

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

23 Aug 2021



Factory Information

FLA Affiliates	alphabroder
Country	Cambodia
Number of Workers	650

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)	6
Employment Relationship (ER)	10
Forced Labor (F)	1
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	20
Hours Of Work (HOW)	5
Nondiscrimination (ND)	1

Assessment Information

Assessor	Openview- China Shenzhen
Assessment Date	23 Aug 2021
Assessment Purpose	Factory Assessment (Virtual Compliance Check)

ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.16.1
Benchmark Details	All compensation records, including wages and benefits whether in cash or in-kind, must be properly documented and their receipt and accuracy must be confirmed by the relevant worker in writing (e.g. signature, thumbprint).
Finding Details	The factory pays the wage for the resigned workers in cash, but there is no payment record with worker's signature and date in place for review.
Recommendation for Immediate Action	Pay the final salary to the resigned workers in full and keep record with signature as per legal requirement.
Compliance Classifications	Immediate Action Required
Local Law	The Cambodia Labor Law, Article 116
Benchmark ID	C.7
Benchmark Details	All payments to workers, including hourly wages, piecework, fringe benefits and other incentives shall be calculated, recorded, and paid accurately.

Finding Details	<p>1. The payment system including minimum wage, overtime premium and all kinds of legally required benefits was not able to be verified accurately. The factory keeps two sets of payrolls and time records, and they are not provided completely for review. The first set of payrolls and attendance records does not include the overtime, worked on rest days (Sundays) and public holidays. The second set of payrolls and attendance records indicate that workers work overtime more than two hours a day, workers work more than 60 hours a week and they are not provided with one day off in every seven days period. For example, in September 2020, 11 out of 28 workers worked on Sunday (September 13, 2020) and worked on public holiday (Constitution Day) on (September 24, 2020). However, the provided payroll records indicate no work on the above mentioned days. Another example, the attendance record indicates that one worker worked 74 overtime hours in July 2021. However, the payroll indicated that the worker worked 76 overtime hours.</p> <p>2. The payment system including minimum wage, overtime premium and all kinds of legally required benefits of ten onsite outsourced security guards are unable to verify accurately. Ten interviewed guards shared that they worked in one shift that was 12 hours per day. However, the attendance records indicated that the outsourced security guards work in three shifts, and eight hours per shift.</p>
Recommendation for Immediate Action	<p>1. Maintain complete and accurate payroll records which are linked with workers' actual working hours. 2. Ensure the minimum wage, OT premium and all legal benefits for all workers.</p>
Compliance Classifications	Immediate Action Required
Local Law	Nil
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	Assessors were unable to verify if the seniority bonus to the employee is paid correctly or not because the original contracts with the exact work start date is not kept and provided for review.

Recommendation for Immediate Action	Keep the contract with date and provide sufficient seniority bonus as per legal requirement.
Compliance Classifications	Immediate Action Required
Local Law	Notification No. 041 issued on 7 March 2011 by Ministry of Labor, Item 3
Benchmark ID	C.18.1
Benchmark Details	Employers shall not use hidden or multiple payroll records in order to hide overtime, to falsely demonstrate hourly wages, or for any other fraudulent reason.
Finding Details	The factory keeps two sets of payrolls and time records, and they are not provided completely for review. The first set of payrolls and attendance records does not include the overtime, worked on rest days (Sundays) and public holidays. The second set of payrolls and attendance records indicate that workers work overtime more than two hours a day, workers work more than 60 hours a week and they are not provided with one day off in every seven days period. For example, in September 2020, 11 out of 28 workers worked on Sunday (September 13, 2020) and worked on public holiday (Constitution Day) on (September 24, 2020). However, the provided payroll records indicate no work on the above mentioned days. Another example, the attendance record indicates that one worker worked 74 overtime hours in July 2021. However, the payroll indicated that the worker worked 76 overtime hours.
Recommendation for Immediate Action	Maintain complete and accurate payroll records which are linked with workers' actual working hours.
Compliance Classifications	Immediate Action Required
Local Law	Nil
Benchmark ID	C.2

