



FAIR LABOR
ASSOCIATION®

INDEPENDENT EXTERNAL ASSESSMENT REPORT



Verification Assessment

COMPANIES: Hugo Boss AG
COUNTRY: India
ASSESSMENT DATE: 11/15/18
ASSESSOR: Insync Global
PRODUCTS: Apparel
NUMBER OF WORKERS: 287

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.

Previous Report Findings and Verification Results

PREVIOUS FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The factory does not have policies and procedures on Personnel Development. 2. There are no policies or procedures on performance reviews that include steps and processes, demonstrate linkages to job grading, prohibit discrimination, and provide written feedback. 3. There are no procedures on raising or broadening skills in order to advance workers in their careers or the steps and requirements in the promotion, demotion and reassignment scheme. 4. The factory does not have written procedures on Compensation, but there are some systems in place to manage Compensation. However, these systems do not define the date of payment, calculation of payments, or the calculation of overtime compensation, nor do they define the training requirements for supervisors or ongoing training requirements for workers (although in practice updates are communicated during the periodic awareness programs). 5. The factory does not have written procedures for Hours of Work. 6. Although the factory calculates termination payouts in accordance with the law, the Termination & Retrenchment procedures do not define the method of calculation, mode of payment, or timeline of payouts. 7. The factory has a policy on Freedom of Association but not on Industrial Relations. 8. There are no written procedures on Freedom of Association & Industrial Relations. 9. The factory does not have written procedures for managing its environmental impact. However, there are informal systems in place to manage noise pollution in the area surrounding the factory and to identify and properly dispose of waste. 10. The waste management policy does not include a commitment to reducing waste and implementing measures for energy and water conservation. 11. The written Health & Safety procedures do not provide enough information to effectively implement the policy. They do not include protection against retaliation for workers who raise Health & Safety concerns, steps to ensure that all personnel, visitors, contractors, service providers, special categories of workers, and children are safely evacuated, how workers can raise Health & Safety concerns, identification of employees with specific responsibilities in case of a fire (such as contacting the hospital and fire station, ensuring the assembly area is clear, guiding workers through the evacuation process), identification of assembly areas, or a list of equipment and/or machines that require lockout-tagout. Furthermore, the Health & Safety procedures do not include a complete chemical inventory, steps to protect workers in case of a chemical spill, what employees should do in case of injury, or the steps for reporting death, injury, and other Health & Safety issues. The procedures on electrical safety do not define the responsible person, responsibilities, maintenance schedules, use of safety equipment and PPE, maintenance of electrical equipment, and safety precautions. The operating procedures are generalized and not specific to the type of machinery used in the factory. 12. There is no separate written procedure on Workplace Conduct, however some procedures are defined in the standing order which is a legal document governing workplace standards. 13. The Grievance System procedures do not define the requirement to document grievances.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.19, ER.23, ER.28, ER.29, and ER.31; Health, Safety & Environment Benchmark HSE.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to include in their policy on Personal Development exact procedures. Partially remediated. The policy will be reframed as per FLA benchmarks to include procedures on Personal Development.
2. The policy is to be reframed so that includes procedures on performance reviews and demonstrates linkages on job grading, prohibit discrimination and provide written feedback Action Plan Status: Remediated. Policy has been Reframed as per FLA Benchmark and same has been displayed on the notice boards for all employees to review.
3. Procedures will be reframed and updated as to outline the requirements in the promotion, demotion and reassignment scheme and include skills development and career advancement for workers. Action Plan Status: Partially remediated. Procedures are in the process of being reframed as to match FLA benchmarks.
4. The policy on compensation will be reframed to define the training requirements for supervisors and will be displayed on notice boards. Action Plan Status: Partially remediated. Evidence is to be provided that the trainings have been conducted.
5. The policy will be updated in order to include procedures for hour of work and the same will be displayed on the notice boards for all employees to review. Action Plan Status: Remediated. The policy has been updated.
6. The policy will be updated in order to include and define the method of calculation, mode of payment, or timeline of payouts. Action Plan Status: Partially remediated. The policy has been updated but the method of calculation is to be defined in more detail.
7. The policy is to be updated accordingly and include written procedures on Freedom of Association and Industrial Relations Action Plan Status: Remediated. The policy has been updated and now includes the above mentioned procedures. Additionally, it is displayed on notice boards for everyone to see and review.
8. Commitment to reducing waste and implementing measures for energy and water conservation will be included in the policy, Action Plan Status: Not remediated. The factory has yet to prove the update and the implementation of the policy. We are still awaiting on further notice on the development of this finding.
9. The policy will be updated to include the components mentioned above and will be displayed on the notice boards for everyone to see and review. Action Plan Status: Partially remediated. There are some components that have been integrated in the updated policy. However, most of them are still to be taken into account.
10. The policy will be updated accordingly and will be displayed on the notice boards for all workers to review. Action Plan Status: Remediated. The factory has successfully updated the policy and categorized the types of misconducts and has also assigned appropriate disciplinary actions.
11. The policy shall be updated as to include documentation of grievance reported verbally. Action Plan Status: Remediated. The policy has been updated accordingly and includes a procedure for documenting the verbal grievances.

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: The factory has a written policy on Personnel Development, however, there are no procedures. [ER.1, ER.28, ER.29, ER.30]

Root Causes: Management did not review the FLA benchmarks and as a result did not create written Personnel Development procedures as required.

2. Finding Status (Not Remediated) Explanation: There are no policies or procedures on performance reviews that include steps and processes,

demonstrate linkages to job grading, prohibit discrimination, and provide written feedback. [ER.1, ER.29] Root Causes: Management did not review the FLA benchmarks and as a result did not create written Personnel Development procedures that include all required components.

