

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

27 Sep 2021



Factory Information

FLA Affiliates	Fanatics Apparel LLC, Under Armour, Inc.
Country	Indonesia
Number of Workers	1249

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)	5
Employment Relationship (ER)	24
Harassment Or Abuse (H/A)	10
Health, Safety And Environment (HSE)	20
Hours Of Work (HOW)	3
Nondiscrimination (ND)	3

Assessment Information

Assessor	SCSA
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Assessment Date	27 Sep 2021
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Assessment Purpose	Factory Assessment (In-Person)
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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	Record inconsistencies are noted between records & information gathered and provided time record and payroll records, for instance, the production records showed that workers worked on a Public Holiday (2/12/2021), however, time & payment records showed that workers were off on that day. Therefore, workers' working hours and wages status could not be accurately verified.
Recommendation for Immediate Action	The factory shall ensure that all employees working hours and compensation are completely and accurately recorded and provided for review upon request.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Act of the Republic of Indonesia (UU) No 11/2020 of OMNIBUS LAW Concerning Job Creation, Art 78 is amended to read as follows: (1) Entrepreneurs who employ workers / laborers over time work as referred to in Article 77 paragraph (2) must qualify: a. there is an agreement of the worker / laborer concerned; and b. overtime can only be done at most 4 (four) hours in 1 (one) day and 18 (eighteen) hours within 1 (one) week. (2) Entrepreneurs who employ workers / laborers over time (2) work as referred to in paragraph (1) must pay wages work overtime AND Art 79 (1) Entrepreneurs are obliged to provide: a period of rest AND In accordance to Government Regulation of The Republic of Indonesia (PP) No 78/2015, concerning Wage, Chapter II, wage policy Art No.3 (1) Wage policy aimed at achieving earnings meet decent livelihood for employees /workers. (2) The remuneration policy referred to in Paragraph (1) shall include: b. Overtime wages.
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	Record inconsistencies were noted between records & information gathered and provided time record and payroll records, for instance, production records showed that workers worked on a Public Holiday (2/12/2021), however, time & payment records showed that workers were off on that day. Hence, workers' working hours and wages status could not be accurately verified.
Recommendation for Immediate Action	It is recommended that factory shall ensure that all employees working hours and compensated are completely and accurately recorded and provided for review upon request.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Act of the Republic of Indonesia (UU) No 11/2020 of OMNIBUS LAW Concerning Job Creation, Art 78 is amended to read as follows: (1) Entrepreneurs who employ workers / laborers over time work as referred to in Article 77 paragraph (2) must qualify: a. there is an agreement of the worker / laborer concerned; and b. overtime can only be done at most 4 (four) hours in 1 (one) day and 18 (eighteen) hours within 1 (one) week. (2) Entrepreneurs who employ workers / laborers over time (2) work as referred to in paragraph (1) must pay wages work overtime AND Art 79 (1) Entrepreneurs are obliged to provide: a period of rest AND In accordance to Government Regulation of The Republic of Indonesia (PP) No 78/2015, concerning Wage, Chapter II, wage policy Art No.3 (1) Wage policy aimed at achieving earnings meet decent livelihood for employees /workers. (2) The remuneration policy referred to in Paragraph (1) shall include: b. Overtime wages.
Benchmark ID	C.22
Benchmark Details	Employers must establish a system through which workers can dispute compensation and receive clarifications in this respect in a timely manner.
Finding Details	There is no written mechanism to handle questions on wages and benefit. Workers are encouraged to contact HR for any question on wages.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	(1) Factory only registered at around 1890 out of 2490 workers under social insurance or or BPJS Ketenagakerjaan and 2048 out of 2490 under health insurance or BPJS Kesehatan. (2) In addition, the factory had not implemented social insurance scheme for Job loss Insurance or "JKP". (3) Due to record inconsistencies & information gathered from provided time and payment records, workers' actual working hours, wages & benefits status could not be accurately verified.
Recommendation for Immediate Action	(1) It is recommended that factory shall ensure all employees covered into Job Loss Insurance or "JKP" under "BPJS Ketenagakerjaan" or social insurance and health insurance scheme for all workers under or "BPJS kesehatan " in according to the local law requirement. (2) It is recommended that factory shall ensure complete and accurate time and payment records are maintained.
Compliance Classifications	Immediate Action Required
Local Law	In accordance to Indonesia law (UU) No 24 /2011 and Government regulation (PP) No 86 /2013, on registration of Social insurance, Registration participants and Payment fee, Art 15 (1) and Art 3, Employer gradually must register their workers as participants to BPJS according to the Social Security program that followed AND In accordance with Regulation of President of Republic of Indonesia No 12/2013, regarding Health Insurance; Art 6 (3) The obligation of membership registration Health Insurance in addition to participants as referred to in paragraph (2), for: a. Employer on State Owned Enterprises, large enterprises, medium-sized enterprises and small enterprises, not later than the date of January 1, 2015 AND In accordance to Government Regulation of The Republic of Indonesia (PP) No 37/2021, Concerning Job loss guarantee program, Art 2 (1) Entrepreneurs are required to include Workers / Laborers as Participants in the Job loss guarantee program "JKP" program.
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	Record inconsistencies were noted between records & information gathered and provided time record and payroll records, for instance, production records showed that workers worked on a Public Holiday (2/12/2021), however, time & payment records showed that workers were off on that day. Hence, workers' working hours and wages status could not be accurately verified.
Recommendation for Immediate Action	It is recommended that factory shall ensure that all employees working hours and compensation are completely and accurately recorded and provided for review upon request.
Compliance Classifications	Immediate Action Required
Local Law	In accordance to Act of the Republic of Indonesia (UU) No 11/2020 of OMNIBUS LAW Concerning Job Creation, Art 78 is amended to read as follows: (1) Entrepreneurs who employ workers / laborers over time work as referred to in Article 77 paragraph (2) must qualify: a. there is an agreement of the worker / laborer concerned; and b. overtime can only be done at most 4 (four) hours in 1 (one) day and 18 (eighteen) hours within 1 (one) week. (2) Entrepreneurs who employ workers / laborers over time (2) work as referred to in paragraph (1) must pay wages work overtime AND Art 79 (1) Entrepreneurs are obliged to provide: a period of rest AND In accordance to Government Regulation of The Republic of Indonesia (PP) No 78/2015, concerning Wage, Chapter II, wage policy Art No.3 (1) Wage policy aimed at achieving earnings meet decent livelihood for employees /workers. (2) The remuneration policy referred to in Paragraph (1) shall include: b. Overtime wages.

