

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

06 Jul 2021



Factory Information

FLA Affiliates	SanMar Corporation
Country	Honduras
Number of Workers	1363

Understanding this Report

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

FLA Code Element

Number of Violations

Compensation (C)	4
Employment Relationship (ER)	14
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	6
Hours Of Work (HOW)	4
Nondiscrimination (ND)	4

Assessment Information

Assessor	Francisco Chicas
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Assessment Date	06 Jul 2021
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Assessment Purpose	Factory Assessment (In-Person)
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ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.21.2
Benchmark Details	All benefits shall be calculated correctly
Finding Details	Benefits are not calculated properly, please refer to finding details in benchmark C.21.1.
Recommendation for Immediate Action	1) Respect seniority of workers, even when termination payouts are paid in-advance to the workers every year, so the calculation of legal benefits is not reduced.
Compliance Classifications	Immediate Action Required
Local Law	Agreement 02-95 (Regulations to the Fourteenth Month of Salary as Social Compensation), Arts. 1 and 2; Decree 112-1982 (Law of Rest Day and Thirteen Bonus or Christmas Bonus), Arts. 1, 9 and 10; Labor Code, Arts. 120 and 346; FLA Workplace Code, Employment Relationship Benchmark ER.19.4.1.
Benchmark ID	C.8
Benchmark Details	All workers shall be credited with all-time worked for an employer for purposes of calculating length of service and determine the benefits to which workers are entitled.
Finding Details	As a result of the annual termination and renewal of employment contracts, seniority of workers is reduced, which in turn impacts on the calculation of the following legal benefits: Vacations (annual leave), Fourteenth Bonus, Christmas Bonus and Severance. For further details please refer to finding details in Benchmark C.21.2

Recommendation for Immediate Action	1) Respect seniority of workers, even when termination payouts are paid in-advance to the workers every year, so the calculation of legal benefits is not reduced.
Compliance Classifications	Immediate Action Required
Local Law	Agreement 02-95 (Regulations to the Fourteenth Month of Salary as Social Compensation), Arts. 1 and 2; Decree 112-1982 (Law of Rest Day and Thirteen Bonus or Christmas Bonus), Arts. 1, 9 and 10; Labor Code, Arts. 120 and 346; FLA Workplace Code, Employment Relationship Benchmark ER.19.4.1.
Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.
Finding Details	The factory provides annual indemnization (advance payment of termination payouts) to workers who ask for it; however, the factory then terminates workers who opted to receive the indemnization and later renews their employment contracts, violating FLA's Compliance Benchmarks. This process impacts workers' seniority. Renewal of contracts is done annually, which also goes against the FLA's Compliance Benchmarks. Around 98% of workers have opted to receive the annual in-advance termination payouts.
Recommendation for Immediate Action	1) Stop the practice of terminating and renewing employment contracts of workers who receive the annual in-advance payment of termination payouts
Compliance Classifications	Immediate Action Required
Local Law	FLA Workplace Code (Employment Relationship Benchmarks ER.10.1, ER.10.2 and ER.15.5)
Benchmark ID	C.21.1
Benchmark Details	Employers shall provide all legally mandated benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.

Finding Details	As a result of the annual termination and renewal of employment contracts, the seniority of workers is reduced, which impacts the calculation of the following legal benefits: Vacations (annual leave), Fourteenth Bonus, Christmas Bonus and Severance. The most impacted benefits are vacation days, as workers with four or more years of seniority might be losing up to 10 vacation days, or paid time off, per year. In the case of the other benefits (Fourteenth Bonus, Christmas Bonus and Severance) workers with one year or more of seniority might be losing 1 to 1.5 days per year in the calculation of each benefit.
Recommendation for Immediate Action	1) Respect seniority of workers, even when termination payouts are paid in-advance to the workers every year, so the calculation of legal benefits is not reduced.
Compliance Classifications	Immediate Action Required
Local Law	Agreement 02-95 (Regulations to the Fourteenth Month of Salary as Social Compensation), Arts. 1 and 2; Decree 112-1982 (Law of Rest Day and Thirteen Bonus or Christmas Bonus), Arts. 1, 9 and 10; Labor Code, Arts. 120 and 346; FLA Workplace Code, Employment Relationship Benchmark ER.19.4.1.

Employment Relationship (ER)

Benchmark ID	ER.9.3
Benchmark Details	Contract/contingent/temporary workers shall only be hired if one of the following conditions is met the permanent workforce of the enterprise is not sufficient to meet unexpected or unusually large volume of orders, exceptional circumstances* may result in great financial loss to the supplier if delivery of goods cannot be met on time, or work that needs to be done and is outside the professional expertise of the permanent workforce.