3. Finding Status (Not Remediated)

Explanation: There are no procedures on raising or broadening skills in order to advance workers in their careers or the steps and requirements in the promotion, demotion and reassignment scheme. [ER.28]

Root Causes: Management did not review the FLA benchmarks and as a result did not create written Personnel Development procedures that include all required components.

4. Finding Status (Partially Remediated)

Explanation: The factory has written procedures on Compensation, which define wage calculations, pay dates, and include a provision for providing pay slips to workers. However, the procedures do not define the training requirements for supervisors or ongoing training requirements for workers. [ER.1]

Root Causes: Management did not review the FLA benchmarks and as a result did not create written Compensation procedures that cover all required components.

5. Finding Status (Not Remediated)

Explanation: Although the factory has a written policy on overtime work, the factory still does not have written procedures for Hours of Work. [ER.1]

Root Causes: Management did not review the FLA benchmarks and as a result did not create written Hours of Work procedures as required.

6. Finding Status (Not Remediated)

Explanation: Although the factory calculates termination payouts in accordance with the law, the Termination & Retrenchment procedures do not define the method of calculation, mode of payment, or timeline of payouts. [ER.1, ER.19]

Root Causes: Management did not review the FLA benchmarks and as a result did not create written Termination & Retrenchment procedures that cover all required components.

7. Finding Status (Remediated)

Explanation: The factory has a written policy on Industrial Relations.

8. Finding Status (Not Remediated)

Explanation: There are no written procedures on Industrial Relations, including Freedom of Association. [ER.1, ER.25]

Root Causes: Management did not review the FLA benchmarks and as a result did not create written Industrial Relations procedures as required.

9. Finding Status (Remediated)

Explanation: The factory has written procedures on managing its environmental impact.

10. Finding Status (Not Remediated)

Explanation: The waste management policy does not include a commitment to reducing waste and implementing measures for energy and water conservation. [ER.1, ER.31]

Root Causes: Management did not review the FLA benchmarks and as a result did not create a waste management policy that covers all required components.

11. Finding Status (Not Remediated)

Explanation: The written Health & Safety procedures do not provide enough information to effectively implement the policy. They do not include the following components:

- a. Protection against retaliation for workers who raise Health & Safety concerns;
- b. Steps to ensure that all personnel, visitors, contractors, and service providers are evacuated safely;
- c. Steps to ensure that all special categories of workers are evacuated safely;
- d. Action plans of workers;
- e. How workers can raise Health & Safety concerns;
- f. A list of equipment and/or machines that require lockout-tagout.
- g. What employees should do in case of injury;
- h. The steps for reporting death, injury, and other Health & Safety issues;
- i. The steps to take in the case of a chemical spill;
- j. The people responsible for electrical safety or their specific duties;
- k. Electrical maintenance schedules and proper maintenance of electrical equipment;
- l. The proper use of electrical safety equipment and PPE;
- m. Electrical safety precautions;
- n. Standard Operating Procedures (SOP) that are specific to each type of machinery used in the factory.

In addition, there are no children in the factory as the factory has not provided a child care room as legally required. [ER.1, ER.31]

Root Causes: Management did not adequately monitor the creation of the Health & Safety procedures and the implementation of the FLA Workplace Code and Benchmarks.

12. Finding Status (Partially Remediated)

Explanation: The factory still does not have a complete set of procedures on Workplace Conduct & Discipline.

However, there are some procedures in the standing order document and the factory created a document which defines the different

types of misconduct. However, the types of misconduct have not been categorized in terms of severity or assigned an appropriate disciplinary action. [ER.1, ER.27]

Root Causes: Management did not fully understand the FLA Benchmark on this topic.

13. Finding Status (Not Remediated)

Explanation: The Grievance System procedures do not define the requirement to document grievances. In practice grievances received through the suggestion box are documented but those reported verbally are not. [ER.1, ER.25]

Root Causes: Management did not fully understand the FLA Benchmark on this topic.

Local Law or Code Requirement

FLA Workplace Code (ER.1, ER.19, ER.25, ER.27, ER.28, ER.29, ER.30, and ER.31)

PREVIOUS FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. Supervisors do not receive specific training on Recruitment, Hiring & Personnel Development, Termination & Retrenchment, or Environmental Protection. 2. Workers do not receive ongoing training on Recruitment, Hiring & Personnel Development, Termination & Retrenchment, or Environmental Protection. 3. Supervisors and workers are provided with training on Freedom of Association, but not Industrial Relations. 4. The factory does not provide the relevant HR personnel, administrative staff, managers, or supervisors with training on Workplace Conduct & Discipline. 5. Workers receive orientation and ongoing training on the workplace rules, but they are not provided a written copy of the rules. 6. The factory does not provide specific training for supervisors on Grievance System, but supervisors and managers are provided with a general awareness of how to handle grievances. 7. The Grievance System training program does not cover the principle of non-retaliation. 8. The factory does not provide workplace safety training to employees with special responsibilities or maintenance safety training to employees with maintenance responsibilities. 9. The factory does not provide ongoing training on workplace standards, code of conduct, or workplace conduct and discipline.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.15, ER.17, and ER.27; Health, Safety & Environment Benchmarks HSE.5 and HSE.14)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Supervisors will be given trainings on Recruitment, Hiring & personal Development, Termination & Retrenchment, or Environmental Protection. Action Plan Status: Partially remediated. Documental evidence of the implementation of this corrective action is pending. Planned Completion: Completed

2. Supervisors will be given trainings on Recruitment, Hiring & personal Development, Termination & Retrenchment, or Environmental Protection. Action Plan Status: Partially remediated. The policy has been updated but the method of calculation is to be defined in more detail. Planned Completion: Completed

3. Supervisors and workers will be provided with training on Freedom of Association, and also on Industrial Relations on regular intervals. Action Plan Status: Not remediated. The Management has not yet explained how it will monitor and implement the trainings. Planned Completion: Completed