Benchmark Details	Employers shall pay workers at least the legal minimum wage or the prevailing industry wage, whichever is higher, for regular working hours (not including overtime). Workers should also be informed about the legal minimum wage.
Finding Details	Four probation workers receive less than the minimum wage in February 2021. They are paid USD174.48 per month, which is below legal minimum wage of USD 187 per month, effective since January 1, 2021.
Recommendation for Immediate Action	Pay at least the minimum wage.
Compliance Classifications	Immediate Action Required
Local Law	The Cambodia Labor Law, Prakas No. 303/20 MLVT/P
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	The factory uses the nursing room and day-care center as accessory storage. The factory does not provide childcare allowance to the eligible female workers as per the legal requirement. There are 437 female workers working in the factory.
Recommendation for Immediate Action	Provide childcare allowances as per legal requirement
Compliance Classifications	Immediate Action Required
Local Law	The Cambodia Labor Law, Article 186
Employment Relationship (ER)	
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	The factory has not clearly defined the qualified staff responsible for social compliance issues at the workplace.
Recommendation for Immediate Action	Define and nominate the personnel for internal social compliance issues.
Compliance Classifications	Immediate Action Required
Local Law	Nil
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	<ol style="list-style-type: none"> 1. The factory does not communicate child labor remediation plan to the HR staff. The responsible HR person could not explain the plan. 2. The factory has not established a policy and procedure on retrenchment.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
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	Factory has not established written policies and procedures on personnel development that encourage ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers. The factory does not establish a training plan for 2020 and 2021.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
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	1. The factory has not established a procedure for performance review. No job descriptions are established and provided for review. 2. The factory does not conduct the performance review for any workers.
Recommendation for Immediate Action	1. Established a procedure for performance review including job description 2. Embark on performance review for all workers.
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
Benchmark ID	ER.8

Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.
Finding Details	The factory has not established a procedure for promotion and demotion.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
Benchmark ID	ER.4
Benchmark Details	Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.
Finding Details	1. The factory does not post the FLA benchmarks and other similar Code of Conduct at the workplace. 2. The Covid-19 training is provided to leaders but not provided to workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
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	There is no policy or procedure established to get workers consulted or integrated in the decision-making process of aspects concerning workplace and working conditions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
Benchmark ID	ER.18.3.4
Benchmark Details	Records of disciplinary action must be maintained in the worker's personnel file.
Finding Details	The factory does not keep worker disciplinary training records for review. The training records for management does not have the signature of attendees.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
Benchmark ID	ER.18.6
Benchmark Details	The workplace shall commit to non-retaliation for all steps of the disciplinary process, including for a worker requesting a witness and filing an appeal of disciplinary action.

Finding Details	The procedure for labor discipline has not been established. There is no established document about the commitment on non-retaliation to workers who appeal or disagree with the discipline decision.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
Benchmark ID	ER.17.2
Benchmark Details	There shall be a mechanism that allows workers to report harassment and grievances confidentially, including any concerns or problems they may be experiencing around legally owed payments during a retrenchment process.
Finding Details	The factory has not established procedures for steps for anonymous reporting of a grievance. No grievance record is kept for review.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
Forced Labor (F)	
Benchmark ID	F.11
Benchmark Details	Fees and other costs associated with the employment of workers, including migrant/contingent/contract/temporary workers, shall be the sole responsibility of the employer.

Finding Details	The factory does not arrange 20 out of 28 sample workers for a health check every 2-years as per law. Besides, the factory requires workers to pay USD 5 for health checks, instead of bearing the cost themselves if health check is arranged.
Recommendation for Immediate Action	Provide workers with health check and the factory bears the cost.
Compliance Classifications	Immediate Action Required
Local Law	Prakas No. 429

Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The factory has not established a procedure to handle industrial relations and disputes such as the labor strike.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil

Harassment Or Abuse (H/A)

Benchmark ID	H/A.10.1.3
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Benchmark Details	Body searches shall not be undertaken in public and the person who undertakes the search shall be of the same sex as the person who is being searched.
Finding Details	The factory uses pat-down to search workers. It is a general practice but there is no policy established and in place for review.
Recommendation for Immediate Action	Find alternatives to replace pat-down as a measure to maintain the security in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Nil

Health, Safety And Environment (HSE)

Benchmark ID	HSE.30.1
Benchmark Details	Employers shall develop, maintain, and regularly review health, safety, and environmental policies to ensure that they comply with all national laws, regulations and the FLA Workplace Code concerning health, safety, and environmental standards, regulations and procedures.
Finding Details	PPE is provided, but the factory does not establish a procedure to define the appropriate PPE for each post.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
Benchmark ID	HSE.5.3
Benchmark Details	Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually.

