainable the HR team and production team need to work together to make sure all of the workers are listed in the system. In addition, the monthly/timely random check needs to be continued to ensure timely input in the bio-metric system.</p>	(01/07/2020)
20	Occupational Safety and Health: Worker Protection (per Assessment on 08/03/2020) 119248	Completed
	<p>Area of Improvement: Enterprise did not provide any seating arrangement (nearby to sit down at regular intervals) for the long standing workers in the finishing section (packing, poly, folding, Iron, QC, QA and trimming), process require bending in scrubbing and hand sanding.</p> <p>Root Cause:</p> <ol style="list-style-type: none">1. Lack of monitoring.	

- 20 **Actions Needed:** 1. Floor trip to find out where factory can ensure occasional seating arrangement . 2. Management decision to provide seating arrangement. 3. Provide seating arrangement.
- Progress:** To complete the issue successfully, the factory have taken below actions: 1. Compliance team visited the factory and identified space to provide seating arrangements. 2. Management took necessary action to ensure seating (procure/arrange). 3. Seat provided to available space nearby the long standing workers. 4. Awareness provided to the workers to use the seat when necessary. This issue marked 'completed' based on the discussion in C1_FV6_VA3 and evidences provided by the factory.
- Key Work Ahead:** Factory needs to make sure that they have necessary plan in place to make sure ergonomic requirements are fulfilled as the production line and number of workers and layout may changed in future. Factory is recommended to check available guideline regarding ergonomics to ensure an ergonomic work environment in the factory. PC and Safety committee as well as floor management will let the new workers know the use of these provided chairs. (01/07/2020)
- 21 **Occupational Safety and Health: Welfare Facilities (per Visit on 22/07/2020) 109539** Completed
- Area of Improvement:** Soap in the toilet was not available at afternoon
- Root Cause:**
1. Soap did not refilled timely.
- Actions Needed:** 1. Need to ensure soap in the toilets. 2. Ensure monitoring from the housekeeping.
- Progress:** The factory has planned and completed the issue in a sustainable way. For the development, the factory performed below actions: 1. The floor monitoring system included this issue and monitoring the issue. 2. The factory purchase team ensuring there are enough stock of soap in the factory for use. 3. Workers are aware about the issue and management motivate them to report such kid of issue to the responsible person. This issue marked 'completed' based on the discussion in C1_FV6_VA3 and evidences provided by the factory.
- Key Work Ahead:** The factory needs to continue this good practice by continue monitoring and follow up with the team. A good housekeeping plan is recommended to make sure such requirements are fulfilled timely and accordingly. Awareness program should be ongoing to make sure workers are using soap accordingly. (01/07/2020)
- 22 **Occupational Safety and Health: Emergency Preparedness (per Assessment on 08/03/2020) 119258** Completed
- Area of Improvement:** The stairways from the 1st floor of the new building was found obstructed by debris in one stair and another stair leads to the place where drainage construction is on going.
- Root Cause:**
1. The stairs to the new building were hampered by construction work.
2. Because of the construction work going on.
- Actions Needed:** 1. Factory needs to take necessary steps to remove the obstructions in the stair. 2. Make sure that the necessary steps taken to keep all of the unobstructed.
- Progress:** The factory has taken necessary actions to complete the issue and EA verified the issue based on the evidences provided by the factory in C1_FV6_VA_3. Actions taken by the factory: 1. Factory has removed all of the construction materials. Now the stairways from the first floor of the new building are not found obstructed by debris. 2. Management has checked the stairs to make sure there is no obstructions. 3. Safety committee and fire officer have added the issue in their routine checklist and will continue the monitoring.
- Key Work Ahead:** To sustain the development the factory should have pre-plan to keep the necessary stair-exits free during construction work. Safety committee and fire officer should continue the monitoring from their side and the factory management also need to consider safety committee's recommendation (if any). In addition, management - PC-Safety Committee should work together to promote a safety culture in the factory. (01/07/2020)

- 23 **Compensation: Overtime Wages (per Assessment on 08/03/2020) 119217 [Public Reporting Issue No.20371]** **Completed**
- Area of Improvement:** Document review, worker and management interviews confirmed that overtime payment was not ensured in line with law for the fixed salaried staff (washing section and maintenance section) who were working 12 hours in a day and on weekly off days. For examples: i) a dry process operator (Grade 4) worked approximately 78 hours over time in the month of January, 2020 and was paid BDT 12613 (as fixed salaried worker) instead of at least BDT 13091 (Minimum Wages BDT 9347+ BDT 3744 as overtime allowance). According to the Minimum Wages Gazette 2018, Schedule A, minimum wage for grade 4 is BDT 9347 for 8 hours of work. ii) the facility management provided allowances to the fixed salaried staff if they worked on weekly holiday instead of overtime premium. For example: a wet process assistant worked on 04 October, 2019 (Weekly off day) and received BDT 225 instead of overtime premium on basic wage. Management acknowledged this. Document checked: Payroll records, time records and wash holiday register of fixed salaried staff of October, 2019 and January and February, 2020
- Root Cause:**
1. Wrong understanding about the fixed wage and overtime calculation.
- Actions Needed:** 1. Check if there any other workers getting less amount of overtime comparing their actual work. 2. Talk with HR and Production team to find out maximum possible work hour by those workers. 3. Increase wage or take necessary action to ensure proper payment for the workers. 4. Policy level change if necessary regarding Friday work.
- Progress:** The factory completed the issue successfully; and the issue marked 'completed' based on the discussion in C1_FV4_VA_1 and evidences provided by the factory along with meeting with PC and continuous follow up was ongoing. To complete the issue, performed below actions: 1. The factory revises/reviewed the wage system for the related workers in washing section and maintenance section. 2. Wage of the worker has been revised accordingly from February 2020. 3. Factory is calculating actual working hour of the workers for payment. (A follow up evidence check and interview will be done by EA in this current cycle to make sure the status is provided properly.)
- Key Work Ahead:** To make sure these development regarding minimum wage is sustained and there is no recurrence of the issue, the IE, HR, Compliance and production team should work together to identify necessary 'person-hour' for certain time period (based on the production target) and take necessary actions to comply with the law. As the management is working to re-plan/redesign the washing section, it is recommended that factory is complying with the law to this redesigning stage. **(01/06/2020)**
- 24 **Contracts and Human Resources: Employment Contracts (per Assessment on 08/03/2020) 119224** **Completed**
- Area of Improvement:** The existing appointment letter did not include the followings: -all the conditions of the employment will be administered by the service rules of the company (if any) and existing labor laws.
- Root Cause:**
1. No assigned person to look after this issue.
 2. Lack of understanding on Law.
- Actions Needed:** 1. Assign person/team to update the appointment letter of the company. 2. Ensure improvement.
- Progress:** The factory performed necessary actions to complete the issues. EA verified the issues based on the evidence provided by the factory in C1_FV6_VA_3. The factory performed below actions: 1. Factory revised its appointment letter accordingly and started using new format (from June onward). 2. Necessary capacity building (session) arranged for he related person on law related issues.
- Key Work Ahead:** It is recommended that the factory management will stay alert on the changes in law-policies and complying with that. Learning is important - so it is recommended that factory should continue the learning on law-policies. In addition, factory may arrange more internal and external training for mid-management especially on labour law related issues. **(01/06/2020)**
- 25 **Contracts and Human Resources: Employment Contracts (per Assessment on 08/03/2020) 119225** **Completed**