4. The factory will provide trainings to HR personnel, administrative staff, managers, and supervisors on Workplace Conduct and Discipline Action Plan Status: Partially remediated. The factory has already trainings on the topics mentioned above. However, the policies and procedures on the implementation and monitoring of the training are still pending. Planned Completion: Completed

5. All the workers are given a written copy of rules. Additionally, a copy, signed by the workers, is being kept in their personal files. Action Plan Status: Partially remediated. The corrective action has been implemented, however, a more detailed documented

evidence is pending. Planned Completion: Completed

6. Specific trainings for supervisors on Grievance System will be provided, Action Plan Status: Partially remediated. Procedures and policies on implementing and monitoring these trainings are pending Planned Completion: Completed

7. The Grievance System training program covers the principle of non-retaliation, Action Plan Status: Partially remediated. The management's statement has not been supported by sufficient evidence. Further documental evidence is pending. Planned Completion: Completed

8. Safety training will be provided to employees with special responsibilities Action Plan Status: Partially remediated. The procedures for implementation and monitoring of the finding as well as relevant documental evidence are pending. Planned Completion: Completed

9. Training will be provided to employees on workplace standards, code of conduct and discipline. Action Plan Status: Partially remediated. Sufficient evidence is yet to be provided Planned Completion: Completed

Company Action Plan Update

05/04/17 : completed

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Not Remediated)

Explanation: Supervisors do not receive specific training on Recruitment, Hiring & Personnel Development, Termination & Retrenchment, or Environmental Protection. [ER.1, ER.17]

Root Causes: Management does not adequately monitor and implement supervisor training.

2. Finding Status (Not Remediated)

Explanation: Workers do not receive ongoing training on Recruitment, Hiring & Personnel Development, Termination & Retrenchment, or Environmental Protection. [ER.1, ER.15, ER.28]

Root Causes: Management does not adequately monitor and implement worker training.

3. Finding Status (Not Remediated)

Explanation: Supervisors and workers are provided with training on Freedom of Association, but not Industrial Relations. [ER.1, ER.17]

Root Causes: Management does not adequately monitor and implement supervisor and worker training.

4. Finding Status (Not Remediated)

Explanation: The factory does not provide the relevant HR personnel, administrative staff, managers, or supervisors with training on Workplace Conduct & Discipline. [ER.1, ER.17, ER.27]

Root Causes: Management does not adequately monitor and implement Workplace Conduct & Discipline training.

5. Finding Status (Not Remediated)

Explanation: Workers receive orientation and ongoing training on the workplace rules, but they are not provided a written copy of the rules. [ER.15]

Root Causes: Management does not adequately monitor and implement this FLA requirement.

6. Finding Status (Not Remediated)

Explanation: The factory does not provide specific training for supervisors on Grievance System. [ER.1, ER.17]

Root Causes: Management does not adequately monitor and implement supervisor training.

7. Finding Status (Not Remediated)

Explanation: The Grievance System training program does not cover the principle of non-retaliation. [ER.1]

Root Causes: Management does not adequately monitor and implement this FLA requirement.

8. Finding Status (Not Remediated)

Explanation: The factory does not provide workplace safety training to employees with special responsibilities or maintenance safety training to employees with maintenance responsibilities. [ER.1, HSE.6, HSE.14]

Root Causes: Management does not adequately monitor and implement Health & Safety training.

9. Finding Status (Partially Remediated)

Explanation: The factory does not provide workers with ongoing training on the workplace standards or Workplace Conduct & Discipline, however, ongoing training on the Code of Conduct is provided to 100% of employees. Training was conducted in January 2018, March 2018, June 2018 and October 2018. [ER.1, ER.15]

Root Causes: Management does not adequately monitor and implement Workplace Conduct & Discipline training.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.15, ER.17, ER.27, and ER.28; Health, Safety & Environment Benchmarks HSE.6 and HSE.14)

PREVIOUS FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

1. The factory does not have a defined review period for its Recruitment, Hiring & Personnel Development policies and procedures. They are only reviewed when there is a need to do so. 2. There is no defined periodic review period for the Compensation policies and procedures. They are only updated when required by the government. Actual practice is reviewed periodically and updated according to legal requirements. 3. There is no defined review period for the Termination & Retrenchment policies and procedures, however, they are periodically updated to comply with local law or FLA requirements. 4. The factory does not update its procedures on the formation of the Works Committee to comply with local law. There is also no review period specified for the Freedom of Association policy. 5. There is no defined review period for the Workplace Conduct & Discipline policies and procedures, though they are updated to comply with legal requirements. 6. There is no defined review period for the Grievance System policy and procedures, however, the policies and procedures are updated when required. 7. The Environmental Protection policy is not dated and no review period is defined. 8. There are no written procedures for Hours of Work, but practices are reviewed periodically and updated. There is no defined review period for the Hours of Work policy, but it complies with legal and FLA requirements.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.3 and ER.30)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

Finding Status (Remediated)

Explanation: The factory defined the review period for its Recruitment, Hiring & Personnel Development policies and procedures. They were last reviewed in December 2017 and the next review will be in December 2018.

2. Finding Status (Remediated)

Explanation: The factory has defined the review period for its Compensation policies and procedures. They were last reviewed in December 2017 and the next review will be in December 2018.

3. Finding Status (Remediated)

Explanation: The factory has defined the review period for its Termination & Retrenchment policies and procedures. They were last reviewed in December 2017 and the next review will be in December 2018.

4. Finding Status (Remediated)

Explanation: The factory reviews and updates its written policies on Industrial Relations. They were last reviewed in December 2017 and next review is in December 2018.

5. Finding Status (Remediated)

Explanation: The factory has defined the review period for its Workplace Conduct & Discipline policies and procedures. They were last reviewed in December 2017 and the next review will be in December 2018.

6. Finding Status (Remediated)

Explanation: The factory has defined the review period for its Grievance System policies and procedures. They were last reviewed in December 2017 and the next review will be in December 2018.

