

**CORRECTIVE ACTION PLAN**

Factory Name:	Aquarelle Grand Bois
Factory Country:	Mauritius

No	Finding Details	Root Cause	Initial Corrective Action/ Remediation	Supplier Provided Due Date	Factory Responsible Person	Brand Comments and Supplier Corrective Action	Supplier Response - Progress Status
1	Workers should not pay any recruitment fee or associated costs as defined in scope per PVH Migrant Policy. However, it was found that: 1) Indian and Bangladeshi workers have paid for all the local transportation cost in their home country (i.e. going back and forth to agent office, going to medical for test and going to airport & railway station to catch the flight & train) and it was still not reimbursed. 2) Malagasy workers were not reimbursed for the "Medical cost" which they incurred during their transit from the Madagascar to Mauritius. However, rest of all expenses including the flight cost were being taken care by the factory. 3) Some Bangladeshi workers paid for a 3 days training regarding (how to do work in abroad, kind of orientation sessions) in a company (different from agent company) which costed BDT 200 as admission fee and transport cost, as per the advice of agent after the sign of contract.  Total Average amounts for reimbursement: * Bangladeshi workers: USD 30 * Indian workers: USD 14.00 * Malagasy workers: USD 45.00	(1) Shortcoming in the current procedure to have a clear definition of what costs shall be considered as recruitment fees. (2) Current recruitment process need to be revised to better determine if any fees are paid by workers during the recruitment process in home country.	Management will inquire on the amount concerned based on the total number of agents at Aquarelle Clothing, Ltd and will revert on decision taken  Our company takes full responsibility pertaining to the cost of medical tests done by Malagasy workers in their home country. Workers are not requested to disturb any amount. Should you provide us more details on workers who paid the medical cost, we will inquire and pay due consideration.  Government of Bangladesh dispense a training to fellow workers of Bangladesh nationality prior to leaving the country to take employment abroad. Will inquire on amount and we will revert on decision taken.	15.08.2023  15.08.2023  15.08.2023	Ashok (Group HR Manager)  Ashok (Group HR Manager)  Ashok (Group HR Manager)	The factory shall finalize the reimbursement for all nationalities as per the average amounts determined in the audit for each nationality.  The factory shall revise its current procedure and the available training material to revise and add a clear definition of what costs shall be considered as recruitment costs, i.e. local transportation, etc.  The factory shall add define clear steps on how to conduct sufficient due diligence at sending country and host country for the new workers to make sure they don't pay any additional costs during the recruitment process, i.e. develop a structure/workflow showing the steps to be taken before workers departure and after arrival to ensure no illegal recruitment fees were incurred by the workers during any phase.  Regarding Malagasy workers' issue, the finding will be addressed during the next assessment, given the discrepancy on the amount.	Management undertakes to settle the appropriate transport amount once figures are finalised.
2	For Malagasy expatriates, documents of recruitment fees evidences i.e. flight ticket, medical cost & tax invoices were not available for review on the day of the audit. Also, for other nationalities (i.e. Bangladeshi workers), the factory has a system to pay the entire cost of hired migrants to the Agent against the invoices (Included flight ticket, medical cost and other cost as related to agent works). However, the factory could not provided the tax invoices (which shared to agent) for review on the day of the audit.	Current system is managed through sister company and respective documents are kept in the sister company record.	Management ensures that all related costs (i.e. flight tickets, medical costs) incurred by our sister company in Madagascar and recharged by Aquarelle Clothing, Mauritius. Evidences will follow. Please clarify on the tax invoices paid to agents both in Bangladesh and India, it's not clear. We pay a flat amount of USD 180 per operator recruited and payment is done following invoice from the agents. The agent in India is paid through bank transfer and the Bangladesh agent who resides in Mauritius is paid by cross cheque or bank transfer.	15.08.2023	Ashok	The factory shall work with its sister company in Madagascar to: 1. Provide with copies of previous payments for the recruitment fees of the workers to be kept in your records in case needed to review. 2. Set a new rule that whenever your sister company recruit workers for your factory, any affiliated costs paid shall be recorded and a copy of payment proof shall be sent for your records.	
3	The employer shall provide, in migrant workers' language, a pre-departure orientation and training to workers covering key information as in the contract, including compensation, nature of work, compensation, etc., and highlighting and explaining the "No recruitment fee policy". No training records were kept for review to prove that all the foreign migrant workers were trained in their home country prior onboarding.	Shortcoming in the current procedure to keep written records for training.	A complete power point presentation with a specific agenda as per below is done to all workers recruited in their home country by the HR Manager.  1. Introduction of the company 2. Our vision, mission and values 3. General important and vital rules 4. Contract of employment 5. Payment system in place 6. Procedures for work permit 7. Questions from recruited operators  In both India and Bangladesh this is done in Hindi language understood by the workers whereas in Madagascar it is done in French Language. No doubt, a lot of stress is put on "No recruitment fee policy". Evidence will follow and can be checked as well.  The agent also briefs the worker on a pre-departure orientation prior to travelling to Mauritius. However, being given that no such records were kept, we will ensure to abide by the requirement of PVH in the future.	Ongoing, Video presentation will be sent.	Ashok (Group HR Manager)	The factory shall develop a template to record the workers' attendance to the trainings.  The factory shall make sure that the training to workers communicate clearly that not only recruitment fees, but any kind of costs or payments shall not be made by workers at any stage of the recruitment process. This information shall be made clear to all workers in advance. The training shall be conducted in a language which the workers understand.  The factory may consider providing the workers with a written copy (e.g. policy booklet or handbook) which contains the information communicated during the training to make sure the workers can use as a reference.  The factory may consider providing the workers with refresher trainings to remind them of the ethical recruitment policy and other respective policies at the workplace.	
4	The factory shall communicate the ethical recruitment policy to labor agents and explain clearly their expectations and requirements. However, no training records were kept for the assessor review, which could prove that recruitment agents were trained on Aquarelle's ethical recruitment policy and expectations.	Shortcoming in the current procedure to keep written records for training.	Each time prior to starting the recruitment in the home country of the workers, HR Manager ensures a meeting is held with the agent and his collaborators in his office. Ethical points are raised as well as our requirements. However, being given that no records were kept, we will ensure that same is put in place as from next recruitment.	Applicable as from next recruitment scheduled most probably in September 2023	Ashok (Group HR Manager)	The factory shall conduct training or have a written communication to the agencies about the ethical recruitment process and Aquarelle's requirements and expectations.  The factory shall develop a template to record these trainings and agents' acknowledgments of receiving this training/communication.	
5	The factory should conduct due diligence on labor agents (screening with ethical standards, established monitoring system). However, it was noted that factory does not have records or internal audit checklist or system to show on going system to monitor labor agents on ethical standards.	Current procedure does not tackle sufficiently monitoring the agent performance.	After arrival of workers in Mauritius, our HR department meets them and we discuss the expectations diplomatically to ensure that ethical standards are met particularly on "No recruitment fee". Being given that no records are kept as we verbally talked to the workers, we will implement same whenever agents onboard our company. Will introduce an assessment questionnaire (will work on same) to evaluate agent's ethical standards each time a worker travels to Mauritius. However, any suggestion from PVH will be most welcome.	Applicable as from next recruitment scheduled most probably in September 2023	Ashok/ Nilesh (Group HR Manager + Group Compliance Manager)	The factory shall develop a template to record the random interviews conducted with migrant workers after their arrival to double-check that they don't pay any fees during the recruitment process.  The factory is recommended to allow PVH's training via the Responsible Labor Initiative platform on best practices for labor agent mapping and due diligence.	
6	Migrant workers were not provided the 'written signed appointment letter' when they arrived or onboarding in the factory.	No proof is kept that the workers received a copy of their contracts.	Recruited workers are given a contract of employment after having accepted our conditions. Contents of the contract are explained clearly and after their understanding they respectively sign same in their home country. Now, the question is whether we should give them one more copy after their onboarding in our company in Mauritius? Let us know. Hereafter, we will request the recruited workers to certify in writing having taken cognizance of the contents in the contract of employment duly explained and a copy is served to them.	Applicable as from next recruitment scheduled most probably in September 2023.	Ashok (Group HR Manager)	The factory shall re-distribute copy of the contracts to the workers.  The factory shall post an announcement on bulletin boards stating (in all languages) that workers can reach out to HR at any time to ask for a copy of their contract if they visit it.  Additionally, for new hires, a copy of their signed contract should be given to them at their home country and asked to sign to acknowledge receiving the copy.	