



FAIR LABOR
ASSOCIATION

INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: Nike, Inc
COUNTRY: China
ASSESSMENT DATE: 09/21/16
ASSESSOR: Social Compliance Services Asia
PRODUCTS: Apparel
NUMBER OF WORKERS: 472

Improving Workers' Lives Worldwide

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 does not conduct performance reviews for any of its employees, including new employees during their probation period.
2. The factory does not employ any disabled workers, which is a violation of legal requirements which state that at least 1.5% of the total workforce should be composed of disabled workers. The factory contributes to the Employment Security Fund in lieu of employing disabled workers as allowed under local law, however, this practice poses a risk of discrimination.
Local Law or Code Requirement
Regulation on the Employment of Disabled (2007), Article 8; Regulation on the Employment of the Disabled of Zhejiang Province (2009), Article 20; FLA Workplace Code (Employment Relationship Benchmark ER.29.1; Non-Discrimination Benchmarks ND.1 and ND.2.1)

COMPANY ACTION PLANS

- Action Plan no 1.
Description
1. The factory has updated the procedure which includes the appraisal procedure, and general manager is in charge of the final performance result. Training regarding performance review process has been communicated to all employees in March 2017.
2. The factory has identified the position for diverse disabled workers. The factory has posted the identified position on the recruitment advertisement. If disabled person come for job application, the factory will identify the risk and try to arrange suitable job for them.
Planned completion date
01/15/17
Company Action Plan Update
Previous Progress Update
03/22/17 : 1. The factory has updated the procedure which includes the appraisal procedure, and general manager is in charge of the final performance result. Training regarding performance review process has been communicated to all employees in March 2017. 2. The factory has identified the position for diverse disabled workers. The factory has posted the identified position on the recruitment advertisement. If disabled person come for job application, the factory will identify the risk and try to arrange suitable job for them.
New Progress update
06/12/17: 1. The factory implements the performance review process according to the procedure closely. 2. During the recruitment interview, factory would pay attention to the disable worker's hiring. Currently, one disabled worker worked in the factory as cleaner.
Action Plan no 2.
Description
1. The factory has updated the procedure which includes the appraisal procedure, and general manager is in charge of the final performance result. Training regarding performance review process has been communicated to all employees in March 2017.
2. The factory has identified the position for diverse disabled workers. The factory has posted the identified position on the recruitment advertisement. If disabled person come for job application, the factory will identify the risk and try to arrange suitable job for them.
Planned completion date
01/15/17
Company Action Plan Update
Previous Progress Update
03/22/17 : 1. The factory has updated the procedure which includes the appraisal procedure, and general manager is in charge of the final performance result. Training regarding performance review process has been communicated to all employees in March 2017. 2. The factory has identified the position for diverse disabled workers. The factory has posted the identified position on the recruitment advertisement. If disabled person come for job application, the factory will identify the risk and try to arrange suitable job for them.
New Progress update
06/12/17: 1. The factory implements the performance review process according to the procedure closely. 2. During the recruitment interview, factory would pay attention to the disable worker's hiring. Currently, one disabled worker worked in the factory as cleaner.

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation
1.The factory does not provide specific training for the relevant supervisor on the following Employment Functions: Personnel Development, Termination & Retrenchment, Industrial Relations, and Environmental Protection.
2.The factory does not provide ongoing training for workers on the following Employment Functions: Personnel Development, and Retrenchment.
3. The factory has not provided any orientation for workers who were hired from September 15, 2016 onwards. Furthermore, the orientation that workers received prior to September 15, 2016 does not cover Industrial Relations practices or Health & Safety.
4. Workers do not receive written documentation of the information covered during orientation training, including a copy of the workplace rules. In addition, the orientation training was last updated in January 2, 2014 and is not regularly updated.
Local Law or Code Requirement
FLA Workplace Code (Employment Relationship Benchmarks ER.1.2, ER.15, ER.16.1, ER.17)