7. Finding Status (Remediated)

Explanation: The Environmental Protection policy is dated December 2017 and it is scheduled to be reviewed in December 2018.

8. Finding Status (Remediated)

Explanation: There are no written procedures for Hours of Work, but practices are reviewed periodically and updated. The factory has defined the review period for the Hours of Work policy.

PREVIOUS FINDING NO.4

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The factory does not issue employment contracts to all employees. None of the workers interviewed had received an employment contract; however, management maintained that they issue contracts to the majority of workers. 2. There are no written job descriptions for the general workforce, only for staff and administrative positions. 3. The factory does not communicate the Recruitment, Hiring & Personnel Development policies, procedures, and relevant updates to the general workforce.

Local Law or Code Requirement

Industrial Employment Standing Orders Act, 1946; FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.29, and ER.30; Compensation Benchmark C.1.2)

Recommendations for Immediate Action

1. Issue employment contracts to all employees.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Employment contracts are provided to all workers on the same day the employment starts. Action Plan Status: Partially remediated. Documental evidence of the implementation of the finding is pending. Planned Completion: Completed
2. Defining, writing down and documenting job descriptions for the general workforce. Action Plan Status: Remediated Planned Completion: Completed
3. Training on Recruitment, Hiring and Personnel Development policies, procedures, is going to be provided to all workers. Action Plan Status: Partially remediated. Further actions are needed to ensure systemic communication, as well as documental evidence for the implemented measures. Planned Completion: Completed.

Company Action Plan Update

05/04/17 : completed

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: Appointment letters are issued to workers three days after the date of hiring as confirmed by workers interviewed. [ER.1]

Root Causes: Management stated that appointment letters are issued once workers complete their skills test and submit a copy of their proof of age documentation.

2. Finding Status (Not Remediated)

Explanation: There are no written job descriptions for production jobs, only for staff and administrative positions. [ER.1]

Root Causes: Management does not closely monitor the implementation of the FLA Workplace Code and Benchmarks.

3. Finding Status (Not Remediated)

Explanation: The factory does not communicate the Recruitment, Hiring & Personnel Development policies, procedures, and relevant updates to the general workforce. [ER.1, ER.29, ER.30]

Root Causes: Management does not closely monitor the implementation of the FLA Workplace Code and Benchmarks.

Local Law or Code Requirement

PREVIOUS FINDING NO.5

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. In November 2015, the factory raised workers' wages from INR 5887 (USD 87.68) to INR 7600 (USD 113.2). However, the factory maintained the previous wage (INR 5887 (USD 87.68)) as the "basic wage" and considers the increase of INR 1713 (USD 25.51) to be a "house rent allowance." Dividing the minimum wage in this way violates local law. 2. The factory calculates its contributions towards the Employee Provident Fund using the "basic wage" of INR 5887 (USD 87.68) rather than the real wage of INR 7600 (USD 113.2). 3. The factory has not paid out the arrears of bonuses for 2014-2015 to any current or terminated workers, as required by local law. 4. The labor contractor who directly employs the contracted security guards working in the factory pays their wages in cash rather than transferring the wages directly into workers' bank accounts, as legally required. 5. The probation period for all new employees is six months, which does not comply with local law or FLA Benchmarks.

Local Law or Code Requirement

Industrial Employment Standing Orders Act, 1946; Haryana Government Gazette Extraordinary Reference Number 3/42/83-3 Dated October 21, 2015 - Notes- 1; The Payment of Bonus (Amendment) Act 2015 No. 6 of 2016, dated Dec 31, 2015; Clause V in Contractor Registration Certificate; FLA Workplace Code (Employment Relationship Benchmark ER.22; Compensation Benchmarks C.1, C.3, C.5 and C.10)

Recommendations for Immediate Action

1. Calculate contributions towards the Employee Provident Fund correctly and do not split minimum wages. 2. Comply with legal directives on wages and not split the wage figure. 3. Pay arrears of bonuses for 2014-2015. 4. Ensure that the wages of outsourced security guards are deposited in their bank accounts, not paid in cash as per current practice. Ensure that the contractor pays the employer contribution (12% of basic wage) towards the security guards' provident funds. 5. Change all current workers' probation periods to three months; hire new workers on a three month probation period at the most.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Currently, the outsourced security guards agency is working on their policy of probation period, which is 6 months. Action Plan Status: Partially remediated. Planned Completion: 3 months from today 06.02.2019

Company Action Plan Update

05/04/17 : Waiting for decision of the High Court.

VERIFICATION RESULT

Finding Status

Partially Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: As of September 2017, the factory pays wages as legally required.

2. Finding Status (Remediated)

Explanation: The factory now calculates its contribution to the Employee Provident Fund as required by law.

3. Finding Status (Remediated)

Explanation: The factory pays bonuses to terminated workers as legally required.

4. Finding Status (Remediated)

Explanation: The labor contractor who directly employs the security guards working in the factory transfers the wages directly into workers' bank accounts as legally required.

5. Finding Status (Partially Remediated)

Explanation: The probation period for all new employees is three months, however, the probation period for the outsourced security guards is six months. [C.3, ER.11]

Root Causes: Management does not closely monitor the implementation of the FLA Workplace Code and Benchmarks.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.11; Compensation Benchmark C.3)

Recommendations for Immediate Action

1. Change the security guards' probation period to three months.

PREVIOUS FINDING NO.6

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. In practice, the factory has a Works Committee comprised of worker and management representatives. Hence, the Committee structure is not independent of management involvement. Worker Representatives are nominated by the workers instead of being elected, as required by law. Management Representatives are nominated by management. 2. The factory does not provide space for the Works Committee to meet or carry out its functions.

