



COMPANY: Textiles Opico
COUNTRY: El Salvador
ASSESSMENT DATE: 09/04/13
MONITOR: FLA Assessor Team (Americas)
PRODUCTS: Apparel
PROCESSES: Cut, Sew, Full [= full package], Embroidery, Packing, Cleaning/Stain Removing, Pressing/Ironing, Weaving, Bundling
NUMBER OF WORKERS: 680
NUMBER OF WORKERS INTERVIEWED:
ASSESSMENT NUMBER: AA0000000313

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Understanding this Assessment Report

This is a report of a workplace assessment conducted by Fair Labor Association assessors following FLA's Sustainable Compliance methodology (SCI), which evaluates a facility's performance in upholding fair labor standards through effective management practices throughout the entire employment life cycle.

This report identifies violations and risks of noncompliance with the Fair Labor Association Workplace Code of Conduct in its assessment of the employment functions, and includes a description of the root causes of violations, recommendations for sustainable and immediate improvement, and the corrective action plan for each risk or violation as submitted by the company. This document is not a static report; rather, it reflects the most recent progress updates on remediation in the "Progress Update" section for each finding.

Glossary

De minimis: A de minimis factory is a factory (1) with which the Company contracts for production for six months or less in any 24-month period; or (2) in which the Company accounts for 10% or less of the annual production of such facility. The FLA Charter states that in no event shall de minimis facilities constitute more than 15% of the total of all facilities of a Company, and the list of facilities designated as de minimis by a Company is subject to the approval of the FLA. Please note that collegiate-producing factories cannot count as de minimis.

Facility performance: how a facility rates in terms of a particular employment or management function, with 100% being the best possible score.

Fair labor standards: the minimum requirement for how workers should be treated in a workplace, as outlined in the [FLA Workplace Code of Conduct](#).

Employment life cycle: all aspects of an employee's relationship with the employer, from date of hire to termination or end of employment.

Code violation: failure to meet standards outlined in the FLA Workplace Code of Conduct in the workplace implementation of employment or management functions.

Employment Functions: The different components of the relationship between management and employees in a factory. An employment function is a process regulating an aspect of the employment relationship, such as the recruitment of workers. All employment functions together constitute the employment relationship between an employer and an employee.

1. Recruitment, Hiring & Personnel Development (e.g., performance reviews)
2. Compensation (e.g., wages, health care)
3. Hours of Work (e.g., overtime, documentation of working hours)
4. Industrial Relations (e.g., collective bargaining agreements)
5. Grievance System (e.g., worker communication with management)
6. Workplace Conduct & Discipline (e.g., discrimination, harassment)
7. Termination & Worker Retrenchment (e.g., downsizing, resignation)
8. Health & Safety (e.g., exposure to chemicals)
9. Environmental Protection (e.g., energy saving)

Management functions: violations or risks related to an employment function could be caused by the absence – or a problem in the operation – of any one of the management functions or in more than one.

1. Policy
2. Procedure
3. Responsibility & Accountability
4. Review Process
5. Training
6. Implementation
7. Communication & Worker Involvement
8. Support & Resources (only for the in-depth level)

Finding: indicators of potential gaps between desired and actual performance of the workplace on different employment functions.

Finding type

- **Immediate action required:** discoveries or findings at the workplace that need immediate action because they not only constitute an imminent danger, risk the workers' basic rights, threaten their safety and well-being or pose a clear hazard to

the environment, but also are clear non-compliances with the FLA Workplace Code of Conduct and local laws. Examples include a finding by the assessor that crucial fire safety elements are not in place or that there is underpayment of wages and/or worker entitlements or that there is direct discharge of waste water, etc.

- *Sustainable improvement required*: findings that require sustainable and systematic actions. The factory will be asked to tackle the underlying root causes and to do so in a long-term and systematic manner to bridge the gap between actual and desired performance. Examples include a finding by the assessor that there is lack of termination policies and procedures in the workplace, lack of grievance system, etc.
- *Notable feature*: indicates a remarkable feature or best practice at a workplace. Examples might include workers' wages and benefits that are significantly above the industry average, or community benefits such as free daycare.

Local law or Code Requirement: applicable regulations and standards in a workplace, which serve as the basis for an assessment, as per local law or FLA Workplace Code of Conduct. When these two do not concur, the stricter of the two standards applies.

