



COMPANIES: Outerknown
Patagonia

COUNTRY: Sri Lanka

ASSESSMENT DATE: 07/28/16

ASSESSOR: Insync Global

PRODUCTS: Apparel

NUMBER OF WORKERS: 1139

FLA Comments

Company Comment: Outerknown exited this factory in December 2016. We exited this supplier to consolidate our Supply Chain. As our production represented less than 1% of this suppliers overall capacity, the effect of our exit had very minimal impact. Through various communication channels and up until our exit, we were diligently involved in the assessment and remediation process.

Patagonia concluded business with the factory in March 2018 after working with them for the past 7 years. As a small buyer at the facility, representing less than 6% of its production capacity, our exit caused no retrenchment at the factory, as confirmed by factory management during exit discussions. The FLA conducted an SCI Assessment at the factory on July 26, 2016, revealing a few issues requiring attention. Year over year we worked with the factory in addressing any issues and they were always open to making all the changes required in the Corrective Action Plan (CAP). There are no critical issues that require follow-up at the time of exit. The factory has been a great partner to us for all these years and this decision was not taken lightly. The factory was given over 6 months' notice before our exit to minimize any disruptions our exit may have caused.

Summary of Code Violations

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.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

Findings and Action Plans

FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. There is no formal training for relevant supervisors or workers across the following employment functions: Compensation, Industrial Relations, Grievance System, Workplace Conduct & Discipline, Termination & Worker Retrenchment, and Health & Safety.
2. Except for fire safety and first aid procedures, training on other Health & Safety issues like machinery safety, ergonomics, electrical safety, and chemical safety are not periodically conducted and are only provide when required.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.17.1, and ER.27; Health, Safety & Environment Benchmark HSE.14)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To establish the training program for all relevant supervisors and workers across the compensation, industrial relations, grievance systems, workplace conduct and discipline, termination and worker retrenchment and health and safety.
2. To arrange the mentioned training for all relevant supervisors and workers on a regular basis, at least once a year.

Planned Completion Date

06/30/17

Planned completion date

02/05/17

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Responsibility & Accountability (Macro)

Finding Explanation

The factory does not define in writing the person(s) responsible for any of the Employment Functions in writing.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.1.2)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To Assign in writing the responsible person for each of the policies and procedures relating to Recruitment, Hiring and Personnel Development; Compensation; Hours of Work; Termination and Retrenchment; Industrial Relations and Freedom of Association (Workers' Participation and Integration); Workplace Conduct and Discipline; Grievance System; Environmental Protection; and Health and Safety.

Planned Completion Date

01/31/17

Planned completion date

02/05/17

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. Factory has a policy on Recruitment and Hiring but not on Personnel Development. The procedures on Recruitment and Hiring do not include: use of recruitment agents (none are used); training supervisors, workers and staff responsible for recruitment; the status of temporary, permanent, probationary, or casual workers; defining workers as hired on a piece-rated basis or on a monthly salary; promotions (currently based only on worker efficiency); the criteria for performance reviews; performance reviews for probationary workers; raising or broadening skills in order to advance workers in their careers.
2. There are no written procedures for Compensation, however there is an informal system in place.
3. There is no written policy on Hours of Work. The procedures are not defined for work to be done in extra ordinary business circumstances, training requirement for supervisors and workers, identifying pregnant workers or special categories of workers.
4. There is no written policy on Retrenchment. The written procedure for termination does not include various reasons for termination (retirement, physical disability, resignation, etc.) or define the calculation of payouts and timelines for payouts and appeals.
5. There is no written policy or procedures on Freedom of Association or Industrial Relations.
6. There are written policies and procedures for disciplinary action. However, they do not specify the actions that would be initiated for each nature of misconduct, the appeal process against disciplinary action, or a requirement to document all disciplinary actions including verbal warnings. There is some written procedure on the function of the Joint Consultative Committee (JCC), however the election process for committee representatives is not defined (currently, workers and management nominate their respective representatives).
7. There are written procedures for addressing grievances however the policy does not define the objective of having a grievance redressal system.
8. There are no written procedures on Environmental Protection, though some informal systems are in place. The procedures do not define: reducing environmental impact, managing in-house generated waste, disposing of waste, training supervisors and workers on waste reduction and the general environmental management.
9. There are written procedures on Health & Safety, however they do not include the following: the protection of female workers' reproductive health; how workers can raise concerns; non-retaliation against workers reporting health and safety concerns; evacuation procedures in case of fire, earthquake, floods, chemical emergencies; a list of the workers on the emergency response team; a chemical inventory; a chemical management system for high speed diesel and furnace oil; the use of spill response kits; and training of maintenance team.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks: ER.1, ER.19, ER.23.1, ER.25, ER.27, ER.28, ER.29, ER.30, ER.31, ER.32; Nondiscrimination Benchmark ND.8; Hours of Work Benchmark HOW.5; Health, Safety & Environment Benchmark HSE.1, HSE.5, and HSE.12)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To revise the procedures on Recruitment and Hiring to include the Personnel Development, training supervisors, workers and staff responsible for recruitment; the status of workers, defining workers' pay intervals and promotions the criteria for performance reviews; performance reviews for probationary workers; raising or broadening skills in order to advance workers in their careers.
2. To establish written procedures for Compensation which is clearly described with all applicable practices and provisions on payroll system.
3. To establish the written policy and procedures on Hours of Work, which will be included with the definition for work to be done in extra ordinary business circumstances, training requirement for supervisors and workers, identifying pregnant workers or special categories of workers.
4. To establish the written policy and procedures on retrenchment and revise the procedures for termination to include various reasons for termination (retirement, physical disability, resignation, etc.) of define the calculation of payouts and timelines for payouts and appeals.
5. To develop the written policy and procedures for Industrial Relations and Freedom of Association.
6. To update the written policies and procedures for disciplinary action to specify the actions that would be initiated for each nature of misconduct, the appeal process against disciplinary action, or a requirement to document all disciplinary actions including verbal warnings. Also, to define the election process for the Joint Consultative Committee (JCC) in writing.
7. To modify the grievance and policy and procedures to include the objectives of having a grievance redressal system.
8. To establish written procedures on Environmental Protection, and to define the areas of reducing environmental impact, managing in-house generated waste, disposing of waste, training supervisors and workers on waste reduction and the general environmental management.
9. To establish policies for the areas of the protection of female workers' reproductive health; how workers can raise concerns; non-retaliation against workers reporting health and safety concerns; evacuation procedures in case of fire, earthquake, floods, chemical emergencies; a list of the workers on the emergency response team; a chemical inventory; a chemical management system for high speed diesel and furnace oil; the use of spill response kits; and training of maintenance team.

Planned Completion Date
03/15/17

Planned completion date
02/05/17

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

1. Though the factory does informally review the implemented procedures, management has not formally defined a review period for the policies and procedures across the following employment functions: Compensation, Hours of Work, Grievance System, Workplace Conduct & Discipline, Termination & Worker Retrenchment, Health & Safety, and Environmental Protection.
2. The policies and procedures for the Grievance System were last revised in October 2012, for Environmental Protection in 2013, and for Health & Safety in November 2015.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.30)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To define the review interval for each policy and procedures across the employment functions and indicate the reviewed date in the tracking sheet included in the policy itself.
2. Policies in question will be reviewed and amend if required and at least annually.

Planned Completion Date
01/15/17

Planned completion date
02/05/17

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. There is no written requirement to provide job descriptions. Additionally, job descriptions are prepared for supervisors and office staff, but not for workers.
2. The factory does not provide workers with written documentation that substantiates all issues covered in orientation, nor is there a written requirement to provide workers with orientation documentation.
3. The factory does not communicate the recruitment, hiring, and personnel development policies and procedures and their updates to the workforce.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.15.3, ER.29, and ER.30)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To define job description of each category of employees, including operational workers.
2. To develop an orientation manual and provide to all workers at the orientation process.
3. To communicate the recruitment, hiring and personnel development policies and procedures and updated information if any to all workers. Such policies and procedures are to be shared during the orientation (for all new hires) and posted at the main notice board (for all existing workers).

Planned Completion Date

01/30/17

Planned completion date

02/05/17

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The factory has not renewed its agreement with the janitorial service provider which was valid until May 1, 2016. Management stated that they intend to replace the service provider and therefore had not renewed the contract. However, the current janitorial service provider is still providing service, and a replacement had not yet been assigned.
2. In its agreement with the outsourced janitorial service, the factory defines working hours as 7:00am to 7:00pm Monday through Saturday; by law, Saturdays are half working days.
3. The probation period for new workers is six months.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1; Compensation Benchmark C.3)

Recommendations for Immediate Action

1. Immediately renew the agreement with the current janitorial service provider as long as the factory uses their service.
2. Amend the agreement with the outsourced janitorial service to include half working days on Saturdays.
3. Change all existing workers' probation period to three months; sign contracts with new workers with a probationary period that does not exceed three months.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To indicate in the procedures on Recruitment and Hiring to clearly define the necessary documents to be maintained for each service provider, as well as the renewal time to be made for paperwork. To assign in writing for the responsible person to be in charge of monitoring the employment practices under the service contractors as well.
2. To review all agreement made with the service provider (s) and revise (if necessary) to ensure the employment conditions for their workers are in comply with the standards.
3. There are no legal requirements regulating probation period for workers in Sri Lanka, and all workers (new hires or existing workers) are protected and guaranteed with the same benefits. All new hires are guaranteed with the same legal minimum wage as existing workers. The factory's intention to have a 6-month "probation" period at the beginning of employment for each worker to closely monitor to ensure that their skills or quality of work are sufficient to perform the assigned tasks.

Planned Completion Date

01/30/17

Planned completion date

02/05/17

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. A review of pay records for September 2015 revealed that the factory did not pay a young worker his wages on a day that he did not request the attendance record to be corrected (he recorded his "exit" time, however he did not record his "entry" time; he had not requested a correction). The pay record currently reflects "NO PAY" for the day.
2. The factory compensates the outsourced janitorial (housekeeping) workers a fixed lump sum for any overtime hours worked, irrespective of the number of extra hours worked.
3. The factory does not inform former workers of outstanding wages that they may be owed after the revision of wages and allowances. For example, the Budgetary Relief Allowance was revised in 2016 and effective starting May 1, 2015. Workers who left in 2015 were not instructed on how to collect the difference between past and current payable allowances.
4. Due to the factory's payment schedule, the factory compensates some workers more than 30 days after their termination. The factory makes wage payments on the 26th day of every month for the pay period of the 17th day of the previous month to the 16th day of the following month. If a worker is terminated after the 17th day of the month, they are paid on the 26th day of the following month. For example, if a worker is terminated on the 18th day of the month, and payment is made on the 26th day of the following month, the worker is paid after 36 days.

Local Law or Code Requirement

Board of Investments Guidelines on Labour Standards and Employment, Section 3.3.2, 4.2, and 16.3.3); FLA Workplace Code (Employment Relationship Benchmarks ER.2, ER. 16, ER.19, and ER.23; Compensation Benchmarks C.1, C.5, C.7, and C.17)

Recommendations for Immediate Action

1. Compensate workers at the legally defined premium wages for work done on poya days and any overtime hours worked.
2. Compensate accordingly the young worker who was not paid the day's wage in September 2015.
3. Ensure that the janitorial workers are appropriately compensated for overtime hours worked.
4. Inform former workers of any outstanding wages they are due.
5. Pay terminal dues within 30 days of their last day of employment, irrespective of the factory's payment schedule.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To revise the compensation policy and procedures relating to covering hours (except work on a Poya Day) to ensure the compensation relating to this is in compliance with the requirements.
2. To install an easy-access display for all employees to check their attendance. And to pay such worker for the owed wages.
3. To clearly define in the agreement with all service providers regarding the compensation for their workers to ensure all hours of work are correctly paid.
4. This requirement has been fulfilled without any dispute and all required legal approvals have been obtained from Department

of Labor. Dues, if any for resigned employees has been allocated

5. To revise the termination procedures to include communication channels and timeline (within 30 days) for the resigned workers to collect the owed wages.

Planned Completion Date

03/15/17

Planned completion date

02/05/17

FINDING NO.8

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Compensation

Finding Explanation

There are no written procedures for managing wages and benefits however a system is in place. The updates on the revised Budgetary Relief Allowance is not communicated through training or awareness programs, and is only posted on a notice board; some employees were not aware of the revision.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To clearly indicate in the written compensation procedures that the information on wages and benefits (including the Budgetary Relieve Allowance) are clearly communicated to all new hires during the orientation and annual training for all existing workers. The updated information for this matter will be communicated to all workers as well. Clear notices have already been posted at the main notice board.

Planned Completion Date

08/31/17

Planned completion date

02/05/17

FINDING NO.9

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. Production planning is based on 10 hours (8 regular hours + 2 hours of overtime) of work per day.

2. Working hours exceed 60 hours a week. From the records reviewed:

1. In January 2016, three out of four sampled young workers in the sewing section worked 61, 62, and 64 hours during the last week of the month; six out of ten sampled workers in the packing section worked between 63 and 74.5 hours per week; 10 out of 10 sampled workers in the checking section worked between 60 and 71 hour per week; seven out of 15 sampled workers in the sewing section worked between 60 and 67 hours per week.

2. In June 2016, three out of four sampled young workers worked 62, 62, and 66.5 hours per week; 12 out of 12 sampled workers in the packing section worked between 61 and 82 hours the second week of the month; five out of nine sampled workers in the checking section worked between 60.5 and 68 hours per week; six out of 14 sampled workers in the sewing section worked between 61 and 65 hours per week; security guards worked up to 87 hours per week.

3. In May 2016, security guards worked continuously for two to three days without rest, which violates local law that limits worker to one shift within a 24 hour period.

3. Young workers work in excess of the 50 legally allowable overtime hours per month. In January 2016, two out of four sampled young workers and three out of the four sampled young workers in June 2016 worked up to 72.5 hours of overtime per month.

4. Female workers work in excess of the 60 legally allowable overtime hours per month. In January 2016, four out of six female workers in the checking section worked between 62 and 84 hours of overtime. In June 2016, eight out of eight female workers in the checking section worked between 60.5 and 77 hours of overtime; five out of six sampled female workers in the packing section worked up to 97 hours of overtime; and four out of seven sampled female workers in the sewing section worked up to 65.5 hours of overtime. In June 2016, one female security guard worked 81 hours of overtime and the other female security guard worked 61 hours of overtime.
5. Female workers work after 10:00pm. In January and June 2016, five out of six sampled female workers from the packing section worked until 11:30 pm. On one occasion in January 2016, a female worker exited the factory at 3:15am and on another occasion in the same month, the same worker exited at 5:00am. By law, female workers cannot work after 10:00pm.
6. Three sewing machine operators and two workers in the pressing stations were seen working during the lunch break, without pay, while other workers were seen taking the break and talking with coworkers.

Local Law or Code Requirement

Board of Investments Guidelines on Labour Standards and Employment, Section 2.2, 3.3.4, and 4.1; FLA Workplace Code (Hours of Work Benchmarks HOW.1, HOW.3, HOW.8, HOW 8.3, and HOW.10)

Recommendations for Immediate Action

1. Ensure that overtime is not included in the regular production planning.
2. Ensure that weekly working hours to not exceed 60 hours per week.
3. Ensure security guards have adequate rest between shifts and do not work continuously.
4. Ensure young workers do not work more than 50 hours of overtime per month and female workers do not work more than 60 hours of overtime per month.
5. Ensure female workers do not work after 10pm.
6. Ensure workers do not work during breaks.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Smart Shirts will work with its customers to understand how to change the production plan without excessively disrupting its overall business. Smart Shirts Kat 3 is a part of a complex chain and a change in production planning must be executed in concert with a number of other factories. Approximately 10,000 people will be affected by this change, and thus careful planning must take place in order to install a new plan that allows the factory to effectively run its business and comply with the FLA Workplace Code of Conduct.
2. To further work on production planning and closely monitor the working hours for workers.
3. To make sure security guards have adequate rest and one shift within a 24 hour period.
4. To assign Line supervisors to strictly control young workers' working hours to comply with the local laws. To monitor young workers' working time on a regular basis.
5. To assign Line supervisor to strictly control all female workers' working hours to comply with the restrictions. To monitor their working hours on a regular basis to ensure the effectiveness.
6. To set up internal rules to prohibit work during break time. Such internal rules will be communicated to all workers. And to assign Line supervisor to monitor their production line to ensure the compliance on this regard.

Planned Completion Date

12/31/17

Planned completion date

02/05/17

FINDING NO.10

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Termination & Retrenchment

Finding Explanation

The factory does not communicate its termination and retrenchment policy and procedures to the general workforce.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1. ER.16 and ER.32)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To communicate the termination and retrenchment policy and procedures to all workers once it is revised. Such policies and procedures will be posted at the notice boards as well.

Planned Completion Date

04/30/17

Planned completion date

02/05/17

FINDING NO.11

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

Although written warnings are documented and maintained in workers' personnel files, verbal warnings are not documented.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2.1 and ER.27.3.4)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To clearly indicate in the disciplinary practice that verbal warnings also will be documented.

Planned Completion Date

01/31/17

Planned completion date

02/05/17

FINDING NO.12

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. There is no emergency response team to manage environmental emergencies.

2. The factory does not communicate its environmental protection program to the general workforce or new workers.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1; Health, Safety & Environment Benchmark HSE.5)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To assign emergency response team to manage the environmental emergencies.

2. To include the environmental protection program in the orientation program and annual training for workers.

Planned Completion Date

FINDING NO.13**IMMEDIATE ACTION REQUIRED****FINDING TYPE: Health & Safety**Finding Explanation

1. The factory does not provide standing workers in the checking stations with anti-fatigue mats; the factory does however, provide standing workers in the pressing stations with rubber mats.
2. The work stations in the checking and pressing sections are not adjustable to the height of individual workers.
3. The evacuation plans posted in work areas do not match the floor layout. The location of exits and work stations as seen on the production floor do not match the posted evacuation plans.
4. In the sewing section, some aisle markings and evacuation route markings have faded.
5. In the sampling section, the evacuation direction marked on the floor points away from the nearest exit.
6. In the sewing section, access to passage and walkways are restricted by bins placed near work stations in numerous areas.
7. In many instances, two to three workers in the sewing section were seen sitting back to back leaving no room for them to push back the chairs and stand. In the sampling section, workers were seen sitting adjacent to each other, restricting access to the walkways (which are available only at one end).
8. In the pressing section, electric cables connecting the pedestal electric fans to the main power supply are close to workers' feet and cross the walkways and access passages. Three of the six pedestal fans were placed directly on the access passage at the time of the assessment.
9. Four exit doors in the production areas are sliding doors and kept open. However they do not have any locking device to ensure they stay open and prevent accidental closing.
10. In the smaller canteen, the food counters are located near the one of two exits, which is kept locked to prevent workers from using it.
11. Two of the four lifting belts in the warehouse for use were damaged and removed during the factory tour. The factory has not yet replaced them with new belts.
12. Approximately 20% of the first aid boxes (5 of the estimated 26) are not adequately stocked with antiseptic lotion/cream, sterilized gloves, or burn ointment.
13. In the canteen, the same area is used for the hand washing points and drinking water points, which poses a risk of contamination.
14. The needle guards are tampered (pushed upwards) rendering them ineffective. Eye shields on over lock machines are pushed sideways and are not being used. Some eye shields are scratched, restricting vision.

Local Law or Code Requirement

Board of Investments Guidelines on Labour Standards and Employment, Section 6.1, 6.2, 6.3 6.14, 6.15, 7.1, 7.9, 7.51 FLA Workplace Code (Employment Relationship Benchmarks ER.31; Health, Safety & Environment HSE.1, HSE.5, HSE.5.1, HSE.6, HSE.7, HSE.9, HSE.13, HSE.14.1, HSE.14.3, HSE.17, HSE.17.2, HSE.18.3, and HSE.23.1)

Recommendations for Immediate Action

1. Provide anti-fatigue mats to workers with standing jobs.
2. Provide adjustable height work stations in checking and pressing sections.
3. Post evacuation plans in work areas that match the floor layout.
4. Replace and maintain the faded aisles and evacuation route markings.
5. Re-mark the evacuation direction in the sampling section to point towards nearest exit.
6. Ensure access to passage is remains unobstructed for all work stations.
7. Realign electric cables in the pressing section to ensure an unobstructed exit from work stations.
8. Realign exit doors to ensure that they open outwards and can lock open.
9. Relocate food counter near 2nd exit in the smaller canteen and ensure exit door is kept open at all times
10. Replace the damaged lifting belts in warehouse.
11. Ensure all first aid kits are adequately stocked with supplies.
12. Provide separate hand washing points and drinking water points.
13. Install appropriate needle guards on sewing machines and scratch-free eye shields on over lock machines.
14. Post safety instructions in the local language near the elevator used to transport canteen food.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. To review all work stations to assess the health hazards and ergonomics issues associated with workers' tasks to determine the necessary personal protective equipment and working tools, including anti-fatigue mats, adjustable height work stations.
2. To adjust height of the checking tables and employees with suitable ergonomics will be selected for relevant operation.
3. To review all evacuation plans posted onsite to ensure the correct orientation.
4. To replace and maintain the faded the aisles and evacuation route markings.
5. To review all work stations to ensure each of the work stations has adequate evacuation routes. Such evacuation routes and aisles are clear without any obstructions and well-marked with directions to the nearest exits.
6. To indicate in the health and safety internal audit checklist to ensure that the evacuation routes, aisles are checked to ensure they are well-maintained.
7. To ensure each work station has sufficient space so that workers can easily leave their station in case of emergency.
8. To review all electrical wiring setting to ensure that all cables are in safe conditions and do not cause any tripping or electrical hazards.
9. To install the said exit doors with stopping devices to ensure they are kept open at all times during working time.
10. To adjust the food serving stall layout to ensure all doors are kept open at all times while the canteen is being occupied.
11. To replaced those old lifting belts with new ones. To add in the health and safety internal audit checklist to ensure that the lifting belt conditions are checked regularly. Maintenance team will recycle unused parts immediately in the future.
12. To post a list of necessary first aid kits for each box with an inspection records (weekly inspection) to ensure that each of them is fully stocked with the supplies.
13. To separate water taps for drinking and hand washing.
14. To adjust the machines guards to ensure the correct positions and assign each line supervisor to monitor their workers to ensure they use the machinery guards effectively and safely. To add this point in the health and safety internal audit checklist for regular monitoring as well.
15. To post safety sign prohibiting the use of elevator in case of fire, for the elevator used to carry food at the canteen.
16. To clearly mark the solid waste storage areas according to the type of segregated wastes. To add in the health and safety internal audit checklist for this point to check the storage conditions.
17. This oil store area located outside generator room and this wall has been properly constructed.
18. To replace the oil soaked sand in the old storage area at least once a month. To maintain records when the sand is replaced. To add in the health and safety internal audit checklist for this point to check on a regular basis.
19. To include the maintenance function in the risk assessment when determine the necessary PPE and provide such PPE to all maintenance workers.
20. To post hazard labels on all oil and paint containers.
21. To provide secondary containment for all chemical containers.
22. This is an ongoing project and required lights will be installed.
23. To set a plan to clean all wires on a monthly basis.
24. To review all electric junction boxes to ensure they are all closed properly. And to train all relevant operators to close them immediately when notice it in the future.
25. To develop the SOP for each machine and train all operators. To post the SOP for each machine as well.
26. To establish the LOTO procedures in place and train the relevant personnel to ensure the correct procedures are implemented at all times.
27. To do the risk assessment to determine the required PPE, including for electricians' operations and provide such PPE for workers.
28. To provide a spill response kit near the fuel and paint handling areas.
29. To install safety fence on the raised platform for the said area.

Planned completion date

02/05/17

Action Plan no 2.

Description

30. To review the entire factory area and list out all confined spaces in a master map which will be displayed in the guard room and kept with the safety officer for a regular review. To identify and mark all of those confined spaces as well. A permit system will be implemented for accessing confined system as well.
31. To cover voids of heat resistant material to limit the exposure.
32. To establish a traffic management plan and implemented onsite.

Planned completion date

02/05/17

FINDING NO.14

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

15. The factory has not posted safety instructions restricting use in case of fire near the elevator that is used to transport canteen food.
16. Though the factory stores solid waste materials separately, the storage areas are not appropriately marked.
17. The factory stores oils and lubricant tanks outside along the wall of the power generator room which could be a fire risk.
18. There are oil spillage marks in the two storage areas and on the sand under the oil containers. The management states that the sand is replaced every six months. Oil-soaked sand could be a fire risk.
19. A maintenance worker who was using the vacuum cleaner to remove dust from the overhead electrical installations was not using any Personal Protective Equipment (PPE, e.g. dust mask and eye shield), although the factory has provided PPE and trained workers on its use.
20. There are no hazard labels posted on diesel and paint containers.
21. The factory does not provide secondary containers for paint containers in order to avoid leakages.
22. The factory has not installed industrial emergency lights above the exits in work areas.
23. Lint has accumulated on electric wires and installations in all production areas.
24. There are at least five open electric junction boxes on the ceiling in all work areas.
25. The factory has not posted the safe operating procedures in the local language near any of the machinery.
26. The factory does not use the Lock Out Tag Out (LOTO) procedure during maintenance work.
27. The factory does not provide electricians with safety gloves or shoes to prevent injuries.
28. There is no spill response kit near either the fuel or paint handling area.
29. The factory has not installed a safety fence on the raised platform where which fuel tanks are installed in order to prevent injury to workers climbing backwards down the ladder and onto the narrow platform.
30. Except for a water sump, the factory has not marked any of the confined spaces.
31. There are asbestos roofing sheets in Building A. Some of the sheets are cracked and damaged and have been left uncovered.
32. The factory has not marked traffic lanes or installed reflectors or convex mirrors on blind ends.

Local Law or Code Requirement

Board of Investments Guidelines on Labour Standards and Employment, Section 6.1, 6.2, 6.3 6.14, 6.15, 7.1, 7.9, 7.51 FLA Workplace Code (Employment Relationship Benchmarks ER.31; Health, Safety & Environment HSE.1, HSE.5, HSE.5.1, HSE.6, HSE.7, HSE.9, HSE.13, HSE.14.1, HSE.14.3, HSE.17, HSE.17.2, HSE.18.3, and HSE.23.1)

Recommendations for Immediate Action

15. Mark waste storage areas for contents (eg. paper, plastics, electronic, and organic).
16. Relocate the used oil and lubricant storage area away from the power generator room.
17. Frequently replace oil soaked sand in the oil storage areas.
18. Ensure maintenance workers use PPE when removing lint.
19. Post hazard labels on oil and paint containers and provide secondary containers for paint containers.
20. Install industrial emergency lighting above exits.
21. Do not allow lint to accumulate on electrical installations.
22. Close any open junction boxes.
23. Post the safe operating procedures in the local language near all machinery.
24. Ensure the LOTO procedure is used during maintenance work.
25. Provide safety gloves and shoes to electricians.
26. Provide spill response kit near fuel and paint handling areas
27. Install a safety fence on the raised platforms where fuel tanks are installed.
28. Mark all confined spaces.
29. Replace the asbestos sheets installed on Building A. Immediately remove the damaged sheets.
30. Mark traffic lanes and install reflectors and convex mirrors on blind ends.