

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

16 Sep 2024



Factory Information

FLA Affiliates	Roots
Country	Cambodia
Number of Workers	412

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
Child Labor (CL)	1
Compensation (C)	6
Employment Relationship (ER)	13
Forced Labor (F)	1
Freedom Of Association And Collective Bargaining (FOA)	2
Harassment Or Abuse (H/A)	3
Health, Safety And Environment (HSE)	17
Hours Of Work (HOW)	5
Nondiscrimination (ND)	2

Assessment Information

Assessor	Openview - Vietnam
Assessment Date	16 Sep 2024
Assessment Purpose	

ASSESSMENT RESULTS

Child Labor (CL)

Benchmark ID	CL.8.1
Benchmark Details	Employers shall collect and maintain all documentation necessary to confirm and verify date of birth of all workers, such as birth certificates.
Finding Details	The factory lacks proper records to verify the ages of ten security guards employed by a service provider and one subcontractor worker responsible for on-site product defect inspections.
Recommendation for Immediate Action	Maintain comprehensive profiles, including age records, for all contracted workers on-site.
Compliance Classifications	Immediate Action Required
Local Law	

Compensation (C)

Benchmark ID	C.12.1
Benchmark Details	All legally mandated deductions for taxes, social insurance, or other purposes shall be deposited each pay period in the legally defined account or transmitted to the legally defined agency. This includes any lawful garnishments for back taxes, etc.
Finding Details	1. Records detailing how social and medical insurance were calculated for on-site subcontracted workers, including security guards and product defect checkers, are not maintained. 2. Records of paycheck deductions for taxes, social insurance, or other purposes for on-site subcontracted workers are not kept.

Recommendation for Immediate Action	1. Maintain social and medical insurance records for on-site contractor and subcontractor workers for review. 2. Maintain complete working hours and payment records, including paycheck deductions, for on-site contractor and subcontractor workers for review.
Compliance Classifications	Immediate Action Required
Local Law	Prakas No: 168/22 K.B/Br.K.B.S.S. On Formalities and Procedures for Registration of Enterprises/Establishments, Workers/Employees and Contribution Payment for Persons Defined by the Provisions of the Labour Law in National Social Security Fund dated July 5, 2022. Article 11; Inter-ministerial Prakas No: 165/22 K.B/Br.K.B.S.S on Implementation of Social Security Scheme on Pension for Persons Defined by the Provisions of the Labour Law, Article 2.
Benchmark ID	C.8
Benchmark Details	All workers shall be credited with all-time worked for an employer for purposes of calculating length of service and determine the benefits to which workers are entitled.
Finding Details	Records for seniority and seniority-based benefits were not maintained for on-site subcontracted workers at the factory.
Recommendation for Immediate Action	Maintain all working hours, payment, and benefits records for on-site contractor and subcontractor workers for review.
Compliance Classifications	Immediate Action Required
Local Law	Cambodia Labor Law 1997, Article 45 to 50.
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 does not pay overtime compensation correctly for workers who clock in before the official working time. Workers typically clock in between 06:21 and 06:37, yet hours worked before 07:00 are not compensated as overtime. For example, a sampled worker who clocked in at 06:21 and out at 18:02 was only paid overtime for the period from 16:00 to 18:02, with no compensation for the time worked from 06:21 to 07:00. Factory management explained that the official working shift is from 07:00 to 16:00, and while workers reported using the time before 07:00 for tasks such as cleaning and preparation, management clarified that there is no requirement for this, and workers are free to arrive and work early.
Recommendation for Immediate Action	Ensure proper monitoring of workers to guarantee that any work performed outside of normal working hours is accurately recorded, and overtime is paid in full in compliance with the law.
Compliance Classifications	Immediate Action Required
Local Law	Government of the Republic of the Union of Myanmar / The Ministry of Labour, Employment and Social Security - Notification no.64/2013 Clause 43.
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	Social insurance records for on-site subcontracted workers, including security guards and product checkers, are not maintained for review.
Recommendation for Immediate Action	Ensure all workers, including on-site contractors and subcontractors, are registered with mandated insurance, and maintain records of their social and medical insurance enrollment and benefits.
Compliance Classifications	Immediate Action Required

