



Factory Assessment Report

Sustainable Compliance Initiative (SCI)

Companies that join the Fair Labor Association (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.

FLA member(s)	Amer Sports - 5
Country	Indonesia
Assessment Date	6/3/2026
Assessment Company	Donny Triwandhani - 200000

Workforce Summary

Number of Workers	174
Percentage female	55 %
Primary Languages	INDONESIAN

Wage Data information

Monthly minimum wage in country at time of assessment	NA
GLWC living wage benchmark for the country or relevant region at time of assessment	NA

Assessment Summary

Violations per FLA Code Element	Violated Benchmarks
Nondiscrimination (ND)	2 
Health, Safety And Environment (HSE)	20 
Employment Relationship (ER)	20 
Hours Of Work (HOW)	4 
Harassment Or Abuse (HA)	1 
Freedom Of Association And Collective Bargaining (FOA)	1 
Forced Labor (F)	0
Child Labor (CL)	0
Compensation (C)	2 

Violations per Category	Violated Benchmarks
Immediate Action Required	30 
Sustainable Improvement Required	20 
Uncorroborated Risk of Non-Compliance	0
Notable Feature	0

24-Hour Findings Summary

24h Violations per FLA Code Element	Violated Benchmarks
Nondiscrimination (ND)	1
Health, Safety And Environment (HSE)	0
Employment Relationship (ER)	0
Hours Of Work (HOW)	0
Harassment Or Abuse (HA)	1
Freedom Of Association And Collective Bargaining (FOA)	0
Forced Labor (F)	0
Child Labor (CL)	0
Compensation (C)	0

Details 24h Findings

Benchmark	Harassment Or Abuse (HA)
Benchmark ID	H/A.7
Benchmark Details	Employers shall not restrain the freedom of movement of workers, including movement in canteens, during breaks, using toilets, accessing water, or accessing necessary medical attention, as a means to maintain labor discipline.
Finding Details	(24hr) WCDB_FL_Q04 - Are workers permitted to move freely, including the use of toilets and access to canteens, drinking water, toilets or clinics? Answer: No, 24h Finding Explanation: Freedom of movement for accessing the toilet is limited. The worker is required to get the toilet card prior to going to the restroom. There are 1–3 toilet cards available in each section depending on the number of workers in the section. The worker needs to wait until the card is available after being used by others.
Benchmark	Nondiscrimination (ND)
Benchmark ID	ND.3
Benchmark Details	Recruitment and employment policies and practices, including job advertisements, job descriptions, application and interview questions and job performance/evaluation policies and practices shall be free from any type of discriminatory bias.

Finding Details

(24hr) RHPD_ND_Q01 - Are all employment policies or practices (job advertisement, job application, job description, performance review) free of discrimination in any form?

Answer: No, 24h Finding

Explanation: 1. The new workers are required to sign a statement of commitment to obey factory regulations, commit to work hard and with responsibility, maintain a good relationship with coworkers and superiors, etc. However, the following point in the signed statement does not comply with the Law and FLA Code:

- Point 7 states not being pregnant (for females). There is no maternity leave record of production workers available for review, although 55% of the workers are females and around 42 of them are females aged between 21 and 43 years old.

2. Gender preference on hiring — Based on manpower requisition form dated May 5, 2026, the production department requested one new female non-skill for the cutting section and one male for the normal line (Iron).

Assessment Results

Compensation (C)	
Benchmark ID	C.13.1
Benchmark Details	Voluntary wage deductions, including for savings clubs, loan payments, union membership dues, or any other union fees, can only be made with the express and written consent of individual workers unless (in the case of union dues and fees) specified otherwise in freely negotiated and valid collective bargaining agreements. In all cases, voluntary wage deductions must fall within the limits and conditions specified by law
Finding Details	The assessor found improper written consent for wage deductions. Every new worker is required to sign a written consent for wage deduction related to a union member fee, savings to a cooperative and a loan from a cooperative, a savings program held by the factory, and advance payment for food and transportation allowances. Not all workers are members of the union, the cooperative savings and loan program has been discontinued for years, and not all workers participate in the savings program held by the factory. The only relevant deduction applied to all workers is the advance payment for food and transportation allowances. Meanwhile, the deduction for the union member fee is only applicable to fewer than fifteen workers who are members of the union, and fifty five workers that participated in the savings program held by the factory.
Recommendations for Immediate Action	Ensure that written consent for wage deductions is obtained for the specific deductions for each relevant worker.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	

