



FAIR LABOR
ASSOCIATION[®]

INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: The s. Oliver Group

COUNTRY: China

ASSESSMENT DATE: 08/28/18

ASSESSOR: Openview

PRODUCTS: Apparel

NUMBER OF WORKERS: 458

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 not hired any disabled workers, which is a violation of legal requirements that state at least 1.5% of the total workforce should be composed of disabled workers. Although the factory contributes to the Employment Security Fund in lieu of employing disabled workers as allowed under the local law, this practice carries the risk of discrimination based on FLA Workplace Code and Benchmarks. [ER.3, ND.2]

2. The factory requires one month probation period for workers who enter the factory the second time, although an entity can only stipulate one probation period with the same employee per legal requirements. [ER.10.1]

Local Law or Code Requirement

Regulation on the Employment of the Disabled, Articles 8 and 9; China Labor Contract Law, Article 19. FLA Workplace Code (Employment Relationship Benchmarks ER.3 and ER.10; Nondiscrimination Benchmark ND.2)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has has to hire some disabled workers. At least 1.5% of the total workforce should be composed of disabled workers.
2. The factory shall not require one month probation period for workers who enter the factory the second time.

Planned completion date

03/01/19

Company Action Plan Update

1. The factory has now hired some disabled workers.
2. The factory has not required one month probation period for workers who enter the factory the second time.

FINDING NO.2

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. The contribution base of the five types of social insurance is not in line with legal requirements. The contribution is based on the local minimum requirement of CNY 2,010 (USD 296) instead of an employee's average monthly wage of the last year (about 80% of employees' wage range is between CNY 4,000 (USD 588) to CNY 5,500 (USD 809) per month). [ER.22.1, C.10.1]
2. The factory does not provide Housing Provident Fund for any production workers. [ER.22.1, C.1, C.10.1]
3. The contribution base for Housing Provident Fund for the management is CNY 3,280 (USD 482) per month, instead of an employee's average monthly wage of the last year (about 60% of management's wage range is between CNY 6,000 (USD 882) to CNY 8,000 (USD 1,176) per month). [ER.22.1, C.1, C.10.1]
4. The factory does not make the payments of resigned workers in a timely manner, within the five days from the last work day. Payments are made on regular pay day which is the end of the following month. [C.1]
5. The factory requires CNY 200 (USD 29) as deposit without written consent from employees living in dormitory, which will be returned to employees when they quit the factory without breaking any items in dormitory. According to document review no deduction has been made so far due to breaking items in dormitory. The factory gives the deposit back to workers when they leave the dormitory. [C.1, C.11.1]

Local Law or Code Requirement

China Labor Law, Articles 72 and 73; Social Insurance Law of the PRC, Articles 12 and 58; Regulations on Management of Housing Provident Fund, Articles 2, 3, 15 and 16; Management Measure on Enterprise Wage Payment of Zhejiang Province, Article 19; China Labor Contract Law, Article 9. FLA Workplace Code (Employment Relationship Benchmark ER.22; Compensation Benchmarks C.1, C.10 and C.11)

Recommendations for Immediate Action

1. Calculate social insurance contribution based on employees' average monthly wage of the last year.
2. Provide Housing Provident Fund for all workers.
3. Make payments of resigned workers in a timely manner.
4. Cease the implementation of receiving dormitory deposit from the workers.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Factory has to try to calculate social insurance contribution based on employees' average monthly wage of the last year
2. The factory has to try to provide Housing Provident Fund for production workers.
3. Factory has to try to raise the contribution base for Housing Provident Fund for the management.
4. When workers resign from the factory, factory has to negotiate with them and will talk about the dismissal wages. Since the wage is piece rate, factory need to adjust accounts, so factory will sign agreements with workers who agree the dismissal wages will be paid in next month. If workers don't agree, factory will pay the wage within five days.
5. The factory shall not require deposit from employees living in dormitory.

