Annual Report 2025

An industry overview,
factory-level findings, and key actions

Better Factories Cambodia

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List of abbreviations

BFC	Better Factories Cambodia
CAT	Compliance Assessment Tool
CBA	Collective Bargaining Agreement
GBVH	Gender-based violence and harassment
GEAR	Gender Equality and Returns
GFT	Garment, Footwear and Travel Goods
HRDD	Human Rights Due Diligence
IFC	International Finance Corporation
ILO	International Labour Organization
LDC	Least Developed Country
MLVT	Ministry of Labour and Vocational Training
OSH	Occupational Safety and Health
PPE	Personal Protective Equipment
TAFTAC	Textile, Apparel, Footwear and Travel Goods Association in Cambodia

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Introduction

Better Factories Cambodia (BFC) is part of the Better Work programme, a partnership of the International Labour Organization (ILO) and the International Finance Corporation (IFC). An ILO flagship programme, Better Work convenes diverse stakeholders to increase respect for labour rights, improve working conditions, and boost competitiveness in global supply chains, with a particular focus on the apparel industry. First established in 2001, BFC is the longest-running Better Work programme, supporting Cambodia's significant garment export sector, as well as travel goods and bags and footwear factories.

Better Factories Cambodia serves as a stabilizing force for the garment, footwear, and travel goods (GFT) industry and its workers, delivering timely, evidence-based analysis that has informed government responses and supported stakeholder confidence in a period of global economic volatility and uncertainty for the sector. Building on its long history in the sector, the programme operates at multiple levels, including among enterprises, international brands, and with sectoral and national governmental stakeholders. It regularly prepares public reports to summarize industry updates, including highlighting aggregate non-compliance findings taken from enterprise assessments and subsequent actions taken among enterprises and sectoral stakeholders to address non-compliances and advance the GFT sector.

Using its factory-level engagement work as a foundation, BFC helps tackle systemic challenges by informing and coordinating multi-stakeholder solutions that can be embedded in sector-wide policy and practice. The programme leverages data and insights gained from factory-level engagement inform approaches to such systemic issues, including long-standing challenges related to freedom of association, gender-based violence and harassment, occupational safety and health, and road safety, and emerging issues such as increasing incidence of heat stress in workplaces. In the past year, BFC accelerated its strategic shift from direct service delivery alone toward building the capacity and systems needed for long-term, nationally owned systems to promote compliance and competitiveness. The programme deepened partnerships with an aim to move beyond collaboration on individual activities toward institutionalized knowledge transfer, joint planning, and the gradual transition of tools, training capacity, and technical approaches.

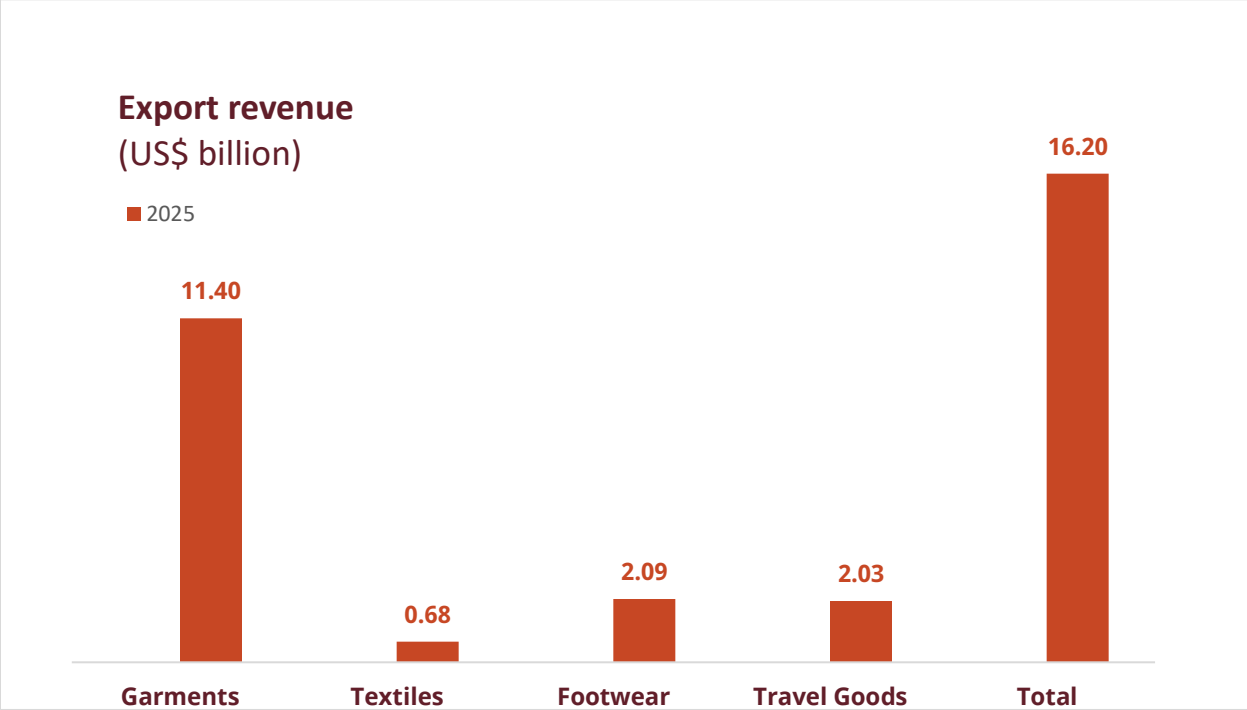
This edition of BFC's Annual Report draws on evidence generated through factory engagement in 2025, including compliance data from 421 assessments in garment factories and 96 assessments in travel goods and bags (TGB) factories together with advisory service progress reports from 247 factories in Cambodia that completed an advisory service cycle in 2025. Within each thematic compliance section, the report provides insight into how data and experience gathered through factory engagement is leveraged by the programme to

inform sectoral dialogue and action on behalf of key stakeholders and partners. Finally, the report highlights the priorities that will guide BFC's work with partners looking forward.

Industry overview

Since BFC's last annual report, the global garment industry has continued to navigate significant uncertainty, spurred by global economic volatility and geopolitical tensions. Even amidst challenges, the GFT sector in Cambodia has continued to demonstrate the critical role it plays in the national economy. Data from the Royal Government of Cambodia's General Department of Customs and Excise indicated that within the first quarter of 2026, the GFT sector generated US$3.75 billion in export revenue, a nearly eight per cent increase from the same period in 2025.[1] This accounted for 46 per cent of total exports in the period, in line with recent years when the industry consistently represented half of all export revenue.[2] This follows from a significant output in 2025, when total GFT exports reached US$16.2 billion for the year (Figure 1.). Recent estimates from the Ministry of Labour and Vocational Training (MLVT) show the GFT sector comprises over 1,800 firms that collectively employ 1.11 million workers, approximately 75 per cent women. Principal export markets continued to be concentrated with the United States and European Union.

Figure 1. Cambodia GFT exports (2025) in US$ billions



[1] Khmer Times. (April 20, 2026). *Cambodia's GFT exports earn $3.75 billion in Q1*. *Khmer Times*. https://www.khmertimeskh.com/501882148/cambodias-gft-exports-earn-3-75-billion-in-q1/

[2] Consolidated data from General Department of Customs and Excise

The key role of export markets to Cambodia's GFT sector presents vulnerabilities when trading markets become unpredictable, as in 2025 when the sector witnessed significant uncertainty in tariff rates applicable to exports to the United States, Cambodia's largest export destination. The United States first announced reciprocal tariffs in April 2025, which included a proposed rate of 49 per cent for Cambodia, among the world's highest. Subsequent negotiations reduced the rate to 36 and ultimately to 19 per cent under a bilateral trade agreement reached in October 2025 – a significant rate, but one that preserves Cambodia's competitiveness relative to regional peers.

Better Factories Cambodia conducted two rounds of rapid surveys among participating factories in 2025 to better understand business realities for enterprises.[3] Respondents in the latest survey affirmed that order volumes were holding steady for most firms, though a notable minority of firms reported tariff-related reductions and increased unpredictability in future demand. Buyer relationships were largely maintained, with some exporters exploring new markets. Pricing pressure persisted, as some buyers demand larger discounts on orders. Overall factory sentiment improved across the two survey rounds in 2025, indicating growing confidence to adapt to an evolving operational landscape. Labour disruptions remain limited, but recruitment challenges were reported. These included shortages of skilled sewing workers and high turnover, despite an influx of returning migrant workers to local labour markets in 2025.

In 2025, the MLVT estimated 1.2 million Cambodians were working in Thailand and making significant contributions to the US$2.95 billion in the country's total remittances recorded in 2024. A border conflict with Thailand triggered the sudden return of approximately 900,000 migrant workers between July and October 2025, exerting unprecedented pressure on the domestic labour market and remittance-dependent households. In general, workers that migrate and later return may continue to face vulnerabilities at home, as social and economic conditions that prompted their initial migration may persist. Additionally, migrant workers returning to Cambodia are frequently facing debt from existing microfinance loans.[4] Such vulnerabilities can add to risks workers face in the labour market.

Finally, reverberating effects of geopolitical conflict in the Middle East could translate to greater challenges ahead for Cambodia's GFT sector. Though Cambodia's main export industries are not linked to the region through direct trading relations, prolonged tension in the region could negatively affect the industry through spillovers to global energy and transport markets. Cambodia is reliant on the import of refined oil products for its energy

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[3] Better Factories Cambodia. (January 2026). *Assessing the impact of tariff uncertainty on the garment, footwear and travel goods sector in Cambodia: Follow-up survey findings*. ILO & IFC

[4] CDRI. *Navigating the Economic Transition of Cambodia's Returning Workforce: Suggested Policy Approaches* (Rapid Policy Note, August 2025). https://cdri.org.kh/storage/pdf/RPN_Final_1756201887.pdf

needs, particularly in proportion to its overall GDP. Recent analysis has suggested that Cambodia and other developing economies in Southeast Asia could face a reduction in overall economic growth by 2027 of 1.3 percentage points, and an increase in inflation by 3.2 percentage points, if tensions are prolonged.[5] In addition to raising the cost of imports for raw materials and packaging, increased fuel prices place pressure directly on workers through raising transportation costs and the overall cost of living they face on a daily basis.

Better Factories Cambodia in numbers

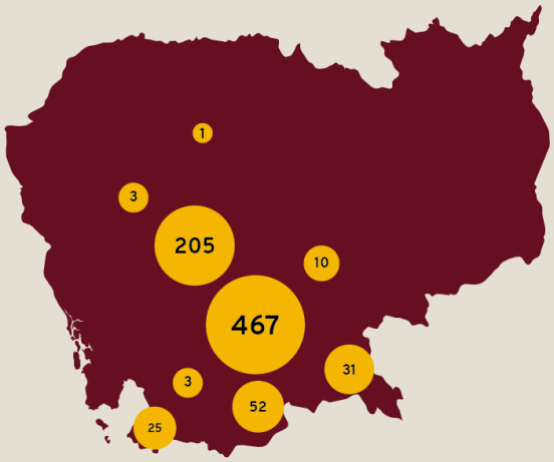


Figure 2. The location of our 797 participating factories

Figure 3. Better Factories Cambodia at a glance (data from 2025)

797 active factories

1,395 Advisory visits (525 virtual)

761,915 (78% women) workers covered by the programme

8,225 Training participants (577 sessions)

537 Assessments reports

120 Brands and retailers (44 brand partners)

270 Factories in advisory

[5] Lanzafame, M., Galimberti, J. K., Ciminelli, G., & Beirne, J. (March 2026). *The 2026 conflict in the Middle East and macroeconomic risks for Asia and the Pacific* (ADB Briefs No. BRF260115-3). Asian Development Bank. https://doi.org/10.22617/BRF260115-3

Snapshot of the industry 2025: factory-level findings and key actions

Better Factories Cambodia engages with all exporting firms in the country's garment and travel goods industry through unannounced compliance assessments, and through an opt-in combination of interlocking services, including advisory visits and specialized training. This engagement at the factory level forms a foundation for informing dialogue and policy making among sectoral and national stakeholders. The programme functions as a transparent broker and convener of key sector stakeholders, including the MLVT, the Ministry of Commerce, the Textile, Apparel, Footwear and Travel Goods Association (TAFTAC), the Cambodian Garment Training Institute (CGTI), trade unions, and international brands and buyers. In addition to advancing evidence-based dialogue among these stakeholders, BFC plays a role to improve capacity and share best practices among stakeholders to advance joint aims of promoting rights at work and improving working conditions, productivity, and economic upgrading in the GFT sector. Through its stakeholder relationships and robust data collection at firm level throughout the GFT industry, BFC has collected a unique data set that is regularly analyzed to shed light on industry dynamics and performance.

BFC conducts factory-level assessments using a Compliance Assessment Tool (CAT) comprised of over 200 questions. Participation in assessments is mandatory for all firms exporting garments and travel goods, and optional for footwear factories. During the unannounced assessment, two Enterprise Assessors/Advisors (EAs) employed by BFC gather data through document review, workplace observations, and interviews with managers, union representatives, shop stewards, bipartite committee members, and factory workers. While individual assessment reports allow for identification of non-compliance in individual factories, this annual report provides an opportunity to present aggregate results from a significant cross section of firms participating in the programme in 2025.

