

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**04 Jul 2024**



## Factory Information

FLA Affiliates	Yee Tung Garment Co., Ltd
Country	Cambodia
Number of Workers	1244

## 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)	4
Employment Relationship (ER)	9
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	4
Health, Safety And Environment (HSE)	19
Hours Of Work (HOW)	4
Nondiscrimination (ND)	1

## Assessment Information

Assessor	Openview - Vietnam
Assessment Date	04 Jul 2024
Assessment Purpose	

## ASSESSMENT RESULTS

### Compensation (C)

Benchmark ID	C.9.3
Benchmark Details	Employees shall be compensated for overtime hours at such premium rate as is legally required in the producing country
Finding Details	The factory has wage policy (No. KSADMHRSOP2, effective from March 1, 2023) that stated the overtime payment shall be calculated based on 26 working days instead of the actual days. This practice has caused workers getting less overtime payment than regulated. For example, one selected worker with a basic wage USD 202 (equal to the legal minimum wage), worked overtime for 32 hours in February 2024. The wage used to calculate for overtime should be USD 202, but according to the factory's payment formula, the wage used for overtime calculation is $USD202/26/8*25*8=USD194.2$ , and USD194.2 (less than the legal minimum wage) is a foundation to calculate and pay the overtime compensation. Remark: For the monthly salary, the factory paid correctly by using 24 days as a foundation.
Recommendation for Immediate Action	1. Pay back the shortage of payment for all affected workers. 2. Immediately update the formula to ensure the correct payment for overtime.
Compliance Classifications	Immediate Action Required
Local Law	Labour Law, Articles 104, 105, 108
Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.

<p>Finding Details</p>	<p>1. The terminated probationary workers are only paid based on the total number of actual working days instead of being paid in full for all working days that the worker cannot continue working due to the termination of the probationary contract by the employer. For example, a worker has a total probationary agreement period from March 26, 2024 to May 25, 2024. The worker's probationary contract is terminated on May 10, 2024 by the employer due to the probationary evaluation result is not satisfactory, however, this worker is only paid for the actual working days of 06 (six) days from March 26, 2024 to May 10, 2024 instead of being paid in full from March 1, 2024 to May 25, 2024 (last day of probationary contract as prescribed by law). 2. The factory contracted 27 security guards from a service provider, however only 23 out of 37 contracted security guards are paid for the social insurance (National Social Security Fund).</p>
<p>Recommendation for Immediate Action</p>	<p>1. Pay back the shortage of payment for all affected workers and immediately change the formula to ensure the correct payment. 2. Register the mandated social insurance for all categories of workers.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	<p>1. Labor Law 1997, Article 73 2. N/A</p>
<p>Benchmark ID</p>	<p>C.21.1</p>
<p>Benchmark Details</p>	<p>Employers shall provide all legally mandated benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.</p>

Finding Details	All workers who quit the jobs without notice are not paid their final wage and benefits within 48 hours after their employment contracts are terminated, as required by law. The factory does not have a mechanism to actively contact workers for payment. For example, 1 (one) sample selected worker was absent 6 days from June 07 to June 13, 2024, and the factory terminated the employment contract on June 14, 2024, however the final payouts have not been paid until the assessment date July 04 & 05, 2024. Remark: As per document review and management interview, there is no final wage and benefits paid to job abandon workers. The management representative shares that the factory will keep the final payment, and all job abandon workers are free to come for getting their final wages and benefits at anytime.
Recommendation for Immediate Action	Pay the final payout to the resigned workers within 48 hours, as per legal requirement.
Compliance Classifications	Immediate Action Required
Local Law	Labor Law 1997, Article 116
Benchmark ID	C.3.1.3
Benchmark Details	Where probationary employment is legally allowed, no workers shall work more than three months in this employment category.
Finding Details	The factory applies two months instead of one month of probation period for non-technical workers (cleaners, helpers, and packaging workers, etc.). This practice is in violation of the local laws on probation time for non-technical workers.
Recommendation for Immediate Action	Apply 1 (one) month probation for all non-technical workers as required by the local laws.
Compliance Classifications	Immediate Action Required
Local Law	Labor Law 1997, Articles 68 and 73.