Finding Details	The factory does not conduct a fire drill for eight foreigners in the dormitory at night. The fire drill report at the production area includes improvement needs, time of evacuation, but headcount check is missing.
Recommendation for Immediate Action	Conduct fire drill for workers and record fire drill completely.
Compliance Classifications	Immediate Action Required
Local Law	Labor law 1997, Article 230
Benchmark ID	HSE.5.1
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.
Finding Details	1. The fire truck emergency entrance is obstructed because part of the entrance is used to store the carton boxes. 2. The factory has only one exit door at the finished goods warehouse (450 square meters), the other one is locked during the working time, and not used as an exit. Approximately, ten workers are in the finished goods warehouse of Workshop No.1.
Recommendation for Immediate Action	1. Keep the truck emergency entrance accessible. 2. Install exit door sufficiently to respond emergency.
Compliance Classifications	Immediate Action Required
Local Law	Labor law 1997, Article 230
Benchmark ID	HSE.5.1.4

Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following: ensuring aisles/exits are not blocked and that workers are not blocked within their workstations
Finding Details	1. Two out of four emergency exit routes (direction arrow and lines) in the finished goods warehouse in Workshop No.1 are faded and obstructed. 2. Three out of six emergency exit routes in the cutting section of Workshop No.2 are obstructed by fabric and material; One out of two fire alarm buttons and one out of three fire hose are completely obstructed at finishing area Workshop No.1.
Recommendation for Immediate Action	Maintain emergency exit lights and fire alarms in working condition and unblocked during the working time to respond emergency.
Compliance Classifications	Immediate Action Required
Local Law	Labor law 1997, Article 230
Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Finding Details	1. The factory does not provide one Acetone Can (approximate 10 liters) and one oil tank (approximate 180 liters) with secondary containers at the generator areas. 2. The factory does not install ventilation systems in the chemical room of workshop No.1.
Recommendation for Immediate Action	1. Install the secondary containers for chemicals. 2. Install the ventilation system in chemical storage area.
Compliance Classifications	Immediate Action Required
Local Law	Law on Administration of Factory and Handicraft (2006), Art. 29
Benchmark ID	HSE.19

Benchmark Details	All facilities including workplace buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with all applicable laws, including relevant sanitation, medical, and safety and health regulations.
Finding Details	1. Male toilets in workshop No.1 are not clean and with an odd smell. The roofs of the toilet area in workshop No.1 become rust, broken and are not maintained. 2. The factory does not provide mats or mattress for the medical bed. The bed is not clean and tidy, and are not being used at the assessment time.
Recommendation for Immediate Action	1. Maintain all toilets clean. 2. Keep the medical bed clean and in use during the working time.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia labor law 1997, Article 229
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	1. Factory has not conducted assessments to determine thermal comfort in the areas of boiler room and packing areas where there is high temperature. 2. Electrical wires are not in a safe condition, including security room, toilet area nearby the security room, boiler area in workshop No.1, mezzanine of the industrial waste storage area in workshop No.2 and Cutting section. They are not in well-designed, exposed without full cover and connected with duct tape. 3.. Electrical panels are blocked by fabric and carton boxes in the finishing area (Workshop 1)
Recommendation for Immediate Action	1. Conduct assessment to determine thermal comfort. 2. Maintain the electrical wires are in safe design and good maintenance, free from duct tape use. 3. Maintain all electrical panels free from obstruction to avoid the risk of fire and ready for emergency response.

Compliance Classifications	Immediate Action Required
Local Law	Cambodia labor law 1997, Article 229
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	1. The factory does not install needle guards for approximately 30% of the single needle machines in both workshop No.1 and workshop No.2. 2. The air compressor is stored outside. As per management explanation, it is not in use. But, the factory does not mark the sign NOT IN USE on the air compressor. 3. The factory does not implement Lockout and Tagout (LOTO) program.
Recommendation for Immediate Action	1. Guard machines and equipment safely. 2. Store equipment properly and post the alert sign of "not in use" on the idle equipment. 3. Implement Lockout and Tagout for relevant equipment.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia labor law 1997, Article 229;
Benchmark ID	HSE.6.1
Benchmark Details	All safety and medical equipment (e.g. fire fighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.