COMPANY ACTION PLANS

- Action Plan no 1.
Description
1.Training of employment development, termination and austerity, labor relations and environmental protection and other relevant provisions to all employees including management has been conducted.
2. Personnel Development, and Retrenchment training has been conducted to employees.
3. Orientation has been provided to all new hired employees including necessary content. Industrial relations training has been conducted, which was included in the labor contract, labor relationship part, the training records for new hired employees has been submitted.
4. Every year to relevant personnel for a relevant workplace health training.
Planned completion date
01/15/17
Company Action Plan Update
03/22/17 : 1.Training of employment development, termination and austerity, labor relations and environmental protection and other relevant provisions to all employees including management has been conducted. 2. Personnel Development, and Retrenchment training has been conducted to employees. 3. Orientation has been provided to all new hired employees including necessary content. Industrial relations training has been conducted, which was included in the labor contract, labor relationship part, the training records for new hired employees has been submitted. 4. Every year to relevant personnel for a relevant workplace health training.

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Communication & Worker Involvement (Macro)

Finding Explanation
1. The factory does not communicate its policies and procedures and their updates to the general workforce for any of the Employment Functions.
2. The worker integration component is missing across all Employment Functions. This indicates that the factory has not established procedures to request and/or receive workers' input/feedback regarding the creation, implementation, and updating of its policies and procedures. Workers are neither systematically integrated nor consulted in the decision-making process.
Local Law or Code Requirement
FLA Workplace Code (Employment Relationship Benchmarks ER.1.2, ER.16.1, ER.25.1, ER.27.3, ER.29.1.1, ER.30.2, and ER.32.5; Compensation Benchmark C.17)

COMPANY ACTION PLANS

- Action Plan no 1.
Description
1.Establish
2.The employee representative would take part in the discussion of policy and process update. Factory policy would be posted on the bulletin board and employees could raise their voice through talk to line supervisor directly, call HR department or using suggestion box.
Planned completion date
01/15/17
Company Action Plan Update
03/22/17 : 1.Establish
2.The employee representative would take part in the discussion of policy and process update. Factory policy would be posted on the bulletin board and employees could raise their voice through talk to line supervisor directly, call HR department or using suggestion box.

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation
The factory does not conduct a periodic review or update of policies and procedures for the following Employment Functions: Recruitment, Hiring, & Personnel Development, Compensation, Hours of Work, Termination & Retrenchment, Workplace Conduct, Industrial Relations, Grievance System, and Health & Safety.

Local Law or Code Requirement
FLA Workplace Code (Employment Relationship Benchmarks, ER.1.3, ER.29.1.1, ER.30.2 and ER.31.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description
Update proclivities periodic
Details
HR department will follow the update of local law, local regulation update closely and update the policy of factory on annual basis. Besides, based on the actually situation change of the factory, we will update the policy more times.

Planned completion date
01/15/17
Company Action Plan Update
03/22/17 : HR department will follow the update of local law, local regulation update closely and update the policy of factory on annual basis. Besides, based on the actually situation change of the factory, we will update the policy more times.

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation
1. The factory does not have written policies or procedures on PersonnelDevelopment, including a policy and procedure on performance reviewsthat includes the following: policies for the steps and processes, linkages tojob grading, prohibiting discrimination, and providing written feedback and procedures on skill development, promotion, demotion, and jobreassignment.
2. The factory does not have any written disciplinary rules, procedures andpractices that embody a system of progressive discipline (e.g. a system ofmaintaining discipline through the application of escalating disciplinaryaction moving from verbal warnings to written warnings to suspension andfinally to termination), or policies or procedures on how to disciplinesupervisors, managers, and workers who engage in any form ofharassment or abuse.
3. The factory's Grievance System procedures do not specify howmanagement should handle anonymous grievances or state how workerscan submit grievances or questions about Compensation.
4. The factory's disciplinary system does not require that a third party witnessbe present during the imposition of disciplinary actions.
5. The factory does not have written policies or procedures on Retrenchment.
6. The Health & Safety procedures do not cover the following information: how workers can raise Health & Safety concerns and protection against retaliation for workers who raise Health & Safety concerns.
7. Procedures for dealing with fires and other emergencies do not include a list of the following: fire-fighting equipment in the factory, warehouse areas and dormitories, or a fire risk assessment.
8. The evacuation procedures do not include steps to ensure that all personnel, visitors, contractors, and service providers are safely evacuated in the event of an emergency.
9. The factory does not have any guidance documents for external contractors or service providers concerning Health & Safety. At the time of assessment, there were two service providers at this facility.
10. The Environmental Protection procedures do not include how workers can raise environmental concerns or protections for workers who allege environmental violations.