Benchmark ID	C.7
Benchmark Details	All payments to workers, including hourly wages, piecework, fringe benefits and other incentives shall be calculated, recorded, and paid accurately.
Finding Details	Workers who ask for permission to go home early due to personal reasons/family matters, before 10:00am or before the hours of work reach at least three hours, are not paid. Therefore, the workers will be considered one day absent without pay.
Recommendations for Immediate Action	Ensure all hours of worked are compensated.



**Recommendations
for Sustainable
Improvement**

**Compliance
Classifications**

Local Law

Immediate Action Required

Employment Relationship (ER)

Benchmark ID ER.18.6

Benchmark Details The workplace shall commit to non-retaliation for all steps of the disciplinary process, including for a worker requesting a witness and filing an appeal of disciplinary action.

Finding Details There is no written commitment from factory management to non-retaliation for disciplinary process including if a worker requests a witness and filing an appeal of disciplinary action.

**Recommendations
for Immediate Action**

**Recommendations
for Sustainable
Improvement**

**Compliance
Classifications**

Local Law

Sustainable improvement required

Benchmark ID ER.10.2

Benchmark Details Employers shall not renew contracts for multiple successive short-terms in lieu of providing regular employment.

Finding Details Please review ER.10.1 for details

**Recommendations
for Immediate Action** Convert all workers who perform jobs of permanent nature but are currently hired under a PKWT contract to permanent worker status.

**Recommendations
for Sustainable
Improvement**

**Compliance
Classifications**

Local Law

Immediate Action Required

Government Regulation No 35 year 2021 Chapter II Article 4 (2)

Benchmark ID ER.17.5

Benchmark Details Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.

Finding Details

1. The implementation of the factory's grievance system is inadequate:
 - a) Only one suggestion box is provided on the wall at the entrance between male and female toilets in the main production building, the location is not in a private area as someone can easily observe workers who input grievances.
 - b) There is no suggestion box provided in the embroidery building.
 - c) The factory's grievance procedure does not mention the frequency of opening the box. There is no record of opening the suggestion box.
 - d) The grievance records were not available for review. According to the factory, there is no grievance received so far, although the factory has been operating for over 30 years.
 - e) There is no specific training on grievance for workers.

Recommendations for Immediate Action

2. The grievance procedures does not include tracking the number, types, timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.
 1. Ensure to implement adequate grievance system:
 - a) Provide additional suggestion boxes in neutral, low-surveillance, and easily accessible locations where individuals can approach the box unobserved.
 - b) Provide a suggestion box in the embroidery building.
 - c) Include the frequency of opening the box in the procedures, and maintain record of opening the suggestion box.
 - d) Maintain the grievance records.
 - e) Conduct specific training on grievance for workers.
 2. Ensure the grievance procedures include tracking the number, types, timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.

Recommendations for Sustainable Improvement

Compliance Classifications

Immediate Action Required

Local Law

Benchmark ID

ER.17.6

Benchmark Details

Employers shall have a system in place to prevent retaliation against or discrimination towards workers who are filing grievances, including grievances regarding harassment, abuse, violations of factory procedures, compensation, or unsafe working conditions

Finding Details

The factory does not have non-retaliation policies or procedures. As result, there is no adequate system in place to prevent retaliation against or discrimination towards workers who are filing grievances, including grievances regarding harassment, abuse, violations of factory procedures, compensation, or unsafe working conditions.



**Recommendations
for Immediate Action**

**Recommendations
for Sustainable
Improvement**

**Compliance
Classifications**

Local Law

Sustainable improvement required

Benchmark ID

ER.18.2

Benchmark Details

Employers shall ensure managers and supervisors are fully familiar with the workplace disciplinary system and in applying appropriate disciplinary practices.

Finding Details

The factory has not established written commitment to non-retaliation for disciplinary process including if a worker requests a witness and filing an appeal of disciplinary action.

**Recommendations
for Immediate Action**

**Recommendations
for Sustainable
Improvement**

**Compliance
Classifications**

Local Law

Sustainable improvement required

Benchmark ID

ER.18.4

Benchmark Details

The disciplinary system shall include a third party witness during imposition, and an appeal process.