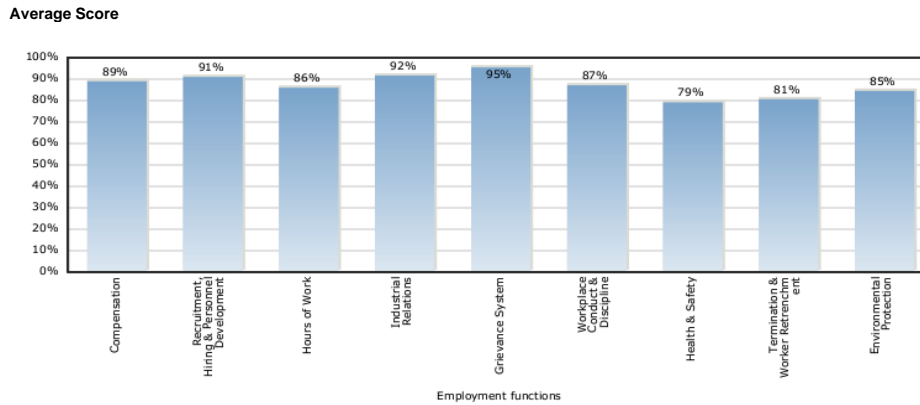
Root causes: a systemic failure within an employment function, resulting in a "finding." Findings are symptoms of underlying problems or "root causes." Consider, for example, the case of workers not wearing hearing protection equipment in a high noise area. The most expedient conclusion might be that the worker did not use the hearing protection equipment because such equipment was not provided by management. However, upon a more thorough evaluation of available information, the assessor might find that the worker was indeed supplied with hearing protection equipment and with written information about the importance of wearing hearing protection, but was not trained on how to use the equipment and that use of the equipment was not enforced in a consistent manner by management.

Company action plan: a detailed set of activities outlined by the sourcing company and/or direct employer to address FLA findings.

Factory Profile

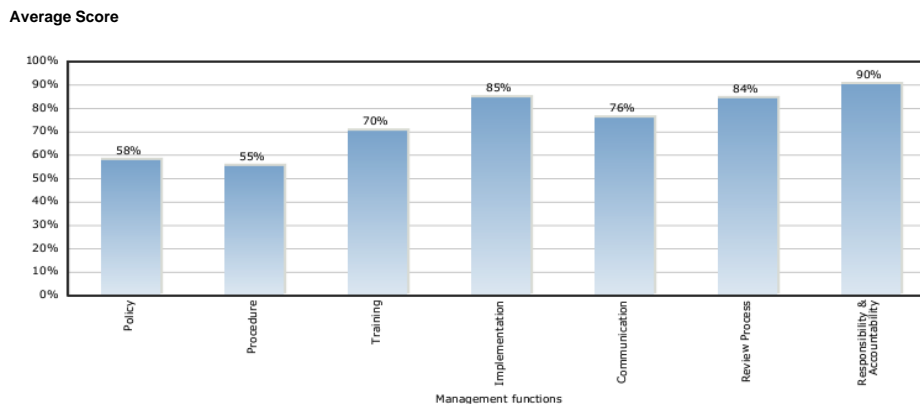
Score by Employment Function

Scores indicate a factory's performance related to a specific employment function based on an FLA assessment. A score of 100 percent indicates flawless operation of an employment function. A score of less than 100 percent indicates need for improvement.



Score by Management Function

Scores indicate a factory's performance related to a specific management function based on an assessment conducted for FLA by independent, accredited assessors. A score of 100 percent indicates flawless operation of a management function. A score of less than 100 percent indicates need for improvement.



Score Summary

Scores indicate the strength of management functions as they relate to different elements of the employment relationship (employment functions). For example (reading left to right), a score of 100 percent in the cell on the top left corner would indicate the existence of appropriate policies related to recruitment, hiring and personnel development.

Management Functions	Recruitment, Hiring & Personnel Development	Compensation	Hours of Work	Industrial Relations	Grievance System	Workplace Conduct & Discipline	Termination & Worker Retrenchment	Health & Safety	Environmental Protection
Policy	91.67%	76.92%	90%	87.5%	90.91%	57.14%	48.08%	80%	66.67%
Procedure	67.8%	90.91%	57.5%	0%	75%	66.67%	50%	45.07%	50%
Responsibility & Accountability	90.57%	100%	100%	66.67%	100%	91.75%	100%	100%	89%
Review Process	100%	100%	100%	0%	75%	75%	75%	75%	66.67%
Training	83.92%	60.37%	61.54%	85.71%	90%	74.58%	62.5%	88.89%	77.13%
Implementation	90.36%	91.77%	88.75%	85.71%	95.83%	100%	96.36%	86.74%	77.44%
Communication	100%	100%	45%	50%	100%	62.5%	37.5%	78.13%	50%

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.