Local Law or Code Requirement
FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.25.3, ER.27.1, ER.27.4, ER.28, ER.30.1, ER.31, and ER.32; Compensation Benchmark C.19, Harassment or Abuse Benchmark H/A.11; Health, Safety & Environment Benchmark HSE.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description
1. Procedure has been updated, which included skills development, performance review, promotion, demotion, reassignment.
2. Revised the disciplinary procedures, added more detailed contents such as progressive discipline or how to discipline supervisors, managers, and workers who engage in any form of harassment or abuse.
3. Revision of the factory's staff complaints procedure, added the content of how to handle anonymous complaints, discontent, etc.
4. ReMr. ZHANG Yueping, HR director must be present during the imposition of disciplinary actions.vised the disciplinary procedure accordingly.
5. Procedures on Retrenchment has been set up
6. The Health & Safety procedures has cover how workers can raise Health & Safety concerns and protection against retaliation for workers who raise Health & Safety concerns.
7. Fire-fighting equipment in the factory, warehouse and dormitory areas has been listed.
8. Safety evacuation step training to security officer, all personnel, visitors, contractors and service providers to enter the factory, the security guard need to inform relevant personnel about the safety evacuation process and steps.
9. Establish the guidance documents for external contractors or service providers concerning Health & Safety.
10. The Environmental Protection procedures has included how workers can raise environmental concerns or protections for workers who allege environmental violations.

Planned completion date
01/15/17
Company Action Plan Update
Previous Progress Update
03/22/17 : 1. Procedure has been updated, which included skills development, performance review, promotion, demotion, reassignment. 2. Revised the disciplinary procedures, added more detailed contents such as progressive discipline or how to discipline supervisors, managers, and workers who engage in any form of harassment or abuse. 3. Revision of the factory the staff complaints procedure, added the content of how to handle anonymous complaints, discontent, etc. 4. ReMr. ZHANG Yueping, HR director must be present during the imposition of disciplinary actions.vised the disciplinary procedure accordingly. 5. Procedures on Retrenchment has been set up 6. The Health & Safety procedures has cover how workers can raise Health & Safety concerns and protection against retaliation for workers who raise Health & Safety concerns. 7. Fire-fighting equipment in the factory, warehouse and dormitory areas has been listed. 8. Safety evacuation step training to security officer, all personnel, visitors, contractors and service providers to enter the factory, the security guard need to inform relevant personnel about the safety evacuation process and steps. 9. Establish the guidance documents for external contractors or service providers concerning Health & Safety. 10. The Environmental Protection procedures has included how workers can raise environmental concerns or protections for workers who allege environmental violations. The factory will arrange all the training for all these revised procedures and policies before the end of May 2017.
New Progress update
06/12/17: The factory keeps to following all updates of procedure regarding skills development, performance review, promotion, demotion, reassignment, proper disciplinary, Retrenchment, Health & Safety, Environment etc. Related training was conducted upon hiring and thereafter.

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation
1. There were discrepancies between the time/payment records submitted to assessors and the information collected by the assessment team fromproduction records and worker interviews. The records provided by the factory did not reflect the workers' actual working hours and paymentstatus. Hence, the assessment team was not able to accurately verify theactual status of workers' work hours and payment status during thisassessment.
2. During the first day of the assessment, examples of these discrepancieswere provided to the factory management, for which the production-relatedrecords showed that workers worked on various Sundays, including: April 3 & 17, 2016; May 8, 15 & 22, 2016; June 5, 12, 19 & 26, 2016; and July 3, 2016. However, the time and payment records did not show the respectiveworkers working on these dates. According to factory management, theproduction records that are recorded by workers do not reflect that they worked on Sundays, but show when material arrives at the factory and is received by the security guards. However, this contradicts information gathered from worker interviews and the factory could not provide furtherevidence or proof (e.g. relevant material, receiving & issuing records, orCCTV footage) to substantiate their explanation.
3. The factory's production plan was based on 48 hours of work per week, including Saturday overtime.