Employment Relationship (ER)

Benchmark ID	ER.17.5
Benchmark Details	Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.

Finding Details	The grievance procedure includes some processes but does not include the tracking system, the timing for the resolution of the grievance, and how to communicate the resolution of grievance to the workforce.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	(1) The factory does not provide ongoing training for the FLA code of conduct. (2) Social compliance staff are not responsible for recruitment, termination and other HR responsibility.
Recommendation for Immediate Action	(1) It is recommended that factory shall provide ongoing training of FLA code of conduct to workers (2) It is recommended that social compliance staff shall have responsibility for recruitment, termination and other HR responsibility to ensure that they are in line with law requirement as well as FLA code.
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.2
Benchmark Details	Employers shall ensure managers and supervisors are fully familiar with the workplace disciplinary system and in applying appropriate disciplinary practices.

Finding Details	There is no proper training on the disciplinary procedure at the supervisor level.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.5.1
Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.
Finding Details	There is no specific training to the relevant supervisors that includes all FLA's Code elements and Employment Functions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	(1) The grievance policies & procedure only covers suggestion box as an anonymous grievance channel, no other channels are included. (2) The grievance policies and procedures do not include the protection of workers for retaliation and timeline for the response from management in handling the grievance.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.6
Benchmark Details	Employers shall have a system in place to prevent retaliation against or discrimination towards workers who are filing grievances, including grievances regarding harassment, abuse, violations of factory procedures, compensation, or unsafe working conditions
Finding Details	There is no policy or procedure to prevent retaliation against workers making a complaint or lodging a grievance.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.15.1
Benchmark Details	Employers shall have in place a procedure for determining termination payouts, including methods for correct assessment of payouts for all modes of termination/retranchment, taking into account national legal requirements.
Finding Details	No COVID-19 specific training has been given to supervisors.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
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) There is no policy and procedure for personnel development or a system to encourage workers to develop their skills and careers. (2) Retrenchment policy and procedures do not state that the retrenchment will be based on the business decision without considering workers' gender, personal preference or other discriminated criteria. The procedures do not offer workers to join the retrenchment program when retrenchment takes place. (3) The factory does not maintain job descriptions for any positions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.3
Benchmark Details	Employers shall have in place written procedures that allow a direct settlement of the grievance by the worker and the immediate supervisor. Where this is inappropriate or has failed, there should be additional options for senior management review and consideration, depending on the nature of the grievance and the structure and size of the enterprise.
Finding Details	There is no proper procedure in place which allows a direct settlement of a grievance by the workers and immediate supervisors.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	The disciplinary procedures does not gives workers a right to appeal the disciplinary action made against them.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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 does not have 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.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
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) There are no proper policies and procedures on performance reviews that include steps and processes, linkages to job grading, nondiscrimination, written feedback, and compliance with legal requirement. (2) There is no evidence showing that the review and evaluation process assess performance objectively. (3) There is no system in place that allow workers to have access to their evaluations and the right to provide feedback on them.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	(1) There is no written procedure in place to ensure there is a fair and transparent practice in promotion and based on workers' job performance. (2) There is no policy and procedure to ensure that there is salary increases and other improved benefits when a worker is promoted. (3) There are no clear process or policies to ensure that demotions/reassignment are carried out in a fair and transparent way.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	There is no record of COVID 19 training given to workers, supervisors, or other management levels.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.19.1
Benchmark Details	Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.

Finding Details	(1) Factory did not maintain a centralized workers filling system, for example, they are missing the leave record. (2) No FLA -affiliated company's code of conduct is posted in the factory. (3) Factory employed 2273 out of 2490 employees under specified period of time contracts (PKWT) status that were positioned in almost all production areas and were doing jobs that are permanent by nature.
Recommendation for Immediate Action	(1) Factory shall maintain the centralized workers filling system which contain all the relevant records, such as leave records. (2) FLA -affiliated company's code of conduct shall be posted at the factory. (3) Factory shall employ workers as according to the prevailing law & legislation and change workers' status to permanent status.
Compliance Classifications	Immediate Action Required
Local Law	In accordance to Indonesia law (UU) No 24 /2011 and Government regulation (PP) No 86 /2013, on registration of Social insurance, Registration participants and Payment fee, Art 15 (1) and Art 3, Employer gradually must register their workers as participants to BPJS according to the Social Security program that followed AND In accordance with Regulation of President of Republic of Indonesia No 12/2013, regarding Health Insurance; Art 6 (3) The obligation of membership registration Health Insurance in addition to participants as referred to in paragraph (2), for: a. Employer on State Owned Enterprises, large enterprises, medium-sized enterprises and small enterprises, not later than the date of January 1, 2015 AND In accordance to Government Regulation of The Republic of Indonesia (PP) No 37/2021, Concerning Job loss guarantee program, Art 2 (1) Entrepreneurs are required to include Workers / Laborers as Participants in the Job loss guarantee program "JKP" program.
Benchmark ID	ER.10.1
Benchmark Details	Employers shall not hire contract/contingent/temporary workers as a means to support continuing business needs on a long-term basis.
Finding Details	Factory is using contract workers with a fixed duration contract for normal operation for positions that are permanent in nature.

