

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

09 Sep 2022



Factory Information

FLA Affiliates	Reformation
Country	Pakistan
Number of Workers	3256

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

FLA Code Element	Number of Violations
Compensation (C)	2
Employment Relationship (ER)	9
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	2
Health, Safety And Environment (HSE)	14
Hours Of Work (HOW)	3
Nondiscrimination (ND)	2

Assessment Information

Assessor	Innovatus
Assessment Date	09 Sep 2022
Assessment Purpose	

ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.6
Benchmark Details	All wages, including payment for overtime, shall be paid directly and in full within legally defined time limits. When no time limits are defined by law, compensation shall be paid at least once a month.
Finding Details	Salary for the month of April 2022 was paid between 10-12 May 2022. Whereas, this payment had to be made by the 10th of the month as per local laws.
Recommendation for Immediate Action	Ensure that the salary payment is made by the 10th of each month.
Compliance Classifications	Immediate Action Required
Local Law	Section 10, THE SINDH TERMS OF EMPLOYMENT (STANDING ORDERS) ACT, 2015.
Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.
Finding Details	The factory is not correctly calculating the full and final settlement amount of parting workers. As per the local law, the annual leave amount should be calculated based on the average earnings for the last three months whereas the facility is calculating it based on the average earnings of the last 12 months.
Recommendation for Immediate Action	Compensate annual leaves in accordance with local laws.

Compliance Classifications	Immediate Action Required
Local Law	Section 74, The Sindh Factories Act, 2015
Employment Relationship (ER)	
Benchmark ID	ER.19.2
Benchmark Details	All notices that are legally required to be posted in the workplace work areas shall be posted by employers.
Finding Details	Abstracts of local laws are not posted in the factory.
Recommendation for Immediate Action	The facility should place abstracts of local laws at prominent locations in the local language.
Compliance Classifications	Immediate Action Required
Local Law	Section 108, THE SINDH FACTORIES ACT, 2015.
Benchmark ID	ER.1.2
Benchmark Details	Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.
Finding Details	The facility conducts generic training on company policies and procedures to workers. However, there are no specific trainings on the disciplinary procedure, harassment and abuse, freedom of association, and grievance procedure.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement 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 number of disabled workers is less than the local law requirement of 5%, furthermore, a financial contribution for the factories for not reaching this quota is not being paid. Right now, 1.6% disabled workers are employed.
Recommendation for Immediate Action	The facility should meet legal requirements regarding the hiring disabled persons.
Compliance Classifications	Immediate Action Required
Local Law	Section 2, THE SINDH DIFFERENTLY ABLE PERSONS (EMPLOYMENT, REHABILITATION AND WELFARE) (AMENDMENT) ACT, 2017
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 facility regularly conducts supervisory skills training. However, there are no supervisor-specific trainings on the disciplinary procedure, harassment and abuse, and grievance procedure.
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 facility's procedure for non-discrimination does not cover marital status/family and health-related discrimination. Also, it does not cover fully the protection and accommodation of pregnant workers and new mothers. 2. The facility's termination procedure does not cover retrenchment. 3. The facility's termination procedure does not cover the procedure for determining termination payouts as per law, a confidential channel for raising concerns about termination payouts, and a statement on the release of any rights for termination payouts. 4. The procedure for compensation and benefits is not updated. The applicable legal references are old. 5. The maternity benefit is not correctly mentioned in the compensation and benefits procedure. It states 90 days instead of 120 days.
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 facility conducts regular training to advance workers' skills. However, there are no written policies and procedures for 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.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	FLA code of conduct is not posted in the facility.
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	The original records of grievances from complaint boxes are not maintained.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	The facility has developed an employee handbook. However, it is not provided to workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The facility's procedure on freedom of association and collective bargaining does not cover the scope of the worker management council.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Harassment Or Abuse (H/A)

Benchmark ID	H/A.10.1.2
Benchmark Details	Body searches and physical pat downs shall only be undertaken when there is a specific, legitimate reason to do so and upon consent of workers, unless a state official with the power to do so (e.g. police officer) has ordered the search.
Finding Details	The facility is conducting body searches as a regular practice.
Recommendation for Immediate Action	Body search should not be routine practice and should be done only when there is a legitimate reason to do so.
Compliance Classifications	Immediate Action Required
Local Law	

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 search for male workers is carried out in public.
Recommendation for Immediate Action	Body search should be carried out in private.
Compliance Classifications	Immediate Action Required

Local Law	
Health, Safety And Environment (HSE)	
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. Emergency exit is not provided at the mezzanine floor in the WIP(Working in Progress) area, which is a temporary storage. 2. Fire-rated doors are not provided on all emergency exit doors throughout the facility.
Recommendation for Immediate Action	1. Provide an emergency exit in the WIP area at the mezzanine floor. 2. Provide fire-rated doors at all emergency exits.
Compliance Classifications	Immediate Action Required
Local Law	Section 10.9.1.8.13, BUILDING CODE OF PAKISTAN-FIRE SAFETY PROVISION 2016; Section 29, THE SINDH FACTORIES ACT, 2015.
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	Facility has not provided power backup for exits signs.
Recommendation for Immediate Action	Provide power backup for exit signs at the emergency exit doors.

Compliance Classifications	Immediate Action Required
Local Law	Section 29, THE SINDH FACTORIES ACT, 2015
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	<ol style="list-style-type: none"> 1. Fire alarm call points are not provided on the mezzanine floor in the WIP (Working in Progress) area, which is a temporary storage. 2. Automatic fire detection system is not provided in the washing section.
Recommendation for Immediate Action	<ol style="list-style-type: none"> 1. Provide a fire alarm call point in the WIP area at the mezzanine floor. 2. Provide automatic fire detection system in the washing section
Compliance Classifications	Immediate Action Required
Local Law	Section 29, THE SINDH FACTORIES ACT, 2015
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	Partial aisles blockages are found cutting department and stitching department at building-II
Recommendation for Immediate Action	Ensure that aisles are free of obstruction all the time.
Compliance Classifications	Immediate Action Required

Local Law	Section 29, THE SINDH FACTORIES ACT, 2015
Benchmark ID	HSE.19
Benchmark Details	All facilities including workplace buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with all applicable laws, including relevant sanitation, medical, and safety and health regulations.
Finding Details	1. Poor housekeeping is found (i.e a lot of debris observed) in cutting and stitching departments in building-II 2. Bathrooms were not sufficiently clean. 3. Soap/hand wash is not provided in bathrooms. 4. No food sampling is in place against potential food poisoning
Recommendation for Immediate Action	1. Improve the housekeeping system as to be more efficient and ensure more frequent and proper cleaning is conducted for cutting, stitching sections and all bathrooms. 2. Provide soap/hand wash in bathrooms 3. Ensure that canteen staff keep food samples
Compliance Classifications	Immediate Action Required
Local Law	Section 23, THE SINDH FACTORIES ACT, 2015; Section 4 (d), THE SINDH OCCUPATIONAL SAFETY AND HEALTH ACT, 2017
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. Ear plugs are not provided to workers in the pocket line department. 2. Vermin proofing (safety against animals such as reptiles) is found missing in 10% of inspected electrical panels. 3. Taping on wires found in 10% of inspected electrical panels. 4. In the mechanical workshop, wires found in the socket without any electrical plug.

Recommendation for Immediate Action	1. Provide PPEs to workers in high-noise areas. 2. Ensure vermin proofing in all the electrical panels 3. Ensure that taping is not used in electrical wires and all wires fixed or replaced properly 4. Ensure that electrical plugs are used in the mechanical workshop.
Compliance Classifications	Immediate Action Required
Local Law	Section 4(h) and (k), THE SINDH OCCUPATIONAL SAFETY AND HEALTH ACT, 2017
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	1. Inner cages are not installed in cargo lifts. 2. Hooter and flashlight of one forklift are found non-functional. 3. Needle guards and pulley covers found missing on 20 % of the stitching machines 4. Coupling of the water pump in the washing section is not provided with a safety cover. 5. Facility has not provided inspection certificates for all cargo lifts.
Recommendation for Immediate Action	1. The facility should provide inner cage at all the cargo lifts. 2. Hooter and flashlight should be made functional at fork lift. 3. Provide needle guards and pulley covers on stitching machines. 4. Coupling should be placed on water pump. 5. Facility should make sure that cargo lifts are inspected every six months by competent persons.
Compliance Classifications	Immediate Action Required
Local Law	Section F, THE SINDH OCCUPATIONAL SAFETY and HEALTH RULES, 2019; Section 38, THE SINDH FACTORIES ACT, 2015.
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. The following issues are observed with regard to fire safety: a. Backup diesel generator for the fire pump is not set on automatic start. b. Backup diesel generator of the fire pump is not provided with reserve storage of fuel. c. Backup diesel generator of the fire pump not tested regularly as per law. d. Backup diesel generator of the fire pump is not provided with visible indicators for the fuel tank and radiator. 2. Eye wash is found non-functional in the spray section.
Recommendation for Immediate Action	1. Ensure that the fire pump is set on automatic. 2. Ensure that visible indicators are provided 3. Ensure that the backup diesel generator is provided with reserve storage of fuel. 4. Ensure that the backup diesel generator is tested for at least 30 mins in a fortnight. 5. Provide functional eye wash in the spray section
Compliance Classifications	Immediate Action Required
Local Law	Section 9.4.4 BUILDING CODE OF PAKISTAN-FIRE SAFETY PROVISION 2016; Section 4 (d) THE SINDH OCCUPATIONAL SAFETY AND HEALTH ACT, 2017
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	The facility conducted the internal risk assessment but it does not cover the Electrical & Chemical risk assessment.
Recommendation for Immediate Action	Ensure that risk assessment covers all types of hazards.
Compliance Classifications	Immediate Action Required
Local Law	Section 4, THE SINDH OCCUPATIONAL SAFETY AND HEALTH ACT, 2017
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	Appropriate rescue equipment i.e. tripod is not available for working in confined spaces.
Recommendation for Immediate Action	Ensure that protective equipment is provided to control the hazards of working in confined spaces.
Compliance Classifications	Immediate Action Required
Local Law	Section 4 (h), THE SINDH OCCUPATIONAL SAFETY AND HEALTH ACT, 2017
Benchmark ID	HSE.30.2.4
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: procedures that enable workers to raise health, safety, and environmental concerns.
Finding Details	The procedure on health and safety does not cover the process of raising health and safety concerns.
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 procedure on health and safety does not cover a statement on nonretaliation for raising concerns.
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 are not provided with PPEs in the following areas: 1. Safety goggles in the Laser section 2. Safety boots and goggles in the spray section 3. Safety helmets in the Fabric Warehouse 4. Face masks on Overlock machines
Recommendation for Immediate Action	Ensure that PPEs are provided in stitching, warehouse, laser, and spray sections and workers are trained on PPE usage.
Compliance Classifications	Immediate Action Required
Local Law	Section 4 (h) THE SINDH OCCUPATIONAL SAFETY AND HEALTH ACT, 2017
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	Anti-fatigue mats are not provided to all workers doing standing work. Similarly, stitching workers are not provided with backrests and seats are also not adjustable.
Recommendation for Immediate Action	Ensure that ergonomic risks are identified and addressed.
Compliance Classifications	Immediate Action Required
Local Law	Section 4 (d), THE SINDH OCCUPATIONAL SAFETY AND HEALTH ACT, 2017

Hours Of Work (HOW)

Benchmark ID	HOW.22.1
Benchmark Details	Employers shall have in place policies for managing all working hour, overtime, and leave records in normal and exceptional circumstances.
Finding Details	1. The facility's procedure on hours of work does not stipulate the maternity leaves and payment of annual leaves correctly. 2. The facility's procedure on hours of work does not cover non-retaliation for taking leaves.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.21

Benchmark Details	Other than in exceptional circumstances, the total weekly work hours (regular work hours plus overtime including any alternative shifts such as 4x4 or 3x3) shall not exceed 60 hours per week.
Finding Details	20% of the sampled workers have worked beyond the legal limits for weekly overtime hours in the last six months. Maximum of 79 weekly hours (48 regular + 31 overtime) are observed in May 2022.
Recommendation for Immediate Action	Ensure that working hours are kept within legal limits.
Compliance Classifications	Immediate Action Required
Local Law	Section 54, THE SINDH FACTORIES ACT, 2015
Benchmark ID	HOW.2
Benchmark Details	Workers shall be entitled to at least 24 consecutive hours of rest in every seven- day period. If workers must work on a rest day, an alternative consecutive 24 hours must be provided within that same seven-day period or immediately following.
Finding Details	Weekly rest is not ensured as 5% of the sampled workers have worked on 02 (two) Sundays during April 2022 & May 2022. The workers have worked for twenty (20) consecutive days between 11-30 April 2022.
Recommendation for Immediate Action	Ensure that all workers receive at least one day off for each 7 day period.
Compliance Classifications	Immediate Action Required
Local Law	Section 55, THE SINDH FACTORIES ACT, 2015
Nondiscrimination (ND)	
Benchmark ID	ND.4

Benchmark Details	Employers may not request the disclosure of any personal, non-job related information during the application, recruitment, or hiring process, including but not limited to gender, race, religion, disability, sexual orientation, nationality, political opinion, social group, ethnic origin, or marital status.
Finding Details	The employment form which is filled by worker at the time of hiring to provide personal information includes questions on applicants' religion, marital status, and the number of children.
Recommendation for Immediate Action	Ensure that personal information may lead to discrimination during the hiring process to be removed from job application forms.
Compliance Classifications	Immediate Action Required
Local Law	Section 11, THE SINDH TERMS OF EMPLOYMENT (STANDING ORDERS) ACT, 2015
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	1. The facility provides maternity leave for 90 days instead of the legal requirement of 120 days. 2. The facility is providing maternity benefits through social security institution which pays the lump sump amount after the worker return from the leaves. The amount paid is also found less than the minimum wage.
Recommendation for Immediate Action	1. Ensure that maternity leave is provided for 120 days. 2. Ensure that the maternity leave payment should be at least the minimum wage

Compliance Classifications	Immediate Action Required
Local Law	Section 3, THE SINDH MATERNITY BENEFIT ACT, 2018