Local Law or Code Requirement
Labor Law of PRC (1995), Articles 36, 38, 41, 44 & 48; FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.23; Hours of Work Benchmark HOW.1.1, Compensation Benchmark C.1, C.5, C.15, and C.16)

Recommendations for Immediate Action
1. Ensure that hours of work are accurately recorded.
2. Compensate workers properly for all hours worked, according to local law. Retroactively compensate workers who have not properly been paid for anyhours of work.
3. Ensure the production plan base is 40 hours per week, and does not include overtime.

COMPANY ACTION PLANS

Action Plan no 1.

Description
1,2. The factory has upated the receiving and delivering form of the watehouse and the warehouse keeper has to fill the receiving and delivering information on the form according to employees working time, instead of record the time of package arriving at the factory. Besides, firstly, HR team would double check with production team to confirm the overtime arrangement to make sure all overtime in rest days are recorded. Then, HR team would double check the documents recorded by line worker and line supervisor to make sure the consistency of production records and time records.
3. Factory planning departments have according to 40 hours a week to adjust production plan.

Planned completion date
01/15/17
Company Action Plan Update
03/22/17 : Fistly, HR team would double check with production team to confirm the overtime arrangement to make sure all overtime in rest days are recorded. Then, HR team would double check the documents recorded by line worker and line supervisor to make sure the consistency of production records and time records.

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation
1. The factory provides social insurance for all employees, but the social insurance contribution base is not aligned with workers' actual earnings. The factory calculates the contribution base according to the minimum contribution standard (CNY 2,878 (USD 431)), while 95% of workers' actual earnings are higher. average earnings are CNY 3,300 (USD 495) and the highest earning was CNY 5,500 (USD 825).
2. The factory does not contribute to the legally required Housing Provident Fund for any of the 445 workers.

Local Law or Code Requirement
PRC Social Insurance Law, Articles 2, 58, and 60; Regulation on the Housing Provident Fund Management (2002), Articles 15, 19, and 20; Regulation on the Housing Provident Fund Management of Zhejiang Province (1997), Articles 13, 15, and 17; FLA Workplace Code and Benchmarks (Employment Relationship Benchmark ER.18; Compensation Benchmark C.1)

Recommendations for Immediate Action
Provide workers with the legally required social insurance benefits: base contributions on workers' actual earnings.

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 1. Factory will contribute social insurance for all employees based on average wage in December 2017.
- 2. Factory plan to contribute housing fund for all employees based on average wage in July 2018.

Average wage means monthly average wage of previous calendar year.

Planned Completion Date
07/01/18

Planned completion date

01/15/17

Company Action Plan Update

06/12/17: The factory has been working on the communication with local social insurance bureau, cost analysis and employee income impact has been finished.

- 1. Factory will contribute social insurance for all employees based on average wage in December 2017.
- 2. Factory plan to contribute housing fund for all employees based on average wage in July 2018.

11/06/17:

- 1. Regarding social insurance, till Oct. 2017, the factory has contributed SI based on average wage of last year for 37 employees. Will contribute social insurance for all employees based on average wage in December 2017.
- 2. Factory plan to contribute housing fund for all employees based on average wage in July 2018.

03/23/2018:

- 1. Factory reported that they has finished social insurance full compliance, it means that factory contribute social insurance for all employees at the base of employees' actual wage.
- 2. Factory plan to contribute housing fund for all employees based on average wage in July 2018.

08/27/2018:

Regarding housing fund compliance, the factory changed the plan to complete full compliance in Dec. 2018.

FINDING NO.8

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

According to factory management, there are 16 security and catering personnel working in the factory that were hired through an outsourced services company. However, the factory could not provide their time and payment records or personnel files, including proof of age documentation and labor contracts, for the assessors to review.

Local Law or Code Requirement

Labor Law of PRC (1995), Articles 36, 38, 41, 44, and 48; State Council Order No. 364 of People's Republic of China "Regulation on Prohibition of Child Labor" (2002), Article 4; Law of the People's Republic of China on Employment Contract (2008), Article 10; FLA Workplace Code (Employment Relationship Benchmarks ER.1.1 and ER.4; Hours of Work Benchmark HOW.1.1; Compensation Benchmarks C.1, C.5, and C.15)

Recommendations for Immediate Action

Maintain and review all necessary records for outsourced personnel to ensure that they comply with local laws and the FLA Workplace Code of Conduct.

