



2010

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL VERIFICATION REPORT *

COMPANY: Hanesbrands
COUNTRY: Honduras
FACTORY CODE: 720029893GV
MONITOR: GMIES
AUDIT DATE: October 28, 2010
PRODUCTS: T-Shirts, Sweaters
PROCESSES: Stamps, Embroidery, Packing,
Shipping
NUMBER OF WORKERS: 400

FLA Comment: This report was submitted to the FLA and the FLA-affiliated company by the accredited independent external monitor. Despite deadline reminders and extensions for submission of a corrective action plan, the FLA has not received a plan to address the noncompliances raised in the report. Therefore, the report is posted in its current state and will be updated once a corrective action plan has been submitted to and reviewed by the FLA.

*To read the original IEM report of this factory, please visit the FLA website [here](#).
For an explanation on how to read this report, please visit the FLA website [here](#).



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Wages, Benefits and Overtime Compensation: Other - Wages, Benefits and Overtime Compensation

Other

Noncompliance

Explanation: Factory does not have a nursery for employees' children up to 3 years old.

Sources: worker and management interviews

Legal reference: Article 142, Honduran Labor Laws; It is obligatory for a company with more than 20 employees to have a nursery in order for mothers to breastfeed their children (up to 3 years old) and to leave them there during work hours. Honduran Ministry of Labor does not enforce factories to comply with this requirement which, although it was established in 1954, is still valid and should be complied with by all factories in country. Factories usually state that is a requirement very difficult to comply with, due to economic conditions in Honduras.

Plan Of Action: A breastfeeding area has been accommodated inside facility's infirmary.

Deadline Date: 12/19/2008

Supplier CAP: A breastfeeding area has been accommodated inside facility's infirmary.

Supplier CAP Date: 12/19/2008

Action Taken: The area is ready, and waiting to be furnished.

Plan Complete: No

Plan Complete Date: 01/30/2009

Action Verified: No

**Action
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Text:**

**Action
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Date:**

Forced Labor: Forced Overtime

F.14 The imposition of mandatory overtime beyond the limits set by the law, a freely negotiated collective bargaining agreement, and/or the FLA Code, in an environment where a worker is unable to leave the work premises, constitutes forced labor. (S)

Uncorroborated Evidence of Noncompliance

Explanation: Workers said that 2 supervisors pressure them to do overtime. This is a violation of factory's policy regarding the voluntary nature of overtime hours.

Sources: record review, worker interviews

Plan Of Action: Hanesbrands' Global Business Practices (GBP) program is being rolled-out to all hourly employees, supervisors, and managers. All employees are signing the agreement sheet that states that they understand and will commit to their principles. This practice will be performed periodically, as it is done at all Hanesbrands locations. Initial roll-out was completed in November.

Deadline Date: 11/17/2008

Action Taken: A roll-out of Hanesbrands' GBP program was completed in November.

Plan Complete: No

Plan Complete Date: 11/12/2008



Action Verified: No

Action Verified Text:

Action Verified Date:

Non-Discrimination: Other - Non-Discrimination

Other

Noncompliance

Explanation: Factory does not have a retrenchment policy. Per factory management, they have not even considered the possibility of retrenchment happening or the needs of having a policy regarding this subject.

Sources: record review, management interviews

Plan Of Action: Company is reviewing FLA Retrenchment Policy. We will respond with our plan of action shortly.

Deadline Date: 01/05/2009

Action Taken: Hanesbrands' CSR department is reviewing FLA's retrenchment policy.

Plan Complete: No

Plan Complete Date:



Action Verified: No

Action Verified Text:

Action Verified Date:

Code Awareness:

GEN.3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

Noncompliance

Explanation: Participating company has not provided an anonymous complaint mechanism which allows workers to contact them.

Sources: auditor observation, worker interviews

Plan Of Action: [Factory name] adopted Hanesbrands' Resource Line program. Employees will start using the same toll-free number installed for all Hanesbrands facilities in Honduras. Additionally, 12 suggestion boxes have been installed throughout facility. Also, Hanesbrands' Open Door Policy was adopted and is already in place.

Deadline Date: 11/28/2008

Action Taken: Training to all employees on use of the resource line and suggestion boxes was completed in November.

Plan Complete: No

Plan Complete Date: 11/17/2008

Action Verified: No

Action Verified Text:

Action Verified Date:

Health and Safety: Personal Protective Equipment

H&S.11 Workers shall be provided with effective and all necessary personal protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to health and safety hazards, including medical waste. (S)

Noncompliance

Explanation: Appropriate personal protective equipment (PPE) is not delivered to shipping employees (back support belts).