### 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. The factory has only provided the ongoing training related to FLA's Code Elements and FLA's employment functions for 64 out of 1,500 workers (from cutting, sewing, ironing and final inspection sections). 2. The factory has not clearly defined responsibility or accountability for each employment function among the HR team, and Compliance team.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
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 has provided specific training on FLA's Code elements and Employment Functions for supervisors. However, it only delivered to five out of eight supervisors of the factory.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
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	<p>1. The Recruitment procedure No. KSADMHRSOP01 is developed and effective from March 01, 2023. However, the recruitment procedure is missing the necessary steps. The skill tests, authority for recruitment decision-making, job offering etc., are not defined in the procedure. 2. The factory has not developed a procedure to outline the necessary steps that ensure the policy’s statement can be assured, implemented, such as an investigation process, and how to handle the case of workers, supervisors, and managers who violate the Non-Discrimination policy. 3. The factory establishes a policy on forced labor. However, there is no written procedure that outlines the necessary steps to ensure the policy’s statement can be assured, implemented such as an investigation process, and how to handle the case of workers, supervisors, and managers who violate the Forced Labor policy. 4. The factory has not developed written a Retrenchment procedure that outlines the specific steps and guidances to handle the case of retrenchment such as notifying the retrenchment, retrenchment selection criteria, compensation and benefits, career counseling, job replacement assistance, and re-employment rights etc. 5. There are no detailed requirement for qualifications, education, skills, or knowledge in all factory job descriptions.</p>
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	1. The factory has a disciplinary policy and procedure, however there is no a system of progressive discipline. In addition, there is no requirement that highlight workers' ability to have a third-party witness during the imposition of disciplinary actions. 2. The factory applies disciplinary actions for workers who violates the factory internal rules. However, there are no relevant disciplinary codes or articles that specified in the factory internal rules to be used as reference. For example, the factory performed disciplinary action for at least 5 workers for bringing food into the workplace, watching videos, and using phones at work. However, those violations are not specified in the factory internal rules.
Recommendation for Immediate Action	1. Update the factory internal labor rules, following the local laws. 2. Stop discipline workers with no disciplinary violations or articles that specified in the approved factory internal rule.
Compliance Classifications	Immediate Action Required
Local Law	1. N/A 2. Labor Law, Article 23.
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 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	N/A

Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
Benchmark ID	ER.7.1
Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.
Finding Details	1. The factory has developed performance review policy No. KS-ADMHSOP08, effective from March 01, 2023. However, there is no written procedure that outlines the review steps and process and include linkages to job grading, nondiscrimination, written feedback, and compliance with legal requirement. 2. There are no proper performance reviews conducted for all workers. The factory terminated 14 workers due to low performance during probation period. However, based on documentation review on factory internal policy and performance evaluation results, there are no criteria or standards on how to evaluate the workers' performance during the probation, all criteria are ticked as "poor" without detailed and measurable clarification. The decision is mostly made by the direct management.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
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. The factory has not developed written policy and procedure on promotion, demotion and job re-assignment. 2. The factory use a performance review form with list of criteria such as attitude/personality, communication, skills, etc. for worker promotion system. However, there are no records of evaluation process in place and the results are only based on the direct manager's decision.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
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 has not conducted annual review on all relevant policies, procedures, and implementation to ensure they meet legal requirements and the requirements of the FLA Workplace Code. 2. The factory has not developed policy or procedure for consulting and integrating workers in the decision-making process of aspects concerning workplace and working conditions.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required

Local Law	N/A
Benchmark ID	ER.18.3.4
Benchmark Details	Records of disciplinary action must be maintained in the worker's personnel file.
Finding Details	There is no monitoring system to record and maintain all disciplinary actions in the workers' personnel files. In addition, factory does not have tracking list of the workers who were disciplined within the last 12 months. Factory only explained that there were few cases and provided 5 sets of documents.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A