BFC's opt-in learning services are collectively comprised of its training offerings, advisory services, and industry-convening seminars. In each of these settings, the programme aims to build the capacity of managers and workers, and their representatives, to improve understanding of technical topics, communication, collaboration, and to take ownership of compliance and performance improvement processes.

The findings and actions presented below are organized in line with the structure of the BFC assessment tool. Each sub-section provides a) a description of findings from compliance assessments and other factory-level engagement, including advisory services, and b) examples of how these insights inform broader sectoral activities of the programme. The tool used during compliance assessments is divided into eight clusters: five clusters cover

the fundamental principles and rights at work and are assessed in line with international labour standards, and the three other clusters are assessed based on national law and regulations.

Compliance clusters	
Fundamental international labour standards	**Working conditions**
• Freedom of association and collective bargaining • Child labour • Forced labour • Discrimination • Occupational safety and health	• Compensation • Contracts and human resources • Working time

In 2025, the programme streamlined its service modality through several efficiency measures. A shorter Compliance Assessment Tool (CAT), which was previously deployed during the COVID-19 pandemic, was re-introduced to enable one-day assessments for selected factories[6]. This enabled the programme to meet demand and reach 103 new factories over the year, leading to a 14 per cent increase in assessment coverage compared to 2024.

i. Freedom of association and collective bargaining

Factory-level insights

Freedom of association (FOA) and collective bargaining (CB) are fundamental enabling rights for achieving decent work. Better Factories Cambodia assesses participating factories on 25 questions across compliance points addressing freedom of association, collective bargaining, trade union interference and discrimination, strikes, and union operations. In 2025, 13 per cent of garment factories assessed (54 of 421), and 20 per cent of travel goods factories (19 of 96) were found to have at least one question-level instance of non-compliance related to these fundamental rights.

[6] The shortened CAT was used in 2025 among factories that were not electing to receive advisory services and among those not sourcing directly to an international BFC brand partner. In addition, for factories in this group with less than 1,000 workers, assessments were reduced to one on-site day from two days. This shortened tool focuses on a subset of issues while still enabling non-compliance to be cited on any of the issues covered by the full CAT.

As noted in previous annual reports, constraints during a two-day assessment at workplaces can affect achieving a full view of conditions related to freedom of association. Rates of non-compliance cited in this report may not reflect the full reality of conditions in the sector, as the sensitive nature of the topic can lead to reticence on behalf of workers to raise concerns. In other cases, workers may have limited knowledge of their rights, including, for example, the right to join, or withdraw, from a union. Implicit rather than overt pressure to limit the operating environment of unions means instances of non-compliance can be difficult to definitively establish during a time-bound assessment process.

Regarding freedom to form or join a union, BFC found nine cases (2 per cent) in garment factories and three cases (3 per cent) in travel goods factories where workers' rights to form new unions were impeded. In some instances, EAs noted in assessment reports that newly elected union leaders faced threats, coercion, and pressure to resign from their unions, or under threat of termination. In a number of cases, employers refused to accept union election notifications and subsequently terminated union leaders shortly after elections were held, citing unrelated misconduct or contract non-renewal. MLVT conciliation processes were initiated in several of these cases. BFC has also noted several cases in the past where employers require workers to join a union or automatically deduct union dues from their pay without full consent from workers. Twelve factories were cited for non-compliance with this issue in 2025.

BFC also assesses whether unions have the ability to operate free from management interference once formed. Assessments in 2025 found that:

- Eighteen garment factories and two travel goods factories were found to have attempted to control or manipulate unions, through for example, promoting or offering bribes to union leaders, or promoting the formation of a workers' organization to compete against existing unions.
- Nineteen garment factories and eight travel goods factories were found to have been involved in union decision making or activities, including elections.

Among the 30 garment and 10 travel goods factories with collective bargaining agreements (CBAs) in place, two CBAs were found in 2025 where the provisions of the agreement were not as favourable as the national law, and one case was found where the employer failed to implement the provisions of the collective agreement in force.

Table 1: Freedom of association and collective bargaining	Non-compliance	
	Garment (421 factories)	TGB (96 factories)

Can workers freely form and join a union?	2%	3%
If there is a collective bargaining agreement, are the provisions at least as favorable for workers as the law?	0.24%	1%
Has the employer failed to implement any of the provisions of the collective bargaining agreement(s) in force?	0.24%	0%
Is the employer involved in union decision making, the formation of the constitution and rules, in union activities, administration, finances or elections?	5%	8%
Has the employer taken steps to manipulate the union or to bring the union(s) under its control?	4%	2%

Informing sectoral and policy action

In addition to assessing conditions for FOA and CB in all factories, BFC takes an active role to identify and address overarching dynamics and barriers for achieving effective industrial relations in the GFT sector, and in strengthening the capacity of tripartite partners to engage in social dialogue and workplace dispute resolution.

Improving awareness and reporting. Through its factory-level activities, BFC has documented that a lack of understanding among workers of their rights at work can impede effective social dialogue. The programme is taking action to address this challenge. In early 2026, BFC held an Industrial Relations Forum for Cambodia's GFT sector with national tripartite partners and international brands to promote dialogue on IR issues, which included the unveiling of a new digital tool to increase awareness at scale across the sector on FOA and CB rights. The BFC Chatbot is an interactive digital learning tool allowing workers and employers to easily access educational content and build greater awareness and knowledge on labour rights, including related to FOA and CB, grievance mechanisms, and workplace policies.

Just as BFC encourages factories to continuously improve, the programme has sought new and innovative means to address sector-wide issues like a challenging environment for FOA and grievance handling. The programme has historically detected relatively few instances of non-compliance with FOA issues in GFT factories. To improve its triangulation in assessments, BFC provides union representatives in the trade union contact group (TUCG) with QR codes through which evidence of constraints on FOA or issues with CB can be reported directly to BFC. In 2025, BFC received nearly 100 reports from this channel related

to possible cases of union discrimination, interference, and other compliance issues. Such feedback helped inform engagement at factories, including to better target assessments.

Convening and capacity building. In 2025, BFC convened two Trade Union Contact Group (TUCG) meetings, which brought together trade union representatives affiliated with over two dozen union federations for training to strengthen their capacity on social dialogue, union formation, and workplace dispute resolution. The training improved negotiation skills and promoted gender-responsive bargaining approaches, positioning trade unions as more effective partners in industry and tripartite mechanisms. To address identified skills and knowledge gaps among union leaders, BFC delivered an intensive two-day training on FOA, CB, and labour relations in August 2025, reaching 23 TUCG representatives, including four women, with technical support from ILO specialists. The Trainings conducted in 2025 also aimed to increase knowledge of collective bargaining principles, approaches, and negotiation techniques, improve capacity to engage with employers on productivity-linked wages and working conditions and strengthen awareness of the importance of gender considerations in collective bargaining.

In addition, in 2026 for the first time BFC conducted training on FOA and CB in Chinese for Chinese management representatives. Through its factory engagement work, BFC had identified that many of the non-compliances in this area of fundamental rights could be linked to languages barriers at the factory, including among management in foreign-invested firms in the sector. This adaptive approach exemplifies how insights from factory-level work can then be used to tailor solutions to the needs of workers and management at the workplace.

ii. Child labour and forced labour

Factory-level insights

Child labour. The abolition of child labour is a key goal of BFC and its tripartite partners in Cambodia. Where any workers are under the legal minimum age of 15 for work, or where young workers (under 18) are exposed to hazardous working conditions for their age, a zero-tolerance protocol is activated whereby BFC notifies the MLVT and brands sourcing from a non-compliant factory to involve them in remediation efforts. In recent years, few instances of non-compliance have been found in this cluster. Where non-compliances are found, they typically relate to whether clear verification and documentation of workers is completed as legally required. In 2025, two garment factories of the 421 assessed and one travel goods factory of the 96 assessed were found non-compliant with one question in the cluster: ensuring reliable verification of workers' age prior to hiring. Employers must check

workers' original documents and keep a copy of their documents for age verification (e.g., ID cards and birth certificates). In one instance, interviews with workers during the assessment revealed that a small number of casual workers were hired from a nearby construction site without full age verification during a labour shortage in peak production season. In the other two instances, an employer was found to have conducted age verification during hiring, but without retaining the necessary documentation. In addition, one travel goods factory was cited for non-compliance as young workers aged between 15 and 18 years were found to be working overtime – workers of this age are limited by law to working only eight-hour days.

Forced labour. No instances of forced labour non-compliances were documented in 2025. Furthermore, longitudinal analysis of BFC assessment data since 2010 confirms this cluster has the fewest non-compliances found over the programme's history.

Informing sectoral and policy action

Better Factories Cambodia has followed a multi-pronged approach to address the risks of child and forced labour, including training, awareness raising, and joint identification and remediation activities. In 2025, together with CGTI, the programme conducted joint training for management representatives that included best practices and strategies for child labour prevention. The programme collaborated with TAFTAC and the MLVT's Child Labour Department to share expertise on child labour prevention and involved TAFTAC and its members in cases where child labour cases were identified and addressed.

In addition, BFC advisors continue to prioritize awareness raising on the 21 Critical Issues, which place strong emphasis on fundamental principles and rights at work, including child labour and forced labour. Critical Issues are one of the key indicators used by BFC to determine whether a factory is classified as a high-performing factory, while BFC's Transparency Database provides a reliable platform for industry stakeholders to monitor factory performance and inform compliance-related decisions.

Broader contextual factors in 2025 presented new dynamics and labour market strains that could potentially erode respect for fundamental principles and rights at work. In particular, a large influx of migrant workers returning home to Cambodia from Thailand in the past year has presented new challenges. To address these challenges, BFC and the ILO have been supporting the government to prioritize reintegration measures such as job-matching, re-skilling, and vocational training to support returnees' transition into formal employment. Integration efforts remained limited by the concentration of vacancies in the GFT sector, where skills and geographic mismatches are common.

iii. Discrimination

Factory-level insights

Better Factories Cambodia assesses factories to determine whether discriminatory practices exist at factories in hiring processes and employment conditions on the basis of race, colour, sex, religion, political opinion, national extraction or social origin. While definitively documenting non-compliance in this cluster during the standard two-day assessment process is rare, several instances of non-compliance related to hiring practices and sexual harassment were recorded in 2025 assessments.

The programme found that a combined eight factories across garment and travel goods, or less than 2 per cent of the factories assessed in 2025, were implementing discriminatory practices in relation to hiring workers. In these cases, male applicants were required to submit guarantee letters of good behaviour – from a current worker in the factory or sometimes from a community member – as a prerequisite for employment. Discussions with workers and management revealed that female applicants were not required to submit such a letter.

Enterprise Assessors found one factory where women workers with children under 12 months were provided with one hour of paid time off for breastfeeding in line with legal requirements, but they were not allowed to work overtime. Management in this factory believed this to be a good practice for protecting the well-being of working mothers and their children, whereas it constitutes a form of different treatment based on gender. After clarifying interpretations of the legal requirements, management subsequently confirmed with BFC that women workers with children under 12 months are allowed both breastfeeding breaks and the opportunity to voluntarily work overtime.

Within the discrimination cluster, EAs assess whether workers are subject to sexual harassment. Following international standards, BFC recognizes sexual harassment as physical, verbal or non-verbal conduct of a sexual nature affecting the dignity of women or men, which is unwelcome, unreasonable, or offensive to the recipient. Workplace sexual harassment arises when a worker believes that their reaction to the conduct is a condition of employment, or that their reaction will impact their job performance or a decision affecting their job. Sexual harassment also can arise from conduct of a sexual nature that creates an intimidating, hostile, or humiliating working environment. In 2025, BFC documented non-compliance on this topic in three separate factories, though the prevalence is likely much more widespread than can be determined in a finite assessment on such a sensitive topic. In two cases, senior staff were found to have engaged in coercive manner, including making unwanted physical contact and making sexually explicit and degrading remarks toward workers. A third case established a pattern of unwanted physical

contact from a male worker toward female colleagues. Across each case, existing sexual harassment policies were found to be ineffective in practice, including workers lacking awareness of reporting procedures, or fearing retaliation.

Informing sectoral and policy action

Through its advisory services, BFC supports factories in ensuring the establishment and effective implementation of anti-sexual harassment policies. Factories cited as non-compliant above have expressed commitment to collaborate with BFC to enhance the current policies and procedures, and to provide training for employees and management on the sexual harassment policy, prevention and the complaints handling process.

In addition to assessing and advising individual factories on the prevention of sexual harassment and gender-based violence and harassment (GBVH), BFC implements interventions to promote gender equality as well as safe and respectful workplaces, generating positive impacts at the workplace and in workers' home lives. The GBVH programme has now equipped 15 registered factories with the tools and capacity to prevent and address GBVH through structured two-year action plans (road map), GBVH policy reviews, and sustainable in-house training systems which include a peer-to-peer learning model that has reached nearly 800 management/workers at the factory floor.

