



FAIR LABOR
ASSOCIATION_®

INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: Fast Retailing Co., Ltd.
MV Sport - The Game Inc.

COUNTRY: China

ASSESSMENT DATE: 08/16/18

ASSESSOR: Openview

PRODUCTS: Apparel

NUMBER OF WORKERS: 158

Summary of Code Violations

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

Findings and Action Plans

FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The factory has hired 12 disabled workers instead of 32, which is a violation of legal requirements that state at least 1.5% of the total workforce should be composed of disabled workers. The factory does not contribute to the Employment Security Fund in lieu of employing disabled workers as allowed under the local law, either. [ER.3, ND.1, ND.2]

Local Law or Code Requirement

Regulation on the Employment of the Disabled, Articles 8 and 9; FLA Workplace Code (Employment Relationship Benchmark ER.3; Nondiscrimination Benchmarks ND.1 and ND.2)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Factory now had totally 24 disabled workers, factory plan to cooperate with the agencies to help the disabled workers to look for job. Now The disabled employee had increased to 9 workers. The factory will gradually increase the number of disabled persons employed in accordance with the requirements stipulated by law, aiming to employ 1.5% of the total workforce by the end of December 2019.

Planned completion date

02/19/19

Company Action Plan Update

1. According to the actual statistics of the factory, there are 27 disabled people, which have met the base requirements prescribed by laws and regulations, according to the required proportion of 27 to 1705 1.59%. At present, these employees are distributed in sewing, locking nails, inspection of various processes. In future, Human Resources Department will expand the recruitment of persons with disabilities and provide more work platforms for people with disabilities.

FINDING NO.2

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. A review of the payroll records from July 2017-June 2018 shows that all workers' overtime hours were compensated at the piece-rate wage rather than at the legally required overtime premium rate. For example, one worker received CNY 845.5 (USD 123.1) instead of CNY 989.1 (USD 143.9) in June 2018. [C.1, C.5, C.7]
2. The factory does not provide social insurance for all workers. The social insurance payment receipt from the sampled month of July 2018 indicates that only 701 out of a total of 2,122 employees (33%) were provided all five types of social insurance including work-related injury, medical, pension, unemployment, and maternity insurance. The rest of the employees were provided with commercial accident injury insurance that is valid from March 4, 2018 to March 3, 2019 and has a maximum benefit amount of CNY 80,000 (USD 11,647.7) per employee. In addition, the factory bases its contributions to all five types of social insurance on CNY 3,178 (USD 462.6) per month rather than 10% of workers' actual monthly wages (about CNY 3,179 to CNY 4,500 (USD 462.8 to USD 655.0) per month) as legally required. [ER.22, C.1, C.5, C.10]
3. The factory does not provide workers with paid leave on national holidays as legally required. For example, one sampled worker took three days of leave for China National Day Holiday in October 2017 but did not receive three days' statutory holiday wages. [ER.22, HOW.1, HOW.10, HOW.11, HOW.14, C.1]
4. The factory does not provide paid annual leave, paid sick leave, or paid funeral leave for employees as legally required. [ER.22, HOW.1, HOW.11, HOW.14, HOW.16, C.1]
5. The factory does not pay into the legally required Housing Provident Fund for any workers. [ER.22, C.1, C.5, C.10]

Local Law or Code Requirement

China Labor Law, Articles 44; China Labor Law, Articles 72 and 73; Social Insurance Law of the PRC, Articles 12 and 58; China Labor Law, Article 51; The Regulations on Annual Leave for Employees, Article 2; The Opinion of the Ministry of Labor on Several Questions concerning the Implementation of Article 59 of the China Labor Law; Regulations on Management of Housing Provident Fund, Articles 2, 3 and 15; FLA Workplace Code (Employment Relationship Benchmark ER.22; Compensation Benchmarks C.1, C.5, C.7, and C.10; Hours of Work Benchmarks HOW.1, HOW.10, HOW.11, HOW.14, and HOW.16)

Recommendations for Immediate Action

1. Compensate workers for overtime at the overtime premium rate. Reimburse workers who were underpaid within the past 12 months.
2. Provide all five types of social insurance to all eligible workers. Base social insurance contribution on 10% of workers' actual monthly wages.
3. Provide workers with paid holidays as legally required.
4. Provide workers with paid annual leave, paid sick leave, and paid funeral leave as legally required.