### 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	1. Based on the worker & management interview and document review on election records, the current worker representative was only elected by about 40 workers instead of all workers. 2. The factory has not developed written procedures on freedom of association and collective bargaining, such as workers representative's election, regular meeting and discussion, etc.
Recommendation for Immediate Action	1. Allowed all workers to join the election process to choose their representative 2. N/A

Compliance Classifications	Immediate Action Required
Local Law	1. Labor Law, Article 283. 2. N/A
<b>Harassment Or Abuse (H/A)</b>	
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 factory has a policy on body searches (pat-down) that is only applicable for special cases. However, the routine pat-down is conducted every time the workers leave the production premises.
Recommendation for Immediate Action	Follow the policy and stop applying pat-down practice as routine.
Compliance Classifications	Immediate Action Required
Local Law	N/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	The factory conducts routine body searches in public every time the workers leave the production premises.
Recommendation for Immediate Action	Stop applying pat-down practice routinely.
Compliance Classifications	Sustainable Improvement Required

Local Law	N/A
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	The factory establishes a policy on Harassment and Abuse. However, there is no procedure/guidance to outline the necessary steps to ensure the policy's statement can be assured/implemented such as investigation process, reporting, and how to handle the case of workers, supervisors, and managers who violate the anti-harassment and abuse policy.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
Benchmark ID	H/A.5
Benchmark Details	Employers shall not use any form of verbal violence, including screaming, yelling, or the use of threatening, demeaning, or insulting language, as a means to maintain labor discipline.

Finding Details	Verbal abuse was reported. There was a complaint filled on February 13, 2024, concerning verbal abuse by a Chinese supervisor towards an ironing worker. The grievance-relevant records indicated that the case was addressed by the HR department through an investigation process, both the worker and the related supervisor received training on the Non-Harassment and Abuse policy and procedure. However, most of the interviewed workers reported that the issue is still open and ironing workers continue to experience verbal abuse from the Chinese supervisors, particularly when there is low productivity, poor quality work, or when workers request to take leave.
Recommendation for Immediate Action	Train all relevant supervisors, managers and stop harassment and abuse at the workplace.
Compliance Classifications	Immediate Action Required
Local Law	N/A

### 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 security guards are appointed to be responsible for firefighting and the records indicated that they are trained on fire extinguishers by local fire police. However, the selected security guard did not know how to use the fire extinguisher when asked.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A

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 exit doors are neither fire-resistant nor smoke-sealed.
Recommendation for Immediate Action	Ensure the fire emergency exits doors are fire-resistant and smoke-sealed.
Compliance Classifications	Immediate Action Required
Local Law	N/A
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	The factory does not conduct the assessment after the fire drills to learn how to improve the evacuation process.
Recommendation for Immediate Action	Conduct an assessment after the fire drills to learn how to improve the evacuation process.
Compliance Classifications	Immediate Action Required
Local Law	N/A
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	All fire alarms installed in the production buildings, warehouse, dormitory building, security room and boiler area are not centralized. They are not linked to each other or linked to the fire alarm control panels. In addition, all 6 (six) units of fire alarm control panels are installed inside of the production buildings. Therefore, these fire alarm panels are not monitored after working time. There are no local language posted in place for the guidance of fire alarm control panels.
Recommendation for Immediate Action	Repair the fire alarm system for a centralized system, post the guidance in local language for all fire fighting equipment, ensure all fire alarms control panels can be monitored 24/7.
Compliance Classifications	Immediate Action Required
Local Law	Sub-Decree on Requirements and Measures on Fire Prevention and Firefighting Royal Government on August 18, 2017, Article 9.
Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Finding Details	1. The factory has not fully provided chemical containers with proper content and main hazard in local language. There are seven drums of diesel in the generator area, four cans of machine oil in the repair and maintenance area, and one liquid chemical can next to washing machines. 2. The factory has not fully provided chemicals with proper secondary containers. The hazardous waste, paint and machine oil in the maintenance area, and liquid chemicals stored next to washing machines do not have secondary containers.
Recommendation for Immediate Action	Install secondary containers for all chemicals and post the identification labels sufficiently.