Moreover, this factory-level engagement has informed broader policy efforts regarding non-discrimination and elimination of GBVH. In 2025, BFC's GBVH work gained significant momentum, marked by deepening multi-stakeholder ownership and increasingly visible national leadership from MLVT on the topic. Under the Gender Joint Action Plan, BFC and MLVT strengthened coordination on capacity building and GBVH investigation procedures. This collaboration also included the joint 16 Days of Activism campaign, "Join Us in Promoting Safe and Respectful Workplaces," whose launch brought together and engaged government, employers, trade unions, and development partners to show joint commitment to prevent GBVH and strengthen awareness of factory reporting systems and support tools. Such efforts are reflective of a sector-wide shift, where GBVH is now firmly recognized as a shared national priority, with coordinated ownership and action increasingly embedded across factories, employers, unions, and government.

The Gender Equality and Return (GEAR) Programme links skills development among women with productivity and career progression objectives to address a significant imbalance in the GTF sector. While nearly 80 per cent of workers in the sector are women, managerial and leadership roles are largely filled by men. In 2025, the GEAR programme in Cambodia equipped 90 female workers across 18 factories with soft and technical skills. Over half of these trainees advanced into supervisory roles. To sustain this career transition, team building sessions were conducted for 238 participants, 68 per cent women, to provide

workplace coaching opportunities to support the GEAR graduates to have a smooth transition into leadership roles, bridge the gap between technical training and practical workplace demands, and develop actionable solutions for day-to-day operational challenges.

iv. Occupational safety and health

Factory-level insights

As in recent years, the highest levels of non-compliance in BFC-assessed factories in 2025 relate to occupational safety and health. Management systems for occupational safety and health, workplace environment, emergency preparedness, and worker protection all record substantial levels of non-compliance. The shortened CAT tool has been updated to reflect new OSH requirements stemming from a safe and healthy working environment becoming a fundamental principle and right at work. A grace period of 1 year has been implemented to allow BFC to raise employer awareness, starting from the May 2025 assessment cycle. The **occupational safety and health management systems** compliance point demonstrates significant non-compliance in 2025 related occupational safety and health risk assessments (55% in both garment and TGB) indicating widespread gaps in systematically identifying and assessing workplace risks. Other major areas of non-compliance included OSH policies signed by top management (43% in garment and 51% in TGB), and worker-management cooperation mechanisms on OSH matters (49% and 46%, respectively).

Among garment factories, the questions with the highest individual non-compliance in this area included whether the employer had developed mechanisms, including OSH committees, to ensure cooperation between workers and managers, where approximately half of factories are non-compliant. For these factories, while committees may have existed on paper, interviews conducted during assessments found that committee members were unaware of their roles and responsibilities, regular meetings were not held or were poorly documented, and that specific actions to address OSH deficits were not taken as a result of the committee meeting.

Table 2: OSH Management Systems	Non-compliance	
	Garment (421 factories)	**TGB (96 factories)**
Is there an adequate OSH Policy that is signed by top management?	43%	51%
Has the employer developed mechanisms to ensure cooperation between workers and management on OSH matters?	49%	46%

Has the employer performed an assessment of occupational safety and health risks in the factory?	55%	55%

Across both garment and TGB subsectors, the most common **emergency preparedness** non-compliances were related to the lack of fire detection and alarm (42% in garment and 46% in TGB) and obstructed escape routes (53% and 39%). Analysis of assessment findings shows that these non-compliances in the area of emergency preparedness stem from several recurring root causes: weak preventive maintenance systems, non-functional alarms, broken smoke detector batteries, and lack of backup power, inadequate safety planning and follow-up after workplace layout changes.

Table 3: **Emergency preparedness**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**
Does the workplace have a fire detection and alarm system?	42%	46%
Are escape routes free of obstruction?	53%	39%
Are emergency exits and escape routes clearly marked and posted in the workplace?	39%	35%

The **worker protection** compliance point covers topics related to ensuring the provision and use of personal protective equipment, safety warnings and guards on equipment, and ergonomic requirements, among other topics. The areas of highest noncompliance rates in both garment and TGB factories were related to legally required permits for boilers, generators, compressors and other heavy machinery (44 per cent in garment factories and 47 per cent in TGB factories). The other major gaps included inadequate provision of dust masks (42 per cent in garment factories; 33 per cent in TGB factories), chemical-handling PPE (45 per cent in TGB factories) and certified operator permits and training for heavy machinery (36 per cent in garment factories and 33 per cent in TGB factories). The main root causes in both sectors included inadequate OSH systems, insufficient PPE provision, lack of worker training and awareness on PPE use, uncertified operators and poor hazard assessments.

Table 4: **Worker protection**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**
Does the employer have the legally required permits for the installation and operation of	44%	47%

boiler, generator, compressor, and pressure vessels?		
Has the employer provided workers with dust masks when necessary?	42%	33%
Has the employer provided workers who work with chemical substances with proper clothing and personal protective equipment when necessary?	22%	45%
Do the operators / technicians for boiler, generator, compressor, and pressure vessels have legally required permit and training?	36%	33%

The assessment findings on **working environment** compliance point in 2025 in both garment and travel goods factories indicated some persistent working environment challenges with inadequate lighting and excessive heat being the most common cases of non-compliance. In the garment sector, non-compliance rates were the highest for workplace lighting (67 per cent), followed by high workplace temperature and ventilation (60 per cent) above the recommended 32°C threshold. Outdoor temperatures during assessments ranged from 23°C to 38°C, while indoor temperatures recorded across production sections ranged from around 31°C to 41°C. Assessments findings noted that factories relied on insufficient cooling measures such as exhaust fans, ceiling fans, or personal electric fans purchased by workers themselves. Worker complaints about heat and stuffiness were recorded, with some reporting difficulty wearing masks due to the heat, and many noting that conditions worsen considerably during dry and hot seasons.

Similarly, the TGB sector recorded noticeably high non-compliance rates for temperature and ventilation (74 per cent) and workplace lighting (73 per cent), while noise and housekeeping issues were less prevalent but still present. Across both sectors, assessment findings consistently highlighted hot and poorly ventilated production areas, inadequate lighting due to missing or ineffective local lamps, and cleanliness concerns linked to poor housekeeping practices. This can negatively affect worker comfort, health, safety, and productivity.

Table 5 : **Working environment**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**
Is the workplace adequately lit?	67%	73%
Are the temperature and ventilation acceptable?	60%	74%
Is the workplace clean and tidy?	46%	22%

Informing sectoral and policy action

The deficits in occupational safety and health identified through BFC assessments inform the broader efforts of the programme to work with constituents to promote safe and healthy working environments. A principal way BFC works with constituents on this topic is through supporting the Joint Action Plan with MLVT, which includes capacity building on OSH. The programme's close connection to enterprises and workers provided an effective avenue for deployment of OSH advocacy campaigns and training.

In 2025, in collaboration with TAFTAC and CGTI, BFC conducted several joint trainings to equip management representatives with practical skills in OSH, including heat stress prevention. In addition, BFC's Training of Trainers (ToT) approach on the ILO Code of Practice on OSH was rolled out to upgrade the capacity of TAFTAC/CGTI to independently design and deliver OSH training to their member factories. The ILO OSH Code of Practice provides comprehensive and practical guidance for eliminating, reducing, and controlling major hazards and risks in the GFT sector. As a follow-up, CGTI trainers applied the knowledge and skills gained to adapt existing training materials and develop training plans tailored to the factory level, including training sessions for both management and worker representatives.

As within other thematic areas, BFC's factory-level data on safety and health is leveraged not only to spur improvement at individual factories, but also to inform sectoral and policy approaches to common industry challenges. In one example, the programme's factory-level temperature data helped generate evidence on heat stress through a research project spearheaded by Cornell University in 2025. A report was subsequently published, building on this evidence and helping inform the policy discussions on heat stress at workplaces. BFC, GIZ-FABRIC Cambodia, the Partnership for Action on Green Economy (PAGE), and MLVT then convened a multi-stakeholder consultation in Phnom Penh in January 2026, followed by a back-to-back technical dialogue between MLVT and OSH specialists and heat stress experts to discuss regulatory pathways, heat measurement approaches, institutional responsibilities and practical mitigation measures for Cambodia's GFT sector.

Another critical issue is road safety for commuting workers in Cambodia's GFT sector. With funding support from the UN Road Safety Fund, BFC, in partnership with the AIP Foundation, has played a leading role in advancing commuting safety through factory-level interventions, policy engagement, stakeholder coordination, and behavioural change initiatives. Working across 30 factories, BFC has supported the adoption of Factory-Level Road Safety Policies, the establishment of Factory Road Safety Working Groups, and awareness and engagement activities reaching more than 100,000 workers. BFC has

leveraged its relationships with workers, unions, factories and global brands to support the Transportation Working Group (TWG), strengthen collaboration with the National Road Safety Committee (NRSC), the National Social Security Fund (NSSF) Road Traffic Safety Team, and MLVT, and contribute to the development of factory road safety policy and a national road safety campaign promoting safer commuting behaviors, including increased helmet use and reduced distracted, impaired and reckless driving behaviors.

The programme has also helped build momentum around the Royal Government of Cambodia's efforts to improve the safety of worker transportation, including the planned transition away from standing trucks. However, this remains a complex challenge that extends beyond vehicle modification alone. Sustainable solutions will require a systemic approach and continued coordination among government agencies, employers, transport providers, workers, unions, brands and buyers, and development partners to address technical standards, financing arrangements, public infrastructures, human behaviors while ensuring that workers continue to have access to safe, affordable and reliable transport. Continued industry collaboration will therefore be essential to maintain progress and support a practical, worker-centred approach to commuting safely across the sector.

Figure 4: Non-compliance by Compliance Point in 2025

Compliance clusters	NC- Case/Per Cent	Description
Child labour	**0**	No garment or travel goods factories found with workers found under 15 years of age
	3	Two garment factories and one travel goods factory found with non-compliance issues related to proper age verification documentation
Discrimination	**3**	Three garment factories found with non-compliance related to sexual harassment
Forced labour	**0**	No instances of non-compliance related to forced labour, including coercion of forced overtime
Freedom of association and collective bargaining	**13-20%**	Percentage of factories assessed with one or more non-compliances related to FOA or CB (13 per cent of garment factories and 20 per cent of travel goods factories)

	12	Cases among garment (9) and travel goods (3) factories found where factories were non-compliant with allowing workers to freely form and join a union
Occupational safety and health	**60-74%**	Percentage of garment and travel goods and bags factories non-compliant with the working environment requirements on adequate temperature control and ventilation
Compensation	**25-28%**	Percentage of garment and travel goods and bags factories non-compliant with the legal requirement to maintain a single accurate payroll (25 per cent and 28 per cent, respectively).
Contracts	**47-53%**	Percentage of garment and travel goods and bags factories non-compliant with ensuring workers understand the terms and conditions of their employment contracts (47 per cent and 53 per cent, respectively).
Working time	**64%**	Percentage of garment factories non-compliant with limiting overtime to 2 hours per day

v. Compensation

Factory-level insights

Cambodia's GFT sector is covered by a statutory minimum wage that is reviewed annually through tripartite consultations under the Law on Minimum Wage. The National Council for Minimum Wage considers economic and social factors, including inflation, productivity, competitiveness, and workers' living standards, before making recommendations. Following the 2025 review, the monthly minimum wage increased from US$208 in 2025 to US$210 in 2026. In March 2026, the Council also agreed to temporarily increase the transportation allowance by US$2.50 per month to counter rising fuel and commuting costs, increasing the total allowance to US$9.5 per month.

The most salient non-compliance issue within the compensation cluster in 2025 relates to **paid leave**[7]. Overall, garment and travel goods and bags factories showed similar patterns

[7] The paid leave compliance point includes public holidays, annual leave, special leave, maternity leave, and work suspension. The Labour law allows the employer to provide cash compensation upon termination or resignation of workers. However, the labour law does not allow employers to provide cash compensation instead of taking time off for applying annual leave during employment. When workers take annual leave or special leave, Article 168 of the Labour

of non-compliance with paid leave requirements. The highest non-compliance rates were related to the payment of annual leave (35 per cent in garment factories compared with 40 per cent in travel goods and bags factories), followed by special leave (34 per cent compared with 39 per cent), maternity leave (13 per cent compared with 18 per cent), and sick leave (15 per cent compared with 14 per cent). Non-compliance for paid public holidays, breastfeeding leave, and work suspension remains relatively low across both group of factories, with non-compliance rates of 3 per cent or below. Checking pay records, EAs found frequent errors in calculations for paid annual leave, often based on a basic wage, rather than based on the average monthly earnings for each day of leave they are entitled to when workers take annual leave. Maternity leave payments were often delayed or paid in instalments instead of before the start of maternity leave, while sick leave practices were applied inconsistently, including through the rejection of non-NSSF medical certificates or reductions from wages or attendance bonuses.

Table 6 **: Paid leave**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**
Does the employer pay workers correctly for paid public holidays?	2%	2%
Does the employer pay workers correctly for annual leave?	35%	40%
Does the employer provide paid sick leave as required by the factory's Internal Regulations, or if there are no Internal Regulations, according to the Ministry's practice?	15%	14%
Does the employer pay workers correctly during special leave?	34%	39%
Does the employer pay workers correctly for maternity leave?	13%	18%
Does the employer pay workers correctly for the one hour of paid time off per day for breastfeeding?	3%	2%

One persistent area of non-compliance under the **wage information, use, and deductions** compliance point was meeting the legal requirement to maintain a single accurate payroll. In 2025, a significant number of garment and travel goods factories remained non-compliant with this requirement, with 104 garment factories (25 per cent) and 27 travel goods factories (28 per cent) found to be in breach. Non-compliance related to unauthorized wage deductions was recorded at 14 per cent in garment factories and 15 per

Law requires the employer to pay workers at least the amount equal to the average wages, bonuses, benefits and indemnities that workers earned during the last 12 months.

cent in travel goods and bags factories. Non-compliance with informing workers about wage payments and deductions was lower, at 7 per cent and 9 per cent, respectively.

EAs frequently found that regular working hours, standard overtime of up to two hours per day, and legal benefits were recorded in a main payroll, while payments for overtime exceeding two hours per day, Sunday work, and public holidays work were kept in separate records and paid outside the regular payroll cycles. However, national law stipulates that employers shall keep one accurate payroll.

Table 7 : **Wage information, use and deduction**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**
Has the employer made any unauthorized deductions from wages?	15%	14%
Does the employer keep only one accurate payroll record?	25%	28%
Does the employer properly inform workers about wage payments and deductions?	9%	7%

Informing sectoral and policy action

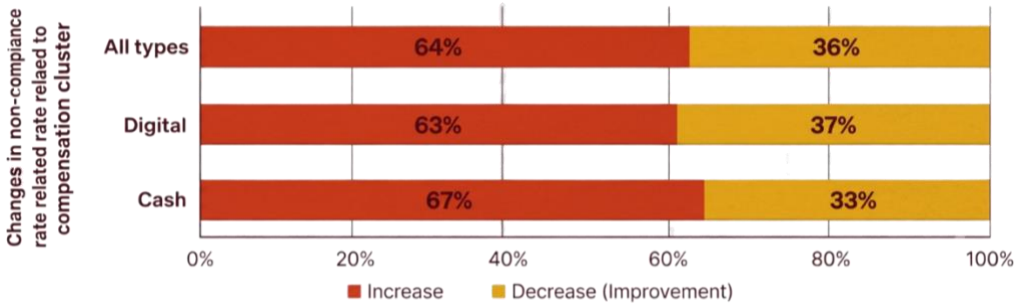
Through its advisory services, BFC supports factories to address compensation-related non-compliance by strengthening payroll systems, improving recordkeeping, reviewing wage and leave calculation practices, and building the capacity of HR and payroll personnel. Advisory data from 247 factories show that 463 compensation findings were identified, most commonly related to paid leave, social security and statutory benefits, wage calculations, overtime payments, and wage information and deductions. Of these, 223 findings (48.2 per cent) have been deemed completed by BFC advisors in subsequent advisory visits, and a further 130 findings (28.1 per cent) are under active remediation. The subsequent assessment that takes place at the factory will determine the updated compliance status. To complement factory-level advisory support, BFC also works with workers' representatives to strengthen understanding of compensation-related rights and entitlements. In collaboration with the Trade Union Contact Group, BFC in 2025 delivered training to 28 trade union representatives and leaders on compensation, benefits and labour rights. This training activity helped strengthen their capacity to support collective bargaining, workplace dialogue and workers' awareness of their rights and entitlements at enterprise level.

Employers in Cambodia are legally required to pay wages directly to workers, on workdays, during working hours and at the workplace. While not required, digital wage payments through financial accounts or mobile money accounts are acceptable, if agreed to by workers or their representatives. While Better Factories Cambodia works to ensure

compliance with wage payments, methods and transparency, the programme also seeks to encourage a responsible transition to digital wage payments in the sector, given the well-documented benefits that can be gained by both workers and management from this more transparent method of payment. BFC estimates that the transition from cash to digital wage payments has reached 80 per cent of the factories registered with BFC, enabling more than 670,000 workers to receive wages directly into their financial accounts. These efforts support enhanced wage transparency, worker empowerment, and demonstrate how innovative, technology-driven solutions can promote business efficiencies and sustainable, inclusive, and responsible labour practices in the supply chain.

Factories using digital wage payments experienced a larger reduction in compensation-related non-compliance than factories paying wages in cash. Analysis of BFC's compliance database covering 183 factories between 2018 and 2023 suggested an association between digital wage payments and improved compliance performance in the compensation cluster. Among factories using digital wage payments, 37 per cent recorded a reduction in compensation-related non-compliance over the period, compared with 33 per cent of factories that continued to pay wages in cash. The findings suggest that digital wage payments may support improved compliance through greater payroll transparency, traceability, and recordkeeping.

Figure 5. Changes in non-compliance related to compensation cluster between 2018 and 2023



Source: BFC Compliance Database 2018-2023

In 2025, BFC continued to leverage its close knowledge of factory operations and workers' realities to continue to promote the transition to digital wage payments. Key efforts included collaboration with TAFTAC to accelerate wage digitization among smaller factories, integrating financial education into BFC's core services, expanding worker financial literacy through chatbot tools, strengthening partnerships with employer associations (CAMFEBA) and support financial sector stakeholders to improve digital payroll products and consumer protections. A rapid study with CAMFEBA on scaling digital wage adoption beyond the garment sector was conducted in the last quarter of 2025.

vi. Contracts and human resources

Factory-level insights

Within the contracts and human resources cluster, the questions most likely to be cited as non-compliant in both garment and travel goods sectors were found in the **employment contracts** compliance point. For example, whereas almost all factories ensured workers had contracts, approximately half of all factories assessed were found non-compliant with having a system to ensure workers understand the conditions of employment, and about one-third of factories issued contracts that did not include all legally required details, including benefits such as attendance bonus, transportation and housing allowance, paid sick leave, special leave, annual leave, and procedures regarding resignation.

Table 8 **: Employment Contracts**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**
Do the employment contracts specify the terms and conditions of employment?	34%	31%
Do the employment contracts comply with Cambodian labour law and with the factory's internal regulations?	10%	16%
Does management have a system to ensure that workers understand the terms and conditions of employment?	47%	53%
Do all persons who perform work for the factory, both on the premises and offsite, have a contract?	2%	2%
Do the internal regulations comply with legal requirements?	5%	7%

As in recent years, non-compliance with regulations regarding lawful **termination** of employment were concentrated within two questions: whether the employer compensated workers correctly for unpaid leave when departing the factory and whether all outstanding wages and indemnities are paid within 48 hours of termination. A common dynamic found in non-compliant factories was the incorrect calculation of indemnities owed to workers, for example, basing payment for unused leave on daily or basic wages, rather than the average monthly pay for the past 12 months. In 2025, this incorrect calculation of indemnities affected 30 per cent of garment factories and 34 per cent of TGB factories. At slightly higher rates, 31 per cent of garment factories and 41 per cent of travel goods and bags (TGB) factories were cited as non-compliant for failing to pay all outstanding wages and indemnities within 48 hours of termination.

Table 9 **: Termination**	**Non-compliance**

	Garment (421 factories)	TGB (96 factories)
Does the employer compensate workers for unused paid annual leave when they resign or are terminated?	30%	34%
Does the employer pay all outstanding wages and indemnities within 48 hours of termination?	31%	41%

Within **contracting procedures**, the most significant driver of non-compliance for garment factories relates to staying within legal limits on the use of fixed-duration contracts (FDC) BFC staff cite factories as non-compliant if workers are employed under FDCs beyond the legal limit, which is the length of the worker's initial contract after probation plus up to a maximum of two years. In 2025, 10 per cent of garment factories were found to be non-compliant with this requirement, compared with 7 per cent of TGB factories.

Another area of non-compliance related to the calculation of workers' statutory benefits based on their full period of continuous employment. Sixteen per cent of garment factories and 22 per cent of TGB factories failed to include workers' entire continuous employment period when determining entitlements to maternity leave, attendance bonuses, seniority bonuses, and/or annual leave.

Table 10 : **Contracting Procedures**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**
Does the employer comply with limits on the period of employment for apprentices and probationary workers?	2%	1%
Does the employer comply with the legal limit on the use of fixed term contracts?	16%	22%
Does the employer include the entire period of continuous employment when determining workers' entitlements to maternity leave, attendance bonus, seniority bonus, and/or annual leave?	10%	7%
Have you found non-compliance with legal requirements for compensation, contracts, OSH and/or working time pertaining to non-production workers and/or sub-contracted workers?	5%	0%

Informing sectoral and policy action

The findings in this cluster highlight that compliance challenges are often linked not to the absence of employment contracts, but to weaknesses in human resource management systems, worker communication, and the practical application of labour regulations. Through its advisory services, Better Factories Cambodia supports factories to strengthen

contract administration, improve onboarding and orientation processes, review employment contract templates, and enhance systems for calculating leave entitlements, termination payments, and other statutory benefits. In 2025, a total of 464 areas for improvement related to Contracts and Human Resources were registered across 181 factories. Of these, 224 issues (48.3 per cent) had been substantively addressed and a further 130 issues (28 per cent) were actively being worked on through ongoing remediation efforts.

Beyond advisory support, BFC continued to build the capacity of employers, workers, and their representatives on key human resource management topics. During 2025, the programme delivered 273 training sessions covering labour law, employment contracts, compensation and benefits, leave entitlements, disciplinary procedures, and termination requirements, reaching nearly 2,000 participants. These activities aimed to strengthen understanding of employment rights and obligations, improve workplace communication, and support more effective HR systems capable of sustaining compliance over time.

In 2025, BFC introduced its chatbot learning platform to include a module on wage calculation, enabling workers, supervisors, and HR personnel to better understand wage components, statutory benefits, leave entitlements, and compensation calculations. By improving access to practical information on employment terms and labour rights, these tools complement factory-level advisory services and contribute to stronger compliance, greater transparency, and more informed workplace dialogue across the sector.

vii. Working time

Factory-level insights

Working time non-compliance in the garment and travel goods sector is dominated by overtime hours exceeding the legal limits of two hours per day. Nearly two-thirds of garment factories and half of TGB factories are cited with overtime work exceeding this limit, driving the significant levels of non-compliance in the overtime compliance point. Non-compliance related to obtaining prior approval from MLVT before suspending weekly rest days or requiring workers to perform overtime continued to persist. Twenty-seven per cent of garment factories and 17 per cent of TGB factories were cited as non-compliant for failing to obtain approval before suspending weekly rest days.

Table 11 : **Overtime**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**

Is overtime work limited to two hours per day?	64%	50%
Does the employer get permission from the Labour Inspector before workers work overtime?	7%	9%
Does the employer get permission from the Labor Inspector before suspending weekly rest days?	27%	17%

Regarding **leave**, there were two garment factories assessed in 2025 found non-compliant with providing legally sufficient maternity leave (90 days) and 17 factories (14 garment and 3 TGB factories) were found non-compliant with providing certified sick leave (up to six months). However, Enterprise Advisors found just over one-quarter of both garment factories and TGB factories non-compliant with providing sufficient time off for breastfeeding breaks for nursing mothers during working hours. Following national regulations, a working mother is entitled to one hour of paid time off during working hours for breastfeeding until their child is one year of age. Providing milk formula or money instead of breastfeeding breaks is not allowed under the law.

Table 12 **: Leave**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**
Does the employer give workers at least 18 days of annual leave per year and an extra day of annual leave for every three years of service?	11%	18%
Does the employer give workers up to 7 days of time off for special leave per year?	6%	9%
Does the employer provide workers up to six months of time off for sick leave for an illness certified by a qualified doctor?	3%	3%
Does the employer provide workers with time off for breast-feeding during working hours?	26%	27%

Consistent with past years, a significant portion of garment factories failed to provide sufficient weekly rest periods, assessed within the **regular hours** compliance point. In 2025, nearly one-quarter of assessed garment factories were cited non-compliant with ensuring workers had at least 24-hours of a weekly rest period, usually provided on a Sunday. The corresponding figure for travel goods factories was just 11 per cent of factories. Around one-fifth of factories in both subsectors were found to be non-compliant with the requirement to maintain working time records that accurately reflected workers' actual hours of work. Enterprise Advisors frequently found that factories maintained a main attendance record covering regular working hours and up to two hours of overtime per day, while overtime exceeding two hours, Sunday work, and, in some cases, public holiday work

were recorded separately through manual attendance sheets, Excel records, or voluntary work lists. Workers were often not required to scan or thumbprint attendance for these additional hours, making it difficult to verify the actual hours worked and the corresponding wage payments.

Table 13 : **Overtime**	**Non-compliance**	
	Garment (421 factories)	**TGB (96 factories)**
Does the employer provide required weekly rest periods?	23%	11%
Do the working time records reflect the hours actually worked?	18%	21%

Informing sectoral and policy action

Through its advisory services, training, and capacity-building support, BFC has helped factories make measurable progress in addressing Working Time non-compliance. Of the 376 Working Time issues identified across 175 factories receiving advisory services, 80 issues (21.3 per cent) have been successfully resolved, while a further 149 issues (39.6 per cent) are currently being addressed through ongoing remediation efforts. Together, this means that 60.9 per cent of all Working Time findings have either been addressed or are actively being managed, reflecting growing factory engagement in strengthening production planning, workforce management, overtime monitoring, and compliance systems.

Despite this progress, significant challenges remain. A total of 147 issues (39.1 per cent) remain pending or delayed. The persistence of these issues highlights the complexity of Working Time compliance, which is often influenced by production peaks, labour shortages, workforce planning constraints, and broader supply chain pressures such as fluctuating order volumes and short lead times.

The findings suggest that BFC advisory services are helping factories move beyond compliance awareness towards more systematic approaches to managing working hours. However, achieving sustainable improvements will require continued support at both factory and sector levels, alongside greater collaboration among suppliers, buyers, employers' organizations, trade unions, and government stakeholders to address the structural drivers of excessive overtime.

Next steps

As Better Factories Cambodia approaches the final years of the 2023–2027 Memorandum of Understanding, the period ahead will be critical for accelerating the progress of existing priorities and shaping the next phase of the programme under a future MoU. The GFT sector is navigating preparation for Cambodia's graduation from Least Developed Country status, changing trade preferences and tariff uncertainty, evolving human rights due diligence expectations, climate-related risks, skills gaps and labour market shifts. At the same time, the sector is moving towards greater vertical integration and higher value-added production. In this context, BFC's core value will continue to lie in its ability to connect credible factory-level evidence with supply chain actors, sectoral dialogue and industrial relations, helping Cambodia maintain its position as a trusted and responsible sourcing destination. Against this backdrop, BFC's next steps will be organized around the following interconnected areas of priorities:

Strengthening national ownership will remain at the centre of the transition towards the next MoU. BFC will continue to deepen collaboration with MLVT, MoC, TAFTAC, CGTI, trade unions and other partners to build institutional capacity, transfer technical knowledge and support joint planning on priority issues identified through factory engagement, research and dialogue. This includes continued support for labour inspection capacity, OSH systems, trade union and employer capacity, dispute prevention, grievance handling, skills development and the reintegration of returning migrant workers into formal employment.

Refining its factory engagement model to place greater emphasis on management systems, social dialogue and factory ownership of improvement processes. An outcome-based factory engagement model, with yearly staged progression and the roll-out of digital tools will be used to target the factories and issues where BFC can add the greatest value.

Strengthening social dialogue, freedom of association and collective bargaining as core enablers. Building on the Trade Union Contact Group, which represents around 35 per cent of workers in the GFT sector, BFC will continue to support employers' and workers' organizations through capacity building and provincial outreach on key pillars of industrial relations, negotiation skills, including training on roles and responsibilities and workplace cooperation. It will also leverage tools such as Chatbot modules and the QR-code reporting channel to strengthen awareness, triangulate concerns and promote more constructive workplace dialogue and harmonious industrial relations in the sector.

Embedding gender equality and the prevention of gender-based violence and harassment across BFC's work. The programme will support factories and national partners to strengthen workplace policies, reporting systems, referral pathways for GBVH

cases, awareness raising, and leadership opportunities for women workers. Through the GEAR programme, BFC will continue linking literacy and skills development with career progression, helping women workers strengthen their technical and soft skills and progress into managerial and leadership roles. BFC will continue initiatives to promote safe and respectful workplaces.

Working with partners to support responsible wage digitization among remaining cash wage factories and increase financial literacy and access to client-centred financial services. The programme will expand the use of its guidance tools and chatbot learning platform, including modules on wage calculation, and financial literacy. BFC will continue its strategic engagement with the financial sector and financial service providers to systematically promote financial literacy among their worker-clients and responsible access and use of financial services.

Leveraging brand partnerships to address sectoral challenges and sustain impacts. BFC will continue to act as a trusted convener between brands and national constituents, mobilizing brand engagement and support around future sustainability of the programme, the evolving factory engagement model and key industry challenges such as heat stress, freedom of association and collective bargaining, GBVH, digital wages, safe commute for workers, and skills development. Strengthened brand partnerships will also be important for aligning Cambodia's compliance efforts with evolving human rights due diligence expectations.

Exploring opportunities to expand the adoption of its tools, approaches and expertise in adjacent sectors where there is clear demand from national constituents and where BFC can add value without weakening its core mandate. This may include supporting vertical integration within the broader textile and GFT supply chain, as well as assessing targeted pilots in other export-oriented sectors with a gradual localization of services. Any expansion should be incremental, guided by national stakeholders and supported by strong quality assurance.

Together, these next steps will help guide BFC's work during the remaining period of the current MoU while laying the foundation for the next phase. By combining factory-level evidence, national capacity building, brand engagement, digital innovation and multi-stakeholder partnerships, BFC will continue supporting Cambodia's GFT sector to strengthen labour standards, improve working conditions and remain competitive in a changing global environment.

Annex 1: Methods, data, and limitations of compliance assessments

Better Factories Cambodia conducts factory-level assessments using a Compliance Assessment Tool (CAT) comprised of 270 questions for all factories in advisory services and sourcing to a BFC brand partner, typically conducted over two days. A shortened CAT was used in 2025 among factories that were not electing to receive advisory services and among those not sourcing directly to an international BFC brand partner. In addition, for factories in this group with less than 1,000 workers, assessments were reduced to one on-site day from two days. Assessments conducted using the shortened CAT focused on 161 mandatory questions that must be assessed in every factory. The remaining 109 questions are assessed only when non-compliance is identified or further investigation is required. While the streamlined approach focuses on a subset of key compliance issues, assessors may still identify and cite non-compliance on any issue covered by the full CAT, which consists of 270 questions in total. During the unannounced assessment, two Enterprise Assessors or Advisors (EAs) employed by BFC gather data through document review, workplace observations, and interviews with managers, shop stewards, union representatives, bipartite committee members, and factory workers. Worker interviews conducted during the assessment process are held onsite, either in a private room within the factory building or outside the building (such as in a yard or eating area) and take place either in small groups or individually. The compiled information is analyzed to create a detailed report. Factories have seven days to provide feedback before the reports are finalized. Assessment reports highlight non-compliance findings, which are then used to help factories identify areas in need of improvement. Collecting and reporting this data over time help factories demonstrate their commitment to improving working conditions.

During assessments, factories are considered as non-compliant if they do not adhere to Cambodian labour law or international labour standards. The CAT is divided into eight clusters. Five clusters cover the fundamental principles and rights at work and are assessed in line with international labour standards, and the three other clusters are assessed based on national law and regulations. While individual assessment reports allow for identification of non-compliance in individual factories, this annual report provides an opportunity to present aggregate results from a significant cross section of firms participating in the programme.

Fundamental international labour standards. The ILO Declaration on Fundamental Principles and Rights at Work, adopted in 1998 and amended in 2022, calls upon Member States to respect, promote and realize the principles and rights in five areas, whether or not they have ratified the relevant conventions. These categories (or clusters for the purpose of the BFC compliance assessment) include: freedom of association and the effective recognition of

the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; the elimination of discrimination in respect of employment and occupation; and the right to a safe and healthy working environment.[8] The Declaration designates ten ILO Conventions addressing these areas as fundamental, and these conventions form the basis for assessing factory compliance with fundamental rights for all Better Work country programmes. For some issues, such as minimum legal working age, provisions in national law specify requirements for the application of international conventions. If national law is not consistent with core labour standards pertaining to fundamental rights, the core labour standards are applied.

Working conditions. The three other clusters assess conditions at work, including compensation, contracts and human resources, and working time. The areas covered in these clusters are largely consistent across Better Work countries; however, specific compliance questions may vary from country to country due to differences in national legislation. National legislation is used as a reference point even if it is not in accordance with the international conventions that have been ratified by the country. In countries where national law either fails to address or lacks clarity around a relevant issue regarding conditions at work, Better Work establishes a benchmark based on international standards and good practices. The eight compliance clusters are subdivided into 38 compliance points, detailed below.

Compliance clusters and compliance points	
Fundamental international labour standards	
Freedom of association and collective bargaining	
• Freedom to associate • Union operations • Interference and discrimination • Collective bargaining • Strikes	
Child labour	
• Child labourers • Hazardous work and other worst forms of child labour • Documentation and protection of young workers	
Discrimination	**Forced labour**
• Race and origin • Religion and political opinion	• Coercion • Bonded labour

[8] ILO 1998 Declaration on Fundamental Principles and Rights at Work and its Follow-up, ILO (2022)

• Gender • Other grounds	• Forced labour and overtime • Prison labour
Occupational safety and health	
• OSH management systems • Chemicals and hazardous substances • Worker protection • Working environment	• Welfare facilities • Health services and first aid • Worker accommodation • Emergency preparedness
National labour legislation	
Working time • Regular hours • Overtime • Leave	**Contracts and human resources** • Dialogue, discipline and disputes • Employment contract • Contracting procedures • Termination
Compensation	
• Minimum wages/piece rate wages • Overtime wages • Premium pay • Method of payment	• Wage information, use and deduction • Paid leave • Social security and other benefits

In its annual reports, BFC discloses aggregate non-compliance in participating enterprises. Non-compliance is reported for each subcategory (compliance point) of the eight labour standards clusters. The detailed findings section goes deeper, providing a discussion of non-compliances found at the question level for a selected number of issues. In aggregate reporting, a factory is reported as non-compliant in a compliance point if it is found to be out of compliance *on any one question or issue addressed* within the subcategory.

Individual factory reports are produced within one month of the assessment. As compliance assessments capture one specific moment in time, some situations that might lead to non-compliance in the future may not be initially reported as a non-compliance. For factories opting to engage with BFC's advisory services, assessment findings inform the development of an improvement plan.

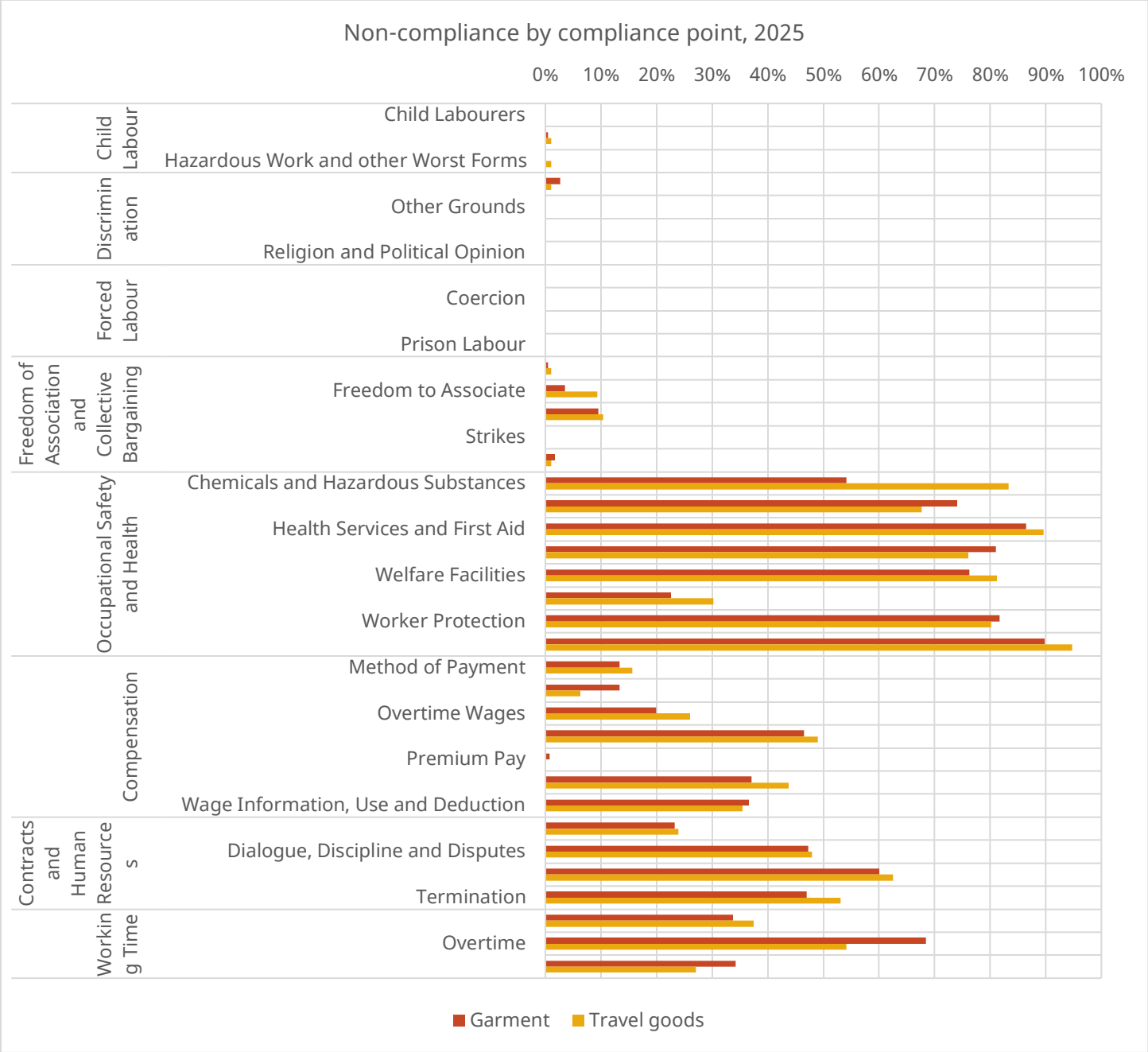
Limitations of assessments. Detailed factory assessment reports are based solely on what is observed, investigated, and analyzed during assessment visits. Before the reports become official, factories are given a period to provide feedback and clarifications, which in some cases impacts the language in the final report. Certain issues remain difficult to assess and verify independently. The low literacy level of a large percentage of workers can affect the

integrity of documentation related to workers' consent for overtime work, storing personal documents, disciplinary procedures and employment rights. To overcome such limitations, information provided by workers and management is crosschecked through representative interview samples and various documents maintained at the factory.

Limitations of non-compliance reporting. The binary "yes" or "no" structure of the answers to compliance limits the ability of Better Work to numerically present the severity of non-compliance and is not conducive to capturing the "levels of non-compliance." For example, a factory may significantly improve in a particular area but may still not qualify as compliant. While it is a strict aggregate indicator, the non-compliance rate is useful for Better Work to compare data across countries and have a general idea of areas of non-compliance in the industry. It is often beyond the capacity of such numbers to fully capture the specific issues observed during factory assessments. Accordingly, it is important to examine the clusters and compliance points in further details to create a more comprehensive understanding of the industry and the overall non-compliance rates, and to understand the specific reasons for non-compliances cited.

Annex 2: Detailed non-compliance snapshot

The figures below summarize the percentage of factories found in non-compliance with at least one question within each of the 38 compliance points for the 421 garment factories and 96 travel goods factories assessed by BFC in 2025.



Non-compliance by compliance point, 2025			
			NC rate

	Cluster	Compliance Point	Garment (421 factories)	Travel goods (96 factories)
Fundamental labour standards	Child Labour	Child Labourers	0.0%	0.0%
		Documentation and Protection of Young Workers	0.5%	1.0%
		Hazardous Work and other Worst Forms	0.0%	1.0%
	Discrimination	Gender	2.6%	1.0%
		Other Grounds	0.0%	0.0%
		Race and Origin	0.0%	0.0%
		Religion and Political Opinion	0.0%	0.0%
	Forced Labour	Bonded Labour	0.0%	0.0%
		Coercion	0.0%	0.0%
		Forced Labour and Overtime	0.0%	0.0%
		Prison Labour	0.0%	0.0%
	Freedom of Association and Collective Bargaining	Collective Bargaining	0.5%	1.0%
		Freedom to Associate	3.6%	9.4%
		Interference and Discrimination	9.5%	10.4%
		Strikes	0.0%	0.0%
		Union Operations	1.7%	1.0%
	Occupational Safety and Health	Chemicals and Hazardous Substances	54.2%	83.3%
		Emergency Preparedness	74.1%	67.7%
		Health Services and First Aid	86.5%	89.6%
		OSH Management Systems	81.0%	76.0%
		Welfare Facilities	76.2%	81.3%
		Worker Accommodation	22.6%	30.2%
		Worker Protection	81.7%	80.2%
		Working Environment	89.8%	94.8%
Working conditions	Compensation	Method of Payment	13.3%	15.6%
		Minimum Wages/Piece Rate Wages	13.3%	6.3%
		Overtime Wages	20.0%	26.0%
		Paid Leave	46.6%	49.0%
		Premium Pay	0.7%	0.0%
		Social Security and Other Benefits	37.1%	43.8%
		Wage Information, Use and Deduction	36.6%	35.4%
	Contracts and Human Resources	Contracting Procedures	23.3%	24.0%
		Dialogue, Discipline and Disputes	47.3%	47.9%
		Employment Contracts	60.1%	62.5%
		Termination	47.0%	53.1%
	Working Time	Leave	33.7%	37.5%

		Overtime	68.4%	54.2%
		Regular Hours	34.2%	27.1%

In-focus: compliance results at the question-level

A select number of non-compliance results at the question-level from the 200+ questions examined in BFC assessments follow below. These tables summarize non-compliance rates for 421 garment factories and 96 travel goods and bag factories assessed in 2025.

Compliance cluster: Occupational safety and health

	Non-compliance rate	
	Garment	**Travel goods**
Compliance point: Emergency preparedness		
Are escape routes free of obstruction?	53%	39%
Does the workplace have a fire detection and alarm system?	42%	46%
Are emergency exits and escape routes clearly marked and posted in the workplace?	39%	35%
Compliance point: Working Environment		
Are noise levels acceptable?	16%	25%
Are the temperature and ventilation acceptable?	60%	74%
Is the workplace adequately lit?	67%	73%
Compliance point: Worker Protection		
Does the employer have the legally required permits for the installation and operation of boiler, generator, compressor, and pressure vessels?	44%	47%
Has the employer provided workers with dust masks when necessary?	42%	33%
Does the employer comply with ergonomic requirements?	36%	22%
Compliance point: Health Services and First Aid		
Does the workplace have an adequately equipped and staffed infirmary?	76%	63%
Do workers undergo a medical examination before being employed?	44%	35%

Working Environment	**Garment**	**Travel goods**

Are noise levels acceptable?	16%	25%
Are the temperature and ventilation acceptable?	60%	74%
Is the workplace adequately lit?	67%	73%

Compliance cluster: Compensation

	Non-compliance rate	
	Garment	**Travel goods**
Compliance point: **Paid Leave**		
Does the employer pay workers correctly for annual leave?	35%	40%
Does the employer pay workers correctly during special leave?	34%	39%
Compliance point: Wage Information, Use and Deduction		
Does the employer keep only one accurate payroll record?	25%	28%
Has the employer made any unauthorized deductions from wages?	15%	14%
Social Security and Other Benefits		
Does the employer pay the required employer contribution to the National Social Security Fund?	3.8%	7.29%

Compliance cluster: Contracts and human resources

	Non-compliance rate	
	Garment	**Travel goods**
Compliance point: Employment Contracts		
Do all persons who perform work for the factory, both on the premises and offsite, have a contract?	2%	2%
Do the employment contracts specify the terms and conditions of employment?	34%	31%
Does management have a system to ensure that workers understand the terms and conditions of employment?	47%	53%
Compliance point: Dialogue, Discipline and Disputes		
Does the employer comply with requirements regarding shop stewards?	42%	48%

Have any workers been bullied, harassed, or subjected to humiliating treatment?	8%	2%
Compliance point: Termination		
Does the employer pay all outstanding wages and indemnities within 48 hours of termination?	31%	41%
Does the employer compensate workers for unused paid annual leave when they resign or are terminated?	30%	34%

Compliance cluster: Working time

	Non-compliance	
Compliance point: Leave	**Garment**	**Travel goods**
Does the employer give workers at least 18 days of annual leave per year and an extra day of annual leave for every three years of service?	11%	18%
Does the employer give workers up to 7 days of time off for special leave per year?	6%	9%
Does the employer provide workers at least 90 days of maternity leave?	0%	0%
Does the employer provide workers up to six months of time off for sick leave for an illness certified by a qualified doctor?	3%	3%
Does the employer provide workers with time off for breast-feeding during working hours?	26%	27%
Compliance point: Overtime		
Does the employer get permission from the Labor Inspector before suspending weekly rest days?	27%	17%
Does the employer get permission from the Labour Inspector before workers work overtime?	7%	9%
Is overtime voluntary?	1%	2%
Is overtime work limited to two hours per day?	64%	50%
Compliance point: Regular Hours		
Do regular daily or weekly working hours exceed the legal limit?	0%	0%
Do the working time records reflect the hours actually worked?	18%	21%
Does the employer provide required weekly rest periods?	23%	11%

Cambodia's Advisory Data in 2025: Improvement Plan Status

Clusters	Total Issues	Percentage of Issues Addressed/Completed	Percentage of Issues InProgress	Percentage of Issues Pending / Delayed
Occupational Safety and Health	3,427	54.0%	28.0%	17.9%
Compensation	463	48.2%	28.1%	23.8%
Contracts and Human Resources	464	48.3%	28.0%	23.7%
Working Time	376	21.3%	39.6%	39.1%
Freedom of Association and Collective Bargaining	52	25.0%	55.8%	19.2%
Child Labour [9]	3	66.7%	0.0%	33.3%
Discrimination	7	42.9%	57.1%	0.0%
Total	4,792	50.0%	29.2%	20.7%

[9] The assessment data indicates that there were three factories that did not comply in this cluster related to not requiring proper documents from workers to verify the age of workers prior to hiring and not ensuring that casual workers under 18 years should not work more than 8 hours and deal with chemical substances.

Annex 3: Garment enterprises assessed in 2025

8 Star Sportswear Ltd.
Aeta Apparel Co., Ltd.
Agile Sweater (Cambodia) Co., Ltd
AJ Textile Co.,Ltd.
Allfine Textile & Garment (Cambodia) Co., Ltd.
Andersen Industries Co., Ltd.
Aroma Success Garment Co., Ltd.
Artiverse (Cambodia) Co., Ltd. (formerly Smart Shirts Garments Manufacturing (Branch 1))
Asdet (Cambodia) Co., Ltd.
Asia Dong Run Import Export Co., Ltd
Asia Legend Clothing (Cambodia) Co., Ltd.
Aster Sky Garment Co., Ltd.
Asti Knitwear Co., Ltd.
Aurora Apparel (Cambodia) Co.,Ltd.
AW Cashmere (Cambodia) Co., Ltd. (formerly GW Rui Xing Co., Ltd.)
Bayon Garment Factory Co., Ltd.
Beauty Silk Screen Limited
Beauty Silk Screen Limited (Branch 1)
Best Beauty Company Limited.
Best Hope Garment (Cambodia) Co., Ltd.
Beswin Fashion (Cambodia) Co., Ltd.
Blossom Knitwear (Cambodia) Company Limited
Bo Hua B (Cambodia) Fashion Co., Ltd.
Boeey Garment Co., Ltd.
Bolito Garment Co., Ltd.
Bowker Garment Factory (Cambodia) Company Limited.
Brightness (Cambodia) Garment Factory Co., Ltd.
Brilliant HK (Cambodia) Factory Co., Ltd.
C.F.C Garment Pty Co., Ltd.
Caitac & Wanlin Apparel Co., Ltd
Callisto Apparel (Cambodia) Co., Ltd
CAM A P I Medical Co., Ltd
CAM Forever Co., Ltd.
Cambo H.D.Y.L Garment Co., Ltd.
Cambo Unisoll Ltd
Cambo Vitality Garment Co., Ltd.
Cambodian Guanghe Garment Co., Ltd.
Cambodian Pacific Home Fashion Co., Ltd
Cambodian Socks and Underwear Co., Ltd.
Camkaxin (Cambodia) Garment Co., Ltd.
Caswell Apparel Co., Ltd.
Cathaya Industry (Cambodia) Co., Ltd.
CB Kingtop Fashion Garment Co., Ltd. (formerly Tianyan International (Cambodia) Fashion Co., Ltd)
Cerie (Cambodia) Garment Co., Ltd
CG Glory (Cambodia) Manufacturing Company Limited. (formerly Ford Glory)
Chea Sinat Garment Co., Ltd.
Cheng Shi Xin Manufacturing (Cambodia) Company Limited
Cheng Tai Fu Shi (Cambodia) Co., Ltd.
Chenghaoshiye (Cambodia) Fashion Co., Ltd.
Cherish Industrial (Cambodia) Co., Ltd.
Chhang Sheng Long (Cambodia) Knitting Co., Ltd.
China Ting (Cambodia) Fashion Co., Ltd.
Chun Xue (Cambodia) Cashmere Textile Co., Ltd
Cobest (Cambodia) First Garment Co., Ltd. (formerly F.T.E.O Garments and Fortune Teo Garment)
Cobest Second (Cambodia) Garment Co., Ltd. (formerly CS Goldway Textile (Cambodia) Co., Ltd)
Cocovol Apparel (Cambodia) Inc
Cocovol Apparel (Cambodia) Inc. (Branch 2)
Como Apparel Co., Ltd.
Cozi Knit Co., Ltd.

Cpak Garment (Cambodia) Co., Ltd.
CPCG International Co., Ltd
CPY Textile (Cambodia) Co., Ltd.
Credstar Washing & Processing Co., Ltd
CSQ S. Ok Garment (Cambodia) Co., Ltd. (formerly Jifa S. Ok Garment (Cambodia) Co., Ltd)
CWKH Garment (Cambodia) Limited
CWL AKT (Cambodia) Co., Ltd.
D & Blue (Cambodia) Co., Ltd.
Daeseung-Cambo Co., Ltd (formerly Mir Apparel World Co., Ltd)
Dali Garment International (Cambodia) Limited
Dali Garment International (Cambodia) Limited. (Branch 1)
Dewhirst (Cambodia) Co., Ltd.
Di Seta (Cambodia) Co., Ltd.
Din Ling Garment Co., Ltd.
Dishang Ruihuasheng (Cambodia) Garments Co., Ltd.
Dongdu Textile (Cambodia) Co., Ltd.
Dun Tai Garment (Cambodia) Co., Ltd.
Ealytex (Cambodia) Garment Co., Ltd.
Easetex (Cambodia) Co., Ltd
Eastex Garment Co., Ltd.
Eclat Textile (Cambodia) Co., Ltd
Elegant Garment Co., Ltd.
Elite Enterprise (Cambodia) Co., Ltd.
Eminent Garment (Cambodia) Limited
Eternal Fame (Cambodia) Garments Co., Ltd.
Eucloth International (Cambodia) Garment Co., Ltd.
Ever Supra Garment (Cambodia) Co., Ltd.
Evergreen Garment Co., Ltd.
Everlush Co., Ltd. (formerly Logwood Apparel Co., Ltd.)
Evermax Garment Accessories (Cambodia) Co., Ltd.
F.U.G Garment (Cambodia) Co., Ltd
Fast Making Co., Ltd.
Fengfan (Cambodia) Co., Ltd.
Fitly Apparel Co., Ltd.
Flourish Garment (Cambodia) Co., Ltd.
Fonternig Garment Co., Ltd.
Foot Forward (Cambodia) Socks Co., Ltd
Footmark (Cambodia) Corporation
Forever Colour Garment Co., Ltd.
Fortuna International (Cambodia) Industry Co., Ltd.
Fortune Glory Garment Co., Ltd.
Fu Hong Embroidery Co.,Ltd.
Fukki Apparel and Laundry Technology Co., Ltd.
Full Ever Textiles (Cambodia) Company Limited
Funday Garment Co., Ltd.
Fushun Cambo Fashion Co., Ltd.
G.W Greenways Textile Co., Ltd.
GDM Enterprise Co., Ltd.
General Enterprises Garment Co., Ltd.
Genmei Industrial (Cambodia) Co., Ltd.
G-Evergreat (Cambodia) Knitting Co., Ltd. (formerly G-Evergreen (Cambodia) Knitting Co., Ltd)
GG Fashion (Cambodia) Co., Ltd.
GGU (Cambodia) Clothing Co., Ltd.
Gin-Sovann Fashion (Cambodia) Limited
Given Clothing Garment (Cambodia) Co., Ltd.
Global Asia Apparel (Cambodia) Co., Ltd.
Glory Apparel (Cambodia) Co., Ltd.
Golden Grace Apparels Co., Ltd.
Golden Island Garments (Cambodia) Co., Ltd.
Golden Star Corporate Development (Cambodia) Co., Ltd
Goldfame Star Factory (Cambodia) Company Limited (formerly Goldfame Star Enterprises (Cambodia))
Good People (Cambodia) Ltd.
Good Plus (Cambodia) Manufacture Co., Ltd.
Grace Glory (Cambodia) Garment LTD

Grand DW Co., Ltd. (formerly Deuck Woo (Cambodia) Co., Ltd.)
Grand Twins International (Cambodia) Plc.
Great Bestway Manufacturing Co., Ltd.
Great New Beiyue Garment (Cambodia) Co., Ltd.
Great New Talent Factory (Cambodia) Co., Ltd.
Great Union (Cambodia) Garment Co., Ltd
Great Zhenxin Garment Co., Ltd.
Green Meadow Development (Cambodia) Co., Ltd
Guowoo (Cambodia) Co., Ltd.
Haitan HB (Cambodia) Co., Ltd. (formerly Haitan Garment (Cambodia) Co., Ltd.)
Hand 7 Garment Co., Ltd.
Hao Jia Li (Cambodia) Garment Co., Ltd.
Harmony Apparel Co., Ltd.(formerly Kie & Kie World Co., Ltd.)
He Li Tuo Knitting Co., Ltd
Heart Enterprise (Cambodia) Co., Ltd.
Hen Yang (Cambodia) Apparel Manufacturing Co., Ltd.
Hengway Apparel Co., Ltd.
Hengwin (Cambodia) Garment Co., Ltd.
Hermo (Cambodia) Co., Ltd.
High Hope (Cambodia) Apparel Manufacturing Co., Ltd.
High Tien Mao (Cambodia) Garment Co., Ltd.
Hing Lee (Cambodia) Co., Ltd.
Hi-Synergy International Garments Co., Ltd
Hong Ri (Cambodia) Clothing Co., Ltd. (formerly Cambodian Red Sun Clothing Co., Ltd)
Hongs One (Cambodia) Garment Co., Ltd.
Horizon Outdoor (Cambodia) Co., Ltd
Horseware Products (Cambodia) Co., Ltd.
Hua Wu Garment (Cambodia) Co.,Ltd.
Hui Xin Lu (Cambodia) Garment Co., Ltd.
Hui Xin Tu (Cambodia) Fashion Co., Ltd.
Humble Apparel Manufacturing Co., Ltd.
Hung Hsing Garment (Cambodia) Co., Ltd.
Hung Hsing Garment (Cambodia) Co., Ltd. (Laundry)
Hung Wah (Cambodia) Garment Manufacturing Ltd. (Branch 1)
Hung Yueh Enterprise Co., Ltd.
Image Garments (Cambodia) Co., Ltd.
In Jae Garment Co., Ltd.
In Kyung Cambodia Co., Ltd.
Indochine Apparel (Cambodia) Ltd. (formerly Indochine Gawon (Cambodia) Ltd)
Inkyung Wondang Apparel Co., Ltd.
J S D Textile (Cambodia) Co.,Ltd.
J.I.A Garment Co., Ltd.
Jade Fashion (Cambodia) Garments Company Limited.
Jade Sun Garment (Cambodia) Co., Ltd
Japan Rocks.S.E.A (Phnom Penh) Co.,Ltd
JD & Toyoshima Co., Ltd II
JH Garment (Cambodia) Co., Ltd.
Jiangyao (Cambodia) Garments Co., Ltd.
Jiayuan Hengrun Int'l Textile Co., Ltd.
Jie Wei (Cambodia) Garment Factory Ltd.
Jin Feng Da (Cambodia) Printing Co., Ltd
Jin Yun Xiu (Cambodia) Garment Co., Ltd.
Jin Yunjin (Cambodia) Garment Co., Ltd.
Jinmyung Garment Development Corp.
Joint Force Sporting Goods (Cambodia) Co., Ltd (formerly Tien Sung Garment (formerly Ming Jian))
Joyance International (Cambodia) Apparel Co., Ltd.
J-Star Garment (Cambodia) Co., Ltd.
Jungkwang Evergreen Garment Co., Ltd.
Justin Allen (Cambodia) Garment Manufacturing Co., Ltd.
JYH Firstex (Cambodia) Co., Ltd. (formerly Shanghai Sunwin Firstex (Cambodia) Co., Ltd.)

JZ Glory Enterprise Co., Ltd.
K Fine (Cambodia) Garment Company Limited
Kaneju (Cambodia) Co., Ltd
Kangfa (Cambodia) Garment Technology Co., Ltd.
Keme Garment (Cambodia) Co., Ltd.
KH Win Star Garment Co., Ltd.
King Deer (Cambodia) Knitting Co., Ltd.
King SG Apparel (Cambodia) Co., Ltd.
King Success Co., Ltd. (formerly E Garment Co., Ltd.)
KJ Apparel (Cambodia) Co., Ltd.
Knit Resource Management Co., Ltd.
Kniteracy Asia Company Limited
Kunbo Style Apparel Co., Ltd.
Kylin (Cambodia) Sports Co., Ltd. (formerly Unicorn (Cambodia) Recreation Products Co., Ltd)
L C Garment (Cambodia) Co., Ltd.
Lastingwinner Garment (Cambodia) Co., Ltd.
Leading Star (Cambodia) Garment Co., Ltd.
Li Kai (Cambodia) Apparel Manufacturing Co., Ltd.
Li Qiang Corp
Lianfa Hengyu (Cambodia) Garment Co., Ltd
Loong Knitting (Cambodia) Co., Ltd.
Lotuberry Garment Co., Ltd.
Lucida (Cambodia) Enterprise Co., Ltd
Lucky Unique Enterprise Co., Ltd.
M & V International Manufacturing Ltd. (Kampong Chhnang)
Makalot Garments (Cambodia) Co., Ltd.
Makalot Garments (Cambodia) Co., Ltd. (Branch 1)
Makalot Garments (Cambodia) Co., Ltd. (Branch 3)
Man Ou Garment Co., Ltd
Mao Xing Yuan (Cambodia) Garment Co., Ltd.
Mastery (MFG) Co., Ltd.
Medtecs MSEZ Corp., Ltd.
Meng Tong Garment Manufactory Ltd.
Meng Yan Garment Manufacturing & Wet Processing Ltd.
Meng Yee Garment Manufactory Co., Ltd.
Mi Qi (Cambodia) Garment Co., Ltd.
Moha Garments Co., Ltd.
Moon Apparel (Cambodia) Co., Ltd.
Moon Tai KJ (Cambodia) Co.,Ltd.
Morica Industry Co., Ltd
Morning Glory Garment Enterprise Co., Ltd (formerly South Bay Enterprise Co., Ltd.)
MT. Yeh's Garment (Cambodia) Co., Ltd
Naga Peace Corporation Limited
Nagapeace Corporation Limited. (Laundry)
NC Apparel (Cambodia) Co., Ltd. (formerly Neo Meridian Industries & Meridian Industries)
Neocambo Textile Co., Ltd.
New Era (Cambodia) Cashmere Textile Co., Ltd.
New Fuma Costume (Cambodia) Co., Ltd.
New HM Knitting Clothing (Cambodia) Co., Ltd.
New Rainbow (Cambodia) Co., Ltd.
New T&K Textile Co., Ltd.
New Wide (Cambodia) Garment Co., Ltd.
New Wide Apparel Co., Ltd.
New Wish Industrial Co., Ltd.
Newest Garment (Cambodia) Co., Ltd.
Newsight Garment Co., Ltd. (formerly Guo Tai Hua Sheng Xin Feng Jing (Cambodia) Garment Co., Ltd)
Nex-T Apparel (Cambodia) Co., Ltd.
Nissin Lotus Garment Co., Ltd.
NMD Embroidery (Cambodia) Co., Ltd. (formerly Ming Der Embroidery (Cambodia) Co., Ltd.)
Nyan Kids (Cambodia) Ltd.

Nyan Kids (Cambodia) Ltd. 1 (formerly Smart Pea Garment Ltd 1)
Ocean Apparel Manufacturing Co., Ltd.
Ocean Apparel Manufacturing Co., Ltd. (Branch 2)
Olive Apparel (Cambodia) Co., Ltd
Orange Manufacturing (Khmer) Co., Ltd
Orient Hongye (Cambodia) Knitting Co., Ltd.
Orient International Enterprise (Cambodia) Garment Co., Ltd
Oriental Phoenix Apparel Co., Ltd.
Outdoor Gear (Cambodia) Co., Ltd.
P P S E C Company Limited
Pacific Apparel Co., Ltd
Papillion Textile (Cambodia) Co., Ltd.
Peninsula Apparel International Limited
Perfect Vision Fashion (Cambodia) Co., Ltd.
Phoenix Fashion (Cambodia) Garment Co., Ltd.
Plutus Garment (Cambodia) Co., Ltd.
Polaris Apparel Co., Ltd. (formerly Lu Thai (Cambodia) Co., Ltd)
Powerful Riches Garment (Cambodia) Co., Ltd.
Preclo (Cambodia) Co., Ltd.
Premier Tech Garment (Cambodia) Co., Ltd.
Prestige Garment Co., Ltd.
Pristine Textile (Cambodia) Co., Ltd.
Profashion Garment Factory Co., Ltd.
Qi Xin Yuan (Cambodia) Co., Ltd.
Qian Qun Huang Jia Co., Ltd.
Qins Textile (Cambodia) Co., Ltd.
QMDJ (Cambodia) Co., Ltd.
Quantum Apparel (Cambodia) Limited
Quantum Clothing (Cambodia) Ltd. (formerly New Island Clothing, Ltd.)
Quantum Garment Co., Ltd. (formerly Smart Shirts Garment & Sunn Lung Garment Co., Ltd.)
Quint Major Industrial Co., Ltd.
Red Mars Garment (Cambodia) Co., Ltd.
Remonda (Cambodia) Apparel Co., Ltd.
Rich Spring River Knitting (Cambodia) Co.,Ltd.
Ronchester Inc.
Rong Win Garment Co., Ltd.
Rui Wen Aries (Cambodia) Garment Co., Ltd.
Runsing Knitting International Co., Ltd.
Ryder Pet Supplies (Cambodia) Co., Ltd.
S W J (Cambodia) Garment Co., Ltd.
S.Y Embroidery Co., Ltd
Sabrina Garment Mfg Corp.
Samaritan Textile (Cambodia) Co., Ltd.
Samil Cambo Co., Ltd. (formerly Direct Int'l & ACE Apparel)
Sanjin (Cambodia) Knitting Technology Co., Ltd.
Sanxing (Cambodia) Clothing Co., Ltd.
SD Jinda Garment (Cambodia) Co., Ltd.
Seduno Cambo Knitting Co., Ltd
Seduno Investment Cambo Fashion Co., Ltd.
Seeds Garment (Cambodia) Co., Ltd.
Sees Global (Cambodia) Co., Ltd.
Seven Fashion (Cambodia) Co., Ltd.
Sew Good Garment Co., Ltd.
Shanda (Cambodia) Textile Co., Ltd.
Shanghai Ch Garment (Cambodia) Co., Ltd
Sheico (Phnom Penh) Co., Ltd
Shen Da Heng Yuan Garment Co., Ltd.
Sheng Huang Industries Co., Ltd
Shi Yang Industrial (Cambodia) Co., Ltd.
Shining Fashion Industrial Co., Ltd.
Shuang Li One (Cambodia) Garment Co., Ltd.
Shun Shing Garment (Cambodia) Co., Ltd. (formerly Son Keng Garment (Cambodia) Co., Ltd.)
Silver Age Knitting Co., Ltd.
Sincere Season (Cambodia) Garment Co., Ltd.

