



FAIR LABOR  
ASSOCIATION®

## INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: Hugo Boss AG  
COUNTRY: Sri Lanka  
ASSESSMENT DATE: 09/14/16  
ASSESSOR: Insync Global  
PRODUCTS: Apparel  
NUMBER OF WORKERS: 883

## 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: Policies & Procedures (Macro)

##### Finding Explanation

1. The factory has a written policy and procedures on Recruitment and Hiring but not on Personnel Development. There are no written policies or procedures on performance reviews that includes steps and processes, demonstrates linkages to job grading, prohibits discrimination, provides written feedback, and complies with legal requirements. The Recruitment and Hiring procedures do not require specific or ongoing training for supervisors and work force.
2. There are no written policies or procedures on raising or broadening skills in order to advance workers in their careers, the steps and requirements in promotion, demotion and reassignment, criteria written outcomes of promotion, demotion and reassignment provided to workers.
3. There are no written procedures for Retrenchment. The written procedures do not define methods for calculating wages of unused leave and gratuity in accordance with legal requirements of mode of payment (e.g., cash or bank transfer). The factory's procedure for payment of terminal dues states that all dues will be paid within 30 days of employment termination, which violates the Board of Investments' guidelines, which states that the payment of wages should be made within two working days.
4. The written procedure on Termination does not include a timeline for payment of wages post termination.
5. There is no written policy and procedure for Industrial Relations.
6. The procedures on Workplace Conduct do not include the requirement to record verbal warnings or appeals for disciplinary action; the current procedures do require non-verbal disciplinary actions to be recorded.
7. The procedures for the Grievance System does not include the following: a requirement to document grievances, timelines for opening grievance boxes, recording reported grievances, prioritizing grievances to address, how addressed grievances will be communicated back to the worker(s), a training requirement. Additionally, the procedures do not define steps to be followed for reporting grievances against supervisors or a principle of non-retaliation against workers who make complaints.

##### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.15, ER.16, ER.19, ER.25, ER.28, ER.29, ER.30, ER.31, and ER.32; Nondiscrimination Benchmark ND.8; Health, Safety & Environment Benchmarks HSE.1 and HSE.12).

#### COMPANY ACTION PLANS

##### Action Plan no 1.

##### Description

Factory had developed Labor Standards Manual including a Personnel Development Policy (covering steps and processes, linkages to job grading, the prohibit of discrimination, a written feedback cycle and complies with legal requirements)m and a policy on Recruitment and Hiring.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 2.

Description

Factory had developed Labor Standards Manual including a Personnel Development Policy (covering steps and processes, linkages to job grading, the prohibit of discrimination, a written feedback cycle and complies with legal requirements)m and a policy on Recruitment and Hiring.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 3.

Description

Factory had developed Labor Standards Manual including termination payments and retrenchment policy

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 4.

Description

Factory had developed Labor Standards Manual including termination payments and retrenchment policy

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 5.

Description

Factory had developed Labor Standards Manual including industrial relations policy.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 6.

Description

The factory implemented a rule on Verbal Warnings.  
Verbal Warnings are recorded now.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 7.

Description

The factory maintains a grievance box to obtain grievances from the work force which is located at the canteen to easy access to employees. This is maintained by the Industrial psychologist and send it to the company Legal Officer once a week. Legal Officer is responsible to open the grievance box and forward the written grievances to higher management. Employee have access to report any grievances directly to highest management through grievance box and all grievances are highly confidential. Corrective actions will be taken within 07 working days for received grievances and update will be given for respective employees confidentially. Grievances are recorded and maintained. All employees will be provided training for grievance handling procedure.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

## FINDING NO.2

### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Training (Macro)

Finding Explanation

1. The factory does not train supervisors or workers on Personnel Development or Termination & Retrenchment.
2. The factory does not provide training for supervisors on Industrial Relations.
3. The factory does not provide ongoing training on Workplace Conduct for supervisors or workers.
4. The factory has not conducted specific training for HR Managers, supervisors or workers on the Grievance System, however some awareness is provided through orientation and notice boards.
5. The factory does not train supervisors on Environmental Protection policies and procedures. Currently, the factory has only trained 15% of workers on Environmental Protection.

Local Law or Code Requirement  
FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.17)

### COMPANY ACTION PLANS

#### Action Plan no 1.

Description

The factory provided trainings in January and February 2017 for supervisors or workers on Personnel Development or Termination & Retrenchment.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 2.

Description

The factory provided trainings in January and February 2017 for supervisors or workers on Industrial Relations.

Planned completion date  
01/06/17  
Company Action Plan Update

05/02/17 : completed

### Action Plan no 3.

#### Description

The factory provided trainings in January and February 2017 for supervisors or workers on Workplace Conduct.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

### Action Plan no 4.

#### Description

The factory will start immediately to establish a training plan to train HR Managers, supervisors or workers on the Grievance System.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

### Action Plan no 5.

#### Description

The factory is planning to provide trainings on Environmental Protection policies and procedures for 100% of its workforce.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

## FINDING NO.3

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Recruitment, Hiring & Personnel Development

#### Finding Explanation

1. The factory has a probation period of six months which does not comply with FLA Benchmarks.
2. The factory displays the results of performance evaluations on the notice board which may discourage poor performers.
3. The factory does not provide job descriptions to workers.
4. Workers do not receive written documentation that substantiates all the issues covered in orientation.
5. The factory has not formally defined a review period for the policies and procedures for Recruitment, Hiring & Personnel Development.

#### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.15, and ER.29; Compensation Benchmark C.3)

#### Recommendations for Immediate Action

Change all existing workers' probation to three months; sign contracts with new workers with a probation that does not exceed three months.

### COMPANY ACTION PLANS

#### Action Plan no 1.

#### Description

The factory changed the probation period of 6 month to the required probation period of 3 month required by the FLA.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 2.

Description  
The factory agrees not to display the results of performance evaluations on the notice board.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 3.

Description  
The factory already has a few job descriptions and is under preparation for the remaining job descriptions, which will be published on the notice board together with the agreed policies.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 4.

Description  
The factory currently prepared the written documentation that substantiates all the issues covered in orientation.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 5.

Description  
The factory agreed to consider within its policies and procedures to annually (end of year) review the policies and procedures.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

## FINDING NO.4

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Compensation

##### Finding Explanation

1. For the three months of pay records inspected, 12 (out of 13) security guards were paid monthly wages between LKR 9600 (USD 65.66) and LKR 8400 (USD 57.45), which was below the applicable national monthly minimum wage of LKR 10000 (USD 68.40). Management confirmed that wages during other months were also below minimum wage. The security guards are paid by the service provider (rather than by the factory directly). Although the agreement between the factory and the service provider states that the provider must comply with legal wage requirements, the factory does not monitor to ensure that the applicable wages are paid.
2. The factory currently deducts LKR 200 (USD 1.37) from workers' wages for life insurance premiums without approval from labor department.
3. Wage slips are not provided to any of the 14 outsourced housekeeping workers.
4. Currently all dues, including wages, for days worked after the last pay period and date of resignation, are paid up to 50 days after date of resignation. In one instance, a worker resigned on June 10, 2016 (during the pay period ending June 30), the factory approved their

payment of dues on July 7 (the following pay period), and therefore, the worker was not paid terminal dues until August 26, 2016. By law, outstanding wages are to be paid within two working days from date of resignation and all other dues within 30 days.

#### Local Law or Code Requirement

National Minimum Wages of Workers Act, No.3 of 2016; Factories Ordinance, Section 96; FLA Workplace Code (Compensation Benchmarks C.1, C.2, C.11, and C.13)

#### Recommendations for Immediate Action

1. Ensure outsourced security guards are paid the applicable minimum wages.
2. Cease making unauthorized deductions from wages.
3. Ensure wage slips are provided to outsourced janitorial (housekeeping) workers.
4. Ensure outstanding wages are paid within two working days from date of resignation and all other dues are paid within 30 days.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

The factory has updated the minimum wages requirement for the security service company and paid it accordingly. The security service documents are reviewed additionally by internal compliance team.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

### Action Plan no 2.

#### Description

The factory agrees on immediately stop to deduct from workers' wages for life insurance premiums.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

### Action Plan no 3.

#### Description

The factory has already solved this issue and provided wage slips to the outsourced housekeeping workers (started October 2016).

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

### Action Plan no 4.

#### Description

The factory has settled all outstanding due payments up to date. By law all outstanding payments only for terminated employees should be paid within 02 days.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

## FINDING NO.5

## IMMEDIATE ACTION REQUIRED

## FINDING TYPE: Hours of Work

### Finding Explanation

1. Working hours exceed ten hours per day. From the records reviewed, in August 2016, two out of eight sampled workers from the sewing section worked 12 to 13.45 hours per day; seven out of 14 sampled helpers worked 12 to 14 hours per day; three out of seven sampled checkers worked 12 to 13.45 hours a day; and two female security guards worked 16 hours a day.
2. Female workers work in excess of the 60 legally allowable hours for females per month. From the records reviewed, one out of eight sampled female sewing operators worked 62.75 hours of overtime in the month, six out of 14 sampled female helpers worked up to 82.5 hours of overtime, three out of seven female checkers worked up to 62.5 hours of overtime; and one out of two data recorders worked up to 76.75 hours of overtime.
3. Working hours exceed 60 hours a week. From the records reviewed, in September 2015 and January 2016, one out of eight sampled sewing machine operator worked 60 to 60.75 hours a week; six out of 14 sampled helpers worked 60 to 70 hours a week; and one out of seven sampled checkers worked 60 to 62.5 hours a week. In August 2016, one out of two sampled data recorders worked 60 to 66.5 hours a week. No such instance was found in the other months reviewed.
4. The factory does not maintain time records to identify pregnant and lactating women and workers under age 18 to ensure legal protection concerning working hours.

### Local Law or Code Requirement

Board of Investments Guidelines on Labour Standards and Employment, Sections 2 and 3.3.4; FLA Workplace Code (Hours of Work Benchmarks HOW.1, HOW.5, and HOW.8.3)

### Recommendations for Immediate Action

1. Ensure working hours for workers complies with legal daily limits
2. Ensure overtime working hours for female workers complies with legal monthly limits.
3. Ensure working hours do not exceed 60 hours a week.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

Sri Lanka law says a working day has like 08 hours working hours and 01 hour of meal rest. Overtime should be paid after 09 working hours. A maximum of 03 hours of overtime is allowed for peak seasons.

Female employees are not allowed to work more than 03 hours of overtime during working days.

However, factory has communicated this overtime rule to each Manager and strictly prohibited any violations from 02/2017 onwards.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

### Action Plan no 2.

#### Description

Facility start to monitor female employees Daily OT hours (Country law daily 11 hours excluding meal hour rest), Factory have plan capacity within the legal working hours. From year 2017 summary report will be monitored for working hours violation.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : Completed

### Action Plan no 3.

#### Description

Facility start to monitor female employees Daily OT hours (Country law daily 11 hours excluding meal hour rest), Factory have plan capacity within the legal working hours. From year 2017 summary report will be monitored for working hours violation.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

### Action Plan no 4.



Description

The factory states that lactating women work 2 h less than the general workforce.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

## FINDING NO.6

### 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 Benchmark ER.1, ER.16, and ER.32)

### COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory implemented a policy (post on the blackboard) on Recruitment and Hiring as well as on Termination and Retrenchment.

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Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

## FINDING NO.7

### SUSTAINABLE IMPROVEMENT REQUIRED

**FINDING TYPE:** Workplace Conduct & Discipline

Finding Explanation

1. The factory does not provide workers a copy of workplace rules during orientation.
2. The factory does not communicate to workers the details of the procedures on disciplinary practices during orientation; however some awareness has been provided through orientation and posting of policies. The policies and procedures do not define the action taken based on type of misconduct is not defined.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1, ER.15, ER.16, ER.17, ER.25 and ER.27)

### COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory already hands out copies to workers and continues on that procedure to cover 100% of the workforce.

Planned completion date

01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 2.

Description

The factory implemented a policy (post on the blackboard) on procedures on disciplinary practices during orientation.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

## FINDING NO.8

### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Environmental Protection

Finding Explanation

1. The policy on Environmental Protection does not include a statement of factory management's general support of energy and water efficiency and a commitment to minimize impacts with respect to air emissions, waste, hazardous materials and other applicable environmental risks.
2. The factory does not have any procedures on Environmental Protection, which includes managing the environmental impact to surroundings, enabling workers to raise environmental concerns and report environmental emergencies, and protections for workers who allege environmental violations.
3. There is an emergency response team for handling environmental emergencies but the Environmental Protection procedures do not define possible emergencies in the factory.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, ER.17, and ER.31; Health, Safety & Environment Benchmarks HSE.1).

### COMPANY ACTION PLANS

#### Action Plan no 1.

Description

The factory developed a policy on Environmental Protection including a statement of factory management's general support of energy and water efficiency and a commitment to minimize impacts with respect to air emissions, waste, hazardous materials and other applicable environmental risks:

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

#### Action Plan no 2.

Description

The factory developed procedures on Environmental Protection, which include managing the environmental impact to surroundings, enabling workers to raise environmental concerns and report environmental emergencies, and protections for workers who allege environmental violations.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

#### Action Plan no 3.

#### Description

The factory is defining possible emergencies after having established the environment procedures.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

## FINDING NO.9

### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Health & Safety

#### Finding Explanation

1. The written procedures on Health & Safety do not include the following: (a) Standard Operating Procedures (SOPs) for each job with a focus on performing the job safely, (b) measures to protect the reproductive health of employees through minimizing exposure to workplace hazards, (c) how workers can raise health and safety concerns, (d) protection against retaliation for workers who raise health and safety concerns, (e) steps on how to ensure that all personnel, visitors, contractors, service providers are safely evacuated, (f) steps on how to ensure that all special categories of workers are safely evacuated, (g) a complete chemical inventory, (h) steps that should be taken to protect workers if there is an accidental chemical spill, including identifying those who are responsible for cleaning up the spill, (i) guidance on electrical certifications, inspections, assessments and reviews (overall electrical system, grounding system, lightning protection system), (j) a list of confined spaces that require work permits, (k) the precautions people must take prior to, or during entry and stay in each confined space, (l) a list of equipment and/or machines that require lockout-tagout, (m) a list of the employees (names and/or titles) responsible for managing fire equipment, (n) a list of the firefighting equipment in the factory and warehouse areas, (o) a fire risk assessment, (p) a list and contact information of external authorities to call/inform in case of a fire, (q) what employees should do in case of injury, (r) a list of employees responsible for responding to emergencies (with their qualifications/certifications-names and/or titles), (s) phone numbers for medical assistance, (t) steps for reporting death, injury, illness, and other health and safety issues, and (u) guidance documents for external contractors/service providers concerning health and safety.

2. The factory only conducts ongoing training programs for fire safety and first aid; however, machinery safety, use of PPE, and ergonomics are not covered. Training on the use of PPE has been conducted for all (14) chemical handlers. Other relevant employees from cutting section, sewing operators, power generator operators, electricians, and mechanics are not included in the training.

#### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.17, and ER.31; Health, Safety & Environment Benchmarks HSE.1 and HSE.12).

### COMPANY ACTION PLANS

#### Action Plan no 1.

#### Description

The factory has reviewed its current policies and procedures and ensured that all points are covered.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

#### Action Plan no 2.

#### Description

Training programs for machinery safety, use of PPE, and ergonomics

Details

The factory provided trainings in January and February 2017 for 100% of the workforce to cover for machinery safety, use of PPE, and ergonomics.

#### Planned completion date

01/06/17

#### Company Action Plan Update

## FINDING NO.10

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Health & Safety

##### Finding Explanation

1. The exit doors from the storage and sewing areas are roll down doors (shutters) with no locking mechanism to prevent accidental closure.
2. The second exit door located towards rear side of kitchen opens inwards.
3. The factory has not installed smoke detectors in the storage area or warehouse.
4. In the cutting section, there were electric cords lying close to feet of workers at the time of the assessment.
5. Some areas in the sewing section are congested, with two to three workers at one workstation placed adjacent to each other. At multiple workstations, the placement of sewing machines confines a worker to the workstation, restricting their access to the evacuation passage.
6. The factory does not provide the in-house firefighting team with appropriate equipment to fight fires, including the correct Personal Protective Equipment (PPE, e.g., breathing apparatus, fire resistant gloves, eye shields, helmets, long sticks, fire blanket, cutters).
7. The factory management has not commissioned a fire risk assessment by a third-party expert, although the factory has done an internal assessment on available fire safety measures.

##### Local Law or Code Requirement

Board of Investments Guidelines on Labour Standards and Employment, Sections 6.2, 6.3, 6.14, 6.15, 6.18, 7.1, and 7.3; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.5, HSE.6, and HSE.8)

##### Recommendations for Immediate Action

1. Install proper exit doors that swing outward or slide open in storage and sewing areas.
2. Realign exit doors to open outwards.
3. Install smoke detectors in the stores and warehouse.
4. Secure the electrical cords overhead.
5. Decongest sewing section and ensure only there is only one worker per workstation. Ensure workers have adequate access to passages from all workstations.
6. Provide appropriate equipment and PPE to firefighting team.

### COMPANY ACTION PLANS

#### Action Plan no 1.

##### Description

The factory fixed locking mechanism to all roller shutters prevent accidental closure.

##### Planned completion date

01/06/17

##### Company Action Plan Update

05/02/17 : completed

#### Action Plan no 2.

##### Description

The factory realigns the exit door at kitchen to open outwards.

##### Planned completion date

01/06/17

##### Company Action Plan Update

05/02/17 : completed

#### Action Plan no 3.

##### Description

Fire Safety contractors installed smoke detectors.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 4.

Description  
The factory took external consultation (engineer office) to solve that problem.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 5.

Description  
This issue was raised due to few sewing models structure during the audit day. The factory has advised the Industrial Engineering team to keep reasonable space to evacuate the sewing operators. Additionally factory formed 5S+Safety committee conduct weekly audits covering all safety requirements too.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 6.

Description  
Factory had equipped with fire extinguishing bottles in case of small fire incident and larger scale issues will be communicate to near the area fire brigade and which is only 30 minutes travelling. The factory will ensure that 100% of the firefighting team will be equipped with the required equipment to fight fires, including the correct Personal Protective Equipment (PPE, e.g., breathing apparatus, fire resistant gloves, eye shields, helmets, long sticks, fire blanket, cutters).The factory has a external fire service authority confirmation.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

#### Action Plan no 7.

Description  
A risk assessment was conducted.

Planned completion date  
01/06/17  
Company Action Plan Update  
05/02/17 : completed

## FINDING NO.11

### IMMEDIATE ACTION REQUIRED

### FINDING TYPE: Health & Safety

#### Finding Explanation

1. The factory has not marked traffic lanes or installed convex mirrors and reflectors to assist in safe driving.
2. The lighting on the blade point on band knife machine was recorded at 185lux; for proper illumination, lighting should be no less than 500lux.
3. The factory does not provide standing workers in the checking area of cutting section with rubber anti-fatigue mats. Some workers in the sewing section (approximately 5% of 739) sit on hard benches without back rests while all others have been provided chairs with back

- rests. All workers in the packing section (61) sit on high stools without back rests.
4. The gloves in first aid kits are in unsealed plastic packets and possibly used more than once.
  5. The cooks in the kitchen do not use hair caps or face masks while cooking food. Although the factory does provide hair caps and face masks, it has not trained workers on their use; the factory verbally informs workers on their required use.
  6. The factory does not mark confined spaces (i.e. the covered underground tanks used for collection of waste water from the canteen and covered old toilet drains).
  7. The factory does not cover the rain water drains along the walkways outside work areas and the canteen in order to prevent accidental falling and injury.
  8. There are no secondary containers in the kerosene storage area. The factory currently stores 1200 liters of kerosene in barrels. Although all containers are labelled with their content, hazard labels are missing on the diesel, kerosene, and machine oil containers.
  9. There is no spill response kit in the kerosene storage area. The spill response kit in the chemical and diesel storage area is not complete with all the required equipment. Except for cloth slabs which are provided, the kit is missing shoes, gloves, floor swipe, collection tray, container and an eye shield.
  10. There is no fall protection provided for the ladder used for climbing the overhead water tank.
  11. The factory has not marked the waste material storage area.
  12. The factory does not provide lifting belts and helmets to workers involved in loading and unloading.
  13. The factory uses asbestos sheets as separators in waste storage areas.
  14. The factory has not displayed or posted safety instructions near machinery.
  15. Workstations in the cutting, checking and packing section are fixed and cannot be adjusted for height.
  16. A lockout-tagout (LOTO) system has not been implemented, nor does the factory train workers on LOTO.
  17. Although the factory provides safety gloves and shoes to maintenance workers, it does not provide helmets and eye shields.

#### Local Law or Code Requirement

Board of Investments Guidelines on Labour Standards and Employment, Sections 6.2, 6.3, 6.14, 6.15, 6.18, 7.1, and 7.3; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.5, HSE.6, HSE.8, HSE.9, HSE.14, HSE.17, and HSE.22)

#### Recommendations for Immediate Action

1. Mark traffic lanes and install convex mirrors and reflectors.
2. Maintain lighting of at least 500 lux on the blade point of the band knife machine.
3. Store gloves in a sterilized manner: in sealed packets and disposed of after one use.
4. Ensure cooks in the kitchen use hair caps and face masks.
5. Mark all confined spaces.
6. Cover all drains to prevent falls.
7. Provide secondary containers for kerosene containers and post hazard labels.
8. Ensure spill response kits are fully equipped, and include shoes, gloves, swipes, collection tray, container and eye shields.
9. Provide fall protection on ladders for the overhead water tank.
10. Mark storage areas with information regarding the waste material being stored.
11. Provide lifting belts and helmets to the relevant workers.
12. Discontinue using asbestos sheets in the waste storage areas.
13. Display safe operating instructions in local language(s) near machinery.
14. Train the relevant workers on LOTO and implement for all maintenance work.
15. Provide helmets and eye shields for maintenance workers.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

Construction of road was completed and factory side parking area was demarcated.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

### Action Plan no 2.

#### Description

Side light was provided to increased the lux level.

#### Planned completion date

01/06/17

#### Company Action Plan Update

05/02/17 : completed

### Action Plan no 3.

Description

The factory purchased 200 pieces of back rest chairs for sewing employees. All standing employees do not have continuous works of standing and getting breaks during operational hours.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

### Action Plan no 4.

Description

The factory bought single packed gloves for the first aid kits.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

### Action Plan no 5.

Description

The factory will ensure that the kitchen staff is fully equipped with required material by pushing the subcontractor. PPE Training given on 25/01/2017.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

### Action Plan no 6.

Description

Confined space at waste water collection was demarcated and restricted. Confined space at old toilet pit was completed by end Jan 2017.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

### Action Plan no 7.

Description

Walkways out side drain line demarcated with cords and canteen area were completed by 03/02/2017.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

### Action Plan no 8.

Description

Storing area was relocated providing with secondary container. Hazardous signs are implement.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

### Action Plan no 9.

Description

The factory ensures that spill response kits are fully equipped, and include shoes, gloves, swipes, collection tray, container and eye shields.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 10.

Description

The factory builds a new water tank including a fall protection on ladders.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 11.

Description

The factory has segregated the waste stores material wise and organized it.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 12.

Description

The factory provides helmets and belts and furthermore gave a training on how to use the PPE.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 13.

Description

The factory had old 05 nos. of asbestos in waste area and after the FLA audit it was disposed by a trained person, so presently factory is 100% asbestos free.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 14.

Description

Safety Instructions posted near the heat seal machines.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 15.

Description

Factory provide chairs with platforms for standing employees.



Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 16.

Description

The factory has a manual lockout-tag out (LOTO) system. Training was provided to workers in December 2016.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed

Action Plan no 17.

Description

The factory had equipped the maintenance workers with helmets and eye shields.

Planned completion date

01/06/17

Company Action Plan Update

05/02/17 : completed