Local Law	Prakas No: 168/22 K.B/Br.K.B.S.S. On Formalities and Procedures for Registration of Enterprises/Establishments, Workers/Employees and Contribution Payment for Persons Defined by the Provisions of the Labour Law in National Social Security Fund dated July 5, 2022. Article 11; Inter-ministerial Prakas No: 165/22 K.B/Br.K.B.S.S on Implementation of Social Security Scheme on Pension for Persons Defined by the Provisions of the Labour Law, Article 2.
Benchmark ID	C.17
Benchmark Details	Employers shall ensure that all legally required payroll documents, journals and reports are available, complete, accurate and up-to date.
Finding Details	The factory's payroll records do not accurately reflect actual working hours. The assessment uncovered double bookkeeping practices, yet even with a second set of records, inconsistencies remained (see finding C.18.1). For two sampled workers in August 2024, total overtime hours in the attendance records exceeded those in the payment records.
Recommendation for Immediate Action	Maintain one single accurate, completed record for working hours and payment for review.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	C.18.1
Benchmark Details	Employers shall not use hidden or multiple payroll records in order to hide overtime, to falsely demonstrate hourly wages, or for any other fraudulent reason.

Finding Details	<p>The assessment revealed evidence of double bookkeeping. The factory’s provided time records and management interviews claimed compliance with the legal overtime limit of 2 hours per day. However, production records from the site tour showed that workers actually performed 4-7 hours of overtime per day, totaling up to 80 hours per week. The factory later admitted to exceeding legal overtime limits and presented a second set of payroll and time records, but only for September 2023, July, and August 2024, citing that records from other months had been sent to the tax department. This second set of time records also failed to align with payroll records; for instance, in August 2024, two sampled workers' time records showed higher overtime hours than reflected in their payment records.</p>
Recommendation for Immediate Action	<p>Maintain a single, accurate, and complete set of records for working hours and payment. All working hours and overtime must be fully and accurately recorded, and workers should be paid in full in compliance with local laws.</p>
Compliance Classifications	<p>Immediate Action Required</p>
Local Law	

Employment Relationship (ER)

Benchmark ID	<p>ER.1.2</p>
Benchmark Details	<p>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.</p>
Finding Details	<p>1. No records are available to demonstrate ongoing training for workers on all Code elements and Employment Functions. 2. The factory has not clearly defined staff responsibilities or accountability for each Employment Function.</p>
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 factory does not have the required completion certificate for hiring workers with disabilities from the Ministry of Social Affairs, as mandated by law. The current number of workers with disabilities, with only 1 worker, does not meet the legal requirement which should be at least 1% of the total workforce (374 employees) The factory should employ at least 4 workers with disabilities.
Recommendation for Immediate Action	Comply with local laws by hiring the required number of workers with disabilities and obtain the completion certificate for their hiring from the Ministry of Social Affairs.
Compliance Classifications	Immediate Action Required
Local Law	Sub- Degree No. 108 dated 30 August 2010: Art 6.
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 does not provide specific training to supervisors on the FLA and member company's code elements.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	The factory has not developed a grievance procedure that outlines how and where workers can submit grievances, specifies the steps involved, identifies the responsible person for each step, and sets timeframes to ensure effective grievance handling.
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 written non-discrimination procedure outlining necessary steps for implementation, such as an investigation process or actions to address violations by workers, supervisors, or managers. 2. The factory has not established procedures for remediation in cases of child labor. 3. The factory has not developed a written retrenchment procedure specifying steps and guidance for handling retrenchment, including notification, selection criteria, career counseling, job placement assistance, and re-employment rights. 4. The factory has not created job descriptions for all positions, detailing the required qualifications, education, skills, or knowledge for each role.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.1
Benchmark Details	Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).
Finding Details	The disciplinary policy and procedures do not include provisions that allow workers to have a third-party witness present during the imposition of disciplinary actions.
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 has not developed policies and procedures for performance reviews that include steps and processes, linkages to job grading, non-discrimination, written feedback, and compliance with legal requirements. 2. The factory has not conducted any performance reviews for workers, and there are no promotion records available for review. Interviews revealed that promotions are solely based on managers' considerations and are communicated verbally to workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.8
Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.
Finding Details	1. The factory has not developed policies and procedures for promotion, demotion, and job reassignment. Promotions are primarily based on the discretion of supervisors and managers. 2. There are no promotion records available for review. Interviews revealed that all promotions are determined by managers' considerations and communicated verbally.
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	1. None of the interviewed workers were aware of the FLA Code elements or the member company's code of conduct. 2. The FLA Code is neither made available to nor communicated to the workers.
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 factory does not have a valid fire safety license. The provided fire safety license was issued on August 30, 2023, and expired on August 30, 2024.
Recommendation for Immediate Action	Collaborate with the relevant parties to obtain a valid fire safety license and ensure that all legal licenses are kept up to date.
Compliance Classifications	Immediate Action Required