FLA Code Element	Number of Violations	Violations
Compensation	3	General Compliance Compensation Compensation Receipt Record Maintenance
Employment Relationship	10	General/Human Resource Management Systems Terms and Conditions/New Employee Orientation Terms and Conditions/Communication Terms and Conditions/Supervisor Training Administration of Compensation/Termination Payouts Administration of Hours/Time Recording System Industrial Relations Work Rules and Discipline Health, Safety, and Environmental Management System/Policies and Procedures Termination and Retrenchment/General Policies and Procedures
Freedom of Association and Collective Bargaining	1	Facilities for Worker Representatives
Hours of Work	1	Forced Overtime/Exceptional Circumstances
Health, Safety and Environment	6	Workers Refusal to Use Unguarded or Unsafe Machinery Medical Facilities Sanitation in Workplace Facilities Document Maintenance/Workers Accessibility and Awareness Evacuation Requirements and Procedure Chemical Management and Training
Non-Discrimination	1	Protection and Accommodation of Pregnant Workers and New Mothers

Findings and Action Plans

FINDING NO.1

DISCRIMINATION IN THE PROCESS OF HIRING NEW WORKERS/EMPLOYEES AND RELATING TO PERSONNEL DEVELOPMENT

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. There is an operators' training school for new workers. Pink flyers with a special request for exclusively female candidates are being provided by management outside of the factory.
2. Some job descriptions include gender, age range, and marital status as prerequisites for application.
3. There are no written policies or procedures that encourage the ongoing training of workers with the goal of increasing or widening workers' skills in order to advance their careers within the factory and beyond.

Local Law or Code Requirement

FLA Workplace Code (Non-discrimination Benchmark ND.2.1; Employment Relationship Benchmarks ER.1.1, ER.3.2, and ER.28.1)

Root Causes

1. Training school had originally been intended for training female operators; hence the pink flyers for female candidates.
2. It is culturally acceptable in El Salvador to designate certain positions gender-and age-specific. Generally, females would seek quality inspector jobs and males packing or warehouse jobs.
3. Lack of specific and in-depth training on non-discrimination for personnel in charge of: a) creating or processing documents/forms and b) recruitment and hiring.
4. Responsible staff is overloaded at work with day-to-day operations; consequently, there is not enough time set aside to review management systems and the related policy and procedures.

COMPANY ACTION PLANS

1. 1. The factory is going to attract and recruit males in the operator training school, it is scheduled to start the hiring process on November 2014 / 6 months. 2. The gender field options from the new worker request forms have been eliminated. 3. Management is to revise job descriptions and eliminate "no gender needed." 4. The factory will establish and implement an internal monitoring procedure to ensure that all policies, procedures, and other documents are consistent with local law and FLA benchmarks / 3 months. 5. Management will ensure that there is ongoing training on non-discrimination standards for personnel in charge of policy/procedure development and implementation / 4 months. 6. Management has created policies and procedures to encourage ongoing worker training with the main objective being to increase or widen workers' skills in order to advance their careers within the factory and beyond, such as English, computer skills, and mechanical skills; the factory will review its procedures in writing / 4 months.

Action plan status: Planned

Planned completion date: 11/20/14

2. 1. The factory is going to attract and recruit males in the operator training school, it is scheduled to start the hiring process on November 2014 / 6 months. 2. The gender field options from the new worker request forms has been eliminated. 3. Factory management will review its job descriptions so that they do not include marital status, gender or age as a condition for hire. 4. The factory will establish and implement an internal monitoring procedure to ensure that all policies, procedures, and other documents are consistent with local law and FLA benchmarks / 3 months. 5. Management will ensure that there is ongoing training on non-discrimination standards for personnel in charge of policy/procedure development and implementation / 4 months. 6. Management has created policies and procedures to encourage ongoing worker training with the main objective being to increase or widen workers' skills in order to advance their careers within the factory and beyond, such as English, computer skills, and mechanical skills; the factory will review its procedures in writing / 4 months.