Finding Details

The disciplinary procedures do not include workers' right to appeal disciplinary action and workers' ability to have a third party witness during the imposition of disciplinary actions.

**Recommendations
for Immediate Action**

**Recommendations
for Sustainable
Improvement**

**Compliance
Classifications**

Local Law

Sustainable improvement required

Benchmark ID

ER.3.3

Benchmark Details

Workers should be provided with written documentation that substantiates all the issues covered in orientation briefings.



Finding Details

According to the HR Manager, new workers are not provided with copy of written documentation that substantiates all the issues covered in orientation briefings.

Recommendations for Immediate Action

Recommendations for Sustainable Improvement

Compliance Classifications

Sustainable improvement required

Local Law

Benchmark ID

ER.4

Benchmark Details

Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.

Finding Details

Based on provided records, communications to workers on the FLA Code, Amer Sports' Code of Conduct and the Collective Bargaining Agreement were only provided to twenty eight out of one hundred seventy four total employees.

Recommendations for Immediate Action

Recommendations for Sustainable Improvement

Compliance Classifications

Sustainable improvement required

Local Law

Benchmark ID

ER.8

Benchmark Details

Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.

Finding Details

There are no policies and procedures on promotion, demotion and job reassignment.

Recommendations for Immediate Action



Recommendations for Sustainable Improvement

Compliance Classifications

Local Law

Sustainable improvement required

Benchmark ID

ER.2

Benchmark Details

Employers shall ensure that all legally mandated requirements for the protection or management of special categories of workers, including migrant, juvenile, contract/contingent/temporary, probationary workers, home workers, and pregnant or disabled workers, are implemented. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.

Finding Details

There is no worker with a disability out of a total of one hundred seventy four employees at the factory, which is not in compliance with local law. Local law requires that one person with disabilities to be hired per one hundred employees. Thus, for a factory with one hundred seventy four employees, the factory should hire at least one to two workers with disabilities.

Recommendations for Immediate Action

Establish a program to provide training and employ workers with disabilities.

Recommendations for Sustainable Improvement

Compliance Classifications

Immediate Action Required

Local Law

Law No.8 Year 2016 About Persons with Disabilities on Article 53 (2)

Benchmark ID

ER.1.1

Benchmark Details

Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.

Finding Details

1. The written policy and procedures on recruitment do not include the minimum hiring age and steps to check applicants' documentation such as copy of national ID card, family card, etc.
2. The policy and procedures on forced labor do not describe the criteria for forced labor. For instance: mandatory overtime, retaining original documents, working excessive hours, restricted freedom of movement, etc.
3. The factory does not have procedures to remediate when child labor is found.
4. There are no policies and procedures governing all aspects of retrenchment.
5. There is policy on compensation but there is no procedure.

Recommendations for Immediate Action

Recommendations for Sustainable Improvement

Compliance Classifications

Sustainable improvement required

Local Law

Benchmark ID

ER.6.1

Benchmark Details

Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.

Finding Details

There are no adequate written policies and procedures on personnel development that encourage ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers.

Recommendations for Immediate Action

Recommendations for Sustainable Improvement

Compliance Classifications

Sustainable improvement required

Local Law

Benchmark ID

ER.5.1

Benchmark Details

Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.



Finding Details

There is no specific training to the relevant supervisors that includes all FLA's Code elements and Employment Functions.

Recommendations for Immediate Action

Recommendations for Sustainable Improvement

Compliance Classifications

Sustainable improvement required

Local Law

Benchmark ID

ER.3.1

Benchmark Details

Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.

Finding Details

There is no record or evidence that new workers were provided with orientation training that covers all FLA's Code elements and Employment Functions.

Recommendations for Immediate Action

Recommendations for Sustainable Improvement

Compliance Classifications

Sustainable improvement required

Local Law

Benchmark ID

ER.7.1

Benchmark Details

Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.

Finding Details

1. There are no adequate written policies and procedures on personnel development that encourage ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers.
2. There are no written performance reviews conducted for any workers.

Recommendations for Immediate Action



**Recommendations
for Sustainable
Improvement**

**Compliance
Classifications**

Local Law

Sustainable improvement required

Benchmark ID

ER.10.1

Benchmark Details

Employers shall not hire contract/contingent/temporary workers as a means to support continuing business needs on a long-term basis.

Finding Details

Based on employment records, approx. one hundred thirty four out of one hundred forty four production workers (93%) are employed under a fixed-term contract (PKWT) with repeated contracts, even though they are working permanent jobs in the cutting, sewing, lacing, embroidery, finishing and packing sections.

**Recommendations
for Immediate Action**

Convert all workers who perform jobs of permanent nature but are currently hired under a PKWT contract to permanent worker status.

**Recommendations
for Sustainable
Improvement**

**Compliance
Classifications**

Immediate Action Required

Local Law

Government Regulation No 35 year 2021 Chapter II Article 4 (2)

Benchmark ID

ER.1.2

Benchmark Details

Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.

Finding Details

There is no ongoing training to workers on all FLA Code elements and Employment Functions.

**Recommendations
for Immediate Action**

**Recommendations
for Sustainable
Improvement**

**Compliance
Classifications**

Sustainable improvement required

Local Law

Benchmark ID

ER.9.2



Benchmark Details	Employers shall have in place written policies and procedures regulating the recruitment and hiring of contract/contingent/temporary workers.
Finding Details	There are no policies and procedures on recruitment and hiring of contract/contingent/temporary workers.
Recommendations for Immediate Action	
Recommendations for Sustainable Improvement	
Compliance Classifications	Sustainable improvement required
Local Law	

Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.
Finding Details	1. The factory does not have policies or procedures for reviewing internal documents. As a result, the factory does not conduct a regular review process to make sure that all policies and procedures are updated according to changes in local law, regulations/FLA code, and internal/external audit results. 2. The factory has not established procedures to request and/or receive workers' input/feedback regarding the creation, implementation, and updating of its policies and procedures. Workers are neither systematically integrated nor consulted in decision-making processes.
Recommendations for Immediate Action	
Recommendations for Sustainable Improvement	
Compliance Classifications	Sustainable improvement required
Local Law	

Benchmark ID	ER.17.3
Benchmark Details	Employers shall have in place written procedures that allow a direct settlement of the grievance by the worker and the immediate supervisor. Where this is inappropriate or has failed, there should be additional options for senior management review and consideration, depending on the nature of the grievance and the structure and size of the enterprise.

Finding Details

The procedures on workplace conduct/discipline do not include procedures allowing a direct settlement of the grievance by the worker and the immediate supervisor and including senior management review if needed.

**Recommendations
for Immediate Action**
**Recommendations
for Sustainable
Improvement**
**Compliance
Classifications**

Sustainable improvement required

Local Law

Harassment Or Abuse (H/A)

Benchmark ID

H/A.7

Benchmark Details

Employers shall not restrain the freedom of movement of workers, including movement in canteens, during breaks, using toilets, accessing water, or accessing necessary medical attention, as a means to maintain labor discipline.

Finding Details

Freedom of movement for accessing the toilet is limited. Workers are required to get the toilet card prior to going to the restroom. There are one to three toilet cards available in each section depending on the number of workers in the section. The worker needs to wait until the card is available after being used by others.

**Recommendations
for Immediate Action**

Ensure freedom of movement for accessing the toilet is not limited.

**Recommendations
for Sustainable
Improvement**
**Compliance
Classifications**

Immediate Action Required

Local Law

Health, Safety And Environment (HSE)

Benchmark ID

HSE.14.1

Benchmark Details

All production machinery, equipment and tools shall be properly guarded and regularly maintained.

Finding Details

1. At least 4 sewing machines in the batting glove room are not installed with needle guards.
2. The factory does not implement lockout-tagout maintenance safety system for all relevant equipment.

Recommendations for Immediate Action

1. Ensure all sewing machines are equipped with needle guards.
2. Implement lockout-tagout maintenance safety system for all relevant equipment.

Recommendations for Sustainable Improvement

Compliance Classifications Immediate Action Required

Local Law Regulation No. PER-01/MEN on Safety and Health in The Building Construction (1980), Article 42

Benchmark ID HSE.5.1

Benchmark Details All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.

Finding Details

1. The factory does not have procedures to prohibit smoking or post signs to prohibit smoking within fifteen meters/around fifty feet (~50 ft.) of all closed areas.
2. The emergency assembly point is located in the car parking area and the area is obstructed by company and visitors' cars.
3. The evacuation maps in the production building are posted in an incorrect orientation, not based on the actual layout of the factory area when the map is viewed in location: "you are here."

Recommendations for Immediate Action

1. Establish procedures to prohibit smoking or post signs to prohibit smoking within fifteen meters/around fifty feet (~50 ft.) of all closed areas.
2. Ensure the emergency assembly point is located in area that accessible for workers, without any obstructions.
3. Ensure evacuation maps in the production building are posted in correct orientation as per the actual layout of the factory.

Recommendations for Sustainable Improvement

Compliance Classifications Immediate Action Required

Local Law Government Regulation No. 36 on Building (2005), Article 5

Benchmark ID HSE.29

Benchmark Details Employers shall provide all necessary protection for workers when working at heights, confined spaces, and other high-risk areas.

Finding Details

1. The factory has not officially determined which areas of the premises are considered to be confined spaces. Furthermore, the confined spaces are not marked with a "do not enter without permit" sign to ensure that there is no unauthorized entry. The assessor observed that the underground water reservoir tank for fire hydrant and above-ground water tank should be considered confined spaces.
2. There is no procedure for entering confined spaces being safely followed (safe atmosphere, rescue equipment ready to use, trained observer present).
3. The factory does not have fall protection equipment such as body harness.
4. There is no safety rod present at the electrical panels to help push or pull someone away from electrocution.
4. Elevated work areas such as the water storage tank are not marked with signs to warn of hazards and require PPE.

Recommendations for Immediate Action

1. Determine which areas of the premises are considered to be confined spaces, and then mark the confined spaces with a "do not enter without permit" sign to ensure that there is no unauthorized entry.
2. Establish procedures for entering confined spaces (safe atmosphere, rescue equipment ready to use, trained observer present).
3. Provide fall protection equipment such as body harness for workers who work in elevated work areas.
4. Provide a safety rod at every electrical panel to help push or pull someone away from electrocution.
5. Mark the elevated work areas such as the water storage tank, with signs to warn of hazards and require PPE.

Recommendations for Sustainable Improvement

Compliance Classifications

Immediate Action Required

Local Law

OHS Guidance for confined spaces by Directorate of OHS Norm Supervisory, September 2006 Article 2.1.2; PUIL 2000 Article 9.9.1.1

Benchmark ID

HSE.30.1

Benchmark Details

Employers shall develop, maintain, and regularly review health, safety, and environmental policies to ensure that they comply with all national laws, regulations and the FLA Workplace Code concerning health, safety, and environmental standards, regulations and procedures.

Finding Details

1. There is an environmental policy but no procedure.
2. The factory does not have environmental protection procedures; therefore, there are no procedures that include environmental emergencies, wastewater, air emissions, solid and hazardous waste, chemical tanks.

**Recommendations
for Immediate Action**
**Recommendations
for Sustainable
Improvement**
**Compliance
Classifications**

Sustainable improvement required

Local Law

Benchmark ID

HSE.30.3

Benchmark Details

Environmental policies shall include procedures to minimize environmental impacts with respect to energy, air emissions, water, waste, hazardous materials, and other significant environmental risks.

Finding Details

The environmental protection policy does not include include a statement of the factory management's general support of energy and water efficiency, and a commitment to minimize impacts with respect to air emissions, waste, hazardous materials and other applicable environmental risks.

**Recommendations
for Immediate Action**
**Recommendations
for Sustainable
Improvement**
**Compliance
Classifications**

Sustainable improvement required

Local Law

Benchmark ID

HSE.5.1.3

Benchmark Details

All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of emergency lighting

Finding Details

Three out of 3 randomly selected emergency lights above exit doors in production buildings were not properly functioning, or the light was dim when they were tested.

**Recommendations
for Immediate Action**

Ensure all emergency lights above exit doors are properly functioning.

**Recommendations
for Sustainable
Improvement**
**Compliance
Classifications**

Immediate Action Required

Local Law

Regulation of the Minister of Labour No. 7 (1964), Article 13(2) & (4)

Benchmark ID	HSE.5.1.6
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: evacuation procedures and fire drills
Finding Details	There is no assessment after fire/evacuation drills to learn how to improve the evacuation process.
Recommendations for Immediate Action	Conduct assessment after fire/evacuation drills to learn how to improve the evacuation process.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Finding Details	At least six jerrycans, sized about two and half (2.5) liters, containing chemicals placed in the production area, are not labeled with their contents and main hazards.
Recommendations for Immediate Action	Ensure all chemical containers are labeled with their contents and main hazards.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	Decision of the Minister of Labor No.187 on Hazardous Chemicals Control at Work (1999), Article 5
Benchmark ID	HSE.17.1
Benchmark Details	Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains.
Finding Details	Two chairs for sewing operators in the batting glove room are not provided with a backrest for support.
Recommendations for Immediate Action	Ensure all workers' chairs are equipped with a backrest for support.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required

Local Law	Regulation of the Minister of Labour No. 7 (1964), Article 9(1) - (2)
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Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	1. The factory does not provide training to all health and safety committee members. 2. The factory has not performed an asbestos exposure test within the facility premises or areas to ensure that workers are not exposed to asbestos. The assessor observed that the roof in a hazardous & toxic waste warehouse is an asbestos roof. 3. The factory does not conduct asbestos exposure test within the facility premises. Therefore, there is no system to ensure labels are posted or attached to the materials containing asbestos/asbestos exposure areas.
Recommendations for Immediate Action	1. Ensure the arrangement of training for all health and safety committee members (Team P2K3). 2. Conduct an asbestos assessment and label any materials in the factory containing asbestos. 3. Label any materials in the factory containing asbestos after the asbestos exposure test has been conducted.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	Government Regulation No. 101 of 2014 (PP No. 101 Tahun 2014) & Government Regulation No. 22 of 2021

Benchmark ID	HSE.7
Benchmark Details	Workers shall be provided at no cost with all the appropriate and necessary personal protective equipment (e.g. gloves, eye protection, hearing protection, respiratory protection) to effectively prevent unsafe exposure (e.g. inhalation or contact with solvent vapors, noise, dust) to health and safety hazards, including medical waste.
Finding Details	The respirator available in the spraying room is not kept in PPE cabinet with a plastic ziplock to prevent dust. Moreover, there are no aprons and gloves available in the room.
Recommendations for Immediate Action	Ensure all provided respirators are kept in PPE cabinet with a plastic ziplock to prevent dust when they are not being used, and ensure aprons and gloves are available for workers working in spraying.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required

Local Law

Regulation No. PER-08/MEN/VII on Personal Protective Equipment (2010), Article 2 and 5

Benchmark ID

HSE.6.1

Benchmark Details

All safety and medical equipment (e.g. fire fighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.

Finding Details

1. The eyewash station near gluing process in the production building is not properly functioning.
2. The firefighting team is not provided with appropriate equipment to fight fires such as breathing apparatus, fire blankets, helmets, hoods & face protection, goggles & safety glasses, and gloves.
3. There is no sprinkler system, nor a substitute such as a thermatic fire extinguisher, installed at important areas such as the warehouse, finished goods warehouse, chemical warehouse, or the temporary hazardous (B3) waste storage.
4. The emergency contact in case of emergency including fire safety, medical response, etc. is not mentioned at all on the emergency evacuation map for workers awareness.

Recommendations for Immediate Action

1. Ensure all eyewash stations are properly functioning, and ready to use.
2. Provide the firefighting team with appropriate equipment to fight fires such as breathing apparatuses, fire blankets, helmets, hoods & face protection, goggles & safety glasses, and gloves.
3. Install thermatic fire extinguishers at important areas such as the warehouse, finished goods warehouse, chemical warehouse, or the temporary hazardous (B3) waste storage.
4. Post emergency contact numbers in case of emergency including fire safety, medical response, etc. for workers awareness.

Recommendations for Sustainable Improvement
Compliance Classifications

Immediate Action Required

Local Law

Manpower Minister's Regulation No. PER- 15 /MEN/VIII/on first aid in workplace (2008), Article (8); Regulation No. PER-08/MEN/VII on Personal Protective Equipment (2010), Article 3;

Benchmark ID

HSE.21

Benchmark Details

Employers shall not place any undue restrictions on toilet use in terms of time and frequency.

Finding Details	Please review H/A.7 for details. Freedom of movement for accessing the toilet is limited. The worker is required to get the toilet card prior to going to the restroom. There are one to three toilet cards available in each section depending on the number of workers in the section. The worker needs to wait until the card is available after being used by others.
Recommendations for Immediate Action	Ensure freedom of movement for accessing the toilet is not limited.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	

Benchmark ID	HSE.8
Benchmark Details	Workers shall be provided with training on the use and maintenance of personal protective equipment. Training shall be upon hire with periodic refresher training offered to all workers. Management will ensure use of PPE as necessary.
Finding Details	There have been no trainings on PPE usage and maintenance. The last training on how to use PPE was conducted in 2023.
Recommendations for Immediate Action	Provide trainings on PPE usage and maintenance to workers on a regular basis.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	Regulation No. PER-08/MEN/VII on Personal Protective Equipment (2010), Article 7

Benchmark ID	HSE.16
Benchmark Details	Workers shall not suffer any negative consequences for refusing to work with machinery, equipment or tools that are not properly guarded or reasonably considered unsafe.
Finding Details	1. There is no written procedure to ensure the workers, who refuse to work under unsafe conditions, are protected from negative consequences. As result, there is no communication regarding workers' right to refuse to perform work under unsafe conditions, and protection from negative consequences.
Recommendations for Immediate Action	

Recommendations for Sustainable Improvement

Compliance Classifications

Sustainable improvement required

Local Law

Benchmark ID

HSE.9.2

Benchmark Details

Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.

Finding Details

There is no record as evidence that the factory has provided training to workers working with chemicals.

Recommendations for Immediate Action

Conduct training that includes MSDS, hazards, risks and the safe use of chemicals and other hazardous substances for workers who are working with chemicals.

Recommendations for Sustainable Improvement

Compliance Classifications

Immediate Action Required

Local Law

Act No. 1 on Safety (1970), Article 9(1) - (2)

Benchmark ID

HSE.17.2

Benchmark Details

Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.

Finding Details

There is no training for workers on ergonomics, including lifting techniques.

Recommendations for Immediate Action

Recommendations for Sustainable Improvement

Compliance Classifications

Sustainable improvement required

Local Law

Benchmark ID

HSE.14.2

Benchmark Details

Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.

Finding Details

Workers with special/high-risk responsibilities such as electrical, work in height, confined space or work requiring lockout/tagout are not provided with safety training.

Recommendations for Immediate Action

Provide workers with special/high-risk responsibilities, such as electrical, work in height, confined space or work requiring lockout/tag out with safety training.

Recommendations for Sustainable Improvement

Compliance Classifications

Immediate Action Required

Local Law

Act No. 1 on Safety (1970), Article 9(1) - (2)

Benchmark ID

HSE.10.2

Benchmark Details

Workers shall have free access to MSDS.

Finding Details

The MSDS for the chemicals used and placed in the production building is not posted nearby.

Recommendations for Immediate Action

Ensure all MSDSs for the chemicals that are being used and placed in the production building are posted nearby for workers to view.

Recommendations for Sustainable Improvement

Compliance Classifications

Immediate Action Required

Local Law

Decision of the Minister of Labor No.187 on Hazardous Chemicals Control at Work (1999), Article 6

Benchmark ID

HSE.6.2

Benchmark Details

A sufficient number of workers shall be trained in first aid and firefighting techniques. Training shall be upon hire and with periodic refresher training.

Finding Details

The workers are not trained on procedures concerning the provision of first aid.

Recommendations for Immediate Action

Provide training to workers on procedures concerning the provision of first aid.

Recommendations for Sustainable Improvement

Compliance Classifications

Immediate Action Required

Local Law

Act No. 1 on Safety (1970), Article 9(3)

Nondiscrimination (ND)

Benchmark ID

ND.3

Benchmark Details

Recruitment and employment policies and practices, including job advertisements, job descriptions, application and interview questions and job performance/evaluation policies and practices shall be free from any type of discriminatory bias.

Finding Details	Gender preference on hiring — Based on manpower requisition form dated May 5, 2026, the production department requested one new female non-skill for the cutting section and one male for the normal line (Iron).
Recommendations for Immediate Action	Ensure recruitment and employment policies and practices, including job advertisements, job descriptions, application and interview questions and job performance/evaluation policies and practices, are free from any type of discriminatory bias.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	Law No. 13 on Manpower (2003), Article 5

Benchmark ID	ND.8.1
Benchmark Details	Employers shall abide by all protective provisions in national laws and regulations benefitting pregnant workers and new mothers, including provisions concerning maternity leave and other benefits; prohibitions regarding night work, temporary reassignments away from work stations and work environments that may pose a risk to the health of pregnant women and their unborn children or new mothers and their new born children, temporary adjustment of working hours during and after pregnancy, and the provision of breast-feeding breaks and facilities.
Finding Details	The factory does not provide breastfeeding room.
Recommendations for Immediate Action	Provide a breastfeeding room available for new mothers.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	Government Regulation No. 33 on Exclusive Breastfeeding Program (2012), Article. 30 (1-2); Law No. 13 on Manpower (2003), Article 83

Hours Of Work (HOW)

Benchmark ID	HOW.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning hours of work, public holidays and leave.

Finding Details	The overtime approval form, which should be signed by workers who agree to work overtime prior to working overtime, is not maintained for overtime on regular days. The factory only requests workers to sign an overtime approval form for overtime on off days, such as Saturday.
Recommendations for Immediate Action	Ensure there is written agreement with workers that agree to work overtime for all overtime.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	Government Regulation No. 35 Year 2021 Article 28 (1 and 2)

Benchmark ID	HOW.14
Benchmark Details	Employers shall provide workers taking annual leave their normal or average wages for the full period of annual leave in advance, unless specified differently under national laws, regulations and procedures.
Finding Details	The factory pays out unused annual leave to workers every January. However, workers' annual leave days entitlement is not correctly calculated. For instance: a worker was hired in May 2024 but by May 2025 his annual leave days, which were supposed to appear as twelve days as required by law, after working twelve continuous months, are still not being granted. Instead, the HR department calculated this worker's annual leave from May 2025. Therefore, based on the record of January 2026, the worker received annual leave entitlement for only seven days, which is calculated from May 2025 to December 2025.
Recommendations for Immediate Action	Ensure annual leave is calculated correctly, and retroactively pay the deficient annual leave pay at least since past one year.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	Law No. 13 on Manpower (2003), Article 79(2c)

Benchmark ID	HOW.15
Benchmark Details	Employers shall not impose any sanction on workers for requesting or taking any type of leave, such as annual, sick, or maternity, in line with all applicable rules and procedures.

Finding Details	The new workers are required to sign a statement of commitment to not being pregnant. There is no maternity leave record of production workers available for review, although fifty five percent (55%) of the workers are female and around forty two of them are females aged between twenty one to forty three years old. Therefore, there is no evidence that production workers are provided with maternity leave as required by law.
Recommendations for Immediate Action	Ensure new female workers are not required to sign statement not being pregnant, and provide maternity leave as mandated by law.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	Law No. 13 on Manpower (2003), Article 82(1)
Benchmark ID	HOW.16
Benchmark Details	Employers shall provide workers with sick leave as required under national laws, regulations and procedures.
Finding Details	The factory does not provide adequate sick leave when workers go home early due to sickness in the factory. Workers' wage is only paid based on the number of hours worked on that day, not a full day's pay as sick leave.
Recommendations for Immediate Action	Ensure workers are paid a full day's pay as sick leave when they get sick in the factory.
Recommendations for Sustainable Improvement	
Compliance Classifications	Immediate Action Required
Local Law	Law No. 13 on Manpower (2003), Article 93(2) - (3)

Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.

Finding Details

1. New workers are required to sign a statement of commitment to obey factory regulations, commit to work hard and with responsibility, maintain a good relationship with coworkers and superiors, etc. However, the following point in the signed statement does not comply with the Law and FLA Code: Point five states, "will not do a demonstration to company for any reasons".

2. There is policy on freedom of association and collective bargaining but there is no procedure.

Recommendations for Immediate Action

Do not require workers to sign a statement that restricts them from exercising their right to voice their concerns through a legal demonstration that is protected by law.

Recommendations for Sustainable Improvement

Compliance Classifications

Immediate Action Required

Local Law

Decree of the Minister of Manpower and Transmigration No. KEP 232/MEN on Illegal strikes (2003), Article 2; Law No. 9 Year 1998