Local Law	Sub-decree No. 226 dated 30 December 2020 on Conditions and Procedures for Issuance, Suspension, and Revocation of Occupancy Certificate, Article 24
Benchmark ID	ER.3.1
Benchmark Details	Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.
Finding Details	The factory does not maintain records to demonstrate effective orientation training for new workers on the workplace code, providing only basic health and safety training.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.
Finding Details	The factory does not have records to demonstrate that workers are consulted or involved in decision-making regarding aspects of the workplace and working conditions, such as the development or revision of policies, changes in production processes, or hours of work.
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 factory does not provide orientation training for new workers on the policies and procedures related to social compliance.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Forced Labor (F)

Benchmark ID	F.2.2
Benchmark Details	Employment terms shall be those to which the worker has voluntarily agreed, in as far as those terms do not fall below provisions of national laws, freely negotiated and valid collective bargaining agreements, or the FLA Workplace Code.
Finding Details	One of the 20 sampled probation workers had a labor contract that failed to specify the legally required basic wage.
Recommendation for Immediate Action	Ensure all labor contracts clearly specify workers' wage information as required by law.
Compliance Classifications	Immediate Action Required
Local Law	Labor Law 1997, Article 65

Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The factory has not established procedures to support freedom of association, including protocols for electing worker representatives, holding regular meetings, and facilitating discussions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	FOA.3
Benchmark Details	When the right to freedom of association and collective bargaining is restricted under law, employers shall not obstruct legal alternative means of workers association.
Finding Details	The factory does not provide the shop steward or worker representatives with an office, meeting room, necessary materials, or a designated space for posting notices, as required by local law.
Recommendation for Immediate Action	Provide workers' representatives with an office, meeting room, necessary materials, and designated spaces for displaying notices.
Compliance Classifications	Immediate Action Required
Local Law	Local Labor Law: Prakas 286/01 on "Shop Steward in Enterprise" dated 5 November 2001: Article 5.

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	Although the factory's policy permits pat-down searches only when there is suspicion of product theft, it is not followed in practice. Routine pat-downs are conducted as workers exit the production building, and these searches take place in public.
Recommendation for Immediate Action	Discontinue routine pat-downs, conducting them only with specific authorization from management and in line with established guidelines.
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	Pat-downs (see finding HA.10.1.2) are carried out in public.
Recommendation for Immediate Action	When pat-downs are used, conduct them privately and by someone of the same gender as the worker.
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	H/A.8.3

Benchmark Details	Employers, shall develop, implement and monitor policy and procedures for eliminating the risk of violence, harassment, and abuse in the workplace. Policies and procedures shall include a clear statement that violence, harassment, and abuse will not be tolerated, procedures for the investigation of allegations, and measures to protect any complainants, victims, and witnesses.
Finding Details	The factory does not have written procedures on anti-harassment and abuse, including necessary steps for implementing policy commitments, such as an investigation process and handling violations by workers, supervisors, or managers.
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	1. The factory's security guards are responsible for fire prevention, and they are reportedly trained on fire extinguishers by local fire police. However, one sampled security guard was unable to demonstrate knowledge of how to use a fire extinguisher when asked. 2. First aid information is posted on the first aid box for emergency response, and the factory states that designated first-aid team members receive periodic training. However, two out of four selected workers designated as first aiders were found to have not received first aid training.
Recommendation for Immediate Action	1. Ensure all fire team members receive training on firefighting and prevention in compliance with local laws. 2. Provide sufficient first aid training for all eligible workers.

Compliance Classifications	Immediate Action Required
Local Law	2. Labor Law, Article 229
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. There are no records to verify that the factory's emergency exit doors are fire-resistant and smoke-sealed. 2. Three out of five main exit aisles at the production lines are not clearly marked.
Recommendation for Immediate Action	1. Install fire-resistant, smoke-sealed doors, or secure documentation (such as technical specifications) to verify their installation. 2. Clearly mark all emergency exit aisles in the production buildings.
Compliance Classifications	Immediate Action Required
Local Law	2. 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.5.1.6
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: evacuation procedures and fire drills
Finding Details	There is no assessment after evacuation drills to learn how to improve the evacuation process.
Recommendation for Immediate Action	Conduct post-drill assessments to judge the success of the drill and identify improvements.

Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.5.1.3
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of emergency lighting
Finding Details	There is no emergency light installed for one outside escape stairwell at the inspection area or the office area. Additionally, three out of four emergency lights in the packing area, material storage area, and inspection area were found to be out of order during onsite testing.
Recommendation for Immediate Action	Install emergency lights for all outside escape stairwells, repair any broken emergency lights, and ensure they remain in working condition.
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.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 factory lacks a fire alarm control panel, with all fire detectors in the production buildings, warehouse, and boiler area operating independently, without linkage to each other or to fire alarms. 2. All three smoke detectors tested in the finished goods warehouse and machine storage area were found to be out of order during the assessment. 3. The facility has not installed automatic fire detectors in the sewing section, cutting section, ironing section, waste storage area, or air compressor area. 4. The factory has not installed visible fire alarms, such as strobe lights, in the packing section, where at least one Deaf worker is present.
Recommendation for Immediate Action	1. Install a fire alarm control panel and centralize all smoke detectors within the factory premises. 2. Repair the smoke detectors and keep them in proper working condition. 3. Install automatic fire detectors in the sewing section, cutting section, ironing section, waste storage area, and air-compressor area. 4. Install visible fire alarms such as strobe lights in the packing section.
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.5.1.4
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following: ensuring aisles/exits are not blocked and that workers are not blocked within their workstations
Finding Details	1. Cargo trucks parked at the main exit door to load/unload materials obstruct one of the two main emergency exit aisles. 2. During the assessment, at least three emergency exit aisles were blocked by materials and goods in the sewing section, packing section, and finished goods warehouse.
Recommendation for Immediate Action	Ensure all emergency exit aisles remain clear of obstruction at all times.

Compliance Classifications	Immediate Action Required
Local Law	Sub-Decree On Requirements and Measures on Fire Prevention and Firefighting Royal Government, Article 15.
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	Three liquid chemical bottles found during the assessment were labeled as drinking water but actually contained hand sanitizer. Additionally, three liquid chemical bottles at the handwashing area lacked identification labels, though they also contained sanitizer.
Recommendation for Immediate Action	Review and post correct identification labels for all chemical bottles in the appropriate languages.
Compliance Classifications	Immediate Action Required
Local Law	Law on Administration of Factory and Handicraft (2006), Article 32
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	In the maintenance area, at least three electrical wires for fans, light tubes, and outlets are exposed and secured with tape, lacking a secondary safety cover.
Recommendation for Immediate Action	Ensure all exposed electrical wires in the maintenance area are properly covered with a secondary safety cover and secured according to safety standards, rather than using tape.

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	<p>1. The factory does not have a safety warning sign on the fixed ladder observed in the water supply area, and there is no system in place to monitor fall risks across the facility. 2. One of the two fabric-cutting machines in the cutting section does not have a safety guard installed, and the existing safety guards on the other machines are not used during operation. 3. The factory has not installed a lightning protection system for any of the buildings on the premises. 4. Both elevators at the finished goods and material warehouses are missing interlock devices, which are necessary to prevent the doors from opening unless the elevators are at the landing floor. 5. The factory has not identified which machines and equipment require lockout/tagout procedures, nor are there any lockout/tagout devices available, and no training has been provided on this topic.</p>
Recommendation for Immediate Action	<p>1. Install warning signs for fall risks on the fixed ladder and in all areas where falls are a hazard. 2. Install safety guards on all machines, including fabric-cutting machines, and ensure workers are trained and supervised in their proper use. 3. Install lightning protection systems across all buildings on the premises. 4. Install interlock devices on all elevators to prevent door openings unless the elevator is at the landing floor. 5. Provide lockout/tagout (LOTO) devices, and ensure relevant workers are trained and supervised in their proper use.</p>
Compliance Classifications	Immediate Action Required
Local Law	2. Prakas 206/2017 of Ministry of Industry & Handicraft about Technical Management and Industrial Safety in Factories and Handicraft, Articles 9 & 10. 4. Labor Law, Article 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. The factory does not have a sprinkler system in the fabric warehouse, material warehouse, finished goods warehouse, and production workshops. Additionally, there is no fire water pump, and the factory only has one fire hose and one fire hose reel. 2. The emergency eyewash station has low water pressure and lacks a proper collection mechanism to separate and collect used water.
Recommendation for Immediate Action	1. Install a sprinkler system in all applicable areas, along with a fire water pump and sufficient fire hoses to support the fire hose system. 2. Repair the eyewash station to ensure it is fully functional for chemical emergency situations.
Compliance Classifications	Immediate Action Required
Local Law	1. Sub-Decree on Requirements and Measures on Fire Prevention and Firefighting Royal Government on August 18, 2017, Article 9.
Benchmark ID	HSE.4.1
Benchmark Details	Employers shall at all times be in possession of all legally required and valid permits and certificates related to health, safety, and environmental issues, such as: Purchase and storage of chemicals; Fire safety inspections; Machinery inspections; Waste disposal; Environmental licenses/permits; Sanitation permits, including those required for canteens; and Vehicle inspection and driver permits for all employer provided transportation.
Finding Details	The inspection certificates for the steam boiler, air compressor, generator, forklift, and two cargo lifts expired on June 26, 2024.
Recommendation for Immediate Action	Coordinate with an authorized third party to conduct technical inspections for all applicable machines and equipment, and ensure that all certificates are kept up to date.

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 18 and 19.
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	Safe operation procedures are not posted on observed machinery, including the pattern-cutting machine, metal marking machine, drilling machine, and grinding machine.
Recommendation for Immediate Action	Develop and display safe operating procedures for all relevant machines in the correct languages.
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.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	1. The factory conducted an occupational health and safety (OHS) risk assessment in January 2024, but it did not include risks in the ironing section, packing section, water supply area, security room, toilet, or parking lot. Additionally, the assessment overlooked thermal comfort, ergonomic risks, and areas where fall protection is required. 2. The factory has not conducted an assessment or testing to determine whether the facility’s materials contain asbestos.
Recommendation for Immediate Action	Review and update the risk assessment to include all significant areas and risks, such as the ironing section, packing section, water supply area, security room, toilet, parking lot, thermal comfort, ergonomic risks, and areas requiring fall protection.
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system within which the following are clear and regularly tested and reviewed; procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) and environmental emergencies
Finding Details	1. Labor accident investigation records lack critical details, such as the specific location of the accident, proper identification of root causes, and actions taken by management to prevent future occurrences. 2. While the factory has developed a procedure for investigating labor accidents, it does not provide training on this procedure, and records of near-miss incidents are not maintained.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

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	As observed during the assessment, 20 out of 30 sewing workers and one out of three cutting workers were not wearing face masks and metal gloves while working.
Recommendation for Immediate Action	Provide regular reminders and monitor workers' use of personal protective equipment (PPE).
Compliance Classifications	Immediate Action Required
Local Law	Cambodia Law of Prakas 206/17 Article 10; Prakas No. 125 Article 4
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. The factory does not provide safety training for workers operating various machinery, including pattern-cutting machines, steam iron machines, sewing machines, grinding machines, metal marking machines, air compressors, and others. 2. The factory has not identified or labeled confined spaces, nor has it provided confined space safety training to the relevant workers.
Recommendation for Immediate Action	1. Provide comprehensive training for all workers operating dangerous machines and equipment. 2. Identify, label, and restrict access to all confined spaces, and train workers on safe procedures for working in these areas.
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.

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 does not provide chairs with backrests for workers in the sewing section to protect them from the effects of prolonged sitting. 2. Four out of five workers observed in the quality control area and packing section were not using the provided anti-fatigue mats.
Recommendation for Immediate Action	1. Provide backrest chairs for all eligible workers in the sewing section. 2. Provide reminders and monitor workers to ensure the use of provided safety measures, including anti-fatigue mats.
Compliance Classifications	Immediate Action Required
Local Law	

Hours Of Work (HOW)

Benchmark ID	HOW.6
Benchmark Details	Employers' personnel practices shall demonstrate an effort to maintain a level of staffing that is reasonable in view of predictable or continuing fluctuations in business demand.
Finding Details	The assessment concluded that the factory does not have enough workers to complete production within regular working hours (48 hours/week). The production targets are disproportionate to the available workforce, forcing workers to perform excessive daily overtime and extended weekly schedules to meet production needs.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
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	A review of sampled time and payroll records from the past 12 months revealed that workers exceeded the legal overtime limit of 2 hours per day. Workers worked 3-6 overtime hours per day. In August 2024, 20 out of 20 sampled workers from the material warehouse, cutting section, sewing section, ironing section, inspection section, packing section, and boiler, cleaning, electrical, and mechanic areas worked 3-6 overtime hours per day on 13-20 days of the month. In July 2024, 20 out of 20 sampled workers from the same sections worked 3-7 overtime hours per day on 22-27 days of the month. In September 2023, 12 out of 20 sampled workers from the sewing section, ironing section, inspection section, packing section, boiler, cleaning, electrical, and mechanic areas worked 3-4 overtime hours per day on 4-16 days of the month.
Recommendation for Immediate Action	Review the work plans and factory staffing levels to ensure proper coverage. Control overtime to ensure it remains within legal limits at all times.
Compliance Classifications	Immediate Action Required
Local Law	The Ministry in Charge of Labor, Article 140.
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	The factory does not have a procedure that clearly outlines specific benefits for female workers, such as (a) 15-minute breaks before lunch and at the end of the working shift, and (b) the calculation method for maternity leave benefits.

Recommendation for Immediate Action	Develop and implement a procedure that clearly outlines the specific benefits for female workers, including the provision of 15-minute breaks before lunch and at the end of the working shift, as well as a clear method for calculating maternity leave benefits.
Compliance Classifications	Immediate Action Required
Local Law	Announcement 294 dated 27 September 2017; Labour Law 1997, Article 182: In all enterprises covered by Article 1.
Benchmark ID	HOW.22.4
Benchmark Details	Employers shall not maintain multiple time-keeping systems and/or records.
Finding Details	The assessment revealed evidence of double bookkeeping (see finding C.18.1). The provided time records and management interviews initially indicated that the factory did not have overtime work exceeding the legal limit of 2 hours per day. However, production records reviewed during the site tour showed that workers actually worked 4-7 overtime hours per day, with total working hours reaching up to 80 hours per week. The factory later admitted to exceeding the legal overtime limit and provided a second set of payroll and time records for review. However, the factory could only provide the second set for September 2023, July, and August 2024, explaining that records for other months had been sent to the tax department. Furthermore, the second set of time records still did not align with the payroll records.
Recommendation for Immediate Action	Keep a single, accurate set of records for working hours and payments. Ensure that all working hours and overtime are recorded accurately and completely.
Compliance Classifications	Immediate Action 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	A review of sampled time and payroll records from the past 12 months demonstrated that workers consistently worked weekly hours above 60, ranging from 61 to 83 weekly hours. In August 2024, 20 out of 20 sampled workers from the material warehouse, cutting section, sewing section, ironing section, inspection section, packing section, and boiler, cleaning, electrical, and mechanic sections worked more than 60 hours (63-82 hours) across 3 weeks. In July 2024, 20 out of 20 sampled workers from the same sections worked more than 60 hours (71-83 hours) across 4 weeks. In September 2023, 12 out of 20 sampled workers from the sewing section, ironing section, inspection section, packing section, boiler, cleaning, electrical, and mechanic areas worked more than 60 hours (61-71 hours) across 3 weeks.
Recommendation for Immediate Action	Review the work plans and factory staffing levels to ensure proper coverage. Control overtime to ensure it remains under 60 hours a week.
Compliance Classifications	Immediate Action Required
Local Law	
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 factory includes non-job-related questions in the application/recruitment/hiring process, such as inquiries about applicants' marital status (single, married, or divorced) on the recruitment application form. Note: No instances of discrimination related to marital status were found or reported during the assessment.
Recommendation for Immediate Action	Revise the recruitment application form to remove non-job-related questions, such as those concerning applicants' marital status, to ensure compliance with privacy and non-discrimination principles.
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	The factory has developed an 'Employee and Company Confidentiality Policy' to protect sensitive information; however, the document does not address confidentiality requirements for workers' health information.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