Planned completion date

11/29/18

FINDING NO.3

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. According to the time records of 40 workers sampled and worker interviews, almost all workers' monthly overtime hours have exceeded 36 hours per month for the period from August 2017 to August 27, 2018 with a maximum of 158 hours in May 2018. Additionally approximately 90% of workers' daily overtime hours exceeded 3 hours per day on about 60% of weekdays in the reviewed period. 30% of workers' daily overtime hours reached the maximum of 6 hours in the reviewed period. [HOW.1.1]
2. According to the time records for the period from August 2017 to August 27, 2018 and interviews, about 50% of workers work more than 60 hours for one week in February, about 60% of workers work more than 60 hours per week, for 2 to 3 weeks in March; and about 90% of workers work more than 60 hours per week, for 3 to 4 weeks per month in other months within the reviewed period, with a maximum of 72 hours. [HOW.1.3]
3. According to the time records for the period from August 2017 to August 27, 2018 and interviews, except February and March 2018, about 50% of workers continuously worked 13 days for one to two times per month. [HOW.2]
4. Based on document review and interviews with workers and management, the factory has not conducted an analysis of regular working hours with the aim to progressively reduce excessive hours of work. [HOW.1.2]

Local Law or Code Requirement

China Labor Law, Article 41. FLA Workplace Code (Hours of Work Benchmarks HOW.1, HOW.2 and HOW.4)

Recommendations for Immediate Action

1. Ensure workers do not work more than the legal limit of 3 hours of overtime per day and 36 hours per month.
2. Ensure workers do not work more than 60 hours per week.
3. Provide one day off in each 7 day period for all workers.
4. Conduct regular analysis of hours of work to reduce excessive hours.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Ensure workers do not work more than the legal limit of 3 hours of overtime per day and 36 hours per month.
2. Ensure workers do not work more than 60 hours per week.
3. Provide one day off in each 7 day period for all workers.
4. Conduct regular analysis of hours of work to reduce excessive hours.

First, factory will adjust monthly capacity and target for production output, and improve pre-production planning and quality system to reduce the urgent issue to reduce overtime hours accordingly. Second, from the day of rectification, the production labor services that have not been properly arranged in the plan shall be suspended, and the input of artificial or equipment to the urgent production task shall be increased. Third, build strong overtime management supervision mechanism; apply for the approval system for overtime. Finally, strengthen the management of reasonable personnel division of labor; provide more technical operation trainings to worker to improve their work efficiency. Through all these method, try to reduce excessive hours of work.

Planned completion date

11/29/18

Company Action Plan Update

In progress until 31-12-2019

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. The union representative (chairman) is the administration manager of the factory and assigned by the local sub-district office, instead of a worker elected by the workers freely. [ER.26, FOA.1, FOA.10, FOA.11] [ER.26, FOA.1, FOA.10, FOA.11]
2. The factory does not provide any designated office space for the union or the worker committee. [ER.26, FOA.1, FOA.15]
3. Union dues are paid by the factory management, instead of the workers themselves. The factory pays dues directly for workers and do not ask for their willingness, therefore, workers do not have the choice to be or not to be union member. Factory management thinks this is a kind of welfare for the workers. [FOA.1, FOA.10]
4. 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

Election Regulations of Trade Union Primary-Level Organization, Article 11; China Trade Union Law of the People's Republic of China, Article 38. FLA Workplace Code (Employment Relationship Benchmark ER.26; Freedom of Association Benchmarks FOA.1, FOA.2, FOA.10, FOA.11 and FOA.15)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The union representative (chairman) needs to be elected freely by all workers.
2. The factory has to provide designated office space for the union or the worker committee.
3. Factory management has to ask workers willingness and give them the choice to be or not to be the union member and will pay dues for workers who are willing to be the member.