Finding Details	Annually, the factory provides annual indemnization (in-advance payment of termination payouts) to workers who ask for it; however, the factory terminates workers who opted for receiving the indemnization and renews their employment contracts, against FLA's Compliance Benchmarks, and it affects workers' seniority. For full finding details, please refer to finding C.1.1.
Recommendation for Immediate Action	1) Stop the practice of signing annual contracts with workers on a consecutive basis.
Compliance Classifications	Immediate Action Required
Local Law	FLA Workplace Code (Employment Relationship Benchmarks ER.10.1, ER.10.2 and ER.15.5)
Benchmark ID	ER.11.2
Benchmark Details	Employers must ensure the following minimum terms and conditions are met in the employment of contract/contingent/migrant/temporary workers: Contract/contingent/migrant/temporary workers shall be provided an employment agreement in their native language setting out the employment terms and conditions. for migrant workers, a copy of their employment contract in their native language shall be provided prior to departure from their country of origin;
Finding Details	According to management, all new workers are provided with a copy of their employment contract right after they have signed it; however, interviewed workers with less than two months of seniority (whom are under the legal probationary period) commented that the factory has not provided them with a copy of their employment contracts.
Recommendation for Immediate Action	1) Provide all new workers with a copy of their employment contracts at the time of hiring.
Compliance Classifications	Immediate Action Required
Local Law	Labor Code, Art. 36; FLA Workplace Code (Employment Relationship Benchmark ER.19.1)

Benchmark ID	ER.1.2
Benchmark Details	Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.
Finding Details	Workers are not consulted or integrated in the decision-making process of aspects concerning workplace and working conditions (e.g., creation or revision of policies and procedures). This includes plans to prevent and manage Covid-19.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.1.3)
Benchmark ID	ER.2
Benchmark Details	Employers shall ensure that all legally mandated requirements for the protection or management of special categories of workers, including migrant, juvenile, contract/contingent/temporary, probationary workers, home workers, and pregnant or disabled workers, are implemented. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The factory has not employed workers with disabilities. According to the local law, employers should hire four workers with disabilities for every 100 current workers.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required

Local Law	Law of Employment Promotion for People with Disabilities, Art. 2; FLA Workplace Code Health (Employment Relationship Benchmark ER.2; Non-Discrimination Benchmark ND.1)
Benchmark ID	ER.1.1
Benchmark Details	Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.
Finding Details	1) The factory is missing policies and procedures that encourage ongoing training of all categories of workers with the goal of raising or broadening skills that allow them to advance in their careers within the workplace or beyond. 2) The factory is missing job descriptions for the following positions: cutting, fabric relaxing, cleaning, ironing, stain-removal and mechanics. 3) The factory is missing a policy and a procedure on Retrenchment.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	1) FLA Workplace Code (Employment Relationship Benchmark ER.6) 2) and 3) FLA Workplace Code (Employment Relationship Benchmark ER.1.1)
Benchmark ID	ER.18.1
Benchmark Details	Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).

Finding Details	Section 5.7 of the factory's disciplinary procedure (Doc ID: P-RH-03) includes an external appeal process presented before the Secretary of Labor. The factory does not have an internal appeal process within the factory, as required by the FLA Benchmarks.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.18.4)
Benchmark ID	ER.6.1
Benchmark Details	Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.
Finding Details	The factory is missing policies and procedures that encourage ongoing training of all categories of workers with the goal of raising or broadening skills that allowed them to advance in their careers within the workplace or beyond.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.6)
Benchmark ID	ER.7.1
Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.

Finding Details	There is not a standardized implementation when conducting performance reviews. In practice, some performance reviews are done with workers' participations, but other ones are done by the supervisors alone. Moreover, the performance review tool does not include a field for workers to provide any feedback. The factory's written procedure on this matter requires that supervisors share results with evaluated workers.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.7.1)
Benchmark ID	ER.3.1
Benchmark Details	Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.
Finding Details	1. Orientation training and ongoing/annual training have not been sufficiently effective, as workers are not gaining knowledge on the following topics: i) grievance channels; ii) the right to freedom of association; iii) the right to appeal disciplinary actions, and right to present witness during the imposition of disciplinary actions; iv) additional benefits such as childcare and loans provided by the factory; v) existence of a room for lactating workers to pump and store breast milk; vi) criteria for selecting workers in case of retrenchment. Despite the fact that most of these topics are included in the presentation used during the training sessions, and that the factory has posted relevant information on notice boards accessible to workers, workers still continue lacking knowledge on those topics.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.
Finding Details	Workers are not consulted or integrated in the decision-making process of aspects concerning workplace and working conditions (e.g., creation or revision of policies and procedures).
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.1.3)
Benchmark ID	ER.18.4
Benchmark Details	The disciplinary system shall include a third party witness during imposition, and an appeal process.
Finding Details	The factory does not have an internal appeals process and therefore does not include a workers' ability to have a third party witness during the imposition of disciplinary actions.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.18.4)
Benchmark ID	ER.16.2