Recommendation for Immediate Action	It is recommended that the factory shall employ workers as per legal requirement and change workers status to permanent.
Compliance Classifications	Immediate Action Required
Local Law	In accordance to Act of the Republic of Indonesia (UU) No 11/2020 of OMNIBUS LAW Concerning Job Creation, Art 59 (1) AND In accordance to Government Regulation of The Republic of Indonesia (PP) 35/ 2021, Concerning Certain time work agreements, Outsourcing, Work Hours and Rest Time and Termination of employment, Art 4, (1) PKWT is based on: a. period of time; Or b. completion of a particular work. (2) PKWT cannot be held for work permanent nature. Art 5 (1) PKWT based on the period as referred to in Art 4 paragraph (1) letter a is made to certain jobs are: a. work expected to be completed in a not too long time; b. seasonal work; Or c. work related to new products, new activities, or additional products is still under trial or probe. (2) PKWT based on the completion of a work as referred to in Article 4 paragraph (1) letter b is made for a particular work i.e.: a. once completed work; Or b. temporary work of its nature.
Benchmark ID	ER.10.2
Benchmark Details	Employers shall not renew contracts for multiple successive short-terms in lieu of providing regular employment.
Finding Details	Factory employed 2273 out of 2490 employees under specified period of time contracts (PKWT) status that are positioned in almost all production areas and are jobs that are permanent by nature. For full finding details, please refer to ER.10.1.
Recommendation for Immediate Action	It is recommended that the factory shall employ workers as per legal requirement and change workers status to permanent.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Act of the Republic of Indonesia (UU) No 11/2020 of OMNIBUS LAW Concerning Job Creation, Art 59 (1) AND In accordance to Government Regulation of The Republic of Indonesia (PP) 35/ 2021, Concerning Certain time work agreements, Outsourcing, Work Hours and Rest Time and Termination of employment, Art 4, (1) PKWT is based on: a. period of time; Or b. completion of a particular work. (2) PKWT cannot be held for work permanent nature. Art 5 (1) PKWT based on the period as referred to in Art 4 paragraph (1) letter a is made to certain jobs are: a. work expected to be completed in a not too long time; b. seasonal work; Or c. work related to new products, new activities, or additional products is still under trial or probe. (2) PKWT based on the completion of a work as referred to in Article 4 paragraph (1) letter b is made for a particular work i.e.: a. once completed work; Or b. temporary work of its nature.
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) There is no orientation training for new workers that covers all FLA code elements and employment functions. (2) There is no training on Covid 19 prevention protocol for new workers.
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	(1) Factory did not review the policies and procedure on all FLA code elements and employment function. (2) Factory management had not yet implemented the system to consult workers or integrate workers for decision making in workplace and working conditions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.4
Benchmark Details	The disciplinary system shall include a third party witness during imposition, and an appeal process.
Finding Details	Disciplinary procedures does not include workers' right to appeal the disciplinary action or for a third party witness.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	There are no procedures related to non-retaliation for the disciplinary process including if a worker requests a witness and for filing an appeal of disciplinary action was in place.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
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	There is no policy and procedure in place that covers the process for the factory to consult with workers and/or union representatives prior to making the final decision on retrenchment.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	There is no policy and procedure that requires the factory to develop a mitigation plan and communicate to the workers to mitigate the adverse effects of layoffs.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	ER.18.3.2
Benchmark Details	Workers have the right to participate and be heard in any disciplinary procedure against them.
Finding Details	There are no procedures or practices that allow workers to participate and be heard in any disciplinary procedure against them.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Harassment Or Abuse (H/A)

Benchmark ID	H/A.10.1.3
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	Body check and pat downs are conducted on a daily basis, before entering and leaving the production areas.
Recommendation for Immediate Action	It is recommended that the factory shall ensure that there is no routine body search conducted for all workers and that there is a legitimate reason for body searches to be conducted.
Compliance Classifications	Immediate Action Required
Local Law	

Benchmark ID	H/A.1.1
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Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning discipline, violence, harassment and abuse, including that which is gender-based
Finding Details	Factory does not have comprehensive policy and procedure guidelines on the prevention of sexual abuse and harassment. The current policies do not clearly spell out the disciplinary action against the offenders and protection of those workers who raises the cases from retaliation. There is no detailed procedure on how abuse and harassment cases will be handled.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	H/A.8.1
Benchmark Details	Employers shall ensure that the workplace and all workplace facilities (such as employer- provided transportation or dormitories) are free from any type of violence, harassment or abuse, be it physical, sexual, psychological, verbal, or otherwise.