25 **Area of Improvement:** The following condition was not consistent in the appointment letter with the labor law :- In the appointment letter it is mentioned that probationary period is 03 months and employer can extend the probationary period to another 03 months based on the competency for both skilled and unskilled workers. The employer applies this condition for all skilled and unskilled workers. However, condition for extension of probationary period for another 03 months for unskilled worker was not consistent with the labor law. -The appointment letter did not comply with the requirement of maternity benefit as mentioned in the law. The appointment letter mentioned 06 months of service length as the eligible criteria for entitlement of paid maternity leave, whereas, according to the law, women who have been employed for at least 6 months before the delivery date are entitled to paid maternity leave for 8 weeks preceding the delivery, and 8 weeks after. -The factory did not ensure proper grade of the workers according to types of work. For example, a worker was observed in operating pocket hamming machine and received BDT. 8700 (Grade -6) and interview with the worker indicated that the worker operated the machine since July, 2019. However the worker was employed as assistant sewing machine operator in Grade 7 and was not promoted according to types of work. This condition of appointment did not comply with the labour law. Moreover, it is mentioned in the appointment letter that photocopy of the appointment letter would be provided to the workers instead of main copy.

Root Cause:

1. Lack of understanding on legal requirements.
2. Lack of monitoring from higher level.

Actions Needed: 1. Make necessary changes of the appointment letter. 2. Start using revised apportionment letter.

Progress: The factory performed necessary actions to complete the issues. EA verified the issues based on the evidence provided by the factory in C1_FV6_VA_3. The factory performed below actions: 1. Factory revised its appointment letter accordingly and started using new format (from June onward). 2. Necessary capacity building (session) arranged for he related person on law related issues especially on appointment letter and entitlements of workers.

Key Work Ahead: It is recommended that the factory management will stay alert on the changes in law-policies and complying with that. Learning is important - so it is recommended that factory should continue the learning on law-policies. In addition, factory may arrange more internal and external training for mid-management especially on labour law related issues.

(01/06/2020)

26 **Compensation: Wage Information, Use and Deduction (per Assessment on 08/03/2020) 119220 [Public Reporting Issue No.20364]**

Completed

Area of Improvement: Worker and management interview and document review indicated that the pay slips provided by the employer to the workers of the washing and maintenance section did not reflect the actual earnings of a month. The pay slip did not include the payment of weekly off day and punishment deduction. However, provided pay slips reflected the payables to the washing and maintenance section workers for 8 regular working hours +2 hours of overtime. Documents checked: Pay slips, time cards of October and November, 2019 and February, 2020 and wash holiday register.

Root Cause:

1. To maintain the buyer compliance factory needed the payslip (8 h + 2 h overtime)
2. HR and payroll process

Actions Needed: 1. Management decision to provide payslip with actual earnings. 2. Provide salary/wage slip reflecting workers actual income and deduction.

Progress: The factory successfully resolved the issue and it was verified by the Enterprise Advisor in C1_FV4_VA_1 and based on provided documents by the management. The factory performed below actions to address the issue: 1. From March 2020, factory is providing salary/wage slip reflecting workers actual income and deduction. 2. Management is monitoring regularly to see if the provided payslip cover all of the necessary elements.

Key Work Ahead: As it was also partially related to minimum wage and working hour, IE, HR, Compliance team and production team should work together to identify necessary person-hour for the certain number of the period and take necessary actions to comply with the law. Also, a capacity check by the production team is necessary to find out if the efficiency is utilized fully.

(01/04/2020)

27 **Freedom of Association and Collective Bargaining: Collective Bargaining (per Assessment on 08/03/2020) 119216**

Delayed

- 27 **Area of Improvement:** The workers' representatives of the participation committee were not consulted adequately where legally required: - the workers' representatives of safety committee were not nominated in consultation with workers' representative of participation committee; - the canteen committee was not formed in consultation with workers' representative of participation committee; and - the festival leave days were not consulted with the workers' representative of participation committee for the year 2020

Root Cause:

1. Communication Gap.
2. Lack of monitoring.

Actions Needed: 1. The management has decided to conduct all the activities in consultation with the worker's representative of participation committee. 2. Ensure monitoring.

Progress: In this completed cycle, the factory was planning to engage the PC workers representatives more in the decision making process but no significant progress made yet.

Key Work Ahead: Capacity building of the PC committee members is necessary especially on their roles, legal provision and decision making. Factory should have done a proper plan to engage the participation committee (workers representatives) in the decision making process as applicable/suggest by the law. Factors should also aware the management representatives of the PC to ensure space for the workers representatives thus they can participate in the decision making process. **(target: 30/09/2020)**

- 28 **Compensation: Wage Information, Use and Deduction (per Assessment on 08/03/2020) 119218** **Delayed**

Area of Improvement: Document review and interview with workers and management indicated that in case of workers failure to join the work on time, the employer deducted more amount of wages than the amount of wages deductible for the duration of absence. For example, in December 2019, one worker was unable to join work by 8:01 am for three days in a month. The employer deducted the basic wage of the worker for one day (BDT. 346) due to late attendance. This deducted amount was more than the amount of wages deductible for the duration of absence. This was concluded through the payroll records checks and interview with workers and management as the factory did not maintain actual time records for the workers of the washing section. Document checked: payroll records of December, 2019 and February, 2020.