Local Law or Code Requirement

Industrial Disputes Act, 1947; FLA Workplace Code (Employment Relationship Benchmark ER.25; Freedom of Association Benchmarks FOA.10, FOA.11, and FOA.15)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Next workers committee elections will be held in September 2019 and all representatives will be elected by a secret ballot. Action Plan Status: Partially remediated. We will be waiting for documental evidence to ensure the implementation of the corrective action Planned Completion: Septemeber 2019

Company Action Plan Update

05/04/17 : completed

VERIFICATION RESULT

Finding Status

Partially Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: The factory has a Works Committee comprised of worker and management representatives. Hence, the Committee structure is not independent of management involvement. Worker Representatives are elected by raising hands, not by secret ballot. This process does not guarantee a free and fair election. Management Representatives are nominated by management. [FOA.10, FOA.11]

Root Causes: Having worker and management representative is a legal requirement. Management stated that the hand raise method was followed as per past practice.

2. Finding Status (Remediated)

Explanation: The Works Committee meetings are conducted in the Human Resources (HR) office.

Local Law or Code Requirement

FLA Workplace Code (Freedom of Association Benchmarks FOA.10 and FOA.11)

PREVIOUS FINDING NO.7

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. The factory does not record disciplinary actions taken against workers. No disciplinary actions have been taken, but according to workers and management, verbal warnings have been issued and not recorded.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.27)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory will record all disciplinary actions which are taken against workers including all verbal warnings. Action Plan Status: Not remediated. We are waiting for documental evidence for the implementation of the corrective action as well for procedures on recording disciplinary actions which are to be included in the factory's policy, Planned Completion: Completed

Company Action Plan Update

05/04/17 : completed

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Not Remediated)

Explanation: The factory does not record disciplinary actions taken against workers. No written disciplinary actions have been taken, but according to workers and management, verbal warnings have been issued and not recorded.

[ER.2, ER.27]

Root Causes: Management does not fully understand the FLA Workplace Code and Benchmarks. As a result, they are not fully implemented.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.27)

PREVIOUS FINDING NO.8

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. The eye wash station located near the chemical storage and handling area is hand operated, instead of foot operated. 2. There are no hazard labels on hazardous chemical containers or hazardous waste materials. 3. The factory does not communicate its Environmental Protection program to the general workforce, including new workers.

Local Law or Code Requirement

Factories Act 1948; FLA Workplace Code (Employment Relationship Benchmark ER.1; Health, Safety & Environment Benchmarks HSE.1 and HSE.9)

Recommendations for Immediate Action

1. Install foot operated eye wash stations. 2. Post hazard labels on all hazardous chemicals and hazardous waste, including chemical and diesel containers.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The eyewash station located near the chemical storage and handling area will be replaced with a foot-operated one. Action Plan Status: Not remediated. We are waiting for the documental evidence that the corrective action has been implemented. Planned Completion: 28.02.2019

2. The Environmental Protection ongoing trainings will be provided to all workers and the same will be documented as well Action Plan Status: Partially remediated. We are waiting for documental evidence of the implementation of the corrective actions and a prove that the schedule and the monitoring for the trainings have been included in an official policy. Planned Completion: 29.01.2019

Company Action Plan Update

05/04/17 : completed

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Not Remediated)

Explanation: The eye wash station located near the chemical storage and handling area is hand operated, not foot operated. [HSE.1, HSE.6]

Root Causes: Management does not understand why the eye wash station needs to be foot-operated.

2. Finding Status (Remediated)

Explanation: Hazard labels are posted on diesel containers and near the storage area for fused tube lights.

3. Finding Status (Partially Remediated)

Explanation: The Environmental Protection program was communicated to workers on Environment Day (June 5, 2018). No ongoing training is provided. [ER.1, ER.15]

Root Causes: Management does not closely monitor the implementation of the FLA Workplace Code and Benchmarks.

Local Law or Code Requirement

The Factories Act (1948), Chapter IV A – Section 41C; FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.15; Health, Safety & Environment Benchmarks HSE.1 and HSE.6)

Recommendations for Immediate Action

1. Install foot-operated eye wash stations.

PREVIOUS FINDING NO.9

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The rear passage in the sewing section is narrow (24 inches) and partially blocked by workers standing in the passage and working. 2. The emergency assembly area is too congested to accommodate all employees in case of an evacuation. Also, at the time of the assessment, vehicles were parked in the assembly area near the main gate. 3. The factory does not provide the fire-fighting team with the necessary equipment (helmets, fire-resistant shoes and gloves, long sticks, torches, gas masks, fire blankets). 4. The factory does not provide the rivet attaching machine operators with the appropriate PPE (eye protection). Assessors also noticed workers using adhesives not wearing gloves and masks. The factory does not require them to do so. 5. There is no lightning arrestor installed in the factory. 6. The roofing above the canteen and chemical storage areas are made of asbestos sheets. There are no signs posted in these rooms to warn workers. 7. Safe operating procedures are not posted near machines. 8. The factory has not provided mats to workers with standing jobs. 9. The work stations provided to cutting and checking workers are not adjustable to fit the individual height of workers. 10. There are no convex mirrors, reflectors, or markers installed in the factory to assist in safe driving inside factory premises. 11. The factory has not implemented a lockout-tagout system. 12. Although food servers are provided with gloves, assessors noticed one food server not wearing gloves while serving food. 13. All of the first aid kits in the factory work areas were missing wood splints, eye wash cups, and lotion. 14. The factory does not provide lifting belts for workers involved in lifting weights while loading/ unloading material. 15. Assessors observed bags containing waste material stored up against the factory building along the drive way into the factory. 16. The factory does have any guidance documents for external contractors or service providers concerning Health & Safety and traffic management. 17. The high speed diesel containers are not labeled as hazardous chemicals.