Finding Details	<p>Based on the records of suggestion boxes, there were at least 6 cases of alleged abuse and harassment cases reported to the facility management during the period of May 2020 to August 2021. 1) 4 out of 6 were alleged Verbal Abuse cases towards workers in the Cutting, Embroidery and Printing section by the Chief Supervisor and supervisors. The Supervisor and Chief Supervisor were reported to use bad language to them especially when their performance was not satisfactory or if they were not reaching the production quota. The supervisors and chiefs shouted at them with bad words, such as "animals" "Idiot", "Stupid", or "Lazy" etc, in front of other colleague and make them feel shame. 2) One case where the Chief supervisor was throwing small thread cone (without thread) at one of the sewing workers. The cone was thrown at her while she was working and she did not know what mistake she made for the supervisor to throw the cone at her. Factory management reported that the chief supervisor was getting mad for not being able to find the administrative staff on the sewing line and he intended to throw the cone toward the machines and accidentally hit the worker. For these cases, factory management reported that they had only given the verbal warning to these Chief or supervisor involved and advised them to not act in an inappropriate way or with attitude against workers. The chief supervisor who threw the cone at the worker was also asked to apologize to the worker. 3) There was one sexual harassment allegation recorded at the facility through the suggestion box record of June 2020 indicating that one female worker reported to be inappropriately touched by another male worker and having inappropriate wording against her as well. Factory management reported that it was due to the miscommunication and both of workers had left the factory.</p>
Recommendation for Immediate Action	It is recommended that facility shall ensure workers are not subject to any form of abuse or harassment at the workplace.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Act of The Republic of Indonesia (UU) No 13/2003 Concerning Manpower, Subsection 5, Occupational Safety and Health, Art 86 (1) Every worker/ labourer has the right to receive protection on: a. Occupational safety and health; b. morality and decency; and c. Treatment that shows respect to human dignity and religious values. (2) In order to protect the safety of workers/ labourers and to realize optimal productivity, an occupational health and safety scheme shall be administered. (3) The protection as mentioned under subsection (1) and subsection (2) shall be given in accordance with prevailing laws and regulations.
Benchmark ID	H/A.11
Benchmark Details	Employers shall have a system to discipline supervisors, managers or workers who engage in any physical, sexual, psychological or verbal violence, harassment or abuse, through measures such as compulsory counseling, warnings, demotions, and terminations or a combination thereof regardless of whether such action was intended as a means to maintain labor discipline with a view to preventing the reoccurrence of violence and harassment, and facilitating their reintegration into work, where appropriate.
Finding Details	There is no proper system in place to discipline supervisor, management or workers who engage in abuse and harassment cases.
Recommendation for Immediate Action	It is recommended that the factory shall develop a system to discipline supervisors, managers or workers who engage in any physical, sexual, psychological or verbal violence, harassment or abuse, through measures such as compulsory counseling, warnings, demotions, and terminations or a combination thereof regardless of whether such action was intended as a means to maintain labor discipline with a view to preventing the reoccurrence of violence and harassment, and facilitating their reintegration into work, where appropriate.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Act of The Republic of Indonesia (UU) No 13/2003 Concerning Manpower, Subsection 5, Occupational Safety and Health, Art 86 (1) Every worker/ labourer has the right to receive protection on: a. Occupational safety and health; b. morality and decency; and c. Treatment that shows respect to human dignity and religious values. (2) In order to protect the safety of workers/ labourers and to realize optimal productivity, an occupational health and safety scheme shall be administered. (3) The protection as mentioned under subsection (1) and subsection (2) shall be given in accordance with prevailing laws and regulations.
Benchmark ID	H/A.9.3
Benchmark Details	Employers shall not subject workers to prejudicial treatment of any kind in retaliation for refused sexual advances or corrected inappropriate behavior.
Finding Details	There is no system to protect the workers from retaliation when reporting cases of harassment or abuse.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	H/A.6
Benchmark Details	Employers shall not use any form – or threat – of psychological abuse, such as forcing workers to sign letters of self-criticism or posting names of workers subject to disciplinary measures as a means to maintain labor discipline.

Finding Details	Based on the suggestion box records and information collected, there were at least 4 alleged Verbal Abuse cases towards workers at the Cutting, Embroidery and Printing section by the Chief Supervisor and supervisors during the period of May 2020 to August 2021. The Supervisor and Chief Supervisor were reported to use bad language especially when their performance is not satisfied or workers are not reaching the production quota. The supervisor and chiefs shouted at them with bad words, such as "animals", "idiot", "stupid", or "lazy" etc., in front of other colleagues which makes workers' feel shameful.
Recommendation for Immediate Action	It is recommended that factory shall ensure workers are not subject to any form of verbal abuse or harassment. Effective policies and procedure shall be in place to prevent the occurrence of any potential verbal abuse and harassment and training programs in place for supervisors and managers.
Compliance Classifications	Immediate Action Required
Local Law	In accordance to Act of The Republic of Indonesia (UU) No 13/2003 Concerning Manpower, Subsection 5, Occupational Safety and Health, Art 86 (1) Every worker/ labourer has the right to receive protection on: a. Occupational safety and health; b. morality and decency; and c. Treatment that shows respect to human dignity and religious values. (2) In order to protect the safety of workers/ labourers and to realize optimal productivity, an occupational health and safety scheme shall be administered. (3) The protection as mentioned under subsection (1) and subsection (2) shall be given in accordance with prevailing laws and regulations.
Benchmark ID	H/A.9.1.1
Benchmark Details	Employers shall refrain from any act of sexual harassment, including inappropriate remark, insult, joke, insinuation, and comment on a person's dress, physique, age, family situation, etc.
Finding Details	The policy does not specify or inform the type of sexual abuse and there is no clear distinction on how the abuse could happen and how people should react to it.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	H/A.9.1.4
Benchmark Details	Employers shall refrain from any lascivious look or other gesture associated with sexuality.
Finding Details	The policy does not specify the type of sexual abuse, and there is no clear distinction on how the abuse could happen and how people should react on it.
Recommendation for Immediate Action	It is recommended that factory shall to develop a procedure of anti-verbal and abuse in any form of verbal violence, including screaming, yelling, or the use of threatening, demeaning, or insulting language, as a means to maintain labor discipline.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	H/A.9.1.5
Benchmark Details	Employers shall refrain from any unnecessary physical contact such as touching, caresses, pinching or assault.
Finding Details	Management does not understand types of sexual harassment, and does not have system to prevent and deal with these cases. There was one reported case of sexual harassment. Interviewed workers also reported hearing of other supervisors acting inappropriately in the factory.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	H/A.8.3
Benchmark Details	Employers, shall develop, implement and monitor policy and procedures for eliminating the risk of violence, harassment, and abuse in the workplace. Policies and procedures shall include a clear statement that violence, harassment, and abuse will not be tolerated, procedures for the investigation of allegations, and measures to protect any complainants, victims, and witnesses.
Finding Details	1. There are no procedures for anti-verbal abuse, or any management systems to prevent the abuse. The Anti-harassment and abuse policy did not include the prohibition of physical abuse, verbal abuse or psychological abuse. Moreover, there is no procedure on how to prevent and handle abuse cases. 2. In addition, grievance records reported verbal abuse by the chief, however no disciplinary action was taken against the abuser. Management plans to provide training to chief and supervisor on verbal abuse.
Recommendation for Immediate Action	1. It is recommended that the factory shall develop a procedure that prohibits abuse of all forms, and how to prevent and handle abuse cases. 2. It is recommended that disciplinary action shall be properly taken to the abusers. Training shall also be provided to the related personnel.
Compliance Classifications	Immediate Action Required
Local Law	