Root Cause:

1. Wages were deducted for periods of absence
2. Lack of monitoring.

Actions Needed: 1. Factory should motivate workers to reduce late entry or absents. 2. policy change - wages are no longer deducted for periods of absence. 3. Ensure monitoring.

Progress: Factory was planning to address the issue but no significant progress has been made.

Key Work Ahead: Factory should focus on establishing proper grievance and dispute resolution procedure and disciplinary action process as per law. The policy of cutting wage of late entry should be revised. Factory may ensure proper counselling if there any workers who regularly getting late to entry. Management should talk to the time keepers/ERP managers to omit the option of wage deduction for late entry. **(target: 30/09/2020)**

- 29 **Compensation: Social Security and Other Benefits (per Assessment on 08/03/2020) 119222** **Delayed**

Area of Improvement: The management did not ensure correct compensation in the event of worker's death. For example, one cleaner who joined in 09 November, 2017 and died on 13 January, 2020 the management did not provide death compensation and retirement benefit to the nominee of the deceased worker's for 2 years of service.

Root Cause:

1. Lack of monitoring.
2. Did not provide death compensation.

Actions Needed: 1. Ensure monitoring. 2. Ensure correct compensation in the event of worker's death.

- 29 **Progress:** Factory management was discussion and planning to ensure proper benefit/compensations for the death cases of the factory. Till end of the cycle, no significant progress made. **(target: 30/09/2020)**
- Key Work Ahead:** Factory needs to train new/old staff related to the payment processing on the death benefit policy as per Bangladeshi law and policies. In addition, it is recommended that there will be a focal point to review/support processing of death benefit(s) additional to general system of the group/factory. Engagement of PC (if necessary) is recommended especially to make sure workers are aware about death benefit system of the factory. In addition, factory should provide the unpaid compensation to the nominee (s) of the death worker(s)
- 30 **Contracts and Human Resources: Employment Contracts (per Assessment on 08/03/2020) 119226** **Delayed**
- Area of Improvement:** Approximately 70% of the interviewed workers were not aware about the terms and conditions of employment such as service benefits, termination and job separation procedures, entitlement of annual leave. Moreover, workers' interview indicated that refresher training was not provided for the workers adequately. However, the daily working hour instruction was posted on the notice board.
- Root Cause:**
1. Lack of improvement.
 2. Was not provide proper training in refresh workers.
 3. Were not proper awareness program about the terms and conditions of employment such as service benefits, termination and job separation procedures, entitlement of annual leave.
- Actions Needed:** 1. Ensure improvement. 2. Provide proper training in refresh workers. 3. Provided awareness program about the terms and conditions of employment such as service benefits, termination and job separation procedures, entitlement of annual leave.
- Progress:** Factory planned for proper training of the workers on terms and conditions of the employment but no significant progress made in this completed cycle.
- Key Work Ahead:** As, it is a continuous task, the factory should continue the good effort of training and awareness building for the workers. Based on the new recruitment, factory need to continue the induction and to cover older workers up to date, factories need to arrange refreshers on a regular basis. **(target: 30/09/2020)**
- 31 **Contracts and Human Resources: Contracting Procedures (per Assessment on 08/03/2020) 119228** **Delayed**
- Area of Improvement:** Through enterprise visit, document review and workers interview, EAs noted that: 1. Assistant chemical store man was paid a fixed wages. For example, in the month of February, 2020, the assistant store man worked at least 78 hours of overtime and paid BDT 11,300 instead of BDT 16,058 (11,300+4758). As per minimum wage gazette January, 2018, minimum wage for Store Assistant is BDT 11,300 for regular working hours (8 hours duty). The chemical store man worked regularly 11 hours in a day. 2. The employer did not ensure minimum wage for at least 05 workers, according to the Minimum Wage Gazette 2018 (revised in January, 2019). For example: -the employer employed five security guards in grade 3 who were being paid BDT 10,000 instead of at least BDT 10,775 (Grade 3) according to schedule B of Minimum wage gazette. -the employer employed a delivery man in grade 3 who was being paid BDT 10,500 instead of at least BDT 10,775 (Grade 3) according to schedule B of Minimum wage gazette. 3. Interviews with worker indicated that daily break period was not provided to the security guards as required by law. For example: the security guards worked for 8 hours (in each shift) everyday received only approximately 5-15 minutes break instead of 1 hour break. The enterprise had 3 shifts (6.00am-2.00pm, 2.00pm-10.00pm and 10.00pm-06.00am) for the security guards.
- Root Cause:**
1. Wrong understanding about the fixed wage and overtime calculation.
 2. Lack of monitoring.
- Actions Needed:** 1. Check if there any other workers getting less amount of overtime comparing their actual work. 2. Talk with HR and Production team to find out maximum possible work hour by those workers. 3. Increase wage or take necessary action to ensure proper payment for the workers. 4. Daily break period are provided to the security guards as required by law. 5. Ensure monitoring.
- Progress:** 1. The factory revises/reviewed the wage system for the related workers in washing section. 2. Wage of the worker has been revised accordingly from February 2020. 3. Factory is calculating actual working hour of the workers for payment. (this issue marked as completed based on VA and evidences provided by the factory along with meeting with PC and advisor will continue follow up of the issue).
- Key Work Ahead:** Factory should perform an analysis regarding the actual person hour need and available **(target: 30/09/2020)**

person hour in the washing/chemical section and then see if there any new workers is necessary to stay comply with law regarding wage and overtime of the existing workers. Factory should take quick action to make sure workers are aware about the changes factory doing in the mentioned sections (especially if there any changes in the working hour or shifting system.

32 Contracts and Human Resources: Contracting Procedures (per Assessment on 08/03/2020) 119229

In Progress

Area of Improvement: The employer provided service book to the workers but sampled service books were not updated with records of availed annual leave and annual leave encashment. Documents checked: personnel files and service books of 25 workers.

Root Cause:

1. No assigned person to look after this issue.
2. Lack of monitoring.
3. Service books did not updated timely.

Actions Needed: 1. Update the service book accordingly with backlog. 2. Assign person/team to update the service book accordingly. 3. Ensure monitoring.