Local Law or Code Requirement

Factories Act 1948; 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. Ensure that the rear passage of the sewing section is at least 36 inches wide to allow for free movement. Keep the passage clear at all times. 2. Decongest the assembly area to accommodate all employees in case of an evacuation. Ensure no vehicles are parked in assembly areas. 3. Provide all necessary fire-fighting equipment to the fire-fighting team. 4. Ensure that the operator using the rivet attaching machine uses eye protection while operating the machine. Provide gloves and masks to workers who use adhesives and train them on proper PPE use. 5. Install a lightening arrestor in the factory. 6. Post signs in the canteen and chemical storage areas to warn workers of the presence of asbestos. Create a system to monitor the asbestos sheeting for cracks and train workers on what to do if they observe that the asbestos sheets are cracking. 7. Post safe operating procedures near machines. 8. Provide mats for workers with standing jobs. 9. Provide adjustable work stations for workers. 10. Install convex mirrors, reflectors, and markers in the factory to assist with safe driving inside factory premises. 11. Implement a lockout-tagout system. 12. Ensure that food servers wear gloves while serving food. 13. Stock first aid kits with wood splints, eye wash cups, and lotion. 14. Provide lifting belts for workers who lift weights while loading / unloading material. 15. Do not store bags containing waste material against the factory wall and have a designated area to store bags containing waste materials. 16. Label the high speed diesel containers as hazardous chemicals.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The management is planning to relocate the tables and redefine the space in order to widen it. Action Plan Status: No remediated. We are waiting for documental evidence that the corrective action has been implemented. Planned Completion: 28.02.2019

2. Due to space limitation, assembly area cannot be relocated. Hence, at the time of emergency assembly gates will be open wide for evacuation; outside road area will be included by doing proper barricading and signage, so that all employees move out. A person will be designated to control the ongoing traffic during that time. Action Plan Status: Partially remediated. We are waiting for further details on the name of the responsible people and on how the management will ensure that the emergency area stays clear of vehicles. Planned Completion: Due to the lack of space, the management has given to specific time limit.

3. Another set of safety equipment will be provided to the team. Action Plan Status: Partially remediated. We are waiting for documental evidence as soon as the corrective action has been implemented. Planned Completion: 10.02.2019

4. Lightning arrestor will be installed in the factory. Action Plan Status: Partially remediated. We are waiting to receive the engineer's report. Planned Completion: Completed

5. Regular inspection of the asbestos roofing sheets will be monitored. Action Plan Status: Partially remediated. We are expecting evidence that there are specific procedures and protocols on conducting the inspection. Planned Completion: Completed
6. Safety instructions have been provided. Action Plan Status: Partially remediated. We are expecting more detailed evidence on the implementation of the corrective action Planned Completion: Completed.
7. The factory management will provide adjustable work station to the checking workers. Action Plan Status: Partially remediated. Documental evidence on the implementation of the actions is pending. Planned Completion: 28.02.2019
8. The management does not understand the meaning of the finding. Action Plan Status: No remediated. Planned Completion: Completed
9. Workers will be provided with lifting belts at the loading area and belts will be available at all times Action Plan Status: Remediated Planned Completion: Complete
10. Waste material storage will be reduced and will be kept away from the walls. Action Plan Status: Partially remediated. We are waiting for the factory management to include the corrective action in its waste management policy and to provide us with the respective documental evidence. Planned Completion: Completed
11. The factory management is framing the guidance documents as per FLS guidelines and the same will be then provided to external contractors and service providers concerning health and Safety and traffic management. Action Plan Status: Partially remediated. We are waiting for the documental evidence of the implementation of the corrective action. Planned Completion: 15.02.2019

Company Action Plan Update

05/04/17 : completed

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Not Remediated)

Explanation: The rear passage in the sewing section is only 24 inches wide and is partially blocked by workers standing in the passage and working. [HSE.1, HSE.5]

Root Causes: The area used for the sewing section is not big enough.

2. Finding Status (Not Remediated)

Explanation: The emergency assembly area is too congested to accommodate all employees in case of an evacuation. Also, at the time of the assessment vehicles were parked in the assembly area near the main gate. [HSE.1, HSE.5]

Root Causes: The area used for the emergency assembly area is not big enough. Furthermore, management does not monitor the area to ensure that it remains clear.

3. Finding Status (Partially Remediated)

Explanation: The factory has only provided one set of equipment (helmet, fire-resistant shoes and gloves, torches, gas masks, fire blanket) for all 25 people on the firefighting team. In addition, the firefighting team was not provided with a long stick. [HSE.1, HSE.6, HSE.7]

Root Causes: Management has not fully implemented the FLA recommendations.

4. Finding Status (Remediated)

Explanation: During the assessment the rivet attaching machines were not being operated, but eye protection was seen near the machines. Workers using adhesives were wearing gloves. The factory uses water-based adhesives, so masks are not necessary.

5. Finding Status (Not Remediated)

Explanation: There is no lightening arrestor installed in the factory. [HSE.13]

Root Causes: The factory consulted an engineer who advised that installation of lightening arrestor was not required for the factory building since it is not as tall as the neighboring buildings. The engineer's report was not available for review.

6. Finding Status (Partially Remediated)

Explanation: The roof above the canteen and chemical storage areas is made of asbestos sheets. Signs are posted in these rooms to warn workers. [HSE.9]

Root Causes: Regularly inspect asbestos roofing sheets to monitor for damage. Hire a third-party expert to replace any cracked or otherwise damaged asbestos sheets. Ensure that all required asbestos remediation protocols are followed.

7. Finding Status (Partially Remediated)

Explanation: There are no safety instructions posted near any of the machines except for the sewing machines. The maintenance procedures are posted though. [HSE.14]

Root Causes: Management does not fully understand the FLA requirement.

8. Finding Status (Remediated)

Explanation: The factory provides mats to workers with standing jobs.

9. Finding Status (Partially Remediated)

Explanation: The work stations provided to the cutting workers are adjustable to fit the individual height of workers. However, the work stations provided to the checking workers are not adjustable. [HSE.17]

Root Causes: Management did not fully implement the FLA recommendations.