Action plan status: Planned

Planned completion date: 09/25/14

FINDING NO.2

BASIC NEEDS

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. Based on workers' perceptions, their salary is not enough to cover all of their basic needs and also provide them with discretionary income.(FLA Comment: The assessment methodology in use by the FLA at the time of this assessment did not involve collection of compensation data nor specific benchmarks against which to measure the adequacy of compensation received by the workers. Fair Compensation findings were based solely on worker interviews/perception and are therefore not actionable for remediation purposes. In 2015, the FLA launched its Fair Compensation Work Plan which requires the collection and benchmarking of compensation data.)

Local Law or Code Requirement

FLA Workplace Code (Compensation Benchmark C.1.3)

Root Causes

1. Currently, the Salvadoran apparel industry does not provide workers' wages that allow for the fulfillment of their basic needs, plus a discretionary income.
2. Management lacks awareness of FLA Workplace Code and Benchmarks.
3. This issue has not been brought to the attention of factory management during previous external audits.
4. There is no wage structure in the factory that would enable workers to progressively earn a wage level that would meet their basic needs.

COMPANY ACTION PLANS

1. 1. Factory management will wait for the FLA's advice on the Fair Wage Self-Assessment.

Action plan status: Planned

Planned completion date: 08/21/14

FINDING NO.3

WRITTEN POLICY ON TERMINATION AND RETRENCHMENT

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. Factory has no written policy or procedure on either: a) termination and retrenchment or b) hours of work.
2. There is no procedure for determining termination payouts that: a) includes methods for the correct assessment of payouts for all modes of termination/retrenchment and b) takes legal requirements into account.
3. No confidential channel has been established for workers to express the concerns or issues they might be experiencing around their legally owed payments during retrenchment.
4. No training has been provided for supervisors on termination and retrenchment practices.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.1, ER. 17.1, ER.19.1, ER.19.2, and ER.32.1)

Root Causes

1. Management is unaware of FLA benchmarks and the minimum requirements related to supervisor training and termination & retrenchment.
2. For several years, management has been working without certain written policies and procedures and has not seen the need to formalize their practices.
3. The revised FLA Workplace Code and Benchmarks now include policy and procedure development requirements, which are new for many of the Participating Supplier affiliates.

COMPANY ACTION PLANS

1. 1. The factory is in the process of drafting termination and retrenchment policies and procedures that include maintaining proper and accurate records according to FLA benchmark recommendations / 3 months. 2. The factory is in the process of drafting hours of work procedures according to: a) legal requirements and b) FLA Code and benchmark requirements, the policy has already been drafted / 3 months. 3. The factory is in the process of drafting a procedure to ensure that workers and/or their representatives are consulted when layoffs or retrenchments are being considered / 3 months. 4. The factory is in the process of drafting a confidential channel that would enable workers to confidentially express the concerns or problems they might be experiencing during retrenchment / 3 months. 5. The factory will conduct ongoing training for all relevant staff in charge of compensation (in case of termination/retrenchment) on the newly created policies and procedures, including on how the confidential channel would function / 4 months. 6. The factory will create a training plan for supervisors to receive training on national laws, regulations, FLA Code, and the factory's policies and procedures / 4 months. 7. The factory will assign responsible persons for the communication and implementation/enforcement of newly created policy and procedures / 4 months.

Action plan status: Planned

Planned completion date: 09/18/14

FINDING NO.4

RELATIONSHIP BETWEEN MANAGEMENT AND WORKER REPRESENTATIVE(S)

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Factory has not provided union leaders with the facilities necessary for the proper exercise of their functions, including access to workspaces.

Local Law or Code Requirement

FLA Workplace Code (Freedom of Association Benchmark FOA.15)

Root Causes

1. Factory management is under the impression that local labor law code and the factory's regulations are in accord with ILO conventions and FLA Workplace Code.

Recommendations for Immediate Action

1. Management is to provide union leaders and other worker representative structures with the facilities necessary for the exercise of their functions.

COMPANY ACTION PLANS

1. 1. The factory has implemented monthly meetings with the unions' representatives and offered areas to perform their activities, these actions were implemented throughout these meetings.

Action plan status: Planned

Planned completion date: 05/22/14

FINDING NO.5

PROCEDURES ON WORKPLACE CONDUCT AND DISCIPLINE

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. Workers' right to appeal disciplinary actions is not properly regulated; there is no procedure for its implementation (a brief description is included in the Worker's Handbook, but not in the internal Policy and Procedure Handbook).
2. The disciplinary procedure does not properly allow for the presence of a third-party witness during the imposition of disciplinary action.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.27.4)

Root Causes

1. Factory has not seen the need to formalize either the appeal process or the presence of a third party during the imposition of disciplinary action.

COMPANY ACTION PLANS

1. The factory will develop workplace conduct/discipline policies and procedures that include descriptions of the appeal process and the process regarding having a third-party witness present during the imposition of disciplinary action / 2 months.
2. The factory will regularly train all workers, supervisors, and those in managerial positions on the revised policies and procedures, focusing on the appeal process and the process regarding having a third-party witness present during the imposition of disciplinary actions / 4 months and Continuous.

Action plan status: Planned

Planned completion date: 09/18/14

FINDING NO.6

COMPLIANCE WITH THE LOCAL LAW/FLA CODE IN THE IMPLEMENTATION OF THE WORKPLACE CONDUCT POLICY AND PROCEDURE

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. There is no sexual harassment preventive program in the workplace, as required by law, e.g., briefings, preventive plans, resources allocation.

Local Law or Code Requirement

General Law on Risks Prevention in the Workplace, Article 8.10; FLA Workplace Code (Harassment or Abuse Benchmark H/A.1)

Root Causes

1. As the General Law on Risks Prevention in the Workplace is relatively new, factory management has not yet aligned its requirements accordingly.

COMPANY ACTION PLANS

1. The factory will develop a sexual harassment prevention program that is consistent with local law / 5 months.
2. The factory will allocate resources for implementing the sexual harassment prevention program and designate staff to be in charge of enforcement / 5 months.
3. The factory will train all workers and those in supervisory and managerial positions on applicable legal provisions on the prevention of sexual harassment, including periodic briefings as mandated by local law / 6 months.

Action plan status: Planned

Planned completion date: 11/20/14

FINDING NO.7

ENVIRONMENTAL PERMITS

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. Factory management does not have the environmental permit required by local law.
2. Residual ink from Sublimation is not disposed of and treated by an authorized chemical handler.
3. Factory's environmental protection policy does not include a commitment to minimize environmental impacts with respect to:
 - a) the conservation and use of energy and water and b) management of solid waste.
4. Orientation training for new employees does not include factory's environmental protection policy and procedures.

Local Law or Code Requirement

Environment Law, Article 19; FLA Workplace Code (Employment Relationship Benchmarks ER.15.1 and ER.31.3; Health, Safety and Environmental Code Provision VII and Benchmarks HSE.1 and HSE.4)

Root Causes

1. Factory did not immediately apply for the Environmental Permit when the environmental law came into effect. Factory management is now in the process of obtaining the Environmental Permit. However, the Ministry of Environmental and Natural Resources has raised several observations with the factory's plan for managing environmental issues. As a result, the permit is pending.
2. Factory is sharing facilities with another company; in such cases, the law requires that both companies submit one consolidated environmental plan. The coordination with this other company has also resulted in additional delays.
3. The company in charge of disposing the residual ink from Sublimation is located next door building; however, this company is not an authorized to handle and dispose of chemical waste.
4. The revised FLA Workplace Code and Benchmarks now include environmental protection requirements, which are new for affiliates.
5. Factory does not see the need to train new workers on environmental protection during the orientation sessions.

COMPANY ACTION PLANS

1. The factory will improve the factory's environmental protection policy by including a commitment to minimize environmental impacts with respect to energy and water use; conservation; and solid waste management / 3 months.
2. The factory will train all workers and those in supervisory and managerial positions on the new commitment to minimize environmental impacts with respect to water, energy, and solid waste; including revised policy and procedures in the orientation training for new workers / 3 months and Continuous.
3. The factory management will seek for an authorized handler to dispose of and treat the residual ink from sublimation / 3 months.
4. Factory management, in collaboration with the other factory, will address the observations raised by the Ministry of Environmental and Natural Resources in order to ensure the completion of the process for obtaining the relevant environmental permit / 6 months.

Action plan status: Planned

Planned completion date: 11/20/14

FINDING NO.8

IMPLEMENTATION OF HEALTH AND SAFETY PRACTICES RELATED TO CHEMICALS

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The label for 1 stain-removal chemical container did not match its content; therefore, it was not possible to know which Material Safety Data Sheet (MSDS) to follow in case of human contact/inhalation or other accidental/emergency situation.
2. Chemical storage room is not safely protected from the elements. Rainwater has leaked through several holes in the roof, flooding the storage room.