Progress: Factory was working on the issue throughout the cycle and the update as per below: 1. Factory has assigned personnel to update the service book accordingly, especially to cover the backlog regarding annual leave information. 2. Updating of the service book was in progress in the cycle and will be completed soon. 3. Higher management issued office order for timely updating of service books.

Key Work Ahead: As updating service book is a continuous process, factory needs to ensure updating of the service book is not interrupted for any other reasons. Factory should allocate enough time and workforce to make sure updating of the service book done properly. Higher management should randomly check if the service book updates with latest information. As factory is expanding factory may explore the option of digital/software based service book to avoid such a huge manual tasks.

(target: 31/10/2020)

33 **Contracts and Human Resources: Termination (per Assessment on 08/03/2020) 119230**

In Progress

Area of Improvement: 1. Document review and interview with the workers and management indicated that the management did not ensure service benefit to the workers. For example, one sewing machine helper who joined in 01 June, 2014 and resigned on 01 February, 2020, the management did not provide severance pay (severance payment) for 5 years service as on assessment day (March 09, 2020). 2. Based on the sampled 60% existing workers' interview (group and individual) indicated that the employer did not provide full severance payment to the job separated workers. EAs communicated with the resigned worker to conclude the fact that the respective worker received only partial payment after job separation. Such as, the interviewed workers stated that the workers received BDT. 10,500 after job separation effective from 01 December, 2019. However, reviewed document showed that management provided BDT 33, 739 for 7 years of service, outstanding wages and annual leave encashment. The employer had the proof of payment document of the service benefit in the personal file of the respective worker. However, these documents did not match with the workers statement. Management was well informed about these issues during the closing meeting. Documents checked: 12 personnel files of resigned workers and payment records.

Root Cause:

1. No assigned person to look after this issue.
2. Lack of monitoring.

Actions Needed: 1. Management decision to provide actual earnings. 2. Ensure monitoring.

Progress: Factory was working to address the issue and need a little development to complete the issue. Based on the discussion with management and PC in C1_FV6_VA_3, C1_FV8_VA_5, and evidences provided by the factory, to address the issue, the factory done below actions: 1. Higher management and owner, along with compliance team sit in a meeting and decided that factory will provide the actual amount of severance payment. 2. Mid management was conveyed with the decision of paying full payment. 3. PC was oriented on the issue and conveyed the message to the workers. 4. Based on the provided picture, payment document it was observed that one worker resigned effective from 01/07/2020, received full amount of severance payment on 09/07/2020 including outstanding wage. There is still development necessary as the factory provided all of the payment together and did not ensure the outstanding wage within 7 days of resignation.

Key Work Ahead: It is very much appreciated that the factory is paying actual amount of severance payment but it has to be ensures that HR and finance personnel is comply with the timeline mentioned in the law. Factory compliance team should arrange a discussion session/training for the HR and Finance team to make sure they know the legal requirement regarding payments.

(target: 31/10/2020)

34 **Contracts and Human Resources: Dialogue, Discipline and Disputes (per Assessment on 08/03/2020) 119231**

In Progress

Area of Improvement: Documents review and interview with the management indicated that the disciplinary measures taken in case of awarding punishment to worker were not in compliance with legal requirements. For example: the factory deducted basic wage for 01 day for at least 02 workers in February, 2020 and 01 worker in December, 2019 as punishment for being late at work for three days in a month. However, the respective workers did not receive any opportunity of self defense such as no show cause notices were issued or investigation process consumed. Punishment was administered to the accused without following the step by step legal disciplinary procedures.

Root Cause:

1. Lack of communication.

Actions Needed: 1. Need to ensure that no salary is deducted without proper disciplinary procedure as per law.

Progress: Factory planned to work on this issue in the completed cycle but no significant development done yet.

Key Work Ahead: The factory should participate in more trainings on disciplinary actions. Factory needs to make sure disciplinary cases opened only for the misconducts mentioned in the law. Management and floor supervisors should be oriented on the legal provision of disciplinary procedure and should be instructed to ensure no deduction of the wage without proper disciplinary measure. Compliance team should work with payroll team to see if there any such deduction and should address these. Most, importantly Hr, Compliance, Welfare team along with PC should work together to establish a proper disciplinary action procedure in the factory.

(target: 31/10/2020)

35 **Contracts and Human Resources: Dialogue, Discipline and Disputes (per Assessment on 08/03/2020)** **Delayed**
119232

Area of Improvement: Document review and interview with the workers and management indicated that there was no effective procedure in practice to resolve workers grievances. The enterprise management described different sources (such as verbally communicated grievances and written suggestion box grievances) of receiving grievances. Grievances collected from the suggestion box and recorded in a grievance register. There were records of some minor workplace issues like missing sandal (foot wear), soap, and cleanliness problems. However, floor visit, interview with the workers indicated that significant number of grievances related to disciplinary process, and leave were remaining in the workplace and those were not recorded and resolved. For example, one case of grievance was delay payment of salary because of unauthorized absent in the previous month which was not recorded and resolved properly.

Root Cause:

1. Lack of communication.

Actions Needed: 1. Management decision to provide effective procedure in practice to resolve workers grievances.

Progress: The factory has worked on the policy and procedure made significant progress in this completed cycle to make effective procedure in practice to resolve workers' grievances. 1. Factory developed a policy and procedure submitted to the advisor in C1_FV8_VA_5. The policy and procedure included - clear options for submitting grievances and disputes that ensure anonymity and non-retaliation and communication of changes made and/or resolution of grievance/dispute as appropriate. However, factory needs to add a fair review and appeal process to make effective procedure in practice to resolve workers' grievances. 2. PC are aware about the new procedure of resolve workers' grievances. However, factory needs to make sure workers are aware about the procedure.

Key Work Ahead: The factory is recommended to review the grievance handling policy/procedure and need to make sure there is a fair review and appeal process in place. Also general workers needs to know and aware about the process and should be motivated to submit if there any grievances from their side. There should be a committee for grievance handling and details of the committee should be in notice board along with picture.