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	The factory only has an environmental policy available and no detailed environmental procedure.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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) Missing Emergency Exit Signs on some emergency gates at the workshops (2) Majority of emergency exit doors were sliding doors. (3) Missing evacuation map and marking on some area, such as Warehouse, Accessories and Finishing Goods Areas.
Recommendation for Immediate Action	It is recommended that the factory shall ensure all emergency exits are installed with emergency exit signs. Besides, the exit doors shall be opened outwardly to facilitate the evacuation. Proper evacuation map and marking shall be available at the workshop.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Law of Republic of Indonesia (UU) No 28 /2002 Concerning Building, Paragraph 5, Easy Requirements for building, Art 30 (1) Emergency evacuation access as referred to in Art 27 paragraph (2) shall be provided within the building including the danger warning system for users, emergency exits, and evacuation routes in case of disaster Fire and / or other disaster, except for residential property. (2) Provision of evacuation access as referred to in paragraph (1) shall be achievable with ease and equipped with clear directions AND In accordance to Ministerial Decree of Manpower and Transmigration of The Republic of Indonesia (KEPMEN) No. KEP.186/MEN/1999 Concerning fire preventive unit at workplace regarding Evacuation Map, Art 2 (2b) As preventive of fire, employer is responsible to provide instrument of detection, alarm, fire extinguisher and evacuation map.
Benchmark ID	HSE.5.1.6
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: evacuation procedures and fire drills
Finding Details	There is no review or assessment after the evacuation training and drill to learn how to improve the evacuation process.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.1.3
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of emergency lighting
Finding Details	There are missing emergency lights installed on some emergency exits, such as on Material Warehouse, Accessories Warehouse, Cutting and Finished Goods Warehouse.

Recommendation for Immediate Action	The factory shall ensure all emergency exits are equipped with emergency lights with monthly inspection.
Compliance Classifications	Immediate Action Required
Local Law	In accordance to The Safety Act of Republic of Indonesia (UU) No. 1/1970, Concerning Safety requirement on workplace on Way to Escape and Evacuation, Art No.3 (1) Working condition requirements include: (a) to avoid and reduce the risk and to overcome accident such as fire, etc. AND In accordance to Ministerial Regulation of Manpower and Transmigration of Republic of Indonesia (PERMEN) No.7/1964 Concerning Condition of Health, Cleanness and lighting in workplace Emergency light for exit, stairwell, etc. Art 13 (1) Emergency lighting must be so installed that it is impossible to cause danger. (2) Exits, such as doors, corridors, etcetera, must be provided with emergency lighting equipment and with signs, painted with luminous, reflecting or fluorescence material.
Benchmark ID	HSE.5.1.2
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of fire alarms;
Finding Details	The emergency alarm button was blocked by raw materials.
Recommendation for Immediate Action	It is recommended that the factory management ensure the fire alarms are free from obstruction.
Compliance Classifications	Immediate Action Required
Local Law	In Accordance to The Safety Act of Republic of Indonesia (UU) No.1/1970, Concerning Occupational Safety Law, Chapter III, Art 4.1: By means of regulations, occupational safety requirements are established in the planning, production, transport, circulation, trade, installation, use, utilization, maintenance and storage of materials, goods, technical products and production apparatus which may cause an accident

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	One out of two emergency exits in the Material Warehouse are blocked by a conveyor while goods are being unloaded.
Recommendation for Immediate Action	It is recommended that the factory shall ensure all exits are free from obstruction at all times.
Compliance Classifications	Immediate Action Required
Local Law	In accordance to The Safety Act of Republic of Indonesia (UU) No. 1/1970, Concerning Safety requirement on workplace on Way to Escape and Evacuation, Art No.3 (1) By the law regulation, it is established the work safety requirements in order to: a. prevent and decrease the number of accidents; b. prevent, decrease, and extinguish fire.
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) Chemicals in the spraying areas are not properly labeled. There are no details on the chemical except for the name of the chemical. (2) No thematic fire equipment installed at chemical storage area at Printing Area
Recommendation for Immediate Action	(1) Factory shall ensure 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. (2) Thematic fire equipment shall be installed at chemical storage area at Printing Area