10. Finding Status (Remediated)

Explanation: Convex mirrors and reflectors have been installed to promote safe driving practices on factory premises.

11. Finding Status (Not Remediated)

Explanation: The factory has not implemented a lockout-tagout system. [HSE.13, HSE.14]

Root Causes: Management does not adequately monitor the implementation of the FLA Workplace Code and Benchmarks.

12. Finding Status (Remediated)

Explanation: Currently food servers are not employed in the factory.

13. Finding Status (Remediated)

Explanation: The first aid kits are stocked with wood splints, eye wash cups, and lotion.

14. Finding Status (Partially Remediated)

Explanation: The factory obtained lifting belts for workers who lift heavy objects while loading and unloading material. However, they are kept in the office and were never distributed to the loaders and unloaders. [HSE.7, HSE.17]

Root Causes: Management does not adequately monitor the implementation of the FLA Workplace Code and Benchmarks.

15. Finding Status (Not Remediated)

Explanation: Assessors observed bags containing waste material stored up against the factory building along the drive way into the factory. [HSE.19]

Root Causes: Management does not adequately monitor the implementation of the FLA Workplace Code and Benchmarks.

16. Finding Status (Not Remediated)

Explanation: The factory does have any guidance documents for external contractors or service providers concerning Health & Safety and traffic management. [ER.1, ER.31]

Root Causes: Management does not adequately monitor the implementation of the FLA Workplace Code and Benchmarks.

17. Finding Status (Remediated)

Explanation: Hazardous chemical labels are posted on the high-speed diesel containers

Local Law or Code Requirement

Sec. 38, The Factories Act, Act No. 63 of 1948; FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.31; Health, Safety & Environment Benchmarks HSE.1, HSE.5, HSE.6, HSE.7, HSE.13, HSE.14, HSE.17, and HSE.19)

Recommendations for Immediate Action

1. Widen the rear passage of the sewing section so that it is at least 36 inches wide. Keep the passage clear at all times. If necessary, relocate the sewing section to a bigger space.
2. Decongest the assembly area to accommodate all employees in case of an evacuation. Ensure that no vehicles are parked in assembly areas. If necessary, relocate the assembly area to a bigger space.
3. Provide all necessary fire-fighting equipment to each member of the fire-fighting team.
4. Install a lightening arrestor in the factory.
5. Post safety instructions next to all machines.
6. Provide adjustable work stations for all workers.
7. Implement a lockout-tagout system.
8. Provide lifting belts for workers who lift weights while loading and unloading material.
9. Do not store bags containing waste material against the factory wall. Store all waste in designated waste storage areas.

New Findings and Action Plans

NEW FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. Workers are not provided with documentation that substantiates all topics covered during orientation. [ER.15]
2. The factory's Recruitment, Hiring & Personnel Development procedures do not require the maintenance and periodic review of workers' employment documents or the maintenance of performance evaluation results. As a result, the factory does not maintain written documentation of the workers' performance evaluations which are used to determine promotions. Performance reviews are conducted based on recommendations from the production team, so it cannot be confirmed that promotions are decided in a fair and transparent manner because not all workers receive regular performance evaluations. [ER.2, ER.29, ER.30]
3. Two of the three sampled contract security guards did not receive a letter communicating their change of status from probationary to permanent worker. [ER.2, ER.30]
4. The factory's policies and procedures on all of the Employment Functions are signed by the HR and Compliance Managers, not top management. [ER.1, ER.2]
5. The orientation training provided to workers does not cover Workplace Conduct & Discipline or the Freedom of Association component of Industrial Relations. In addition, management stated that orientation training is conducted twice per month although records show that it is only conducted once per month. Furthermore, the dates of the training sessions conducted in February-May 2018 and July 2018 are not recorded. [ER.1, ER.2, ER.15]
6. The factory's contract with its security service provider does not cover the FLA Workplace Code and Benchmarks. [ER.2, ER.6]

Local Law or Code Requirement

FLA Workplace Code (Employment Relations Benchmarks ER.1, ER.2, ER.6, ER.15, ER.29, and ER.30)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. All workers are provided with a copy and the signed copy is kept in their personal file. Action Plan Status: Partially remediated. We are waiting for a better quality evidence for the implementation of the corrective action. Planned Completion: Completed
2. Periodic review for workers performance will be evaluated and written evidence will be kept to review at the time of promotions Action Plan Status: Partially remediated. We are expecting evidence for the implementation of the corrective action as well as prove that the procedures have been included in a policy. Planned Completion: Ongoing
3. Contracted security guards have been given a letter communicating their change of status from probationary to permanent worker. Action Plan Status: Partially remediated. We are waiting for the factory management to include the corrective action inot an official policy and provide us with the respective documental evidence. Planned Completion: Completed
4. Factory ensures that all further factory's policies and procedures will be signed by the top management. Action Plan Status: Partially remediated. We are waiting for the factory management to include the corrective action in its waste management policy and to provide us with the respective documental evidence. Planned Completion: Completed
5. Trainings have been and will be provided to workers on a regular basis and the same will be documented too. Action Plan Status: Partially remediated. We are waiting for the factory management to include the corrective action in its policy and explain how is the corrective action going to be implemented and monitored. Planned Completion: Completed
6. The factory will frame the contract as per FLS Workplace Code and Benchmarks and the same will be provided to the security Service Providers. Action Plan Status: Partially remediated. We are expecting the documental evidence once the corrective action has been implemented. Planned Completion: 28.02.2019