Planned completion date

03/01/19

Company Action Plan Update

1. In the following days, factory will elect the union representative by the workers freely.

FINDING NO.5

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. The factory's disciplinary system does not cover third- party witness process during imposition and a worker appeal process. [ER.27.4]
2. The records of disciplinary actions are maintained in a centralized file but not in workers' personnel files. [ER.27.3.4]
3. The factory posts discipline records with workers' names in the bulletin board. [H/A.6]
4. Based on disciplinary action record review, workers do not sign the letter regarding disciplinary actions against them. [ER.27.3.2]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.27; Harassment or Abuse Benchmark H/A.6)

Recommendations for Immediate Action

1. Stop posting discipline records with workers' names.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory's disciplinary system has to cover third- party witness process during imposition and a worker appeal process.
2. The records of disciplinary actions have to be maintained in workers' personnel files.
3. The factory shall not post discipline records with workers' names in the bulletin board.
4. Based on disciplinary action record review, workers need to sign the letter regarding disciplinary actions against them.

Planned completion date

11/29/18

Company Action Plan Update

In progress until 31-12-2019

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. 80% of individual workstations are not adjustable to fit individual workers. The chairs do not have backrests and anti-fatigue mats are not provided for the standing workers, and the factory does not take proactive steps to reduce repetitive-motion stress and injuries. [HSE.17.1]
2. The factory does not have any guidance documents for external contractors/ service providers concerning health and safety. [ER.31.1]
3. The traffic lanes and walk paths are not clearly marked. [HSE.5.1]
4. There is no rescue equipment available for the confined spaces in the factory. [HSE.13]
5. The factory does not have appropriate equipment to fight fires, e.g. breathing apparatus and fire-proofed clothing. [HSE.6.1]
6. The factory does not keep food samples in the second floor of the Canteen Building A. [HSE.1, HSE.22.1]
7. The factory production building was completed in 2004, however the factory there has not conducted pre-assessment of occupational disease hazards, assessment of effects of occupational disease hazards control and assessment of current condition of occupational disease hazards as legally required [HSE.1]
8. The raw materials warehouse (construction year is 2007 and the land area is about 1324 square meters) in the first floor of Office Building B has no sprinkler system. [HSE.5.1]
9. Insufficient fire prevention space is found as below: Between Dormitory Building B and waste scrap warehouse which share one outer wall. Between Office Building B (first floor is raw materials warehouse) and Dormitory Building C, there is only 30 centimeters between the outer walls of the two buildings. [HSE.5.1]

Local Law or Code Requirement

Food Safety Operation Specifications for Catering Service, Article 7.9.2; 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; Code of Design on Building Fire Protection and Prevention, Article 8.3.1. FLA Workplace Code (Employment Relationship Benchmark ER.31; Health, Safety & Environment Benchmarks HSE.1, HSE.5, HSE.6, HSE.13, HSE.17 and HSE.22)

Recommendations for Immediate Action

1. Provide chairs with backrest for all sitting workers and anti-fatigue mats for all standing workers.
2. Mark traffic lanes and walk paths clearly on the factory premises.

3. Provide rescue equipment for the confined spaces in the factory.
4. Provide appropriate equipment for fire brigade team to fight fires.
5. Keep food sample per legal requirement of more than 48 hours and the amount of sample for each variety should be no less than 125g.
6. Install sprinkler system for the raw materials warehouse.
7. Keep sufficient fire prevention space between buildings.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Provide chairs with backrest for all sitting workers and anti-fatigue mats for all standing workers.
2. Mark traffic lanes and walk paths clearly on the factory premises.
3. Provide rescue equipment for the confined spaces in the factory.
4. Provide appropriate equipment for fire brigade team to fight fires.
5. Keep food sample per legal requirement of more than 48 hours and the amount of sample for each variety should be no less than 125g.
6. Install sprinkler system for the raw materials warehouse.
7. Keep sufficient fire prevention space between buildings.