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory required copies of labor contracts, personal profile for the security and catering person from contractor company. Besides, the factory would record working hours for the security and catering preson. Please find the sample of labor contract, personal profile and time records for security and catering person.

Planned completion date

01/15/17

Company Action Plan Update

03/22/17 : The factory required copies of labor contracts, personal profile for the security and catering person from contractor company. Besides, the factory would record working hours for the security and catering preson. Please find the sample of labor contract, personal profile and time records for security and catering person.

FINDING NO.9

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

- 1. The factory has a trade union under the ACFTU (All-China Federation of Trade Unions) that was established on June 22, 2009. Nine union representatives were elected by all employees in each department. However, only one of these nine union representatives is a worker (others are all supervisors and managers). Additionally, two supervisors who were interviewed by assessors did not know that they were representatives. Although all elected worker representatives are identified in the union's records, these records were not readily available to workers or worker representatives.

- 2. According to factory management, all workers are automatically enrolled in the union and are therefore union members; however this is done without the workers' explicit consent.

The factory pays union dues on behalf of all workers (the dues are not deducted from workers' wages, the factory itself paid the dues). About 98% of the workers interviewed did not know whether they were members of the trade union or aware of the union fee arrangement.

- 3. The factory does not provide the union with a meeting room or designated office with the necessary equipment for the union to conduct daily meetings and for the union representatives to perform their functions.

- 4. The factory has a Collective Bargaining Agreement (CBA) with the union. However, the factory does not post the CBA on a bulletin board or provide copies of it to workers. None of the workers interviewed were aware of the content of the CBA.

5. FLA Comment: 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 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 to organize and bargain collectively. Recently, however, the government has introduced new regulations that could improve the functioning of the labor relations' mechanism. The Amended Trade Union Act of October 2001 does stipulate 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.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.16.2, ER.25.2, and ER.26; Freedom of Association Benchmarks FOA.2 and FOA.15)

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 1. Nine workers recommended by workers to be representatives of trade unions out of total of 10 workers' representatives, who were composed of workers from each sector. Management attended the election as observers only. The election of union representatives was free of management interference.
- 2. All employees to sign into joining the union application, and do a training for union members, related policies on the unions.
- 3. Establishing a trade union independent office.
- 4. Posted on the bulletin board where collective bargaining agreement, and issue a copy to all employees.

Planned completion date

01/15/17

Company Action Plan Update

03/22/17 : 1. Nine workers recommended by workers to be representatives of trade unions out of total of 10 workers' representatives, who were composed of workers from each sector. Management attended the election as observers only. The election of union representatives was free of management interference. 2. All employees to sign into joining the union application, and do a training for union members, related policies on the unions. 3. Establishing a trade union independent office. 4. Posted on the bulletin board where collective bargaining agreement, and issue a copy to all employees.

FINDING NO.10

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

- 1. One out of three emergency exits on the 1st floor of the production building is locked during working hours.
- 2. At least 10 workers were not using eye-shields, which are provided by the factory, while using over-locking machines.
- 3. There are at least three emergency exit signs that are not illuminated on the 1st floor and 2nd floor of the production building and the 3rd floor of the canteen building.
- 4. One fire alarm in the material warehouse is blocked by materials.
- 5. The eye wash station in the cleaning section does not have sufficient water pressure. It was last tested in August 2016 and the factory has plans to fix this.
- 6. None of the canteen staff were wearing clean clothes or hairnets, which are provided by the factory, when selling food.
- 7. The factory does not keep food samples for 48 hours to protect against the risk of food poisoning, as per local law.
- 8. The factory does not track all illnesses. Currently, there is no tracking system available for illnesses. Factory management reported that not many workers apply for sick leave, so they have overlooked monitoring workers' illnesses.
- 9. The factory did not conduct a pre-assessment of occupational disease hazards prior to the beginning of production and has not conducted an assessment of the current condition of occupational disease hazards. The factory has been operating at the current location since September 2010.