COMPANY ACTION PLANS

Action Plan no 1.

Description

5-1: The factory HR management will establish the written procedure on Housing Provident Fund. The HR management will be involved in drafting them.

5-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.

5-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

5-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

5-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' awareness.

5-6. The factory HR personnel will inspect relative paid records every month to measure the success of the policy.

5-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.

5-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement

Planned completion date

11/20/18

Action Plan no 2.

Description

- 4-1. The factory HR management will establish the written procedure on annual leave, sick leave, or funeral leave for employees. The HR management will be involved in drafting them.
- 4-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 4-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 4-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 4-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the importance of procedure to strengthen workers' awareness.
- 4-6. The factory HR personnel will inspect relative paid records every month to measure the success of the policy.
- 4-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 4-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

Action Plan no 3.

Description

- 3-1. The factory HR management will establish the statutory holiday wages' procedure. The HR management will be involved in drafting them.
- 3-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 3-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 3-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 3-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the importance of procedure to strengthen workers statutory holiday wages awareness.
- 3-6. The factory HR personnel will inspect statutory holiday wages calculation records every month to measure the success of the policy.
- 3-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 3-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

Action Plan no 4.

Description

- 2-1. The factory HR management will establish the social insurance procedure to prevent these findings from occurring again and Provide training to employees to let them understand the importance to participate the basic endowment insurance, medical insurance, employment injury insurance, unemployment insurance, maternity insurance, then the factory will conduct a plan to improve the coverage of social insurance by 8% every three months. The HR management will be involved in drafting them.
- 2-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the security dept will hold a meeting to communicate this policy to them before working.
- 2-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 2-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the social insurance to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 2-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the importance of social insurance to strengthen workers attention importance awareness.
- 2-6. The factory HR personnel will inspect social insurance record every month to measure the success of the policy.
- 2-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 2-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

Action Plan no 5.

Description

- 1-1. The factory HR management will establish the overtime calculation procedure. The HR management will be involved in drafting them.
- 1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers overtime calculation awareness.
- 1-6. The factory HR personnel will inspect overtime calculation records every month to measure the success of the policy.
- 1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

FINDING NO.3

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. According to worker interviews and the time records from July 2017 through August 15, 2018, the monthly overtime for 90% of workers exceeded the legal limit of 36 hours per month during the reviewed period, with a maximum of 138.5 hours in December 2017. [HOW.1, HOW.8]
2. According to worker interviews and the time records from July 2017 through August 15, 2018, 70% of workers' daily overtime hours exceeded the legal limit of three hours on three to 21 weekdays per month during the reviewed period, with a maximum of four hours of overtime per day. [HOW.1, HOW.8]
3. According to worker interviews and the time records from July 2017 through August 15, 2018, working hours for 70% of workers exceeded 60 hours per week in 60% of the weeks in the reviewed period, with an average of 61 hours per week. The maximum weekly working hours was 72 hours one week in June 2018. [HOW.1, HOW.8]
4. The factory's production plan is based on a 60-hour work week. As a result, workers need to work 20 hours of overtime per week in order to meet production targets. [HOW.8]
5. The factory does not regularly analyze working hours with the goal of progressively reducing excessive hours of work. [HOW.1]

Local Law or Code Requirement

China Labor Law, Article 41; FLA Workplace Code (Hours of Work Benchmarks HOW.1 and HOW.8)

Recommendations for Immediate Action

1. Ensure workers' overtime hours do not exceed the legal limit of three hours per day and 36 hours per month.
2. Ensure that workers' total working hours (regular plus overtime hours) do not exceed 60 hours per week.

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 5-1. The factory HR management will establish the working hours procedure also requires production plan, labor shortage and production efficiency will be analyze before mass production to prevent these findings from occurring again. The HR management will be involved in drafting them.
- 5-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the security dept will hold a meeting to communicate this policy to them before working.

- 5-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 5-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the working hours policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 5-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of working hour procedure to strengthen workers working hour awareness.
- 5-6. The factory HR personnel will inspect working hours every month to measure the success of the policy.
- 5-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 5-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

Action Plan no 2.

Description

- 4-1. The factory HR management will establish the working hours procedure also requires production plan, labor shortage and production efficiency will be analyze before mass production to prevent these findings from occurring again. The HR management will be involved in drafting them.
- 4-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the security dept will hold a meeting to communicate this policy to them before working.
- 4-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 4-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the working hours policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 4-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of working hour procedure to strengthen workers working hour awareness.
- 4-6. The factory HR personnel will inspect working hours every month to measure the success of the policy.
- 4-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 4-8: The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

Action Plan no 3.

Description

- 3-1. The factory HR management will establish the working hours procedure also requires production plan, labor shortage and production efficiency will be analyze before mass production to prevent these findings from occurring again. The HR management will be involved in drafting them.
- 3-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the security dept will hold a meeting to communicate this policy to them before working.
- 3-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 3-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the working hours policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 3-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of working hour procedure to strengthen workers working hour awareness.
- 3-6. The factory HR personnel will inspect working hours every month to measure the success of the policy.
- 3-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 3-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

Action Plan no 4.

Description

- 2-1. The factory HR management will establish the working hours procedure also requires production plan, labor shortage and production efficiency will be analyze before mass production to prevent these findings from occurring again. The HR management

will be involved in drafting them.

2-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the security dept will hold a meeting to communicate this policy to them before working.

2-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

2-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the working hours policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

2-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of working hour procedure to strengthen workers working hour awareness.

2-6. The factory HR personnel will inspect working hours every month to measure the success of the policy.

2-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.

2-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

Action Plan no 5.

Description

1-1. The factory HR management will establish the working hours procedure also requires production plan, labor shortage and production efficiency will be analyze before mass production to prevent these findings from occurring again. The HR management will be involved in drafting them.

1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the security dept will hold a meeting to communicate this policy to them before working.

1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the working hours policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of working hour procedure to strengthen workers working hour awareness.

1-6. The factory HR personnel will inspect working hours every month to measure the success of the policy.

1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.

1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The factory does not have any formal written policies or procedures on the following Employment Functions: Personnel Development; Industrial Relations; and Termination & Retrenchment. [ER.1, ER.19, ER.25, ER.28, ER.29, ER.30, ER.32]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.19, ER.25, ER.28, ER.29, ER.30, and ER.32)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1-1. The factory HR management will establish the written procedure on the following Employment Functions; Personnel Development; Industrial Relations; and Termination & Retrenchment. The HR management will be involved in drafting them.

1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR

dept will hold a meeting to communicate this policy to them before working.

1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' awareness.

1-6. The factory HR personnel will inspect relative records every month to measure the success of the policy.

1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.

1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. FLA Comments: The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole official trade union – the All-China Federation of Trade Unions (ACFTU). According to the International Labor Organization (ILO), many provisions of the Trade Union Act are contrary to the fundamental principles of freedom of association, including the non-recognition of the right to strike. As a consequence, all factories in China fall short of the ILO standards on the right to organize and bargain collectively. Recently, however, the government has introduced new regulations that could improve the functioning of the labor relations' mechanisms. The Amended Trade Union Act of October 2001 stipulates that union committees have to be democratically elected at members' assemblies and trade unions must be accountable to their members. The trade union has the responsibility to consult with management on key issues of importance to their members and to sign collective agreements. It also grants the trade union an enhanced role in dispute resolution. In December 2003, the Collective Contracts Decree introduced the obligation for representative trade unions and employers to negotiate collective agreements, in contrast to the previous system of non-negotiated administrative agreements. [FOA.2]

Local Law or Code Requirement

FLA Workplace Code (Freedom of Association Benchmark FOA.2)

COMPANY ACTION PLANS

Action Plan no 1.

Description

(2019/07/17)

1. At present, the factory does not have a trade union, but some of its employees have been elected as employee representatives, the most recent of which was held in January 2019.

(2019/01/29)

1. The factory will gradually improve the related work of the factory trade union in accordance with the relevant regulations of the national trade union law.

Planned completion date

08/20/19

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. The factory's disciplinary system is incomplete. It does not include a third party witness during the imposition of disciplinary actions or a worker appeal process. [ER.27]
2. The records of disciplinary actions are maintained in a centralized file, not in workers' personnel files. [ER.27]
4. Workers do not sign all written records of disciplinary actions taken against them. [ER.27]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.27)

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 3-1. The factory HR management will establish the relative procedure. The HR management will be involved in drafting them.
- 3-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 3-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 3-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 3-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' awareness.
- 3-6. The factory HR personnel will inspect all written records every month to measure the success of the policy.
- 3-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 3-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

Action Plan no 2.

Description

- 2-1. The factory HR management will establish the workers' personnel files. The HR management will be involved in drafting them.
- 2-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 2-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 2-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 2-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' awareness.
- 2-6. The factory HR personnel will inspect workers personnel files every month to measure the success of the policy.
- 2-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 2-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

Action Plan no 3.

Description

- 1-1. The factory HR management will establish the written procedure and modify the disciplinary system immediately to include a third party witness during the imposition of disciplinary actions or a worker appeal process. The HR management will be involved in drafting them.
- 1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' awareness.
- 1-6. The factory HR personnel will inspect relative records every month to measure the success of the policy.
- 1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Two out of four fire alarm buttons in the finished products warehouse are blocked by finished goods. [HSE.5, HSE.6]
2. There are no safety instructions posted on three cloth inspecting machines in the material warehouse. [HSE.14]
3. The factory does not track or analyze workers' illnesses. [HSE.3]

Local Law or Code Requirement

The China Fire Prevention Law, Article 28; The Law of the China on Work Safety, Article 32; FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.3, HSE.5, HSE.6, and HSE.14)

Recommendations for Immediate Action

1. Clear blockages from in front of the fire alarm push buttons.
2. Post safety instructions on the cloth inspecting machines in the material warehouse.

COMPANY ACTION PLANS

Action Plan no 1.

Description

3. Factory cooperated with the hospital to arrange the health check of the workers. In the future, factory will record the illness of the workers.

Planned completion date

11/20/18

Action Plan no 2.

Description

- 2-1. The factory HR management will establish the H&S procedure and post the safety instruction on three cloth inspecting machines in the material warehouse. The HR management will be involved in drafting them.
- 2-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 2-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 2-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

- 2-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' H&S awareness.
- 2-6. The factory HR personnel will inspect all written records every month to measure the success of the policy.
- 2-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 2-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

11/20/18

Action Plan no 3.

Description

- 1-1. The factory HR management will establish the H&S procedure and remove all finished goods immediately from the two out of four fire alarm buttons in the finished products warehouse. The HR management will be involved in drafting them.
- 1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' H&S awareness.
- 1-6. The factory HR personnel will inspect all written records every month to measure the success of the policy.
- 1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement

Planned completion date

11/20/18

FINDING NO.8

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

- 1. The factory was established in 2011 and has not yet commissioned a government-accredited third party to conduct an Occupational Disease Hazard Pre-Assessment, an Assessment of the Effectiveness of Occupational Disease Hazard Controls, or an updated Assessment of the Current Condition of Occupational Disease Hazards. [HSE.1]
- 2. The factory does not have a list of equipment that requires lockout-tagout. [HSE.14]
- 3. The factory does not conduct annual testing on the building's lightning protection system, as legally required. [HSE.1, HSE.13]
- 4. The factory is not taking steps to reduce repetitive-motion stress and injuries. There are no adjustable workstations, removable armrests, or proper backrests for seated workers. [HSE.17]
- 5. There is no toilet paper available in the toilets in the factory. [HSE.20]

Local Law or Code Requirement

The China Law of Prevention and Control of Occupational Diseases, Articles 17 and 18; Provisions on the Supervision and Administration of Occupational Health at Work Sites, Article 20; Technical Specifications for Inspection of Lightning Protection System in Building, Article 6; FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.1, HSE.13, HSE.14, HSE.17, and HSE.20)

COMPANY ACTION PLANS

Action Plan no 1.

Description

(2019/07/17)

1. In Nov,2018, factory cooperated with qualified third party to evaluate the current situation of occupation disease hazards. All the test result are within the limitation, And factory assign the factory officer to monitor the test result and arrange the test annually.
2. The factory HR management will establish the relative procedure and set up the list of equipment that requires lockout-tagout. The HR management will be involved in drafting them.
3. Factory arranged the lightning protection inspection annually, the latest inspection was arranged in June, 2019. The manager officer will monitor the implementation.
4. The factory has recently replaced chairs with chair backs for some employees, if employees want to use the chair back, they can replace the chair freely. By the end of the year, the factory will replaced the chairs and arrange the training for workers about the reduce repetitive-motion stress and injuries.
5. The cleaner will place toilet paper and soap in the toilet everyday. The Ministry of Administration will be responsible for monitoring

(2019/01/29)

5. Factory provide the toilet paper immediately. And cleaner of the toilets will be in charge of the

Planned completion date

02/19/19

Action Plan no 2.

Description

- 4-1. The factory HR management will establish the relative procedure and purchase the adjustable workstation,removable armrests and proper backrests for seated workers.The HR management will be involved in drafting them.
- 4-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 4-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 4-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 4-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.
- 4-6. The factory HR personnel will inspect the goods every month to measure the success of the policy.
- 4-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 4-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager,will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

Action Plan no 3.

Description

3. Factory has arranged the building's lightning protection system on August 28,2018 by Ningyang County Meteorological bureau.ESH manager will arrange to have the test annually in the future.

Planned completion date

02/19/19

Action Plan no 4.

Description

- 2-1. The factory HR management will establish the relative procedure and set up the list of equipment that requires lockout-tagout. The HR management will be involved in drafting them.
- 2-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 2-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 2-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 2-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.
- 2-6. The factory HR personnel will inspect the list every month to measure the success of the policy.
- 2-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 2-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement

Planned completion date

02/19/19

Action Plan no 5.

Description

1. The factory had arranged the occupational disease hazard assessment in Nov, 2018, and all the occupational disease hazard factors were within the qualified range. In the future, ESH manager will arrange the test annually.

Planned completion date

02/19/19

FINDING NO.9

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. The factory's Environmental Protection procedures do not include steps to manage the factory's environmental impact on its surroundings. [ER.1, ER.31]
2. The factory's Environmental Protection policy does not include a statement of the factory management's general support of energy and water efficiency, or a commitment to minimize impacts with respect to air emissions, waste, hazardous materials and other applicable environmental risks. [ER.1, ER.31]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.31)

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 2-1. The factory HR management will establish the relative procedure and modify the environmental protection policy immediately to include a statement of the factory management's general support of energy and water efficiency, or a commitment to minimize impacts with respect to air emissions, waste, hazardous materials and other applicable environmental risks. The HR management will be involved in drafting them.
- 2-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 2-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 2-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 2-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.

- 2-6. The factory HR personnel will inspect the procedure every month to measure the success of the policy.
- 2-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 2-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

Action Plan no 2.

Description

- 1-1. The factory HR management will establish the relative procedure and modify the environmental protection procedures to include steps to manage the factory's environmental impact on its surroundings. The HR management will be involved in drafting them.
- 1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.
- 1-6. The factory HR personnel will inspect the goods every month to measure the success of the policy.
- 1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

FINDING NO.10

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

- 1. The orientation training for new workers does not cover Recruitment, Hiring & Personnel Development, Termination & Retrenchment or Environmental Protection. [ER.1, ER.15]
- 2. The ongoing training provided to workers does not cover the following Employment Functions: Recruitment, Hiring & Personnel Development; Termination & Retrenchment; Industrial Relations; Workplace Conduct & Discipline; Hours of Work; Grievance System; and Environmental Protection. [ER.1, ER.15, ER.28]
- 3. The specific training provided to managers and supervisors does not cover the following Employment Functions: Recruitment, Hiring & Personnel Development; Hours of Work; Termination & Retrenchment; Compensation, Industrial Relations; Grievance System; Workplace Conduct & Discipline; and Environmental Protection. [ER.1, ER.17, ER.27]
- 4. There's no training on Workplace Conduct & Discipline provided to the relevant HR personnel and administrative staff. [ER.15]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.15, ER.17, ER.27, and ER.28]

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 4-1. The factory HR management will establish the relative procedure and provide training on Workplace Conduct & Discipline to the relevant HR personnel and administrative staff. The HR management will be involved in drafting them.
- 4-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 4-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the

training to staff and other managers.

4-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

4-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.

4-6. The factory HR personnel will inspect the training records every month to measure the success of the policy.

4-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.

4-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

Action Plan no 2.

Description

3-1. The factory HR management will establish the relative procedure and modify the specific training provided to managers and supervisors immediately to cover the following Employment Functions: Recruitment, Hiring & Personnel Development; Hours of Work; Termination & Retrenchment; Compensation, Industrial Relations; Grievance System; Workplace Conduct & Discipline; and Environmental Protection. The HR management will be involved in drafting them.

3-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.

3-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

3-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

3-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.

3-6. The factory HR personnel will inspect the training records every month to measure the success of the policy.

3-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.

3-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

Action Plan no 3.

Description

2-1. The factory HR management will establish the relative procedure and modify the ongoing training for workers immediately to cover the following Employment Functions: Recruitment, Hiring & Personnel Development; Termination & Retrenchment; Industrial Relations; Workplace Conduct & Discipline; Hours of Work; Grievance System; and Environmental Protection. The HR management will be involved in drafting them.

2-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.

2-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

2-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

2-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.

2-6. The factory HR personnel will inspect the training records every month to measure the success of the policy.

2-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.

2-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

Action Plan no 4.

Description

1-1. The factory HR management will establish the relative procedure and modify the orientation training for new workers

immediately to cover Recruitment, Hiring & Personnel Development, Termination & Retrenchment or Environmental Protection. The HR management will be involved in drafting them.

1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.

1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.

1-6. The factory HR personnel will inspect the training records every month to measure the success of the policy.

1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.

1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement

Planned completion date

02/19/19

FINDING NO.11

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

1. The factory does not periodically review and update its policies and procedures on the following Employment Functions: Recruitment, Hiring & Personnel Development; Termination & Retrenchment; Industrial Relations; Workplace Conduct & Discipline; Grievance System; Environmental Protection; and Health & Safety. [ER.1, ER.29, ER.30, ER.31]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.29, ER.30, and ER.31)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1-1. The factory HR management will establish the relative procedure and periodically review and update its policies and procedures on the following Employment Functions: Recruitment, Hiring & Personnel Development; Termination & Retrenchment; Industrial Relations; Workplace Conduct & Discipline; Grievance System; Environmental Protection; and Health & Safety. The HR management will be involved in drafting them.

1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.

1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.

1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.

1-6. The factory HR personnel will inspect the records and procedure every month to measure the success of the policy.

1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.

1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

FINDING NO.12

NOTABLE FEATURE

FINDING TYPE: Compensation

Finding Explanation

1. The workshops are air conditioned.
2. The factory provides free meals.
3. The factory provides a free shuttle bus for workers.