(target: 30/09/2020)

36 **Contracts and Human Resources: Dialogue, Discipline and Disputes (per Assessment on 08/03/2020)** **In Progress**
119233 [Public Reporting Issue No.20370]

Area of Improvement: The enterprise has an elected Participation Committee, election conducted on 07 March, 2019. The committee was formed on 11 March, 2019 consisting both worker and management representatives. Document review and worker and management interviews indicated the followings regarding formation and functionality of the Participation Committee. Election Committee: The election committee was formed with 2 management representatives and 3 workers' representatives. The election was conducted through secret voting ballots. However, the enterprise did not meet the following requirements of the Participation Committee: Formation: The committee consists of 18 members; management: 06 (female-1), workers-12 (female-06). However, the enterprise did not meet legal requirement in selecting vice president of the PC. The vice president was directly elected by the general workers instead of elected workers' representative of PC. Nomination process: Candidates were nominated by their co-workers (proposer and supporter). However, timeline for opportunity for nomination paper submission was not followed as required by the law. More than 7 days were allowed for submission of nomination paper from the date of declaration of the schedule. The list of the elected workers' representatives was sent to Director of Labour on 25 March, 2019 instead of after 10 days of the election. Meeting agenda and minutes: Meetings were held in every two months. Interview with the PC workers' representative indicated that the meeting agenda was set management representative. The last meeting was held on 01/01/2020. Moreover, meeting minutes were not adequately communicated with general workers. Such as meeting minute was not posted in the notice board. According to the interview and reviewing of meeting minutes, the PC's working scope was kept very limited to only adjustment of festival holiday and general safety issues of the factory. Approximately 70% of the workers did not have idea about the PC meeting decisions. Roles and Responsibilities: Approximately 50% of the workers representatives were not aware of their roles and responsibilities such as: - to promote mutual trust, understanding and cooperation between the employer and workers; - the benefits of the workers, welfare facilities and grievance resolution; - to encourage workers education; - to adopt measures for improvement of welfare service for the workers; - to improve productivity. Training: PC members were not trained in performing their roles regarding grievance submission and resolution, finding and remediating workplace issues.

Root Cause:

1. Lack of monitoring.
2. Lack of communication.
3. Did not proper awareness.

36 **Actions Needed:** 1. Make a training plan for the capacity building of the workers representatives of PC. 2. Arrange training/send PC to the training as per plan. 3. Ensure PC are performing their role effectively.

Progress: As there is noncompliance in the formation process, factory focused on the other issues related to PC including capacity building. The factory performed below tasks: 1. All meeting agendas are communicated through PA system. (FV6) 2. Meeting minute are posted in the notice board. (FV6)

Key Work Ahead: 1. As there is noncompliance regarding the formation process (part of election), the factory needs to ensure all of the process are in accordance with law in the next PC elections. 2. Factory should make a plan for the capacity building of PC based on their need (a need assessment can be done). 3. Factory needs to allow PC work as independent body to make sure PC can contribute truly for the development of the factory. **(target: 23/10/2020)**

37 **Contracts and Human Resources: Dialogue, Discipline and Disputes (per Assessment on 08/03/2020) 119234** **In Progress**

Area of Improvement: The enterprise has one welfare officer with required academic qualification. Interview with the welfare officer and document review indicated that the appointed official did not have adequate training on labor law, industrial relations, and grievance mechanism. Moreover, the welfare officer was not actively engaged with the following: - assist in solving grievances arising at the workplace; - advise the management on the training requirement of the workers; and - advise the employer regarding implementation of the labor laws.

Root Cause:

1. Did not properly train up.

Actions Needed: 1. Adequate training on labor law has been arranged.

Progress: In this reporting period, below progress has been made by the factory regarding capacity building of welfare officers: 1. Necessary Training has been provided by HR/Compliance manager on the role of welfare officers. 2. Factory planned for External Training on BLA by the Local Certified Organizations.

Key Work Ahead: Factory should ensure welfare officers are getting adequate time to develop themselves by participating necessary training programmes. In addition, factory needs to ensure welfare officers are engage on the following: - assist in resolving grievances; - advise the employer regarding training and education for workers; and – consult with the employer and workers representatives on wages and service conditions. **(target: 31/12/2020)**

38 **Occupational Safety and Health: OSH Management Systems (per Assessment on 08/03/2020) 119235** **Delayed**

Area of Improvement: The enterprise did not perform an assessment of general occupational safety and health (OSH) issues considering nature of work, production process, physical structure, material movement, chemicals used and type of work. However, the safety committee was engaged to identify OSH risks according to a checklist and recommend remediation to the employer.

Root Cause:

1. Lack of monitoring.

Actions Needed: Factory needs to perform an assessment of general occupational safety and health (OSH) issues considering nature of work, production process, physical structure, material movement, chemicals used and type of work.

Progress: The have planned and worked on the issue and the status as per below: 1. The factory has developed a safety checklist and performing an assessment of general occupational safety and health (OSH) issues. (Checklist submitted to the advisory for review on C1_FV8_VA_5). However, the checklist still needs consider all production process (cutting, sewing, finishing), material movement (loading – unloading), chemical management. 2. Factory needs to consult with the safety committee while developing the checklist.

Key Work Ahead: The factory should develop the safety checklist as per schedule IV of BLR and covering all of the recommended areas. It is strongly recommended that the safety committee engaged with management to develop the safety checklist. Safety committee meetings should included the discussion on the findings form safety checklist. Safety checklist should include the items to be checked in daily/weekly/monthly to ensure a safety culture in the factory. **(target: 30/09/2020)**

- 39 **Occupational Safety and Health: OSH Management Systems (per Assessment on 08/03/2020) 119236** **In Progress**
- Area of Improvement:** The appointed fire safety officer was not trained and assigned to train the fire fighter, rescuer and first aiders. However, the fire safety officer has joined on a 6 months long course on fire safety management.
- Root Cause:**
1. Appropriate training has not been arranged.
- Actions Needed:** 1. Completion of the course by fire safety office form FSCD and collect certificate. 2. Planning for refreshers training for the fire fighter, rescuer and first aider.
- Progress:** Fire officer completed the 6 months' course from FSCD on fire safety management and the certificate yet to receive.
- Key Work Ahead:** Fire safety officer should prepare a refreshers training plan for the fire fighter, rescuer and first aiders. Based on the training plan, the factory needs to make sure workers are getting refreshers in the factory. Medical team also needs to make sure training for first aiders of the factory and fire safety officer should include them in the team. **(target: 31/12/2020)**
- 40 **Occupational Safety and Health: OSH Management Systems (per Assessment on 08/03/2020) 119237** **Delayed**
- Area of Improvement:** The enterprise had formed the safety committee on 11 March, 2019. Interviewed workers' representatives of the Participation Committee stated they were not consulted to select the safety committee members. Number of total members: 10, Management: 05 (female-01), Worker: 05 (female-03) Meeting: Meeting held in every 2-3 months. Meeting minutes were preserved after the meeting and posted on the notice board. Last meeting was held on 02 January, 2020. Based on interviewed members it was found that approximately 65% of the members were not aware about their roles and responsibilities. Safety committee functions did not include: - engagement in developing workers awareness on workplace safety and health; - engaging in fire drill and areas of improvement; - making recommendations on compensation for workplace accidents; - safety committee did not meet participation committee for finding and remediating workplace safety issues; and - organizing initiatives for Safe Work Place Day. However, the safety committee was engaged to identify OSH risks according to a checklist and recommend remediation to the employer. The factory has started to train safety committee during meetings.
- Root Cause:**
1. Did not properly aware.
- Actions Needed:** 1. The safety committee has been made aware of its rules and responsibilities.
- Progress:** Over the timeline, training was ongoing for safety committee members. Factory engaged the safety committee members to response the COVID-19 pandemic. They were engaged with day to day motioning and safety measures.
- Key Work Ahead:** Factory needs to plan for capacity building of safety committee. Factory must arrange OSH training for the Safety Committee members, and provide time off during working hours to perform their functions. Factory needs to make sure safety committee is performing below activities: - engagement in developing workers awareness on workplace safety and health; - engaging in fire drill and areas of improvement; - making recommendations on compensation for workplace accidents; - safety committee did not meet participation committee for finding and remediating workplace safety issues; and - organizing initiatives for Safe Work Place Day. The Committee should meet at least once every 3 months, and should keep written minutes. Safety Committee should also be involved in the general OSH assessment of the factory. **(target: 30/09/2020)**
- 41 **Occupational Safety and Health: Chemicals and Hazardous Substances (per Assessment on 08/03/2020) 119243** **In Progress**
- Area of Improvement:** Management did not conduct any action to monitor, prevent and limit workers' exposure to chemicals and hazardous substances. Hazardous substances like bleaching agent in washing, Potassium Permanganate Spray and acids were used without conducting risk assessment and without monitoring the exposure of these chemicals to health, preventing or limiting the exposure. However, the factory has created separation booth for the PP Spray and Spot removing.
- Root Cause:**
1. lack of awareness. Monitoring, & Knowledge.

41 **Actions Needed:** 1. Factory needs to develop a proper management system for using chemicals and hazardous substances.

Progress: Over the timeline, facility did take necessary action to monitor, prevent and limit workers' exposure to chemicals and hazardous substances. Based on the evidences provided in C1_FV8_VA_5, factory has done below actions: 1. Factory hanged chemical Level & material safety data sheet (MSDS) original one and Bangla version with 6 points in the chemical store and place of use. 2. Factory ensured label, secondary container and trained workers on how to handle chemical properly and safety measures. 3. Factory ensured daily monitoring to make sure chemicals and hazardous substances being used properly and nominated a person who always take care chemical departments.

Key Work Ahead: As this issue refers to the management system of chemicals and hazardous substances, the factory needs to make sure no chemicals and hazardous substances being used: - without any record of risk assessment; - without proper separation and ventilation as per need; and - without searching for substitute. **(target: 31/10/2020)**

42 **Occupational Safety and Health: Chemicals and Hazardous Substances (per Assessment on 08/03/2020) 119244** **Delayed**

Area of Improvement: Document review and interview with the workers indicated that 60% of the workers handling the chemicals and hazardous substances in chemical storage, sub-storage, washing section, PP Spray and spot removing area were not adequately trained on how to handle, use or dispose of hazardous substance and chemicals. For example, - one worker in PP spray was not using the provided goggles; - in washing 60% of the workers in different occasion found working with green acid and bleaching agent without proper gloves.

Root Cause:

1. Problem of proper awareness.

Actions Needed: 1. Factory needs to made workers aware about using PPE. 2. Factory needs to ensure proper training for the workers who are using/handling chemicals and hazardous substances.

Progress: Factory has done significant progress in this reporting period regarding training of the workers who were using/handling chemicals and hazardous substances. The action taken by factory: 1. The factory prepared a training module to train the workers who were using chemicals and hazardous substances. 2. Factory conducted training covering all of the workers. (Completed in September 2020). 3. Factory ensured proper PPEs for the washing section and PP spray users. 4. Factory assigned person (form compliance team) to make sure workers are using their knowledge achieved from the training.

Key Work Ahead: As it is a continuous process, factory should prepare a training plan to cover all of the workers who are using chemicals and hazardous substances. The training plan should include refreshers on chemicals. The training module should include storing, handling, transport, use and spillage control of the chemicals and hazardous substances. Factory needs to assign a person to train the workers and do the risk assessment for the chemicals and hazardous substances used in the factory. **(target: 05/10/2020)**

43 **Occupational Safety and Health: Worker Protection (per Assessment on 08/03/2020) 119246** **In Progress**

Area of Improvement: The factory has provided fabric mask the in washing, sewing (overlock and bartack operator) and cutting sections instead of mask with proper filtration.

Root Cause:

1. Lack of monitoring.

Actions Needed: 1. Factory needs to provide proper PPEs to the workers. 2. Need to ensure monitoring.

Progress: The factory has successfully completed the issue and it was verified based on the discussion in C1_FV7_VA_4 and evidences provided by the factory. Factory performed below actions to complete the issue: 1. Factory consulted with safety expert to get idea about proper mask in the differ section. 2. Based on the expert opinion, the factory identified that factory was not providing proper mask to the washing section workers, overlock and bartack machine operator and cutting section workers. 3. Factory has provided gas mask in the washing, organic (KN 99) mask in the sewing (overlock and bartack machine operator) and cutting section. 4. Factory aware the supervisors of these sections to monitor if the workers were using the provided masks properly.

Key Work Ahead: As it is a continuous process, factory needs to provide proper PPE timely and for that should maintain a PPE distribution register. Factory needs to make sure PPE are replaced as per need and workers should be motivated to use those PPE (masks). Safety committee need to be engaged in the monitoring process. Safety checklist should include monitoring of these provided mask/PPEs. **(target: 31/10/2020)**

43

44 **Occupational Safety and Health: Welfare Facilities (per Assessment on 08/03/2020) 119250** **Delayed**

Area of Improvement: The factory had a combined lunch room and canteen facility where seating capacity was 20% instead of legally required 30%.

Root Cause:

1. Lack of monitoring.

Actions Needed: 1. Most of our workers live in the surrounding area so there no problem with seating capacity. 5-8% of people in the dining area lunch at lunch time. 2. Ensure monitoring.

Progress: The factory was working on the issues over the timeline and the status as per below: 1. A group of people was assigned to see if the seating capacity is properly covered. 2. Factory was planning to increase the seating capacity, but have not done yet.

Key Work Ahead: Factory should comply with the legal requirement regarding canteen and dining facility. **(target: 30/09/2020)**
Factory needs to ensure legally required 30% seating arrangement. As the factory has a renovation plan in near future, it is recommended that factory management included a proper canteen in the plan. Factory should communicate concerned authority and collect proper approval of decreased number of seating arrangement in the canteen.

45 **Occupational Safety and Health: Health Services and First Aid (per Assessment on 08/03/2020) 119251** **In Progress**

Area of Improvement: The employer conducted annual medical checks for the workers, however the medical checks were not conducted in consultation with a registered physician and a follow up of the medical test for a fitness statement from the doctor. The enterprise did not practice pre-assignment medical checks for those who require (for example, wet process, dry process, ETP, Chemical store, cutting, maintenance, generator, boiler and overlock and bartack workers) such examination of health. However, the factory has conducted allergy test for all workers in hazardous operation.

Root Cause:

1. Lack of monitoring.
2. Lack of understanding on legal requirements.

Actions Needed: 1. Ensure monitoring. 2. Proper medical test for the workers. 2. The medical checks are conducted in consultation with a registered physician and a follow up of the medical test for a fitness statement from the doctor.

Progress: Factory was working on the issue in this cycle and ensuring medical check for the workers was in progress. As factory has registered doctor in the medical centre, the doctor was suggesting necessary medical check-ups for the workers.

Key Work Ahead: To sustain the development regarding this issue the factory should follow below **(target: 30/10/2020)**
recommendations: 1. A tracking sheet is recommended which can include date of last medical test and next date for medical test of the related workers. 2. HR needs to make sure all necessary process (premedical) completed before workers start working in the factory and after completing a year (annual medical check-up). 3. Factory medical team should track the medical records and suggest necessary medical check-ups (for washing section workers, generator operators, electricians, boiler operators, spot lifting personnel etc.).

46 **Occupational Safety and Health: Health Services and First Aid (per Assessment on 08/03/2020) 119252** **Delayed**

Area of Improvement: Document review and interview with the workers and management indicated that approximately 80% of the interviewed workers who received training on HIV/AIDS found not aware of the sensitive, accurate and up-to-date information about risks reduction in their personal lives and rejection by co-workers in case of infected persons.

Root Cause:

1. Lack of communication gap.
2. Lack of monitoring.

Actions Needed: 1. Ensure proper communication with worker. 2. Ensure monitoring. 3. Arrangements have been made for training on HIV/AIDS.

- 46 **Progress:** In this completed cycle, the factory were in a process to start HIV training as per schedule, collecting feedback and revise the training module as per need. **(target: 30/09/2020)**
- Key Work Ahead:** Factory should prepare a training calendar to cover all of the workers in HIV training. In addition, factory may perform periodic announcement on HIV AIDS through PA system. The module should be revised as per need to make the training more effective. Factory should use IEC/BCC Materials to aware workers on HIV AIDS.
- 47 **Occupational Safety and Health: Emergency Preparedness (per Assessment on 08/03/2020) 119255** **In Progress**
- Area of Improvement:** The enterprise formed fire fighting, rescue and first aider team with approximately 3.5%, 3% and 3% of trained workers respectively instead of required 6% of the trained workers from each section.
- Root Cause:**
1. Lack of monitoring.
- Actions Needed:** 1. Ensure monitoring. 2. Application to Fire Service and Civil Defense for Enterprise fire training.
- Progress:** Factory applied to the Fire Service and Civil Defence (FSCD) to get schedule for training. Till end of the cycle, factory received training for 20 workers. Factory currently has approximately 11% of total workers who are trained from FSCD. Factory is trying to get more schedule from FSCD to cover the adequate number of workers.
- Key Work Ahead:** Communication with FSCD should ongoing to comply with necessary number of trained workers (18% of the total workers) in the factory. Factory fire officer should arrange refreshers training for those who already received training from FSCD. In addition, equally dividing of the trained workers in the fire fighter, rescue and first aid tem is necessary. **(target: 31/05/2021)**
- 48 **Working Time: Overtime (per Assessment on 08/03/2020) 119261** **In Progress**
- Area of Improvement:** Document review, and interviews with workers and management indicated that the employer did not comply with limits on overtime hours in the following areas: 1. Cleaners in the washing section worked maximum 03 OT hours (total 11 hours) in a day, 29 OT hours (total 77 hours) in a week in February 2020; and - Cleaners in the washing section worked maximum 03 OT hours (total 11 hours) in a day, 30 OT hours (total 78 hours) in a week in October 2019: 2. Overtime hours of the washing and maintenance could not be verified as the employer did not maintain actual time records for the workers of the both section and provided time record did not reflect the actual working hours. However, document review and management and worker interviews indicated that the enterprise complied with limits on overtime hours (2 hours OT and 8 hours regular in a day and 12 hours OT and 48 hours regular in a week) worked in different sections such as cutting, sewing and finishing section. Document checked: Time records of March, October, 2019 and February, 2020 , wash holiday register and maintenance register.
- Root Cause:**
1. Due to shortage manpower, lack of monitoring, work pursers,
2. Maintain manual time record card.
- Actions Needed:** Factory instilled actual time keeping software.which software keeping actual in out time record,. factory HR ,Admin,& compliance team strictly monitoring each & every day to reduce control extra over time (OT).
- Progress:** No significant progress has been made regarding this issue in this completed cycle though the factory was thinking and exploring various options in theory.
- Key Work Ahead:** Factory should perform an analysis regarding the actual person hour need and available person hour in the washing/chemical/maintenance/admin section and then see if there any new workers is necessary to stay comply with law regarding wage and overtime of the existing workers. Factory should take quick action to make sure workers are aware about the changes factory doing in the mentioned sections (especially if there any changes in the working hour or shifting system). **(target: 31/10/2020)**
- 49 **Working Time: Overtime (per Assessment on 08/03/2020) 119263** **Pending**