Finding Details	<p>1. The factory does not install a sprinkler system throughout the factory buildings. 2. The factory does not install fire alarms, fire extinguishers, emergency lights and exit signs in the storage area of fabric and carton boxes (about 150 square meters) on the mezzanine of workshop No.2 and in the carton box storage area (192 square meters) near the office of workshop No.1. 3. Both smoke detectors in the industrial waste storage area and the only one smoke detector in the chemical room are not functional due to no power supply. 4. The factory does not test the smoke detector onsite because there is no equipment for the test. As per responsible staff explanation, the factory does not regularly test fire alarms, either. One out of three emergency lights did not work during onsite testing at the heat transfer section of Workshop No.2. 5. The factory does not supply two first aid boxes with at least 16 items as required by the local law. Only 12 out of 16 items are supplied for first aid kit in the cutting area of workshop No.2 and 13 out of 16 items for second in the expat dormitory. 6. The factory does not install eyewash station at or nearby the chemical storage and hazardous waste storage areas in workshop No.1 There is one eyewash station in the cleaning room of workshop No. 1 and it is not functional (low water pressure) during onsite test.</p>
Recommendation for Immediate Action	<p>Install the sprinkler system, fire extinguishers, fire alarm, smoke detector, emergency light and exit light sufficiently at eligible buildings and areas. Regularly test the fire alarm and smoke detectors to be ready for emergency. Supply the first aid boxes with all 16 items as being required by the local laws. Install eyewash stations and maintain in good condition.</p>
Compliance Classifications	<p>Immediate Action Required</p>
Local Law	<p>Labor law 1997, Article 230; Prakas 206/2017, Article 12; Prakas No. 330; Cambodia labor law 1997, Article 229</p>
Benchmark ID	<p>HSE.4.1</p>

Benchmark Details	Employers shall at all times be in possession of all legally required and valid permits and certificates related to health, safety, and environmental issues, such as: Purchase and storage of chemicals; Fire safety inspections; Machinery inspections; Waste disposal; Environmental licenses/permits; Sanitation permits, including those required for canteens; and Vehicle inspection and driver permits for all employer provided transportation.
Finding Details	1. The factory has not obtained the below construction permits: 407 a) No opening construction letter for three main buildings of production (one for production, 4500 square meters in size, another for production and warehouse, 2500 in size and the third for management dormitory 2500 in size) and four accessory buildings of stock storage, boiler, toilets and chemical room and each is about 15 to 20 square meters in size. b) No closing construction letter factory for all three main buildings and four additional buildings. 2. The factory has not obtained the fire safety certificate for the all buildings in the factory area. 3. The factory has not conducted indoor noise, air and emission testing for the last 12 months. 4. The factory has no backup for heavy machine operation in case of an emergency. There is one certified operator as generator operator, boiler operator and air compressor operator.
Recommendation for Immediate Action	1. Obtain the opening and closing construction letter. 2. Obtain all building fire safety permits. 3. Conduct indoor noise, air and emission testing every year. 4. Send one more worker to obtain certificate for generator, boiler and air compressor.
Compliance Classifications	Immediate Action Required
Local Law	Required by Ministry of Land Management Urban Planning and Construction for building construction
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 risk assessment neither indicates the specific machine and equipment, nor covers the significant risks such as boiler's risk, and the risk of working at height. 2. The factory has not taken proper steps to ensure that workers are not exposed to asbestos. 3. The factory does not classify hazardous wastes when being stored in the designated areas in the mechanic storage room in workshop No. 1. 4. A total of 19 empty chemical containers were placed in the generator and paint bottles (unused) placed near the air compressor area. They were placed on the floor directly and outdoor rather than being stored as hazardous waste with designated places and covers. The factory does not mark this as hazardous waste. 5. The factory does not install the grounding system for 29 out of 30 sewing machine lines in workshop No.1 and workshop No.2. 6. The social distance is not guaranteed during the training and lunch time at the canteen. 7. The factory has not posted the maximum occupancy at the entrance of common areas to limit the number of workers inside at a given time. 8. The factory does not establish quarantine procedure for workers back from the Covid-19 high-risk areas. 9. The factory has not made any arrangements for in & out times and break times to prevent delays and queues at the entrances and exits. 10. There is no regulation to reduce the number of workers in each room, to minimize the risk of COVID-19 transmission.</p>
Recommendation for Immediate Action	<p>1. Conduct risk assessment to indicate the risks. 2. Take measures to avoid to be exposed to asbestos. 3. Classify, label and store hazardous waste, normal waste in designated area as per law. 4. Install the grounding system for all machines sufficiently. 5. Keep the proper distance during training and lunch time at canteen (at least one meter). 6. Post the maximum occupancy at the entrance to notice workers during meeting and training. 7. Establish quarantine procedure for workers back from the Covid-19 high-risk areas. 8. Re-arrange to reduce the risk of Covid-19 transmission during the in and out time. 9. Re-arrange the work position to reduce the number of workers in each room to minimize the risk of Covid-19 transmission.</p>
Compliance Classifications	Immediate Action Required
Local Law	Sub-Decree on Solid Waste Management (1999), Chapter 3, Art. 13; Cambodia labor law 1997, Article 229
Benchmark ID	HSE.28