Local Law or Code Requirement

Fire Control Law of the People's Republic of China (2009), Article 28; Law of the People's Republic of China on Production Safety (2002), Article 37; Code for design of building fire protection and prevention (2014), Article 10.3.5; Law of the PRC on the Food Safety (2015), Article 33; Regulation on Hygienic of Food Industry and Delivery Unit of Group Meals (2005), Article 35; Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases (2002), Articles 26 and 36; Interim Measures on Supervision and Management of "Three Simultaneities" for Occupational Health of Construction Projects (2002), Article 10; FLA Workplace Code (Health, Safety & Environment Benchmark HSE.1, HSE.3, HSE.4, HSE.5.1, HSE.8, HSE.9.1, and HSE.22)

Recommendations for Immediate Action

- 1. Ensure emergency exits are unlocked during working hours.
- 2. Train workers on how to properly use eye-shields. Monitor PPE usage to ensure compliance.
- 3. Install lighted exit signs at the emergency exits on the 1st and 2nd floors of the production building and the 3rd floor of the canteen building.
- 4. Keep fire alarms free of obstruction at all times.
- 5. Provide sufficient water pressure for the eye washing facility in the cleaning section and conduct regular inspections to ensure compliance.
- 6. Provide clean canteen worker uniforms and hairnets to all canteen personnel and request that they are worn while working in the canteen. Conduct regular inspections to ensure compliance.
- 7. Keep food samples for at least 48 hours and conduct regular inspections to ensure compliance.
- 8. Arrange for a certified third party to assess the occupational health impacts of the factory. Review and respond to any issues found in the assessment.

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 1. Emphasis on security personnel to strengthen the safety training, employees work during emergency exit locked is prohibited.
- 2. Enhance safety training, ensure that operators must use at protection device.
- 3. Logistics department to strengthen the daily inspection at the scene of fire control facilities, to make sure all the equipment work.
- 4. Remove material under fire alarm button, enhance the training to all employees to avoid fire equipment block.
- 5. A booster pump was installed to ensure sufficient water pressure.
- 6. Related training conducted, the canteen staff must wear clean clothes or hairnets when selling food.
- 7. Sample foods are maintained for 48 hours.
- 8. Factory established disease tracking roster, register for sick leave or sick employees and track condition.
- 9. Factory will arrange our workshop on the qualified third party a present situation of the occupational disease hazard assessment.

Planned completion date

01/15/17

Company Action Plan Update

Previous Progress Update

03/22/17 : 1. Emphasis on security personnel to strengthen the safety training, employees work during emergency exit locked is prohibited. 2. Enhance safety training, ensure that operators must use at protection device. 3. Logistics department to strengthen the daily inspection at the scene of fire control facilities, to make sure all the equipment work. 4. Remove material under fire alarm button, enhance the training to all employees to avoid fire equipment block. 5. A booster pump was installed to ensure sufficient water pressure. 6. Related training conducted, the canteen staff must wear clean clothes or hairnets when selling food. 7. Sample foods are maintained for 48 hours. 8. Factory established disease tracking roster, register for sick leave or sick employees and track condition. 9. Factory will arrange our workshop on the qualified third party a present situation of the occupational disease hazard assessment.

New Progress update

06/12/17: The factory would conducted routine walk through to check the situation of emergency exit, emergency aisle, exit sigh, PPE, pressure of eye wash station etc. If issues detected, would remediate immediately. Related training was conducted on regularly base. Sample food in canteen kept for 48 hours as always. Disease tracking roster, register for sick leave or sick employees and track condition were kept well.

Currently, factory is still looking for proper qualified third party to conduct the occupational disease hazard assessment.

11/06/17: During factory internal routine check, factory management always keep eyes on the emergency exit and aisles are free from lock and obstruction. Routine training was conducted to remind the employees wear PPT properly. Sample food in canteen kept for 48 hours as always. Disease tracking roster, register for sick leave or sick employees and track condition were kept well.

In March 2017, the factory has finished the occupational hazard factor inspection regarding noisy in Embroidery section. In November 2017, the factory has finished occupational hazard factor inspection regarding indoor dust and noisy in other sections (cutting, sewing, finishing etc.). All the results are in compliance with legal requirement.