Compliance Classifications	Immediate Action Required
Local Law	Law on Administration of Factory and Handicraft (2006), Article 32
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	The factory has not provided toilet tissues and hand dryers in the bathroom at the security room and childcare center.
Recommendation for Immediate Action	Provide toilet tissue and hand dryer for the workplace and facilities.
Compliance Classifications	Immediate Action Required
Local Law	N/A
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	Some of electrical wiring are not in good condition. The electric wires at building A are installed without a secondary safety cover and placed over a metal trough, which may cause electric shock or fire in the material storage area. In addition, the fabric materials are stored less than 20 centimeters from the light tube system, which poses a risk of fire by electricity.
Recommendation for Immediate Action	Re-design the electrical wires throughout the factory premise for safety reasons.
Compliance Classifications	Immediate Action Required

Local Law	Prakas 206/2017 of Ministry of Industry & Handicraft about Technical Management and Industrial Safety in Factories and Handicraft, Article 9
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	1. The safety cover of 1 (one) observed manual cutting machine is not used during operation; the safety cover of another observed end-cutting machine at EMB area is not installed. Approximately 10% observed needle guards of sewing machines are not used properly, the needle guards are put too high for proper finger protection. 2. There are no inspection records of the lightning system to prove the function of the lightning systems in the factory. 3. The factory has developed a procedure for lockout/tagout (LOTO), however, the factory has not assessed to define machines, equipment that are required for logout/tag out, to provide specific training to all relevant operators, maintenance teams, and there are no LOTO devices kept in place for review.
Recommendation for Immediate Action	1. Use safety covers of machines and equipment for safety reasons. 2. Provide training and ensure workers to use the machine safety guards sufficiently. 3. Define details for LOTO equipment to provide training and implement.
Compliance Classifications	Immediate Action Required
Local Law	1. Prakas 206/2017 of Ministry of Industry & Handicraft about Technical Management and Industrial Safety in Factories and Handicraft, Articles 9 & 10. 2. N/A 3. N/A
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.

<p>Finding Details</p>	<p>1. During the testing, the water pressure of the fire hose is not maintained and not appropriate for emergency cases. In addition, the tested fire hoses are broken and leaking, reducing the water pressure of the fire pumping system. There is no sprinkler system installed in the factory including the finished goods warehouse, and fabric warehouse. 2. The factory does not have tools/equipment to conduct testing for auto smoke detectors to prove whether the smoke detector is functional or not as per factory internal policy. 3. The emergency shower is not installed at the chemical storage area and no guidance on using an eyewash station is posted at the chemical storage area for emergency use.</p>
<p>Recommendation for Immediate Action</p>	<p>1. Repair the fire water pump to ensure the pressure of the water maintained for emergency events. Install the sprinkler system in all high fire risk areas. 2. Install the tools/equipment to test the auto fire detectors. 3. Install the emergency showers and post the guidance for eyewash station use.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	<p>1 &amp; 2. Sub-Decree on Requirements and Measures on Fire Prevention and Firefighting Royal Government on August 18, 2017, Article 9. 3. N/A</p>
<p>Benchmark ID</p>	<p>HSE.4.1</p>
<p>Benchmark Details</p>	<p>Employers shall at all times be in possession of all legally required and valid permits and certificates related to health, safety, and environmental issues, such as: Purchase and storage of chemicals; Fire safety inspections; Machinery inspections; Waste disposal; Environmental licenses/permits; Sanitation permits, including those required for canteens; and Vehicle inspection and driver permits for all employer provided transportation.</p>
<p>Finding Details</p>	<p>There are a total of 18 buildings in the factory. However, none of the buildings in the factory complex have the required Opening and Closing Letters (building permits) in place. Note: The factory explained that all related buildings are under the process of building occupancy certificates.</p>
<p>Recommendation for Immediate Action</p>	<p>Obtain all legal permits and license as per legal requirements.</p>