Local Law or Code Requirement

Salvadoran General Regulations on Risks Prevention in the Workplace, Article 200 (a) and (c), and Article 204, Numeral 2); FLA Workplace Code, Code Provision VII (Health, Safety and Environmental Benchmarks HSE.1 and HSE.9.1)

Root Causes

1. The chemical vendor does not use new chemical containers; instead, the chemicals are decanted into the old ones. During this process, no health and safety (H&S) staff is present to ensure that this procedure is properly done.
2. Conducting regular oversight to ensure the chemical storage room's safety is not included in the H&S Manager's responsibilities.

Recommendations for Immediate Action

1. H&S Manager is to ensure that chemicals are safely decanted into the proper containers.
2. Factory management is to repair the roof holes in the chemical storage room.

COMPANY ACTION PLANS

1. Immediate Actions: 1. H&S manager is ensuring that chemicals are safely decanted into proper containers.
2. Factory management will repair the roof holes in the chemical storage room.
- Sustainable Improvements: 1. H&S manager will conduct regular inspections of the chemical storage room to ensure that safe conditions are met; proper oversight when receiving new chemicals to be reviewed / 3 months and Continuous.

Action plan status: Planned

Planned completion date: 08/21/14

FINDING NO.9

COMPLIANCE WITH LOCAL LAW/FLA CODE IN THE IMPLEMENTATION OF HEALTH AND SAFETY POLICIES AND PROCEDURES

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. Factory has not developed the Preventive Program for Managing Health and Safety (H&S) Risks at Workplace, as required by law.

Local Law or Code Requirement

General Law on Risks Prevention in the Workplace, Article 8; FLA Workplace Code (Health, Safety and Environmental Benchmark HSE.1)

Root Causes

1. As occupational H&S regulations are relatively new (April 2012), factory management has not yet aligned its requirements accordingly.
2. Due to H&S Manager's workload, the Preventive Program for Managing H&S Risks at Workplace has not been completed.

COMPANY ACTION PLANS

1. 1. The factory will review the H&S manager's job description to: a) ensure that all of his duties and responsibilities are included and b) determine if additional staff is required / 2 months. 2. Factory management will develop and implement the Preventive Program for Managing H&S Risks in the Workplace, as required by law / 4 months.

Action plan status: Planned

Planned completion date: 09/18/14

FINDING NO.10

IMPLEMENTATION OF HEALTH AND SAFETY PRACTICES IN DORMITORIES, CANTEEN, CHILDCARE AREA, AND HEALTH CLINIC

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Childcare facility's main emergency exit does not open outwards, as required by law and FLA Workplace Code.
2. There is a table with sharp corners in a common area, posing a risk of injury for the children who walk around.
3. Lamps on the roof of the food preparation areas are not adequately protected against the possibility of broken glass falling into food when it is being prepared.

Local Law or Code Requirement

Salvadoran General Regulations on Risks Prevention in the Workplace, Article 13.4; FLA Workplace Code (Health, Safety and Environmental Benchmarks HSE.1, HSE.5.1, and HSE.19)

Root Causes

1. H&S staff has delegated the canteen's personnel for the implementation of H&S practices, without conducting regular oversight; canteen's personnel does not have the required qualifications to identify risks in this work area.
2. The National Fire Department has certified the childcare facility; however, during the certification process, compliance with legal requirements on emergency exits was not fully verified.

3. The table with sharp corners is located in a common area that children do not regularly stay in, so factory management has not considered the risk of injury.

Recommendations for Immediate Action

1. Factory management is to adjust the childcare facility's emergency exit to ensure that it opens outwards.
2. Equip the table in the childcare facility with corner safety devices to prevent potential injuries.
3. Equip lamps at food preparation areas with protective devices that prevent broken glass from falling into the food.

COMPANY ACTION PLANS

1. Immediate Actions: 1. Factory management will adjust the childcare facility's emergency exit to ensure that it opens outwards. 2. Factory management will equip the table in the childcare facility with corner safety devices to prevent potential injuries. 3. Factory management will equip lamps in the food preparation areas with protective devices that prevent broken glass from falling into the food. Actions for Sustainable Improvements: 1. Factory will ensure that the Preventive Program for Managing H&S Risks in the Workplace that is to be developed includes other areas, such as canteen and childcare / 4 months. 2. H&S manager will conduct regular inspections of the canteen and childcare to ensure that safe conditions are met / 4 months and Continuous.

