

FLA Audit Profile		FLA IEV
Country	Bangladesh	Bangladesh
Name of Factory	130015606F	130015606FV
Independent External Monitoring Organization	PHULKI	T-Group Solutions Pvt. Ltd.
Date(s) in Facility	August 27 - 28, 2007	April 24, 2008
FLA Affiliated Compan(ies)	Zephyr Graf-X, Inc.	Zephyr Graf-X, Inc.
Number of Workers	229	
Product(s)	Caps	
Production Processes	Cutting, Sewing, Finishing (Ironing, Packing)	

FLA Code/Benchmark	Compliance Status	Describe Noncompliance, Risk of Noncompliance or Uncorroborated Evidence of Noncompliance	Sources/Documentation Used for Reference and Corroborating Evidence (Worker Interviews, Factory Walkthrough, Records Review, etc.)	Cite and Describe Local and/or Country Laws Used for Additional Reference	Describe Notable Features Implemented by Factory Management or Company
1. Code Awareness					
GEN 2: Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	Risk of noncompliance	The current information of labor law posted in Bengali has small font size.	Management and Worker Interviews; Records Review		
2. Forced Labor					
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.					
F.14 Forced Overtime	Risk of noncompliance	Beginning of the working hour notice was not provided for overtime.	Management and Worker interviews; Records Review		
3. Child Labor					
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.					
CL.11 Child Care Facilities	Uncorroborated noncompliance	A nurse is appointed for crèche, but she does not like the mothers to come and visit their children regularly. She prohibited the mother to bring her baby regularly. But, management and nurse denied it and informed monitors that workers are not willing to bring children on a regular basis. Team reviewed child enrollment register book and found 1 child stayed in center a maximum of 2/3 weeks.	Worker and Management Interviews. Information is uncorroborated noncompliance because information came from workers, but management and nurse denied it.		
4. Harassment or Abuse					
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.					
H&A.3 Discipline/Review of Disciplinary Action	Risk of noncompliance	In worker handbook was a paragraph on activities treated as causes for termination. However, paragraph did not talk about what process would be followed if worker terminated and how they can make an appeal against it.	Management and Worker Interviews; Records Review		

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5. Non-Discrimination					
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.					
D.1 General Compliance Non-Discrimination	Risk of noncompliance	The factory has no non-discrimination policy and procedure.	Management Interview; Records Review		
D.2 Employment Decisions	Risk of noncompliance	Factory based decision has been taken on the basis of skill and ability for work assignment, promotion and payment. But that has no written workers assessment form.	Management and Worker Interviews; Records Review		
6. Health and Safety					
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.					
H&S.1 General Compliance Health and Safety	Risk of noncompliance	Current information on labor laws and health and safety regulations posted on notice board in Bengali has small font size which is difficult for workers to read.	Visual Inspection		
H&S.9 Evacuation Requirements and Procedure	Noncompliance	Appropriate evacuation plan posted on main entrance of floor, but it was written in English language. There are 3 different factories located in same building and they do fire drills separately. Combining fire drill is very important to evacuate the building. Aisle of finishing section not marked.	Visual Inspection; Management and Worker interviews		
H&S.10 Safety Equipment and First Aid Training	Risk of noncompliance	The factory has not posted any first aid procedure.	Training Schedule; Management and Worker Interviews		
H&S.11 Personal Protective Equipment	Risk of noncompliance	Factory provides metal hand gloves, hand socks and face masks, but no sign or diagram (indicating need for that equipment) posted on production floor.	Floor Visit; Management and Worker Interviews		
H&S.12 Use of Personal Protective Equipment	Risk of noncompliance	Metal hand gloves not used in cutting section, although are supplied by employer/management. Few workers had, however, worn face masks.	Visual Inspection		
7. Freedom of Association and Collective Bargaining					
Employers will recognize and respect the right of employees to freedom of association and collective bargaining.					
FOA.1 General Compliance Freedom of Association	Risk of noncompliance	There was a Worker Welfare Committee in factory. Committee was consisted of 8 members. This committee's date expired August 24, 2007.	Management and Worker Interviews; Records Review		
FOA.2 Right to Freely Associate	Noncompliance	There is no independent worker representation in the facility.	Management and Worker Interviews; Records Review		

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8. Hours of Work					
Except in extraordinary business circumstances, employees will (i) not be required to work more than lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by law of the country of manufacture or, where laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period.					
HOW.21 Calculation of Absences	Risk of noncompliance	Deduction amount for absenteeism not clearly mentioned in pay slip and payroll sheet.	Management and Worker Interviews; Time Cards; Payroll Sheet Review		
9. Wages, Benefits and Overtime Compensation					
WAGES AND BENEFITS: Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.					
OVERTIME COMPENSATION: In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.					
WBOT.4 Timely Payment of Wages	Noncompliance	Salary and OT: September, October, November and December 2006; February, March and April 2007. Wages and benefits paid October 10, November 14, and December 11, 2006, and January 10, March 8, April 9, and May 8, 2007, respectively.	Worker and Management Interviews; Payroll Sheet; Other Relevant Records Review.	Law reference: As per new amended Bangladesh Labor Law dated October 11, 2006: "Wages shall be paid within 7 working days after last day of wage period, in respect of which wages are payable."	
WBOT.26 Pay Statement	Risk of noncompliance	Deduction amount for absenteeism is not clearly mentioned in the pay slip and payroll sheet.	Worker Interview; Pay Slip; Payroll Sheet		
10. Miscellaneous					
Subcontracting, homework and other issues not covered by above benchmarks and code requirements.					
MISC.1 Illegal Subcontracting	Noncompliance	Factory is doing subcontracting for embroidery of caps, but management could not provide us any letter or correspondence with company regarding the subcontracting.	Management and Worker Interviews; Visual Inspection; Records Review		