Compliance Classifications	Immediate Action Required
Local Law	Law on Construction of Cambodia 2019, Articles 38 and 44.
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 factory does not conduct the air emission testing for boiler every 6 months as is required in the discharge permit issued by the authority. The last testing report is on December 05, 2023.
Recommendation for Immediate Action	Conduct the air emission test timely as required by the environmental permit.
Compliance Classifications	Immediate Action Required
Local Law	Sub-Decree No. 42 ANKR/BK dated 18 August 2000 on The Control of Air Pollution and Noise Disturbance, Article 13
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	There are no safety instructions displayed in workers' language for all of the following machines: four automatic cutting machines, two manual cutting machines, one plastic film rewinding machine, one laser cutting machine, one metal marking machine, one drilling machine, and two grinding machines.
Recommendation for Immediate Action	Post safety operating procedure (SOP) for all eligible machines in place for references.
Compliance Classifications	Immediate Action Required

Local Law	Prakas 206/2017 of Ministry of Industry & Handicraft about Technical Management and Industrial Safety in Factories and Handicraft, Article 8
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	There is no safety warning sign for falling risk, and no mechanism to monitor falling risk at the incoming water treatment plant and elevated water tanks.
Recommendation for Immediate Action	Post the safety warning sign/alert for all falling down risk areas.
Compliance Classifications	Immediate Action Required
Local Law	N/A
Benchmark ID	HSE.18.2
Benchmark Details	Medical staff shall be fully licensed and recognized under applicable national rules and regulations.
Finding Details	The first aiders' information is posted on the first aid box for emergency response. However, 1 (one) out of 2 (two) first aiders selected have no training certificate as required. Furthermore, the factory does not provide workers with basic first aid training or offer periodical training for the entire workforce. The factory only provides first-aid training to first-aid team members.
Recommendation for Immediate Action	Provide the first aid training for all eligible workers sufficiently.
Compliance Classifications	Immediate Action Required
Local Law	N/A

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 conducted the occupational health and safety risk assessment in May 2024. However, the OHS risk assessment does not cover the falling risks, asbestos and the OHS risks in the fire pump area, incoming water treatment plant, child care facility, drying department, boiler area, and parking lot.
Recommendation for Immediate Action	Review the occupation health safety risk assessment to cover all significant areas and hazards.
Compliance Classifications	Immediate Action Required
Local Law	N/A
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 is tracking labor accidents, however, the factory does not keep the investigation reports in detail such as the accident location, plan, root causes and action to remediate and prevent for the accident in future.
Recommendation for Immediate Action	Keep a detailed investigation report and records of labor accidents.
Compliance Classifications	Immediate Action Required

Local Law	N/A
Benchmark ID	HSE.8
Benchmark Details	Workers shall be provided with training on the use and maintenance of personal protective equipment. Training shall be upon hire with periodic refresher training offered to all workers. Management will ensure use of PPE as necessary.
Finding Details	The factory does not effectively monitor PPE use. Approximately 30% of workers at the sewing, cutting, and packing section do not use face masks during the working time; around 10% of manual cutting operators do not use safety gloves.
Recommendation for Immediate Action	Train and monitor to ensure workers use the personal protective equipment properly.
Compliance Classifications	Immediate Action Required
Local Law	Prakas 206/2017 of Ministry of Industry & Handicraft about Technical Management and Industrial Safety in Factories and Handicraft, Article 10
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	1. There are no training records for workers working with sewing template machines (containing laser), cutting machines, heat sealing machines, buttoning machines, pressing machines, and packing machines. 2. The factory does not identify the confined spaces in the factory nor assess details to define working areas that are confined spaces, to provide specific training to all relevant workers.
Recommendation for Immediate Action	1. Provide the relevant health and safety training for workers for machine operation. 2. Define working method and safety measure for confined spaces.



Compliance Classifications	Immediate Action Required
Local Law	1. Prakas 206/2017 of Ministry of Industry & Handicraft about Technical Management and Industrial Safety in Factories and Handicraft, Article 13 2. N/A
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 back-rest chair is not provided for workers working in the sewing section to protect them from any impact of long-time seating including pregnant workers.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A

### Hours Of Work (HOW)

Benchmark ID	HOW.22.2
Benchmark Details	Accurate time records shall be maintained by employers, including overtime, breaks, and leave.