Benchmark Details	Employers shall create a system to ensure that all necessary Health and Safety protections are provided for external contractors; including protection when working within , confined spaces, maintenance issues, and general Health and Safety Issues.
Finding Details	The factory neither provides health and safety information to sub-contractors, nor reviews and tracks the subcontractor onsite in the factory.
Recommendation for Immediate Action	Track the subcontractor and provide safety information.
Compliance Classifications	Immediate Action Required
Local Law	Nil
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	Doors of three out of six toilets in workshop No.2 are broken and without maintenance. During breaks, the toilet number is short because they are broken and can not be used. The factory does not post warning signs when they are under maintenance.
Recommendation for Immediate Action	Repair the broken toilet doors and post warnings if in maintenance.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia labor law 1997, Article 229
Benchmark ID	HSE.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.

Finding Details	The factory does not conduct specific training for workers working at height and carrying heavy objects.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
Benchmark ID	HSE.10.1
Benchmark Details	Material Safety Data Sheets (MSDS) for all chemicals and hazardous substances used in the workplace must be available at the usage and storage sites of the chemicals and hazardous substances, in the local language and the language spoken by workers, if different from the local language.
Finding Details	The factory does not post Material Safety Data Sheet (MSDS) for Acetone in the cleaning room. It is used in cleaning process.
Recommendation for Immediate Action	Post the MSDS for all chemicals in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Prakas No. 307; Cambodia Labor Law 1997, Article 230 & The Prakas covered in Article 229
Benchmark ID	HSE.23.1
Benchmark Details	Safe and clean drinking water shall be freely available at all times, within reasonable distance of the workplace. Drinking water shall be of a reasonable temperature. The means to drink water (e.g. cups) must be safe and sanitary and available in an appropriate number.

Finding Details	The factory places one drinking water drum (20 liters) in the hazardous waste warehouse in workshop No.1; another drinking water tank (approximate 500 liters) supplying the drinking water for workers is not covered fully to prevent dusts and other pollutant from entering. It is placed in workshop No.1, near the toilet.
Recommendation for Immediate Action	Place the drinking water in a secured and safe place.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia labor law 1997, Article 229
Benchmark ID	HSE.30.2
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system within which the following are clear and regularly tested and reviewed; procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) and environmental emergencies
Finding Details	There are two work injury accidents in the past 12 months reported. However, the investigation records do not include the root causes.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil
Benchmark ID	HSE.7
Benchmark Details	Workers shall be provided at no cost with all the appropriate and necessary personal protective equipment (e.g. gloves, eye protection, hearing protection, respiratory protection) to effectively prevent unsafe exposure (e.g. inhalation or contact with solvent vapors, noise, dust) to health and safety hazards, including medical waste.

Finding Details	1. Two metal gloves are broken, without replacement. 2. a) The factory does not equip PPE box in the chemical storage area to prepare for the emergency case. b) The factory does not provide the cleaning worker(only one in the factory) with goggles while being in contact with Acetone in the cleaning room of workshop No.1. c) The factory does not provide nine out of 18 heat transfer workers with a mat to prevent electrical shock. d) One worker observed is working at height to maintain the electrical system with ladder. But the factory does not provide workers with PPE such as hard hats, safety belts, safety shoes are not provided. 3. The size of two metal gloves does not fit the cutting worker's hand. 4. The factory does not install locking devices for wheels in the ladder to protect from falling in workshop No.1.
Recommendation for Immediate Action	1. Replace the broken metal gloves timely to protect workers from injuries. 2. Install PPE box are available in the chemical storage area. 3. Provide suitable PPE in right size to involved workers. 4. Check and install locking device into the moving ladder to avoid accident.
Compliance Classifications	Immediate Action Required
Local Law	The Prakas No. 125, Article 4; Cambodia labor law 1997, Article 229
Benchmark ID	HSE.8
Benchmark Details	Workers shall be provided with training on the use and maintenance of personal protective equipment. Training shall be upon hire with periodic refresher training offered to all workers. Management will ensure use of PPE as necessary.
Finding Details	The cleaning worker does not use aprons and gloves when working with chemicals. The factory provides aprons and gloves.
Recommendation for Immediate Action	Training and monitor workers to wear PPE properly.
Compliance Classifications	Immediate Action Required
Local Law	The Prakas No. 125, Article 4

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 does not provide Quality Control workers with floor mats (fatigue mats) while they stand to work at least eight hours a day in both workshop No.1 and workshop No.2. The factory does not provide ironing workers with floor mats; the factory provided chairs are non-adjustable for height.
Recommendation for Immediate Action	Provide mats for standing workers and adjustable seats with back support to sitting workers.
Compliance Classifications	Immediate Action Required
Local Law	The Prakas No. 125, Article 4

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	Based on the provided time records, the sample workers worked overtime greater than the legal limit of two hours per day in September 2020, March 2021 and July 2021. A maximum 25 out of 28 sample workers worked four to five hours of overtime per day from three to 21 days in July 2021.
Recommendation for Immediate Action	Control daily overtime within the legal limit of two hours per day.
Compliance Classifications	Immediate Action Required
Local Law	The Labor Law, Article 197

Benchmark ID	HOW.22.4
Benchmark Details	Employers shall not maintain multiple time-keeping systems and/or records.
Finding Details	<p>The working hours and overtime hours of outsourced security guards are unable to be verified exactly because the factory keeps two sets of the time records and does not provide the complete record for review. The first set of payrolls and attendance records does not include overtime hours, time worked on rest days (Sundays) and public holidays. The second set of payrolls and attendance records indicate that workers work overtime more than two hours a day, workers work more than 60 hours a week and they are not provided with one day off in every seven days period. For example, in September 2020, 11 out of 28 workers worked on Sunday (September 13, 2020) and worked on public holiday (Constitution Day) on (September 24, 2020). However, the provided payroll records indicate no work on the above mentioned days. Another example, the attendance record indicates that one worker worked 74 overtime hours in July 2021. However, the payroll indicated that the worker worked 76 overtime hours.</p>
Recommendation for Immediate Action	Maintain single, complete and accurate payroll records which are linked with workers' actual working hours.
Compliance Classifications	Immediate Action Required
Local Law	Nil
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	The factory pays less compensation for the untaken annual leave. The factory calculates and pays the untaken annual leaves based on the average of the basic wage in the last three months, while the factory should pay the untaken annual leaves based on the average twelve months of the gross salary. As a result, the received compensation for the untaken annual leaves is less than the legal requirement. For example, the factory paid untaken annual leaves to one sample worker USD33.23 for 4.5 untaken annual leave days, while the factory should pay at least USD39.03 for 4.5 untaken annual leave days as legal requirement. In addition, the factory did not pay 1 to 1.5 untaken annual leave days for three out of five resigned sample workers.
Recommendation for Immediate Action	Provide and compensate workers properly for the all legal benefits.
Compliance Classifications	Immediate Action Required
Local Law	The Cambodia Labor Law, Article 166, 168 and 170; Notices 017/00
Benchmark ID	HOW.21
Benchmark Details	Other than in exceptional circumstances, the total weekly work hours (regular work hours plus overtime including any alternative shifts such as 4x4 or 3x3) shall not exceed 60 hours per week.
Finding Details	Based on the provided time records, the sample workers worked more than 60 hours per week in March and July 2021. A maximum of 23 out of 28 sample workers worked from 62 to 81 hours per week from one to four weeks in July 2021.
Recommendation for Immediate Action	Control total working hours to achieve full compliance with FLA Workplace Code of Conduct.
Compliance Classifications	Immediate Action Required
Local Law	Nil
Benchmark ID	HOW.2

Benchmark Details	Workers shall be entitled to at least 24 consecutive hours of rest in every seven- day period. If workers must work on a rest day, an alternative consecutive 24 hours must be provided within that same seven-day period or immediately following.
Finding Details	Based on the provided time records, it is noted that the factory does not provide one day off in a seven-day period in September 2020 and July 2021. A maximum seven out of 28 workers worked eight to 27 consecutive days in July 2021.
Recommendation for Immediate Action	Provide all workers at least one day-off in every seven days period.
Compliance Classifications	Immediate Action Required
Local Law	The Cambodia Labor Law, Article 146-148

Nondiscrimination (ND)

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 factory policy states the factory hires workers above 18, which prevents the employment opportunity of young workers aged between 15 to 18.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Nil