Benchmark Details	When employers are faced with major changes in production, program, organization, structure, or technology and those changes are likely to result in temporary or permanent layoffs, employers shall communicate any alternatives to retrenchment that have been considered and consult any workers' representatives as early as possible with a view to averting or minimizing layoffs.
Finding Details	In cases of retrenchment, workers are not consulted or integrated in the decision-making process.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.16.2)
Benchmark ID	ER.16.3
Benchmark Details	Where temporary or permanent layoffs are unavoidable, a plan should be developed and implemented that mitigates the adverse effects of such changes on workers and their communities.
Finding Details	Workers are not consulted/integrated in the decision-making process, including communication and consultation in cases of retrenchment, and the factory has not developed or communicated a plan to workers to mitigate adverse effects of layoffs where they are unavoidable.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.16.2)
Benchmark ID	ER.3.3
Benchmark Details	Workers should be provided with written documentation that substantiates all the issues covered in orientation briefings.

Finding Details	New workers are not provided with written material that substantiates the content of orientation training.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.3.3)

Harassment Or Abuse (H/A)

Benchmark ID	H/A.5
Benchmark Details	Employers shall not use any form of verbal violence, including screaming, yelling, or the use of threatening, demeaning, or insulting language, as a means to maintain labor discipline.
Finding Details	Gathered evidence shows that two out of four Chiefs of Plants commit verbal abuse against workers, through screaming, yelling and using insulting language.
Recommendation for Immediate Action	1) Ensure that Chiefs of Plants do not continue to commit verbal abuse against workers.
Compliance Classifications	Immediate Action Required
Local Law	Labor Code, Article 95 section f); FLA Workplace Code (Harassment or Abuse Benchmark H/A.5)

Health, Safety And Environment (HSE)

Benchmark ID	HSE.22.1
Benchmark Details	All food made available to workers shall be prepared, stored, and served in a safe and sanitary manner in accordance with all applicable laws and international standards.

Finding Details	Most of interviewed workers expressed complaints about the food served at canteen during lunch breaks. Complaints are related to serving food from the day before, uncooked food, insufficient portions and stomach discomfort and diarrhea after eating. In early 2021, the factory ran polls among workers to retrieve their feedback on the canteen service: 50% of workers considered the service is "Regular", while other 35% considered the service is "Bad". From the review of complaints submitted by workers through different grievance channels (round table and suggestion boxes) the assessors found that the issues around quality of food have been raised by workers to management since October 2020. The factory management commented they have engaged in conversations with the staff responsible of the canteen so they can address the issues affecting workers.
Recommendation for Immediate Action	1) Follow up with the canteen management to ensure that workers' complaints about canteen service are immediately addressed.
Compliance Classifications	Immediate Action Required
Local Law	FLA Workplace Code (Health, Safety & Environment Benchmark HSE.19)
Benchmark ID	HSE.13
Benchmark Details	All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and to prevent or minimize hazardous conditions to workers in the facility.
Finding Details	The heat stress assessment performed at the factory by an external third party company in December 2020 did not include the Stain-removal areas at Plants A, B and C; hence, the factory has not assessed whether heat conditions at these work areas meet the legal requirements. From interviews with workers from these areas they complained about the heat, which increases due to the use of personal protective equipment and also to the lack of any ventilation system at these work areas.
Recommendation for Immediate Action	1) Conduct an assessment of heat stress at all areas of Stain-Removal of the different Plants operated by the factory.

Compliance Classifications	Immediate Action Required
Local Law	General Regulations on Preventive Measures of Work Accidents and Occupational Diseases, Arts. 338 and 339; FLA Workplace Code (Health, Safety & Environment Benchmark HSE.1)
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	<p>1. The factory has not conducted an assessment of ergonomic risk of the different work positions. 2. Based on the last residual water assessment, the factory is exceeding the following legal parameters: (assessment dated Feb 16, 2021) i) chemical oxygen demand (dco); ii) biochemical oxygen demand (bco); iii) oils/fats; iv) total nitrogen; v) ammonia nitrogen; vi) sulphide; vii) water temperature; viii) sedimentable solids; ix) total suspended solids; x) iron. 3. The worker representatives at the H&S Committee were not elected by secret vote of workers, as legally required. 4. The heat stress assessment performed at the factory by an external third party company in December 2020 did not include the Stain-removal areas at Plants A, B and C; hence, the factory has not assessed whether heat conditions at these work areas meet the legal requirements. From interviews with workers from these areas they complained about the heat, which increases due to the use of personal protective equipment and also to the lack of any ventilation system at these work areas.</p>
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Health, Safety & Environment Benchmark H&S.17.1) National Technical Norm for Residual Waters (NTNAR), Art. 6 Table #1; FLA Workplace Code (Health, Safety & Environment Benchmark H&S.1) General Regulations on Preventive Measures of Work Accidents and Occupational Diseases, Art. 19; FLA Workplace Code (Health, Safety & Environment Benchmark HSE.1).

Benchmark ID	HSE.20
Benchmark Details	Employers shall establish the number of toilets required under applicable laws within reasonable distance of the workplace. In addition, the following should also be considered: number of toilets based on number of workers, privacy for each individual and gender, accessibility and hygiene.
Finding Details	Factory does not have the legally required number of toilets at male restrooms in Plants B, C, and Cutting 1: currently, there are eight, seven and nine toilets at these locations respectively, but based on the number of workers and legal requirements there should be nine, nine and four toilets respectively.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	General Regulations on Preventive Measures of Work Accidents and Occupational Diseases, Art 70; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.19 and HSE.20)
Benchmark ID	HSE.5.2
Benchmark Details	Workers shall be trained in evacuation procedures.
Finding Details	Orientation training for new workers have not been sufficiently effective, as workers are not gaining knowledge on the evacuation routes and available emergency exits that they should use in case of emergency. New workers (with less than 2 months of seniority) have not participated in an evacuation drill.
Recommendation for Immediate Action	1) Provide in-depth and practical orientation training to all new workers with focus on the evacuation routes and emergency exits they should use in case of emergency.
Compliance Classifications	Immediate Action Required

Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.3.1; Health, Safety & Environment Benchmark HSE.5.15)
Benchmark ID	HSE.17.1
Benchmark Details	Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains.
Finding Details	The factory has not conducted an assessment of ergonomic risk of the different work positions.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Health, Safety & Environment Benchmark HSE.17.1)

Hours Of Work (HOW)

Benchmark ID	HOW.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning hours of work, public holidays and leave.
Finding Details	Gathered information indicates that workers can start working before the designated starting time (7:00 am), and they can also use some time during the lunch break to continue working. Even when workers voluntarily do this practice, it constitutes as off-the-clock work, which is not compensated as overtime, as legally required. According to workers, in the morning they could start working 20 to 30 minutes early, and similarly, extra time can be used during the 1-hour lunch break.
Recommendation for Immediate Action	1) Take actions to avoid workers are performing off-the clock work; and if so, compensate workers with the legally required overtime premiums.

Compliance Classifications	Immediate Action Required
Local Law	Labor Code, Articles 95 section a) and 330; FLA Workplace Code (Compensation Benchmark C.9.3)
Benchmark ID	HOW.14
Benchmark Details	Employers shall provide workers taking annual leave their normal or average wages for the full period of annual leave in advance, unless specified differently under national laws, regulations and procedures.
Finding Details	As a result of the annual termination and renewal of employment contracts, seniority of workers is reduced, which in turn impacts on the calculation of the following legal benefits: Vacations (annual leave), Fourteenth Bonus, Christmas Bonus and Severance. Workers are not correctly compensated for their annual leave. For full benchmark details, refer to benchmark C.21.2
Recommendation for Immediate Action	1) Respect seniority of workers, even when termination payouts are paid in-advance to the workers every year, so the calculation of legal benefits is not reduced.
Compliance Classifications	Immediate Action Required
Local Law	Agreement 02-95 (Regulations to the Fourteenth Month of Salary as Social Compensation), Arts. 1 and 2; Decree 112-1982 (Law of Rest Day and Thirteen Bonus or Christmas Bonus), Arts. 1, 9 and 10; Labor Code, Arts. 120 and 346; FLA Workplace Code, Employment Relationship Benchmark ER.19.4.1.
Benchmark ID	HOW.11.1
Benchmark Details	Employers shall provide workers with paid annual leave as required under national laws, regulations and procedures.