Planned completion date

03/01/19

Company Action Plan Update

1. Factory will try to provide chairs with backrest for all sitting workers and anti-fatigue mats for all standing workers. Factory will take proactive steps to reduce repetitive-motion stress and injuries.
2. Factory will establish some guidance documents for external contractors/ service providers concerning health and safety.
3. Factory will mark traffic lanes and walk paths clearly on the factory premises.
4. Factory will provide rescue equipment for the confined spaces in the factory.
5. Factory will provide appropriate equipment for fire brigade team to fight fires.
6. Factory has kept food sample per legal requirement of more than 48 hours and the amount of sample for each variety no less than 125g in the second floor of the Canteen Building A.
7. Factory will conduct assessment of occupational disease hazards, assessment of effects of occupational disease hazards control and assessment of current condition of occupational disease hazards as legally required.
8. Factory will try to install sprinkler system for the raw materials warehouse.
9. Factory will keep sufficient fire prevention space between buildings.

Action Plan no 2.

Description

1. Provide chairs with backrest for all sitting workers and anti-fatigue mats for all standing workers.
2. Mark traffic lanes and walk paths clearly on the factory premises.
3. Provide rescue equipment for the confined spaces in the factory.
4. Provide appropriate equipment for fire brigade team to fight fires.
5. Keep food sample per legal requirement of more than 48 hours and the amount of sample for each variety should be no less than 125g.
6. Install sprinkler system for the raw materials warehouse.

7. Keep sufficient fire prevention space between buildings.

Planned completion date

03/01/19

Company Action Plan Update

6. Factory has kept food sample per legal requirement of more than 48 hours and the amount of sample for each variety no less than 125g in the second floor of the Canteen Building A.

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. 10% of fire equipment in the production building are blocked. For example, one fire hydrant and four fire extinguishers are blocked by the goods in the finished goods warehouse, two fire extinguishers are blocked by the materials and workbench in the sewing department. [HSE.5.1]

2. Two fire extinguishers in the pressure vessel room were overpressure. [HSE.5.1]

3. 20% of evacuation passages in the production building were blocked. For example, one main evacuation passage in the finished goods warehouse was partially blocked by the goods and one subsidiary evacuation passage in the finished goods warehouse was fully blocked by the goods; 70% of ironing employees were surrounded by the goods and workbench which makes them cannot go through easily in case of emergency. [HSE.5.1]

4. One out of two safety exits on the second floor of the Canteen Building A was locked and could not be opened onsite. The management explained that this door was managed by someone who was on leave during the audit day and the stand-by overlooked it. [HSE.5.1]

5. The electrician certificate for one out of two electricians is expired on August 4, 2017. [HSE.4]

6. 10% of needle guards for about 300 sewing machines in sewing department were not used in use. [HSE.14.1]

7. The factory does not track and conduct statistical analysis for workers' illnesses. [HSE.3.2]

8. There is no centralized control panel for the fire alarm system. [HSE.5.1]

9. The factory does not provide proper masks to the workers in line with the purpose of Personal Protection Equipment (PPE). For instance, although the factory provides proper gas mask to the employee who work in spot cleaning section, she wears activated carbon mask. Besides, the factory only provides activated carbon masks instead of anti-dust masks for the workers who are exposed to dust in sewing section. [HSE.7 and HSE.8]

Local Law or Code Requirement

PRC Fire Prevention Law, Articles 16 and 28; Code of Design on Building Fire Protection and Prevention, Article 3.5.2; China Labor Law, Article 55; Law of the PRC on Work Safety, Articles 33 and 42; Code for Design of Automatic Fire Alarm System, Article 6.5.1. FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.3, HSE.4, HSE.5, HSE.6, HSE.8 and HSE.14)

Recommendations for Immediate Action

1. Ensure all fire equipment are unblocked and accessible.
2. Check all fire equipment regularly and ensure they are in the normal function.
3. Make sure all evacuation passages are unblocked.
4. Keep the safety exit open.
5. Send the electrician for training and obtain the legally required Electrician Certificate.
6. Ensure needle guards for sewing machines are in proper use.
7. Track and conduct statistical analysis for workers' illnesses.
8. Install centralized control panel for the fire alarm system.
9. Provide proper masks to the workers and provide training on using proper PPEs.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Ensure all fire equipment are unblocked and accessible.
2. Check all fire equipment regularly and ensure they are in the normal function.
3. Make sure all evacuation passages are unblocked.
4. Keep the safety exit open.
5. Send the electrician for training and obtain the legally required Electrician Certificate.
6. Ensure needle guards for sewing machines are in proper use.
7. Track and conduct statistical analysis for workers' illnesses.
8. Install centralized control panel for the fire alarm system.
9. Provide proper masks to the workers and provide training on using proper PPEs.