Sinodex Garment (Cambodia) Co., Ltd.
Sinoproud Apparel (Cambodia) Co., Ltd.
Six Plus Industry Co., Ltd.
Sky Clothing (Cambodia) Co., Ltd. (formerly Sigil (Cambodia) Garment Manufacturing Co., Ltd)
Skyline Apparel Co., Ltd
Skytex Silk Screen Co., Ltd
Skyworth Fashion (Cambodia) Co., Ltd.
Soho Sheng He (Cambodia) Garment Co., Ltd (formerly Fong Yean (Cambodia) Garment Co., Ltd.)
Solamoda (Cambodia) Garments Co., Ltd
Sortics Alliance Co., Ltd.
Southland (Cambodia) Co., Ltd. (Formerly Universal Apparel)
Splendid Apparel Manufacturing Co., Ltd. (formerly Champtex (Cambodia) Co., Ltd.)
Splendor Industry Co., Ltd.
Sportex Industry Co., Ltd.
Sportline Apparel (Cambodia) Co., Ltd.
Springair Fashion (Cambodia) Co., Ltd.
Starlight Apparel Manufacturing Co., Ltd.
Starlight Apparel Manufacturing Co., Ltd. (Branch 1)
Steps Footsocks Asia Co., Ltd
Sun Hsu Garment Co., Ltd
Sunray Ningbo (Cambodia) Garment Co., Ltd.
Super Knitting (Cambodia) Co., Ltd.
Super Link Fashions (Cambodia) Co., Ltd
Surpassing Garment Factory Co., Ltd.
Suxingmax Garment (Cambodia) Co., Ltd.
Suzen (Cambodia) Industrial Co., Ltd.
Swany (Cambodia) Corporation
Sweet Garment (Cambodia) Co., Ltd.
SYSG Garment Company Limited (formerly Bing Win Garment (Cambodia) Co., Ltd.)
SZ Golden Way Textile (Cambodia) Co., Ltd.
T & K Garment Industry Co., Ltd.
T.F.G (Cambodia) Garment Co., Ltd.
T.S Sport (Cambodia) Co., Ltd.
Tae Young (Cambodia) Co., Ltd.
Taieasy International Co., Ltd
Tainan Enterprises (Cambodia) Co., Ltd.
Takisada (Cambodia) Co., Ltd.
Taral International Co., Ltd.
Texson (Cambodia) Knitting Washing Dyeing & Printing Co., Ltd.
The Soul Gear (Cambodia) Co., Ltd.
Thirty Three Apparels (Cambodia) Co., Ltd.
Tiens Textile (Cambodia) Co., Ltd.
Tiqiao Textile (Cambodia) Co., Ltd.
Tokokosen Garments (Cambodia) Co., Ltd.
Tongyuan (Cambodia) Garments Co., Ltd.
Top Silver Limited (Branch 1)
Top Sports Textile Ltd.
Top Summit Garment Inc.
Toyoki Apparel (Cambodia) Co., Ltd. (formerly Golden Apparel (Cambodia) Ltd.)
Travis Garment (Cambodia) Co., Ltd.
Trax Apparel (Cambodia) Co., Ltd.
Trimax Apparel (Cambodia) Co., Ltd.
Tung Choi Fashion Technology
TWHQ Garments Co., Ltd. (formerly New Ascent International Garments Limited)
Twin Win Textile Co., Ltd. (formerly Gracy Wise Textile Co., Ltd)
TY Fashion (Cambodia) PLC. (formerly No.4 and No.5)
U-Knits (Cambodia) Co., Ltd
Unity Fashion Cambo Co., Ltd
V.C.O.F.F Apparel Co., Ltd.
Vanco Industrial Co., Ltd.
VFL Apparel (Cambodia) Co., Ltd. (formerly Vast Apparel (Cambodia) Ltd.)
Vicmark Fashions (Cambodia) Co., Ltd.
W & D (Cambodia) Co., Ltd.
W.Embellishment., Ltd.
W.L Wei Lian Garment Co., Ltd.
Walt Technology (Cambodia) Co., Ltd.

Wan He Da Manufacturing Company Limited (Merged with Jit Textiles Limited)
Wedge Global Apparel Co., Ltd.
Wellson Global Co., Ltd.
Win Sheng Garment Process Finish Co., Ltd.
Winas Garment Co., Ltd
Wincam Corporation
Windara International Co., Ltd.
Wing Ying (Cambodia) Garment Factory Ltd.
Winsand Garment & Woolen Knitting Factory Co., Ltd.
Wintai Sock Manufacture Ltd (formerly Blossom Century (Cambodia) Ltd.)
Wonderful Garments Co., Ltd.
WP Sports (Cambodia) Co., Ltd.
WTX Leading Fashion Co., Ltd.
WTX Leading Fortune Co., Ltd.
X.Y.H. (Cambodia) Garment Co., Ltd.
Xin Hai Tong Clothing (Cambodia) Co., Ltd. (formerly Wanshen Clothing (Cambodia) Co., Ltd)
Xin Hong Peng (Cambodia) Knitting Co., Ltd.
Xin Hongrui (Cambodia) Garment Co., Ltd.
Xin Jin Hua Garment Co., Ltd.
Xin Lan (Cambodia) Garment Company Limited
Xin Mei Da (Cambodia) Garment Co., Ltd.
Xin Sunn Long (Cambodia) Garment Co., Ltd.
Xin Yunfeng (Cambodia) Fashion Co., Ltd.
Xinyao Union (Cambodia) Garment Co., Ltd.
Xinyi Textile Technology Co., Ltd.
Xinyongsheng Garment (Cambodia) Co., Ltd.
Xinzhongma Garment (Cambodia) Co., Ltd.
XSLJ (Cambodia) Garment Co., Ltd.
Xu Wei Garment (Cambodia) Co., Ltd.
Xue Da (Cambodia) Dongsheng Textile Garments Co., Ltd
Yakjin (Cambodia) Inc.
Yao Bang Clothing (Cambodia) Co., Ltd.
Yashili Garment (Cambodia) Co., Ltd.
YFC Accessories Co., Ltd.
Yi Da Manufacturer Co., Ltd
Yi Kang Da Garment Co., Ltd.
Yi Zhou Hong Ri (Cambodia) Co., Ltd.
Ying Yi Industry Co., Ltd. (formerly Perfecta (Cambodia) Garment Co., Ltd)
YMG Garment Accessories Co., Ltd.
YNTEX Co., Ltd.
Yong De Wei Garment PTY LTD
Yorkmars (Cambodia) Garment MFG Co., Ltd.
You Li International (Cambodia) Garment Co., Ltd
You Qi Silkscreen Co., Ltd (formerly S.A.C. Co., Ltd.)
Young Clothing (Cambodia) Co., Ltd.
YTC Corporation.
Zhen Tai Garment (Cambodia) Co., Ltd.
Zheng Yong Garment Factory (Branch 1)

Annex 4: Travel goods and bags enterprises assessed in 2025

Airsun Leather Goods (Cambodia) Company Limited.
Anyu (Cambodia) Bags Co., Ltd.
Bless Full Fashion (Cambodia) Ltd.
Cambodian Juyao Outdoor Products Co., Ltd.
Cambodian Longwan Light Industry Co., Ltd.
Canpak (Cambodia) Co., Ltd.
Case Si Travel Products Co., Ltd.
Charmgo (Cambodia) Co., Ltd.
CNDEGRE International (KH) Co., Ltd.
D'Luxe International Co., Ltd.
Elite Win (Cambodia) Co., Ltd.
Encreative KF1 Co., Ltd.
Evergrowing HF (Cambodia) Co., Ltd.
Everich Outdoor Products (Cambodia) Co., Ltd.
Fidelity (Cambodia) Handbag Factory Co., Ltd.
FMF Manufacturing Co., Ltd.
G.C.H International Trade Co., Ltd.
Gazelle International (Cambodia) Co., Ltd.
Global Supply Redwood Co., Ltd.
Glowing Value (Cambodia) Bag & Luggage Co., Ltd.
Golden Billion (Cambodia) Handbags Co., Ltd. (Merged with Ideal Pacific (Cambodia) Limited.)
Goodmate (Cambodia) Headwears Co., Ltd.
Guangdong Kaiya (Cambodia) Packaging Technology Co., Ltd.
Hanton Luggage (Cambodia) Co., Ltd.
Hathor International (Cambodia) Co., Ltd.
Hilltop Luggage (Cambodia) Co., Ltd.
Hip Keung (Cambodia) Manufacturing Co., Ltd.
HK Burltex Manufactory Co., Ltd.
Hon Tzer Fung Leather (Cambodia) Co., Ltd.
Hong Cen Max Leather Products Co., Ltd.
Hongfaxiang Industrial Co., Ltd.
Hoplok (Cambodia) Co., Ltd.
Impak (Cambodia) Co., Ltd.
Inspiror Bag (Cambodia) Manufacturing Co., Ltd.
Integrity Crafts & Designs Co., Ltd.
Ireach Factory (Cambodia) Co., Ltd.
Jie Rui Feng (Cambodia) Leather Co., Ltd.
JP Sunny Products Co., Ltd.
JS Leather Collection Phnom Penh Co., Ltd. (Branch 1)
Jun Yip International (Cambodia) Co., Ltd.
K5 Industrial Co., Ltd.
Kai Neng Leather Products (Cambodia) Co., Ltd.
KH Best Faith Manufacturing (Cambodia) Co., Ltd.
Kunyu Tool Bags (Cambodia) Co., Ltd.
Lai Man International Co., Ltd.
Liefeng Outdoors (Cambodia) Co., Ltd.
Mac Bag (Cambodia) Co., Ltd.
Matewe Bag & Case (Cambodia) Co., Ltd.
MCL Handbag Factory (Cambodia) Co, Ltd.
Milanna Leatherware M.F.Y (Cambodia) Co., Ltd.
Ming Fai Enterprise (Cambodia) Co., Ltd. (formerly Teng Xun Limited)
Ming Yang Industry (Cambodia) Co., Ltd.
Monopia (Cambodia) Co., Ltd.
New Glory Bags & Luggage (Cambodia) Co., Ltd.
Newcomer Luggage and Bags (Cambodia) Manufacturing Co., Ltd.
Newpex Co., Ltd
Newprokin (Cambodia) Co., Ltd.
Niu Geng Di (Cambodia) Co., Ltd.

O And M (Cambodia) Co., Ltd.
Park Handbag (Cambodia) Co., Ltd.
Paron International (Cambodia) Limited
PRINTX GP (Cambodia) Factory Co., Ltd.
Qihang New (Cambodia) Co., Ltd.
Quan Ming Handbag (Cambodia) Industrial Co., Ltd.
Richbags (Cambodia) Co., Ltd.
Shining (Cambodia) Belt & Bag Co., Ltd.
Shui Yat A (Cambodia) Co., Ltd.
Shun Xin Luggage Industry (Cambodia) Co.,Ltd.
Siglo (Cambodia) Co., Ltd
Simag Industrial (Cambodia) Co., Ltd.
Simone ACC. Collection (Cambodia) Co., Ltd.
Smart Leather Industry Co., Ltd.
Sparkbags (Cambodia) Co., Ltd.
Starite (Cambodia) Co., Ltd.
Sun Grace Sports (Cambodia) Co., Ltd
Sun Shui Shing Industrial (Cambodia) Co., Ltd.
Superl (Cambodia) Co., Ltd.
T & L (Cambodia) Handbags Industrial Co., Ltd.
T And Lee (Cambodia) Leather Products Co., Ltd.
Trinity Handbags Co., Ltd.
Ventura Leatherware MFY (CD) Co., Ltd.
Wah Sun HK Factory (Cambodia) Co., Ltd.
Wam Fa Handbag (Cambodia) Co., Ltd.
Wam Fa Leather Co., Ltd.
Wholly Well Handbags Manufacturing Company Limited.
Wilson Leather (Cambodia) Co., Ltd. (Branch 2)
Wilson Leather (Cambodia) Co., Ltd. (Branch 3)
Winning Dragon Leatherware (Cambodia) Co., Ltd.
Xing Kun Da Leather Industrial Co., Ltd. (formerly Wei Ke Leather (Cambodia) Co., Ltd.)
Y.S.C Yorkson Star (Cambodia) Co., Ltd.
Yinxing (Cambodia) Handbags & Accessories Co., Ltd.
Yonghengxing Leather (Cambodia) Co., Ltd.
YS Manufacturing (Cambodia) Co., Ltd.
Yu Yue Handbag Co., Ltd.
Yumark Pacific (Cambodia) Co., Ltd.
Zhuo Jia (Cambodia) Leather Co., Ltd.