Action plan status: Planned

Planned completion date: 09/18/14

FINDING NO.11

FIRE AND EMERGENCY ACTIONS

FINDING TYPE: Immediate Action Required

Finding Explanation

1. No warning signs on the electrical boxes.
2. An aisle was found partially blocked by a sewing machine in maintenance.
3. A load dock, not in use, was found unchained, posing risk of fall for the employees.
4. Floor marks leading to emergency exits are fading away.
5. There is an electric air pump stored under an electrical box.
6. Assembly areas in front of the building may block access to firefighting trucks and other assistance vehicle.
7. 1 forklift was not equipped with a back-up alarm.

Local Law or Code Requirement

Salvadoran General Regulations on Risks Prevention in the Workplace, Articles 107 and 113; FLA Workplace Code (Health, Safety & Environmental Benchmarks HSE.5.1 and 14.1)

Root Causes

1. No effective monitoring of the implementation of fire safety guidelines on a periodic basis.
2. Due to the workload, H&S Manager could not conduct regular oversight through the different work areas.
3. Lack of integration and coordination between H&S Department and all different areas/departments of the factory poses safety risks. In addition, there is limited worker involvement in reporting and managing HSE issues.
4. The forklift's back-up alarm was broken and not reported to the responsible maintenance personnel.
5. H&S Manager does not include the review of safety devices in all machinery, including forklift and other vehicles.

Recommendations for Immediate Action

1. Clear the aisles and mark the evacuation routes in all areas where floor paint is fading.
2. Add warning signs to all electrical boxes or panels on the production floor.
3. Use the loading dock chain when not in use.
4. Remove the electrical air pump from under the electrical box.
5. Factory management is to ensure that all forklifts are equipped with relevant safety devices, such as back-up alarms.

COMPANY ACTION PLANS

1. Immediate Actions: 1. The factory will clear the aisles and mark the evacuation routes in all areas where floor paint is

fading. 2. The factory will add warning signs to all electrical boxes or panels on the production floor. 3. The factory will use the loading dock chain when not in use. 4. The factory will remove the electrical air pump from under the electrical box. 5. Factory management will ensure that all forklifts are equipped with relevant safety devices, such as back-up alarms. Actions for Sustainable Improvements: 1. The factory will review its mechanism of communication between the H&S department and all different areas/departments of the factory, if any improvement is needed / 3 months. 2. Factory management will review its evacuation procedures by including: a) steps for ensuring that walkways/aisles and emergency exits are free from obstruction and b) a process to conduct sewing machine maintenance without creating an obstruction of the aisles / 3 months. 3. The factory will review and monitor its process to ensure compliance with all elements related to fire fighting and safe evacuation / 3 months. 4. The factory will consider relocating assembly areas to the front of the building to avoid blockage of emergency vehicles / 4 months. 5. Factory management will develop and implement a formal procedure for workers to report H&S concerns directly to the H&S manager / 3 months. 6. Factory management will regularly train and communicate to all workers and supervisors on the newly created procedure for reporting H&S concerns / 3 months and Continuous.

Action plan status: Planned

Planned completion date: 09/18/14

FINDING NO.12

UNION(S) AND WORKER REPRESENTATION

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. The Worker Integration component is missing throughout all Employment Functions, indicating that the factory has not established procedures to receive workers' input/feedback on the creation, implementation, and updating of its policies and procedures. Workers are neither systematically integrated nor consulted in the decision-making processes.

Local Law or Code Requirement

1. FLA Workplace Code (Employment Relationship Benchmarks ER.1.3 and ER.25.2)

Root Causes

1. Management lacks awareness of FLA Workplace Code and Benchmarks.
2. Management has not seen the need to formalize a worker integration process.
3. Top-down communication without the incorporation of workers' feedback is culturally acceptable for management.

COMPANY ACTION PLANS

1. 1. Factory management will establish a procedure that enables workers to consult with and provide input to management / 4 months. 2. The factory will designate staff from the HR department the responsibility of implementing the worker integration procedure / 5 months. 3. The factory management will all workers, supervisors, and those in managerial positions on the newly created worker integration procedures / 5 months.

Action plan status: Planned

Planned completion date: 10/16/14