Planned completion date

11/29/18

Company Action Plan Update

1. Factory has moved goods which block the fire hydrant and fire extinguishers in the finished goods warehouse and in the sewing department. Factory will ensure all fire equipment are unblocked and accessible.
2. Factory has designated a certain person to check all fire equipment regularly and ensure they are in the normal function.
3. Factory has moved the goods which block the evacuation passage in the workshop. Factory has also made sure that ironing employees are not surrounded by the goods and workbench. Factory will make sure all evacuation passages are unblocked.
4. Factory has kept the safety exits on the second floor of the Canteen Building A open all the time.
5. Factory has obtained the legally required Electrician Certificate.
6. Factory has provided relevant trainings to employees to help them understand the importance of using PPE and has made sure needle guards for sewing machines are in proper use.
7. Factory will track and conduct statistical analysis for workers' illnesses.
8. Factory will try to install centralized control panel for the fire alarm system.
9. Factory has provided proper masks to the workers and provide training on using proper PPEs.

FINDING NO.8

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. The factory has procedures for managing its environmental impact to its surroundings, but the procedures do not enable workers to raise environmental concerns or guarantee protection for workers who allege environmental violations. [ER.31.2]
2. There is no evidence to show the factory is making efforts to reduce environmental impact. [ER.31.3]
3. The factory doesn't monitor the exhaust fumes from the kitchen. According to the factory's Environmental Impact Assessment and approval issued by local Environmental Protection Bureau, the exhaust fumes' discharge should meet legal standard, however, the factory has not asked qualified company to conduct the test of the exhaust fumes. [HSE.1]
4. The factory stores hazardous wastes, such as empty machine oil containers; at open area without any protective measure. [HSE.1, HSE.9.1]

Local Law or Code Requirement

Measures for Administration of Environmental Surveillance, Article 21; Standard for Pollution Control on Hazardous Waste Storage, Article 6.2.4. FLA Workplace Code (Employment Relationship Benchmark ER.31; Health, Safety & Environment Benchmarks HSE.1 and HSE.9)

Recommendations for Immediate Action

1. Store the hazardous wastes in designated storage or area, and sign the area as hazardous waste storage.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has procedures for managing its environmental impact to its surrounding, but it must ensure that these procedures will enable workers to raise environmental concerns or guarantee protection for workers who allege environmental violations.
2. Factory will make efforts to reduce environmental impact.
3. The factory has to monitor the exhaust fumes from the kitchen and factory will ask qualified company to conduct the test of the exhaust fumes.
4. The factory has to store hazardous wastes, such as empty machine oil containers; at an certain area with protective measure.

Planned completion date

11/29/18

Company Action Plan Update

In progress until 31-12-2019

FINDING NO.9

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. The specific training for managers and supervisors is missing below Employment Functions: Personnel Development; Grievance System; Workplace Conduct & Discipline; and Termination & Retrenchment. [ER.1.2, ER.17.1, ER.17.2, ER.27.2]
2. The orientation training for new employees is missing below Employment Functions: Industrial Relations and Freedom of Association; Grievance System; and Environmental Protection. [ER.1.2, ER.15.1]
3. Workers are not trained in proper lifting techniques. [HSE.17.2]
4. The factory does not provide specific training on maintenance safety for workers with maintenance responsibilities. [HSE.14.2]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.15, ER.17 and ER.27; Health, Safety & Environment Benchmarks HSE.14 and HSE.17)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Factory needs to provide specific training for managers and supervisors include below Employment Functions: Personnel Development; Grievance System; Workplace Conduct & Discipline; and Termination & Retrenchment.
2. Factory has to provide the orientation training for new employees include below Employment Functions: Industrial Relations and Freedom of Association; