

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

04 Nov 2021



Factory Information

FLA Affiliates	FLA Audits (Not a test member, Yee Tung Garment Co., Ltd)
Country	Cambodia
Number of Workers	1216

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)	2
Employment Relationship (ER)	12
Harassment Or Abuse (H/A)	2
Health, Safety And Environment (HSE)	21
Hours Of Work (HOW)	4
Nondiscrimination (ND)	1

Assessment Information

Assessor	Openview- China Shenzhen
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Assessment Date	04 Nov 2021
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Assessment Purpose	Factory Assessment (Hybrid)
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ASSESSMENT RESULTS

Compensation (C)

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 factory calculates daily wages based dividing the monthly wage into 27 working days per month. This violates the local legal requirement to base calculations on 26 working days per month. This resulted in workers who worked less than the full month and were paid on a daily basis being underpaid. For example, a worker worked 24 days in July 2021; the factory paid this worker a daily wage of USD 6.93 (USD 187 per month, divided by 27 days). The factory, however, should have paid this worker a daily wage of USD 7.19 (USD 187, divided by 26 days). (2) The factory did not provide the payment records for overtime pay, holiday pay, or night shift allowances for the onsite security guards employed by a security contractor. The factory also did not provide documentation of legally required insurance contributions for these guards. Interviews found that the security contractor pays guard leaders a fixed salary of USD 200/month and the guards a fixed salary of USD 192/month. Guards worked 12 hours per day and 2 Sunday per month. They received no overtime pay. (3) The factory trained supervisors on the Code of Conduct on February 1st, 2021. The factory did not pay the supervisors for this time. (4) The factory provided orientation trainings of roughly 40 minutes to approximately 330 newly hired workers in the past year, but did not pay the workers for this time.</p>

Recommendation for Immediate Action	(1) Ensure that factory management is aware of the legal requirements on payment, review the wage calculation method, and pay the basic wage properly. Provide accurate payments to workers who were underpaid. (2) Ensure that the security contractor pays all employees overtime payments, holiday payments, and night shift allowances and contributes to insurance programs in line with local law. (3) Record training time as working hours or overtime hours, as appropriate, and pay supervisors for training time. Ensure that all supervisors who took the COC training are paid for their time. (4) Record orientation time as working hours and pay workers for this time. Ensure that the 330 newly hired workers are paid for their time during the orientation training.
Compliance Classifications	Immediate Action Required
Local Law	The Cambodia Labor Law, Article 108, 139; The Cambodia Labor Law, Prakas No. 303/20 MLVT/P, effective from January 1, 2021; The Cambodia Labor Law, Article 116 and the Cambodia Labor Law, Article 144.
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	Due to the COVID-19 pandemic, the factory suspended operations from November 19, 2020 to January 19, 2021 and from January 19, 2021 to March 19, 2021. For the second suspension, payment records indicate that the factory only paid the legally required suspension allowance to 11 out of 84 workers in February 2021. Factory management reported that all 84 workers received the suspension allowance, but could only provide records of the payment for 11 workers.
Recommendation for Immediate Action	Provide the suspension allowance to all employees as per local law requirements. Ensure that the factory's procedures for payment allow all workers to be paid sufficiently during the pandemic period.
Compliance Classifications	Immediate Action Required

Local Law	The Cambodia Labor Law, Article 71; Press Release of the Royal Government of Cambodia, April 7, 2020, Point 1.
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	(1) Ongoing worker trainings do not include most of the FLA's Code elements and Employment Functions. The ongoing trainings also lack information on recruitment, hiring, termination, retrenchment, and industrial relations. Subcontracted security guards and canteen staff do not receive training on relevant FLA benchmarks. (2) The factory has not defined staff responsibility or accountability mechanisms for each Employment Function in the CSR team. (3) The factory has not provided training for any of the four childcare workers. None of the childcare workers are trained or licensed in childcare. (4) No training records are available for any of the three canteen staffers. These employees signed employment contracts on September 29, 2021, with the relevant contractor.
Recommendation for Immediate Action	Ensure that only trained and licensed workers perform childcare duties. Provide food safety training to canteen staff.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	ER.2

Benchmark Details	Employers shall ensure that all legally mandated requirements for the protection or management of special categories of workers, including migrant, juvenile, contract/contingent/temporary, probationary workers, home workers, and pregnant or disabled workers, are implemented. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The factory has not established relevant policy and procedure on the rights of disabled workers. There are 10 disabled workers working in the factory.
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	The factory conducted a general 30-minute training for supervisors on the FLA Code on February 1st, 2021. There have been no in-depth trainings covering all FLA Code elements and Employment Functions.
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) The factory does not have a retrenchment procedure outlining the steps, timeline, and management responsibilities to ensure that retrenchment processes follow local law. The workers are not consulted in retrenchment decision-making and do not have opportunities to give feedback. (2) The factory has established job descriptions, but the descriptions are incomplete. The descriptions only note tasks/duties and do not include required experience or qualifications.
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	The factory has not developed a personnel development program that encourages ongoing training with the goals of raising or broadening workers' skills.
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) The factory does not have a policy or procedure for performance reviews outlining the review process, demonstrating linkages to job grading, prohibiting discrimination, and allowing feedback from workers including their disagreements. (2) The factory has not conducted any performance reviews.
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	The factory lacks procedures for promotion and demotion. In practice, the factory conducts promotions and demotions based mainly on management decisions.
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) None of the buildings in the factory complex have the required Opening and Closing Letters (building permits) on file. There are 18 main buildings in the factory: 8 production and warehouse buildings, 2 buildings for management dormitory and childcare, 1 office, and 7 mechanical buildings holding the air compressor, boilers, waste storage area, chemicals, water pump, and wastewater treatment facility. (2) The factory's procedure on grievance management does not specify how anonymous complaints are handled and lacks a commitment to non-retaliation. The factory only documents the grievances received through the suggestion box and does not document grievances from other channels such as Telegram, Facebook, phone hotline, or verbal.
Recommendation for Immediate Action	Obtain the Opening and Closing Letters for all buildings at the factory.
Compliance Classifications	Immediate Action Required
Local Law	Required by Ministry of Land Management Urban Planning and Construction for building construction.
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) The factory does not conduct an annual review process to review and update all relevant policies, procedures, and implementation efforts. This review should ensure that the factory's practices meet legal requirements and the requirements of the FLA code. Notable gaps include reviews of the Chemical Management procedure (last performed in 2014), Labor Discipline procedure (2017), Grievance Management system (2019), Anti-Trafficking policy (2019), and policy on pregnant workers (2019). (2) The factory does not have a policy or procedure on consulting and integrating workers in decision-making processes that affect the workplace and working conditions.
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	The factory's procedure on labor discipline does not outline steps or a timeline for the process, nor does it include workers' right to have a representative or witness present. The factory does not ask the union to join meetings related to discipline. The procedure states that workers have a right to dispute discipline, but there are no further steps for implementing this right.
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	Due to COVID-19, the factory suspended or terminated the contracts of around 1,400 workers from November 2020 to March 2021. However, the factory did not consult with the trade union at the factory before reaching its final decision on suspension and termination.
Recommendation for Immediate Action	Consult with the union on all actions related to suspensions, layoffs, and retrenchment.
Compliance Classifications	Immediate Action Required
Local Law	The Cambodia Labor Law, Article 95
Benchmark ID	ER.3.3
Benchmark Details	Workers should be provided with written documentation that substantiates all the issues covered in orientation briefings.
Finding Details	There is no written documentation or orientation briefing/pack to substantiate the issues covered in orientation training.
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	(1) The factory conducts daily pat-downs during the lunch break and after work. No policy is in place to govern the use of pat-downs. (2) The pat-downs are conducted in public, at the entrance of the production workshops.
Recommendation for Immediate Action	(1) Find alternative security measures to replace pat-downs. (2) When pat-downs are necessary (pat-downs should not be used as a routine measure), conduct them in a private place.
Compliance Classifications	Immediate Action 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	The factory has not conducted a risk assessment for workplace harassment and abuse.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Health, Safety And Environment (HSE)

Benchmark ID	HSE.6.2
Benchmark Details	A sufficient number of workers shall be trained in first aid and firefighting techniques. Training shall be upon hire and with periodic refresher training.
Finding Details	The factory does not provide new workers with basic first aid training or offer periodical trainings for the entire workforce. The factory only provides periodical first aid training to members of the first aid team.
Recommendation for Immediate Action	Provide basic first aid training for new workers and periodical training for the whole workforce.
Compliance Classifications	Immediate Action 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	The factory's emergency exits do not have fire resistant, smoke-sealed doors.
Recommendation for Immediate Action	Install fire resistant, smoke-sealed doors as emergency exit doors in the factory.
Compliance Classifications	Immediate Action Required
Local Law	
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	(1) The childcare center lacks a fire alarm button. (2) The center does not have an identification sign for one of its fire extinguishers. (3) One fire extinguisher in the childcare center is not functional.
Recommendation for Immediate Action	Install the fire alarm button at childcare area, ensure all fire extinguishers are functional, and mark all extinguishers clearly.
Compliance Classifications	Immediate Action Required
Local Law	Prakas 206/2017, Article 12; Cambodia 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	During the assessment, one of the two main exit doors in the material/fabric warehouse (located in Building C) was completely obstructed by a truck, which was parked at the main exit door while unloading material. One of the two exit doors in the stock warehouse (located in Building C) is locked from the inside during working hours. During the audit, there were no workers in this warehouse. Four of the five emergency exit routes in Building D are fully blocked. The fifth route is partially obstructed at the finishing area. The factory uses the passage between the sewing and the cutting building, which is part of the main evacuation route, for material storage. One of two exit doors in this passage is locked.
Recommendation for Immediate Action	Keep all emergency exit doors unlocked and ensure that all evacuation routes are clear and accessible.
Compliance Classifications	Immediate Action Required
Local Law	Prakas 206/2017, Article 12; Cambodia 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	The factory has not installed secondary containers for two chemical bottles in the repair room.
Recommendation for Immediate Action	Provide secondary containers for all chemical bottles.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia Labor Law 1997, Article 230; the Prakas covered in 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) The factory has not conducted an assessment to identify potential thermal comfort problem areas. (2) Two out of four ventilation fans in the spot cleaning room are broken. (3) The electrical lights and electrical wiring system in the security room are not installed safe manner: duct tape has been used on the system and the wiring is jumbled. Three electrical panels at the water pump for fire fighting are not installed with an inner safety cover.
Recommendation for Immediate Action	(1) Conduct a thermal comfort assessment. (2) Repair the broken ventilation fans in a timely manner. (3) Re-install the electrical light and wiring system in the security room and the electrical panels at the water pump in a safe manner.
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	<p>(1) In the cutting workshop in Building C, at least 5 out of the 20 end-cutting machines do not have safety guards installed. The machines initially had guards installed, but the guards have been damaged or removed over time. Furthermore, 14 straight-cutting machines and 6 out of 20 end-cutting machines do not have proper safety warnings posted. (2) The factory keeps a moving ladder at the firefighting water pump rather than in a locked location, posing the risk of the ladder falling over. (3) The factory does not have an inspection procedure for the lightning protection system. (4) The assessment observed at least three empty gas tanks outdoors at the kitchen, near the management dormitory. These tanks did not have an identification sign. The gas storage area lacks a gas leak detector. (5) The factory has some lock-out and tag-out procedures in place, but the procedures lack a specific list of machines and equipment which fall under the procedures. They also lack a section designating workers who need to be trained on the system. The factory lacks devices to secure equipment subject to lock-out and tag-out rules.</p>
Recommendation for Immediate Action	<p>(1) Install safety guards and post warning signs for all machines. (2) Store ladder in a safe and locked place. (3) Conduct an inspection for the lightning protection system. (4) Place gas tanks in the proper place, post identification signs, and install a gas leak detector. (5) Identify the machines and equipment that should be subject to lock-out and tag-out rules, identify the workers responsible for using them, and provide proper training on the rules.</p>
Compliance Classifications	Immediate Action Required
Local Law	Cambodia Law of Prakas 206/17, Article 9; Cambodia Law of Prakas 206/17 Art 9; Cambodia labor law 1997, Article 229 & 230
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) One fire extinguisher is obstructed and there are no signs indicating the fire alarm button or the fire extinguishers in the security room. (2) The fabric warehouse, material warehouse, finished goods warehouse, and production workshops do not have sprinkler systems.
Recommendation for Immediate Action	(1) Remove the obstruction from the fire extinguisher and properly mark all fire fighting equipment. (2) Install a sprinkler system to cover the fabric warehouse, material warehouse, finished goods warehouse, and production workshops.
Compliance Classifications	Immediate Action Required
Local Law	Prakas 206/2017, Article 12; Cambodia Labor Law 1997, Article 230
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) The factory has not taken any steps to ensure that workers are not exposed to asbestos. (2) The factory has not conducted tests to identify and label areas with asbestos. (3) The waste storage area cannot contain the amount of waste generated daily. The factory must therefore store a great deal of waste outdoors and uncovered. (4) The waste storage area appears structurally unsound. One of the four main pillars appears to be broken. (5) Due to the impact of COVID-19, the factory has not provided a health check-up for 33 newly hired workers. (6) The factory does not guarantee at least 1 meter of social distance in meetings, trainings, or the canteen (7) The factory meeting room lacks a poster stating the maximum occupancy. (8) The factory has not reduced the number of workers in each room to minimize the risk of COVID-19 transmission.

Recommendation for Immediate Action	(1) Conduct an asbestos assessment and protect workers from any potential impacts. (2) Identify all areas with asbestos risks and label them. (3) Maintain enough storage space to store all waste properly. (4) Replace the broken pillar with a sound one. (5) Provide a health check-up for all workers, as per legal requirement. (6) Maintain at least one meter of social distancing between all persons during meetings, trainings, and meal breaks. (7) Post the maximum occupancy at the entrance of meeting room. (8) Re-arrange work positions to reduce the number of workers in each room or area.
Compliance Classifications	Immediate Action Required
Local Law	Prakas No. 429 on Physical Examination, Article 4
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 has no procedure to manage its contractors' social compliance. The factory has not gathered records to ensure that contractors' employees are properly qualified and have received proper training. The factory has not gathered records of machine or equipment inspections from its suppliers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.14.3
Benchmark Details	Employers shall ensure safety instructions are either displayed or posted near all machinery or are readily accessible to the workers in language(s) spoken by workers.

Finding Details	The factory has not labelled the operation button or the emergency button on 1 of the 2 fabric inspection machines. Neither of the machines has instructions for safe operation. 1 of the 4 auto-spreading machines does not have an emergency button installed. None of the 4 auto-spreading machines have safety warning signs. Approximately 4 insect traps with UV lights do not have proper safety warnings posted.
Recommendation for Immediate Action	Conduct a machine safety risk assessment. Install emergency buttons on machines. Label the operation button and emergency button on machines in the local language. Post safety warnings and safety procedures in local language.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia Law of Prakas 206/17, Article 9; Cambodia Law of Prakas 206/17 Art 9; Cambodia labor law 1997, Article 229
Benchmark ID	HSE.29
Benchmark Details	Employers shall provide all necessary protection for workers when working at heights, confined spaces, and other high-risk areas.
Finding Details	The factory does not identify the confined spaces in the factory with warning signs.
Recommendation for Immediate Action	Identify all confined spaces and mark them with clear warning signs.
Compliance Classifications	Immediate Action Required
Local Law	Labor law 1997, Article 230
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 train workers on proper lifting techniques, nor does it provide equipment for safe lifting such as lifting belts.

Recommendation for Immediate Action	Train workers on proper lifting techniques and provide lifting belts.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia Law of Prakas 176/13 Art 6
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	Two chemical bottles in the repair room lack material safety data sheets (MSDS) and identification labels in the local language.
Recommendation for Immediate Action	Keep MSDS on hand and post identification labels in local language for all chemicals.
Compliance Classifications	Immediate Action Required
Local Law	Law on Administration of Factory and Handicraft (2006), Art. 29, Prakas No. 307
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	The factory's emergency evacuation procedure (EEP) does not include a procedure for notifying local community authorities in case of accidental discharge of chemical/waste products or any other environmental emergency.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2.6
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed: protections to workers who allege health, safety, and environmental violations;
Finding Details	The factory's risk assessment does not assess potential risks related to its 14 machines. There are no safe operation procedures (SOP) in place for these 14 machines.
Recommendation for Immediate Action	Update the risk assessment to include machine-related risks and establish SOPs for all machines.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia Law of Prakas 206/17, Article 9; Cambodia Law of Prakas 206/17 Art 9; Cambodia labor law 1997, Article 229
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) The factory delivers PPE to supervisors and assistants for distribution to workers, but could not provide any verification that workers received the PPE. There are no life vests at the wastewater treatment plant. (2) The factory does not conduct a survey to identify the required PPE and the useful lifespan of each type of PPE.

Recommendation for Immediate Action	(1) Provide all workers with PPE, archive the distribution records with workers' signatures confirming receipt of PPE, and provide a life vest for employers working at the wastewater treatment plant. (2) Identify the useful lifespan of all PPE and distribute PPE to workers on a corresponding cycle.
Compliance Classifications	Immediate Action Required
Local Law	The Prakas No. 125, Article 4; Prakas No. 12, Article 4
Benchmark ID	HSE.5.2
Benchmark Details	Workers shall be trained in evacuation procedures.
Finding Details	One of the two evacuation maps in the material warehouse does not reflect the actual layout of the warehouse. The "You are here" label on that map is incorrect.
Recommendation for Immediate Action	Update all emergency evacuation maps to reflect the actual layout of the factory.
Compliance Classifications	Immediate Action Required
Local Law	Prakas 206/2017, Article 12; Cambodia Labor Law 1997, Article 230
Benchmark ID	HSE.14.2
Benchmark Details	Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.
Finding Details	The factory has not trained any of the workers who operate 14 machines in the factory. These machines include the generator, air compressor, fabric inspection machine, cutting machine, heat sealing machine, sewing machine, trimming machine, buttoning machine, pressing machine, metal detector, and packing machine.
Recommendation for Immediate Action	Provide training on safe machine operation to all workers who operate machinery.

Compliance Classifications	Immediate Action Required
Local Law	Cambodia Law of Prakas 176/13 Art 6
Benchmark ID	HSE.9.2
Benchmark Details	Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.
Finding Details	(1) The factory has not provided a training on chemical safety to five maintenance staffers, who come into contact with oil during their tasks. (2) The factory has a procedure to respond to chemical spills, but does not conduct chemical spill response drills.
Recommendation for Immediate Action	(1) Provide a chemical safety training for all workers who handle chemicals. (2) Conduct the chemical spill response drill.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia Law of Prakas 176/13 Art 6
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	(1) The factory has not provided a chair with a backrest for at least one pregnant worker working in the Heat Transfer area in Building C. (2) The factory has not provided sewing workers, who work long hours in a seated position, with chairs with backrests. (3) The factory has not conducted an ergonomic risk assessment to identify the needed equipment or PPE.
Recommendation for Immediate Action	Provide chairs with backrests for all workers who work while seated. Conduct an ergonomic risk assessment and provide the proper equipment to 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	Overtime hours at the factory exceed the legal limit of two hours per day. A sampling of time records for the months of November 2020, February 2021, and September 2021 found that 12 out of 28 sampled workers worked more than two overtime hours per day in November 2020, 18 out of 28 did so in February 2021, and 20 out of 27 did so in September 2021. In all three months, the maximum number of overtime hours worked in one day was four.
Recommendation for Immediate Action	Control overtime hours to not exceed the legal limit of two hours per day.
Compliance Classifications	Immediate Action Required
Local Law	The Cambodia Labor Law, Article 197
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	<p>According to local law (Letter No. 071 MLVT/GDL/DLI dated February 21, 2020), the paid annual leave for employees working less than 21 days per month shall be calculated as follows: employees who have worked 21 days per month or more are entitled to obtain 1.5 days off, while employees who have worked between 15 and 21 days per month are entitled to obtain 1 day off. However, when the factory calculates final payouts for resigning workers, it uses a different formula. The factory uses a simple rate of 1.5 annual leave days obtained per month, which may result in workers being paid out for fewer days than they actually obtained. For example, a resigning worker worked 16 days in August 2021. The factory divided 1.5 (days obtained per month) by 26 (working days in August) and multiplied that result by 16 days worked, giving a result of .92 days obtained. In reality, since the employee worked more than 15 days in August, the correct payout should have been be one full day.</p>
Recommendation for Immediate Action	<p>(1) Ensure that factory management is aware of the legal requirement. (2) Calculate and payout annual leave in line with all legal requirements.</p>
Compliance Classifications	<p>Immediate Action Required</p>
Local Law	<p>The Cambodia Labor Law, Article 166 & 167 ; Letter No. 071 MLVT/GDL/DLI</p>
Benchmark ID	<p>HOW.21</p>
Benchmark Details	<p>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.</p>
Finding Details	<p>Total working hours exceed 60 hours per week. A sampling of time records for November 2020, February 2021, and September 2021 found that 17 out of 28 sampled workers worked more than 60 hours in one or two weeks of September 2021 and 15 out of 28 did so in February 2021. The maximum number of hours worked in one week was 69.6.</p>
Recommendation for Immediate Action	<p>Control working hours to achieve full compliance with the FLA Code of Conduct.</p>

Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HOW.22.3
Benchmark Details	Time worked by all workers, regardless of wage system, shall be fully documented by time cards or other mechanical or electronic recording systems.
Finding Details	No mechanical system is in place to record the security staff and canteen staff's time in and time out. The 29 security staff record their time in a book without detailing their specific time in and time out. There are no time records at all for the five canteen staff.
Recommendation for Immediate Action	Install a mechanical system to record time in and time out for security and canteen staff.
Compliance Classifications	Immediate Action Required
Local Law	

Nondiscrimination (ND)

Benchmark ID	ND.2.1
Benchmark Details	All employment decisions shall be made solely on the basis of a person's qualifications, in terms of education, training, experience, demonstrated skills and/or abilities, as they relate to the inherent requirements of a particular job.

Finding Details	<p>(1) Due to the impact of COVID-19, the factory suspended or terminated the contracts of around 1,400 workers from November 2020 to March 2021. However, the factory did not have written criteria for determining layoffs or procedures on retrenchment, as required in the Cambodia Labor Law to prevent discrimination or favoritism and ensure that impacted workers are protected. Nor did the factory contact laid-off workers and give them priority when rehiring for these positions. (2) Due to COVID-19, the factory closed its sweater section and terminated the contracts of all its workers. One sampled worker had her Undetermined Duration Contract (UDC) terminated on December 14, 2020 and was transferred to the sewing section on December 16, 2020. Rather than simply transfer this worker and maintain her level of pay, however, the factory signed a new Fixed Duration Contract (FDC) with her for December 16, 2020 to March 15, 2021. This new contract included a probation period of two months, during which the factory paid this worker the probation wage of USD 187 per month, as if she were a new worker. Note: As of January 2021, The legal minimum wage for workers during a probationary period is USD 187 per month. After this period, the legal minimum wage is USD 192 per month.</p>
Recommendation for Immediate Action	<p>(1) Establish a procedure on retrenchment and a set of criteria for layoffs in line with local law requirements. When rehiring after layoffs, give priority to the laid-off workers whenever possible. (2) If workers change job positions or work areas, conduct this change as a transfer rather than signing a new contract and treating these workers as new hires.</p>
Compliance Classifications	Immediate Action Required
Local Law	The Cambodia Labor Law, Article 95