Finding Details	As a result of the annual termination and renewal of employment contracts, seniority of workers is reduced, which in turn impacts on the calculation of the following legal benefits: Vacations (annual leave), Fourteenth Bonus, Christmas Bonus and Severance. Recommend referring to Benchmark C.21.2 for full benchmark details.
Recommendation for Immediate Action	1) Respect seniority of workers, even when termination payouts are paid in-advance to the workers every year, so the calculation of legal benefits is not reduced.
Compliance Classifications	Immediate Action Required
Local Law	Agreement 02-95 (Regulations to the Fourteenth Month of Salary as Social Compensation), Arts. 1 and 2; Decree 112-1982 (Law of Rest Day and Thirteen Bonus or Christmas Bonus), Arts. 1, 9 and 10; Labor Code, Arts. 120 and 346; FLA Workplace Code, Employment Relationship Benchmark ER.19.4.1.
Benchmark ID	HOW.19.2
Benchmark Details	Workers shall be paid in full during periods of suspension, unless national laws stipulate otherwise, workers and their representative organizations agree otherwise, or the relevant national authorities authorize the alternative arrangement.
Finding Details	The factory did not consult with workers, unions, or worker representatives on the designing and implementation of policies and procedures, including plans to deal with Covid-19 and a plan to maintain operations through the Covid-19 period.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	FLA Workplace Code (Employment Relationship Benchmark ER.1.3)

Nondiscrimination (ND)

Benchmark ID	ND.8.1
Benchmark Details	Employers shall abide by all protective provisions in national laws and regulations benefitting pregnant workers and new mothers, including provisions concerning maternity leave and other benefits; prohibitions regarding night work, temporary reassignments away from work stations and work environments that may pose a risk to the health of pregnant women and their unborn children or new mothers and their new born children, temporary adjustment of working hours during and after pregnancy, and the provision of breast-feeding breaks and facilities.
Finding Details	The factory is missing a childcare facility as legally required. However, the factory has an agreement with a local childcare facility. The factory provides regular donations of equipment and food, and in exchange, the facility provides a 15% discount in the monthly cost of childcare services for factory workers. Due to the Covid-19 pandemic, since 2020, the childcare centers in Honduras are not providing services as the law states that children are not allowed to attend schools, including child care centers.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	Labor Code, Art. 142; FLA Workplace Code (Nondiscrimination Benchmark ND.8.1)
Benchmark ID	ND.6.3
Benchmark Details	Employers shall not, on the basis of a worker's marital, partnership, or family status (including pregnancy), make any employment decisions that negatively affect employment status, including decisions concerning dismissal, demotion, loss of seniority, or deduction of wage.
Finding Details	Although it is in compliance with laws and guidance, pregnant women are suspended without pay due to the risk of Covid, and the factory does not ensure protective measures are taken for pregnant women including providing compensation while not working.

Recommendation for Immediate Action	Support pregnant workers through Covid-19 period.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	ND.3
Benchmark Details	Recruitment and employment policies and practices, including job advertisements, job descriptions, application and interview questions and job performance/evaluation policies and practices shall be free from any type of discriminatory bias.
Finding Details	The assessors found gender discrimination in the payment of the salary of Cutting Auditors: five male workers earn 10,000 Lempiras in every fortnight period, while one female with the same position and performing the same functions earns 9,500 in a fortnight. The assessors checked seniority of all workers, and the female worker is in the middle range of seniority, among the male workers. There were no other objective criteria to sustain that different salary scale.
Recommendation for Immediate Action	1) Address the salary gap based on gender between the Cutting Auditors by increasing the salary of the only one female worker at the same level than her male peers.
Compliance Classifications	Immediate Action Required
Local Law	Labor Code, Article 367; FLA Workplace Code (Nondiscrimination Benchmarks ND.1, ND.2.1 and ND.2.2)
Benchmark ID	ND.5
Benchmark Details	There shall be no differences in compensation for workers for work of equal value on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group or ethnic origin.

Finding Details	1. The assessors found gender discrimination in the payment of the salary of Cutting Auditors. For more details, please reference finding details under finding ND.3.
Recommendation for Immediate Action	
Compliance Classifications	Immediate Action Required
Local Law	

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