49 **Area of Improvement:** Compensatory days off were not provided within three working days of the weekly rest day on which the workers worked. For example: -Workers in the cutting, sewing and finishing and quality section worked on 10 & 24 January, 2020 (weekly off day), compensatory days off was not provided within three working days. -Workers in the washing and maintenance section worked on 04, 18 and 25 October, 11 November, 2019 and 07 February, 2020, (weekly off day) however the factory did not provide any compensatory days off to the workers.

Root Cause:

Actions Needed:

Progress: No significant progress.

Key Work Ahead: The factory needs to have proper work plan and maintain the roster if they need to work on weekly holiday. Rotation of maintenance staff/workers may resolve the issue in future if factory needs to remain open in weekend. HR team should be informed by respective department if they need to work on weekly holiday and plan to ensure holiday as per law. Factory should review their policy for ensuring weekly holiday as per law.

50 **Working Time: Leave (per Assessment on 08/03/2020) 119264**

Delayed

Area of Improvement: Document review, workers and management interview confirmed that the enterprise did not ensure substitute holiday for electricians and boiler operator who worked on festival holiday (Such as during the festival holiday of Eid ul Fitr, Eid ul Azha). However, the enterprise provided compensatory wages for two days to the respective workers.

Root Cause:

1. Lack of Knowledge & awareness.

Actions Needed: 1. Now factory management provide all facility to worker as per BLR.

Progress: Factory was planing to provide proper compensation to the workers who worked on the festival holidays. However, the issue need to be verified by the enterprise advisor.

Key Work Ahead: There should be a proper work plan and maintaining the roster properly if the workers need to work on festival holidays. Rotation of maintenance staff/workers may resolve the issue in future if factory needs to remain open in weekend. HR team should be informed by respective department if they need to work on festival holidays and plan to ensure compensatory holiday as per law.

(target: 30/09/2020)

51 **Working Time: Leave (per Assessment on 08/03/2020) 119265**

Delayed

Area of Improvement: Document review, interview with the management and workers indicated that the employer did not ensure 8 weeks of post-delivery maternity leave for all eligible workers. For example: one worker gave birth of a baby on 06 days delayed from recorded expected delivery date (10/11/ 2019). The worker resumed working on 06 January, 2020 instead of at least on 12 January, 2020 after giving birth on 16 November, 2019, leading to the post-delivery leave to a duration of about over 7.1 weeks instead of 8 weeks. More over, the employer did not provide required leave to the eligible workers during maternity leave. For example, one worker applied for maternity leave having 2 children alive. She received 112 days leave without pay from 06 January, 2020 to 26 April, 2020 when the worker had remaining entitlement of 16 days earned leave and 14 days of unused sick leave for the year of 2020. The management did not ensure these unused leave during maternity leave.

Root Cause:

1. Lack of Knowledge.

Actions Needed: 1. Facility management understanding this,They will pay & leave as per BLR or Local Law.

Progress: Factory was planing for desired development regarding this issue. However, the issue yet to be verified by the advisors as no evidences provided and progress recorded for the issue.

Key Work Ahead: The compliance team and factory medical team should track workers and take update of workers when then are in maternity leave and maintain record. Medical team may do this as pre-delivery check over phone. The higher management should make sure the maternity policy being implemented properly by responsible team.

(target: 30/09/2020)

Progress Report 2
Cycle 1

Azim & Son(Pvt.)Ltd.Unit-2

Reporting Period: Oct 2019 - Oct 2020



Progress Report 2
Cycle 1

Azim & Son(Pvt.)Ltd.Unit-2



Reporting Period: Oct 2019 - Oct 2020

TRAINING

No.	Training	Status	Planned Date	Completion Date	Targeted Improvement	Total Registered Participant	Total Registered Female Participants	Total Actual Participants	Total Actual Female Participants
1	Financial Literacy Training	Completed	07/01/2020	07/01/2020		2		2	2

COMMITTEE MEMBER LIST

No.	Name	Position	Category	Date Joined
1	Mr Md. Ikram Shiblee	Executive Director	Management	07/03/2019
2	Mr Md. Majedul Islam	Quality Inspector	Workers	07/03/2019
3	Mr Md. Azizur Rahman Mallik	G.M (Admin, HR & Compliance)	Management	07/03/2019
4	Mr Md. Nasir Uddin	G.M (Production)	Management	07/03/2019
5	Mr Md. Zahangir Alam	I.E Manager	Management	07/03/2019
6	Ms Salma Akter	Welfare Officer	Management	07/03/2019
7	Mr Md. Nakib Hassan	Quality Inspector	Workers	07/03/2019
8	Mr Habibur Rahman	Jr. Sewing M. Operator	Workers	07/03/2019
9	Ms Mst. Runa Akter	Asst. Cutting	Workers	07/03/2019
10	Ms Sharmin .	Jr. Sewing M. Operator	Workers	07/03/2019
11	Ms Mst. Mina Begum	Jr. Sewing M. Operator	Workers	07/03/2019
12	Mr Nazmul Hasan	Gen. Sewing M. Operator	Workers	07/03/2019
13	Ms Halima .	Jr. Sewing M. Operator	Workers	07/03/2019
14	Ms Mst. Jasmin Ara	Dry Process Operator	Workers	07/03/2019
15	Ms Mst. Mosumi Banu	Quality Inspector	Workers	07/03/2019
16	Mr Abul Hossan	Finishing Ironman	Workers	07/03/2019
17	Mr Md. Roman	Finishing Ironman	Workers	07/03/2019
18	Mr Md. Shah Alam	Sr. Asst. Manager (compliance)	Management	07/03/2019