Finding Details	The factory does not maintain the accurate time records as the actual working time is not completely recorded into the system. For example, two boiler operators start to work every day at 05:00 or 05:30 and finish their work at 16:00 to 18:00. However, the HR staff adjusted the time-in from 05:00 or 05:30 to 07:00 and the time-out from 16:00 to 17:30. The factory HR staff adds an additional 1.5 hours and calculates the total working hours to pay workers. The factory management explained that because the timekeeping system could not understand overtime if workers punched in their card at 5:00 or 5:30, the factory needed to manually adjust the time-in to and time-out of workers.
Recommendation for Immediate Action	Install a time record system to record and calculate the working hours accurately and completely.
Compliance Classifications	Immediate Action Required
Local Law	N/A
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	Workers work 3-4 overtime hours per day in the sample selected months of May 2024 (current paid month), December 2023 (non-peak month), and July 2023 (peak month) while the local laws only allow 2 hours overtime per day. The maximum overtime is 4 hours per day and total normal hour and overtime is up to 12 hours per day as detailed below: - In May 2024 (Current paid month): 18 out of 50 sample workers from fabric warehouse, cutting section, sewing section, inspection section, spot cleaning operator, and maintenance department generally worked up to 12 hours per day. - December 2023 (Non-peak month): 6 out of 50 sample workers from ironing section and maintenance department generally worked up to 11-12 hours per day. - July 2023 (Peak month): 24 out of 50 sample workers from sewing section, ironing section, inspection, spot cleaning, packing and maintenance department generally worked up to 12 hours per day.
Recommendation for Immediate Action	Stop arranging workers to work more than 2 overtime hours without consent from the government department.

Compliance Classifications	Immediate Action Required
Local Law	Local Labour Law 1997, Article 137; Prakas No. 143/02 On "Working Hours Arrangement, Item 2.
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	<p>1. Workers worked more than 60 hours per week in the sample selected months of May 2024 (current paid month), December 2023 (non-peak month), and July 2023 (peak month). The maximum weekly hours is 68 hours per week and the highest monthly overtime hours are 88 hours per week as shown in the following detail: - May 2024 (current paid month): 18 out of 50 sample selected workers from fabric warehouse, cutting section, sewing section, inspection section, spot cleaning operators, and maintenance department worked more than 60 (62-66) hours per weeks for 1-2 weeks per month. - December 2023 (non-peak month): 6 out of 50 sample selected workers from ironing section and maintenance department worked more than 60 (61-68) hours per weeks for 1-2 weeks per month. - July 2023 (peak month): 24 out of 50 sample selected workers from sewing section, ironing section, inspection, spot cleaning, packing and maintenance department worked more than 60 (62-68) hours per weeks for 1-2 weeks per month.</p> <p>2. All 27 contracted security guards work from 12 hours per day into two (2) different working shifts from 06:00AM-06:00PM (Day-shift) and 06:00PM-06:00AM(Night-shift). In total, the weekly working hours were more than 60 hours (72 hours) per week.</p>
Recommendation for Immediate Action	Review to ensure working hours not exceeding 60 hours in a week.
Compliance Classifications	Immediate Action Required
Local Law	Prakas No. 143/02 On "Working Hours Arrangement" issued on 10 June, 2002 by the Ministry of Labor, Item 1 and Item 2.

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	All 27 outsourced security guards are not provided one day-off per week as per FLA's benchmarks, they worked from 9 to 31 consecutive days without a day-off in March 2024 (random selected month).
Recommendation for Immediate Action	Provide at least one day off per seven for all workers as per FLA's benchmarks.
Compliance Classifications	Immediate Action Required
Local Law	N/A

### **Nondiscrimination (ND)**

Benchmark ID	ND.11
Benchmark Details	Employers shall respect the confidentiality of workers' health status and not undertake any action that could lead to a breach of said confidentiality, including screening, whether by direct or indirect testing (for instance, by making an assessment of risk behavior), or asking questions about previously taken tests or medications.
Finding Details	Though the factory explains that the factory keeps worker health check information confidential, the factory policy does not regulate for the confidentiality of worker health information.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A