Compliance Classifications	Immediate Action Required
Local Law	In Accordance to The Safety Act of Republic of Indonesia (UU) No.1/1970, Concerning Occupational Safety Law, Chapter III, Art 4.1: By means of regulations, occupational safety requirements are established in the planning, production, transport, circulation, trade, installation, use, utilization, maintenance and storage of materials, goods, technical products and production apparatus which may cause an accident AND In accordance to Ministerial Decree of Manpower and Transmigration of The Republic of Indonesia (KEPMEN) KEP.187/MEN/1999, Concerning Hazardous chemicals control at workplace, Art No.3, Hazardous chemical control referred to in article 2 includes: (a).Provision of material safety data sheet (LDKB) and label.
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) It was noted that electrical panels were blocked by items including sundries, leftover renovation materials, and boxes. (2) The wiring diagram is not posted on the control panel.
Recommendation for Immediate Action	It is recommended that the factory shall ensure all electrical panels are free from blockage. In addition, wiring diagram shall be posted on the electrical control panels.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to The Safety Act (UU) No.1/1970, Electrical Shock Art 3 (1) Working condition requirements include: (q) to build a safety condition and to avoid, reduce the risk and to overcome accident such as electrical shock AND In accordance to Ministerial Decree of Manpower and Transmigration of The Republic of Indonesia (KEPMEN) No. Kep.72/Men/2002 on Electrical Installation System AND In accordance to Ministerial Regulation of Manpower of The Republic of Indonesia (PERMEN) 12/ 2015, Concerning Electric Safety and Health work at workplace. Art 2. Entrepreneurs and / or management are obliged to implement K3 electricity at the workplace, Art 3. The implementation of K3 electricity as referred to in Art 2 aims to: (a). protects the safety and health of workers and others who are in the workplace environment from potential hazards electricity.
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	(1) The LPG Cylinder is not properly chained and is not secure to protect from accidentally falling. (2) Factory had not yet implemented the LOTO program.
Recommendation for Immediate Action	Ensure the LPG cylinder is properly chained and stored. In addition, proper LOTO system shall be implemented.
Compliance Classifications	Immediate Action Required

Local Law	In Accordance to The Safety Act of Republic of Indonesia (UU) No.1/1970, regarding Occupational Safety Law, Chapter III, Art 3 (1) Working condition requirements include: (q) to build a safety condition and to avoid, reduce the risk and to overcome accident such as electrical shock and Art 4.1. By means of regulations, occupational safety requirements are established in the planning, production, transport, circulation, trade, installation, use, utilization, maintenance and storage of materials, goods, technical products and production apparatus which may cause an accident.AND In accordance to Ministerial Decree of Manpower and Transmigration of The Republic of Indonesia (KEPMEN) No. Kep.72/Men/2002 on Electrical Installation System AND In accordance to Ministerial Regulation of Manpower of The Republic of Indonesia (PERMEN) 12/ 2015, Concerning Electric Safety and Health work at workplace. Art 2. Entrepreneurs and / or management are obliged to implement K3 electricity at the workplace, Art 3. The implementation of K3 electricity as referred to in Art 2 aims to: (a). protects the safety and health of workers and others who are in the workplace environment from potential hazards electricity.
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	(1) There was a fire hydrant blocked by materials at the workshop. (2) The fire extinguisher is serviced every 2 years instead of 1 year, as required by law. (3) No eye wash or shower provided in the chemicals storage area. In addition, it was observed that there is poor maintenance of the eyewash station at other areas and the latest inspection was conducted in February 2021.
Recommendation for Immediate Action	1) The factory should ensure that all fire fighting equipment is free from blockage. 2) Fire fighting equipment shall be subject to regular inspection and services by qualified party annually. 3) Eyewash stations and showers shall be available at chemicals storage and usages areas. 4) Regular maintenance and inspection shall be carried out to ensure that they are properly functioned.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to The Safety Act of Republic of Indonesia (UU) No. 1/1970, Concerning Safety requirement on workplace on Way to Escape and Evacuation, Article No.3 (1) Working condition requirements include: (a) to avoid and reduce the risk and to overcome accident such as fire; (e) give helps in accident; (l) keep the cleanliness, healthiness, and orderliness. In accordance to Ministerial Regulation of Manpower and Transmigration of The Republic of Indonesia (PERMEN) PER 04/MEN/1980 Concerning the use and maintenance of fire extinguishers. Art 11 (1) Every light fire extinguisher must be inspected 2 (two) times a year, namely: a. inspection within 6 (six) months; b. inspection within 12 (twelve) months.
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	(1) Fire risk assessment by 3rd party is still on process (2) Fire risk assessment was not updated, last assessment was in 2019 (3) No information or policy of in room capacity to ensure social distancing between individuals (4) No policy for maximum capacity of all workers' common areas to limit numbers of workers inside at given time. (5) No procedure to quarantine workers that return from high risk region. (6) Factory did not limit and reduce the numbers of workers in each room, to minimize the risk of Covid-19 transmission.
Recommendation for Immediate Action	(1) It is recommended that the factory shall ensure the fire risk assessment is carried out periodical basis. (2) Fire risk assessment shall be updated regularly. (3) Factory shall implement proper Covid-19 prevention measure in restriction on room capacity to ensure social distancing between individuals (4) Policy for maximum capacity of all workers' common areas to limit numbers of workers inside at given time shall be established. (5) Procedure for quarantine workers that return from high risk region shall be properly established.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to The Safety Act of Republic of Indonesia (UU) No 1/1970, Concerning Safety Requirement on Workplace, Art 3 AND In accordance to Government Regulation of The Republic of Indonesia (PP) No 50/2012 Concerning Implementation of Management system occupational Health and Safety, Art 6 (1) and Art 9 (3)
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	There are no records that show that safety induction is given to subcontracted workers. There are around 20 subcontracted workers who work during the night shifts on electrical and building maintenance work.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	(1) No Material Safety Data Sheet posted at chemical spray area. (2) No Material Safety Data Sheet or LDKB "Lembar Data Keselamatan Bahan" of LPG such as "Oksigen and asetilen"
Recommendation for Immediate Action	The factory shall ensure all chemicals and hazardous substances have a Material Safety Data Sheet (MSDS) in the local language and the language spoken by workers, if different from the local language.

Compliance Classifications	Immediate Action Required
Local Law	In Accordance to The Safety Act of Republic of Indonesia (UU) No.1/1970, Concerning Occupational Safety Law, Chapter III, Art 4.1: By means of regulations, occupational safety requirements are established in the planning, production, transport, circulation, trade, installation, use, utilization, maintenance and storage of materials, goods, technical products and production apparatus which may cause an accident AND In accordance to Ministerial Decree of Manpower and Transmigration of The Republic of Indonesia (KEPMEN) KEP.187/MEN/1999, Concerning Hazardous chemicals control at workplace, Art No.3, Hazardous chemical control referred to in article 2 includes: (a).Provision of material safety data sheet (LDKB) and label.
Benchmark ID	HSE.18.2
Benchmark Details	Medical staff shall be fully licensed and recognized under applicable national rules and regulations.
Finding Details	The factory only has 10 certified first aid personnel for 2400 employees.
Recommendation for Immediate Action	The factory should have at least one certified first aid personnel for every 150 employees to comply with local legislation.
Compliance Classifications	Immediate Action Required
Local Law	In accordance to Ministerial Regulation of Manpower and Transmigration of The Republic of Indonesia (PERMEN) PER.15/MEN/VIII/2008 Concerning First Aider at workplace attached I. Medium risk, 1 of each 150 employees shall get first aider training with first aider certificate according to the local labor law requirement.
Benchmark ID	HSE.5.4

Benchmark Details	The emergency evacuation plan (EEP) includes procedures for notifying local community authorities in case of accidental discharge or release of chemical/waste products or any other environmental emergency.
Finding Details	There is no written procedure or plan for environmental emergencies such as a chemical spill or gas leakage, available at the facility.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	The factory does not properly investigate accidents to identify root causes to formulate proper corrective and preventive actions. For example, there were cases of minor skin cuts where the factory sent the worker to the clinic but the summary report only indicates that human error occurred, and no analysis occurred to address corrective or preventive action.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	Workers have been buying the medical mask as protection from Covid-19 by themselves since 2021.
Recommendation for Immediate Action	The factory should provide at no cost all the appropriate and necessary personal protective equipment to workers.
Compliance Classifications	Immediate Action Required
Local Law	In accordance to Ministerial regulation of manpower and transmigration No. PER.08/MEN/VII/2010, Concerning Personal Protective Equipment (PPE), Art 2 (1) Employers must provide PPE to workers in the workplace. (2) PPE referred to in paragraph (1) shall be in accordance with the Indonesian National Standard (SNI) or standards apply. (3) PPE referred to in paragraph (1) shall be free of charge; Art No.3 (1) PPE referred to in Article 2.
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	At least two warehouse workers were not using safety shoes while unloading goods.
Recommendation for Immediate Action	The factory shall provide at no cost all the appropriate and necessary personal protective equipment to workers.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Ministerial regulation of manpower and transmigration No. PER.08/MEN/VII/2010, Concerning Personal Protective Equipment (PPE), Art 2 (1) Employers must provide PPE to workers in the workplace. (2) PPE referred to in paragraph (1) shall be in accordance with the Indonesian National Standard (SNI) or standards apply. (3) PPE referred to in paragraph (1) shall be free of charge; Art No.3 (1) PPE referred to in Article 2.
Benchmark ID	HSE.16
Benchmark Details	Workers shall not suffer any negative consequences for refusing to work with machinery, equipment or tools that are not properly guarded or reasonably considered unsafe.
Finding Details	Workers are not communicated their right to refuse jobs under unsafe conditions. The safety procedures do not include the clause that gives workers rights to refuse the work in the dangerous condition and ensure that they are not subject to any unfavorable consequence.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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 have a proactive ergonomic program to reduce repetitive motion stress or injuries and has not provided workers with ergonomic workstations.
Recommendation for Immediate Action	The factory shall ensure an ergonomic program is implemented to prevent occupational illnesses and that it covers all jobs.

Compliance Classifications	Immediate Action Required
Local Law	In accordance to Ministerial Regulation of Manpower and Transmigration of The Republic of Indonesia (PERMEN) No. PER-07/1964 Concerning Condition of Health, Cleanness and Lighting in Workplace, Art. 9 (1) .2) regulates that (1) Workers who work seated shall be provided with seating facilities; (2) Seating facilities shall fulfill the following requirements: a) correspond with physical attributes of the average Indonesian person and by otherwise suitable use by the worker; b) be comfortable and not give rise to muscle strain; c) facilitate work movements; and d) have a backrest for support. Art 9 (2.d): Seating facilities shall have back rests for support. Art: 9.3: A worker, who works standing, walking, crawling, squatting or lying shall be provided with seating facilities for occasional use.

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	Due to inconsistencies noted between records and information gathered and provided time record along with payment records, workers' actual working hours and wages status could not be accurately verified.
Recommendation for Immediate Action	It is recommended that factory shall ensure that all employees working hours and compensation are fully and accurately recorded and provide for review upon request.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Act of the Republic of Indonesia (UU) No 11/2020 of OMNIBUS LAW Concerning Job Creation, Art 78 is amended to read as follows: (1) Entrepreneurs who employ workers / laborers over time work as referred to in Article 77 paragraph (2) must qualify: a. there is an agreement of the worker / laborer concerned; and b. overtime can only be done at most 4 (four) hours in 1 (one) day and 18 (eighteen) hours within 1 (one) week. (2) Entrepreneurs who employ workers / laborers over time (2) work as referred to in paragraph (1) must pay wages work overtime AND Art 79 (1) Entrepreneurs are obliged to provide: a period of rest AND In accordance to Government Regulation of The Republic of Indonesia (PP) No 78/2015, concerning Wage, Chapter II, wage policy Art No.3 (1) Wage policy aimed at achieving earnings meet decent livelihood for employees /workers. (2) The remuneration policy referred to in Paragraph (1) shall include: b. Overtime wages.
Benchmark ID	HOW.10.1
Benchmark Details	Employers shall provide workers with all official public holidays as required under national laws, regulations and procedures.
Finding Details	It was noted that, due to inconsistencies noted between records, information gathered and provided time record along with payroll, for instance, production records showed that workers worked on Public Holiday 2/12/2021 however, time records showed that workers were off on that day. Hence, workers working hours and wages status could not be accurately verified.
Recommendation for Immediate Action	It is recommended that factory shall ensure that all employees working hours and compensation are fully and accurately recorded and provide for review upon request.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Act of the Republic of Indonesia (UU) No 11/2020 of OMNIBUS LAW Concerning Job Creation, Art 78 is amended to read as follows: (1) Entrepreneurs who employ workers / laborers over time work as referred to in Article 77 paragraph (2) must qualify: a. there is an agreement of the worker / laborer concerned; and b. overtime can only be done at most 4 (four) hours in 1 (one) day and 18 (eighteen) hours within 1 (one) week. (2) Entrepreneurs who employ workers / laborers over time (2) work as referred to in paragraph (1) must pay wages work overtime AND Art 79 (1) Entrepreneurs are obliged to provide: a period of rest AND In accordance to Government Regulation of The Republic of Indonesia (PP) No 78/2015, concerning Wage, Chapter II, wage policy Art No.3 (1) Wage policy aimed at achieving earnings meet decent livelihood for employees /workers. (2) The remuneration policy referred to in Paragraph (1) shall include: b. Overtime wages.
Benchmark ID	HOW.22.5
Benchmark Details	Time records maintained shall be authentic and accurate.
Finding Details	Due to inconsistencies noted between records & information gathered and provided time record along with payroll, for instance, production records showed that workers worked on Public Holiday 2/12/2021 however, time records showed that workers were off on that day. Hence, workers working hours and wages status could not be accurately verified.
Recommendation for Immediate Action	It is recommended that factory shall ensure that all employees working hours and compensation are fully and accurately recorded and provide for review upon request.
Compliance Classifications	Immediate Action Required

Local Law	In accordance to Act of the Republic of Indonesia (UU) No 11/2020 of OMNIBUS LAW Concerning Job Creation, Art 78 is amended to read as follows: (1) Entrepreneurs who employ workers / laborers over time work as referred to in Article 77 paragraph (2) must qualify: a. there is an agreement of the worker / laborer concerned; and b. overtime can only be done at most 4 (four) hours in 1 (one) day and 18 (eighteen) hours within 1 (one) week. (2) Entrepreneurs who employ workers / laborers over time (2) work as referred to in paragraph (1) must pay wages work overtime AND Art 79 (1) Entrepreneurs are obliged to provide: a period of rest AND In accordance to Government Regulation of The Republic of Indonesia (PP) No 78/2015, concerning Wage, Chapter II, wage policy Art No.3 (1) Wage policy aimed at achieving earnings meet decent livelihood for employees /workers. (2) The remuneration policy referred to in Paragraph (1) shall include: b. Overtime wages.
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	Factory management were not able to provide the working permits of female workers who worked during the night shift to the assessor for review.
Recommendation for Immediate Action	The factory shall abide by all protective provisions in accordance to the local law manpower requirement and obtain necessary permits for female workers who worked on night shifts.
Compliance Classifications	Immediate Action Required

Local Law	<p>In accordance to Act of The Republic of Indonesia (UU) No 13/2003 Concerning Manpower, Subsection 3 , Women, Art 76 (1) It is prohibited to employ female workers/ labourers aged less than 18 (eighteen) years of age between 11 p.m. until 7 a.m. (2) Entrepreneurs are prohibited from employing pregnant female workers/ labourers who, according to a doctor's certificate, are at risk of damaging their health or harming their own safety and the safety of the baby that are in their wombs if they work between 11 p.m. until 7 a.m. (3) Entrepreneurs who employ female workers/ labourers to work between 11 p.m. until 7 a.m. are under an obligation: a. To provide them with nutritious food and drinks; and b . To maintain decency/ morality and security in the workplace. (4) Entrepreneurs are under an obligation to provide returned/ roundtrip transport for female workers/ labourers who work between 11 p.m. until 5 a.m. (5) Provisions as mentioned under subsection (3) and subsection (4) shall be regulated with a Ministerial Decision AND In accordance to Ministerial Regulation of Manpower and Transmigration of The Republic of Indonesia (PERMEN) No.PER.04/MEN/1989 Concerning Night Work Requirements and Procedures for Employing Female Workers at Night. Art 1. Employer, which need to apply night working for women workers shall ask for the permit to the labour department.</p>
Benchmark ID	ND.12
Benchmark Details	Employers shall take measures to reasonably accommodate workers with (chronic) illnesses, including HIV/AIDS-related illnesses, which could include rearrangement of working time, the provision of special equipment, opportunities for rest breaks, time-off for medical appointments, flexible sick leave, part-time work and return-to-work arrangements.
Finding Details	The factory does not have a system or procedure in place to take measures to accommodate workers with chronic illnesses.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	ND.8.1.1
Benchmark Details	Where such legal protective provisions are lacking, employers shall take reasonable measures to ensure the safety and health of pregnant women and their unborn children.
Finding Details	Risk assessment is conducted by the management but it does not cover the safety of pregnant workers and their unborn child.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