NEW FINDING NO.2

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. There is no canteen in the factory although it is a legal requirement. [HSE.1]
2. The factory does not have a child care facility as legally required. [HSE.1, ND.1, ND.8]
3. The factory's Health & Safety procedures do not include Standard Operating Procedures (SOP) for the washing machine, hydraulic cutting machine, or snap button machine. As there are no written SOP, the safety instructions are not posted next to the machines. [ER.1, ER.31, HSE.14]
4. There is no soap or way to dry hands in the restrooms. [HSE.19, HSE.20]
5. Workers only put on their gloves when they saw that assessors were present. In addition, the worker who was applying glue at the time of the assessment was wearing damaged gloves that exposed his or her fingers. [HSE.7, HSE.8]

Local Law or Code Requirement

Sec. 46, The Factories Act, Act No. 63 of 1948; Sec. 4, The Maternity Benefit (Amendment) Act, Act No. 6 of 2017; FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.31; Health, Safety & Environment Benchmarks HSE.1, HSE.7, HSE.8, HSE.14, HSE.19, and HSE.20; Non-Discrimination Benchmarks ND.1 and ND.8]

Recommendations for Immediate Action

1. Provide a canteen facility in the factory. 2. Provide a child care facility in the factory. 3. Post safety instructions near the washing machine, hydraulic cutting machine, and snap button machine. 4. Provide soap and a way to dry hands in the restrooms. 5. Replace workers' PPE when it becomes damaged. Retrain workers on the importance of proper PPE use and maintenance. Monitor workers to ensure compliance.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Canteen facility has already been provided. Action Plan Status: Partially remediated. We are expecting further evidence that supports the factory management's statement. Planned Completion: Completed

2. Due to the congested area, the factory management needs to select a free space for a childcare facility. Discussion with the top management is ongoing. Action Plan Status: Not remediated. We are expecting a clearly defined plan in the next communication round. Planned Completion: Discussion with management is ongoing.

3. Instructions will be and have been posted near the machines. Action Plan Status: Partially remediated. We are expecting pictures and evidence that the SOPs have been posted next to all machines and that the SOPs are included in the Health and Safety policy. Planned Completion: Completed

4. The management will provide soap and towels to dry hands in the restrooms. Action Plan Status: Partially remediated. The management has provided soap and a towel. However, we have proposed the installation of a towel dispenser for hygiene reasons. Planned Completion: completed

5. Damaged PPE will be replaced and proper monitoring and training will be conducted to ensure that workers are aware of the importance of using PPE. Action Plan Status: Partially remediated. We are expecting documental evidence on the implementation of the corrective action and we have also recommended the periodical training and retraining to be included into the policy, including an explanation of the monitoring process. Planned Completion: Complete.

NEW FINDING NO.3

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The fire equipment inspection checklist does not cover the fire hydrants although management stated that the hydrants are inspected periodically. [HSE.5, HSE.6]
2. The aisles and evacuation routes in the fabric storage area of the basement and in between the sewing lines and finishing sections are not marked. The markings in the cutting and packing areas are faded. [HSE.5]
3. The passage in the checking section was partially blocked with bins. Workers checking garments were standing in an aisle and working. [HSE.5]
4. Assessors observed the air pipe used to spray glue placed on the ground between workers' feet. This could cause workers to trip and injure themselves during an emergency evacuation. [HSE.5]

Local Law or Code Requirement

Sec. 38, The Factories Act, Act No. 63 of 1948; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE 5 and HSE.6)

Recommendations for Immediate Action

1. Include fire hydrants on the fire equipment inspection checklist and maintain inspection records. 2. Mark all aisles and evacuation routes and remark any faded markings. 3. Reposition the air pipe so that it isn't near workers' feet.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Fire hydrants on the fire equipment inspection checklist will be included and records are being maintained. Action Plan Status: Partially remediated. Additionally, we are expecting the continuous documentation of the inspection records will be included in the fire fighting policy. Planned Completion: completed

2. Aisles route has been marked Action Plan Status: Partially remediated. Evidence has yet to be provided that the cutting and packing areas have been taken care of as well. Planned Completion: Completed

3. No actual action plan has been provided by the factory management. Action Plan Status: Not remediated. We have recommended that the evacuation requirements and procedures is incorporated into the health and safety policy.

4. The glue pipe will be tied permanently so that it does not cause any accidents. Action Plan Status: Partially remediated. We are still expecting evidence that the corrective action has been implemented. Planned Completion: Completed.

NEW FINDING NO.4

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. Resigned workers do not receive their termination payout on time. The five sampled resigned workers were paid 17 to 220 days after their last day of work. Local law requires resigned workers to be paid within two days of the date of termination. [ER.19, C.1, C.4]

Local Law or Code Requirement

Sec. 13, Industrial Employment (Standing Orders) Central Rules, 1946; Sec. 79, The Factories Act, Act No. 63 of 1948; FLA Workplace Code (Employment Relationship Benchmark ER.19; Compensation Benchmarks C.1 and C.4)

Recommendations for Immediate Action

1. Pay termination payouts within the legally defined timelines.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Termination payouts will be paid within the legally defined timeline. Action Plan Status: Partially remediated. We have also recommended that the management incorporates a procedure on termination payouts for resigned workers in the official workplace policy of the factory. Planned Completion: Completed

NEW FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Termination & Retrenchment

Finding Explanation

1. The factory does not maintain terminated workers' time cards or records documenting the calculation of termination payouts. [ER.2, ER.23, C.15]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.23; Compensation Benchmark C.15)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Terminated workers' time cards and records on the calculation of termination payouts will be will and are well maintained. Action Plan Status: Partially remediated. We are expecting documental evidence and have also suggested the integration of a procedure into the workplace policy. Planned Completion: Completed

NEW FINDING NO.6

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. The factory's training calendar does not include information regarding which workers will be trained on which dates. As a result, assessors could not confirm if all workers would receive training. [ER.2]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.2)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The training calendar will be updated with the required information. Action Plan Status: Partially remediated. We are expecting documental evidence on the implementation of the corrective action. Planned Completion: Completed