FINDING NO.13

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Responsibility & Accountability (Macro)

Finding Explanation

1. The factory does not clearly define in writing the person responsible for the following Employment Functions: Recruitment, Hiring & Personnel Development; Compensation; Hours of Work; Termination & Retrenchment; Industrial Relations; Workplace Conduct & Discipline; Grievance System; and Environmental Protection. [ER.1, ER.31]
2. There is no management sign off on the factory's policies and procedures. [ER.1]
3. The factory has not clearly defined in writing the person with ultimate responsibility within the factory. [ER.1]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.31)

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 1-1. The factory HR management will establish the relative procedure and define in writing the person responsible for the following Employment Functions: Recruitment, Hiring & Personnel Development; Compensation; Hours of Work; Termination & Retrenchment; Industrial Relations; Workplace Conduct & Discipline; Grievance System; and Environmental Protection.. The HR management will be involved in drafting them.
- 1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.
- 1-6. The factory HR personnel will inspect the records and procedure every month to measure the success of the policy.
- 1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager,will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement

Planned completion date

02/19/19

Action Plan no 2.

Description

- 2-1. The factory HR management will establish the relative procedure and the management will sign off on the factory's policies and procedures. The HR management will be involved in drafting them.
- 2-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 2-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

- 2-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 2-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.
- 2-6. The factory HR personnel will inspect the records and procedure every month to measure the success of the policy.
- 2-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 2-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement

Planned completion date

02/19/19

Action Plan no 3.

Description

- 3-1. The factory HR management will establish the relative procedure and define in writing the person with ultimate responsibility within the factory. The HR management will be involved in drafting them.
- 3-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 3-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.
- 3-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 3-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.
- 3-6. The factory HR personnel will inspect the records and procedure every month to measure the success of the policy.
- 3-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 3-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

FINDING NO.14

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Communication & Worker Involvement (Macro)

Finding Explanation

1. The factory does not communicate its policies and procedures or their updates on the following Employment Functions with the general workforce: Recruitment, Hiring & Personnel Development; Termination & Retrenchment; Industrial Relations; Workplace Conduct & Discipline; Grievance System; and Environmental Protection. [ER.1, ER.16, ER.25, ER.27, ER.29, ER.30]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, ER.25, ER.27, ER.29, and ER.30)

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 1-1. The factory HR management will establish the relative procedure and communicate its policies and procedures or their updates on the following Employment Functions with the general workforce: Recruitment, Hiring & Personnel Development; Termination & Retrenchment; Industrial Relations; Workplace Conduct & Discipline; Grievance System; and Environmental Protection. The HR management will be involved in drafting them.
- 1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working.
- 1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers.

- 1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference.
- 1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness.
- 1-6. The factory HR personnel will inspect the records and procedure every month to measure the success of the policy.
- 1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well.
- 1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19

FINDING NO.15

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Grievance System

Finding Explanation

1. There is no evidence that management reviews complaints and grievances and takes appropriate action in the factory. [ER.25.3]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.25)

COMPANY ACTION PLANS

Action Plan no 1.

Description

(2019/07/17)

From Aug 2018, the factory build a internal e-mail address to accept the grievance from workers. HR department is in charge of the response to workers, General manager office monitor the implementation

(2019/01/29)

1-1. The factory HR management will establish the relative procedure and require that management review complaints and grievances and takes appropriate action in the factory. The HR management will be involved in drafting them. 1-2. The facility HR dept will hold a meeting regularly to communicate this policy to all employees. If there are new hires, the HR dept will hold a meeting to communicate this policy to them before working. 1-3. The HR management, production manager and worker rep. will take part in the policy training and will communicate the training to staff and other managers. 1-4. The facility HR manager, production manager and worker rep. have held a meeting and modified, updated the policy to enforce the importance. The factory has posted the new procedures on the facility notice board for workers reference. 1-5. The facility HR management and worker rep. will hold a meeting regularly with all workers, and educate the important of procedure to strengthen workers' relative awareness. 1-6. The factory HR personnel will inspect the records and procedure every month to measure the success of the policy. 1-7. The HR dept will conduct self inspection and respond the result to HR manager, and maintenance documents well. 1-8. The vice general manager, will responsible for overseeing all 7 tasks above and the general manager, will monitor the performance of vice general manager. The general manager will conduct the management review every month with vice general manager and all management, then maintain all relative records to ensure it be compliance with requirement.

Planned completion date

02/19/19