Sources: auditor observation, worker interviews

Legal reference: Article 391, Honduran Labor Laws; Employers shall provide a safe and healthy work environment to assure a safe and healthy workplace that does not expose workers to hazardous conditions.

Plan Of Action: Hanesbrands does not sponsor back belt use at any of its facilities following publication issued by National Institute for Occupational Safety and Health (NIOSH) in conjunction with U.S. Department of Health and Human Services and Centers for Disease Control and Prevention in July 1994. This publication (NIOSH 1994-122) concludes that they “do not recommend the use of back belts to prevent injuries among uninjured employees, and do not consider back belts to be personal protective equipment.” It also states that “back belts do not mitigate the hazards to workers posed by related lifting, pushing, pulling, twisting or bending.” Instead, Hanesbrands enforces the implementation of a comprehensive ergonomics program that covers material handling procedures.

Deadline Date: 01/30/2009

Action Taken: Hanesbrands' Ergonomics Program is being implemented.

Plan Complete: No

Plan Complete Date: 01/20/2009

Action Verified: No

Action Verified Text:

Action Verified Date:

Health and Safety: Chemical Management and Training

H&S.13 All chemicals and hazardous substances shall be properly labeled and stored in accordance with applicable laws. Labels shall be placed in the local language and the language(s) spoken by workers, if different from the local language. Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances. (S)

Noncompliance

Explanation: There is no spill response material or secondary containment mechanism in chemicals warehouse.

Source: auditor observation

Legal Reference: Article 391, Honduran Labor Law; Employers shall provide a safe and healthy work environment to assure a safe and healthy workplace that does not expose workers to hazardous conditions.



Plan Of Action: A risk analysis was completed at the area and the proper spill containment equipment material has been identified and ordered. The installation of equipment, along with adoption and deployment of Hanesbrands' Hazard Communication procedure will be completed by January 2009.

Deadline Date: 01/30/2009

Action Taken: Risk analysis was completed.

Plan Complete: No

Plan Complete Date: 01/30/2009

Action Verified: No

Action Verified Text:

Action Verified Date:

Hours of Work: Rest Day

HOW.2 Workers shall be entitled to at least one day off in every seven-day period. If workers must work on a rest day, an alternative day off must be provided within that same seven-day period or immediately following the seven-day period. (P)

Noncompliance

Explanation: During the first weeks of July, 3 maintenance department employees worked 3 weeks in a row without a day off. According to management, most of the times factory exceeds legal limits on hours of work it is due to last minute orders and delays from factories that produce clothes. ([Factory name] only applies stamps or embroidery to finished garments that come from other factories.)

Sources: record review; worker and management interviews

Legal reference: Article 338, Honduran Labor Laws; Workers shall have a day off (preferably on Sunday) for each 6 days of work.

Plan Of Action: Hanesbrands' Working Hours Policy and procedure is in place. It states the amount of overtime permitted by law and Hanesbrands. As an extra control, facility established that all overtime must be approved by plant manager. Also, the Human Resources Department is monitoring hours worked through weekly report; if an employee comes close to the overtime limit, they will advise production supervisors.

Deadline Date: 11/28/2008

Action Taken: New overtime approval policy and procedure was established.

Plan Complete: No

Plan Complete Date: 11/28/2008

Action Verified: No

Action Verified Text:

**Action
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Date:**

Hours of Work: Overtime/Reduced Mandated Overtime

HOW.8 The employer shall demonstrate a commitment to reduce overtime and to enact a voluntary overtime system, including for overtime mandated to meet extraordinary business circumstances. (P)

Noncompliance

Explanation: Legal limit of overtime hours has been surpassed during the last week of May and the first week of June 2008 (peak of production this year); approximately 10% of employees from quality, stamping, embroidery, packing and shipping departments, working 4.5 or even 6.5 overtime hours per day, totaling up to 40 OT hours per week and 84 hours of work per week.

Sources: record review; worker and management interviews

Legal reference: Article 332, Honduran Labor Laws: Ordinary hours plus OT hours must not surpass 12 hours per day.

Plan Of Action: Hanesbrands' Working Hours Policy and procedure is in place. It states the amount of overtime permitted by law and Hanesbrands. As an extra control, facility established that all overtime must be approved by plant manager. Also, the Human Resources Department is monitoring hours worked through weekly report; if an employee comes close to the overtime limit, they will advise production supervisors.

Deadline Date: 11/28/2008

Action Taken: New overtime approval policy and procedure was established.

Plan Complete: No

Plan Complete Date: 11/28/2008



Action **No**
Verified:

Action
Verified Text:

Action
Verified
Date:
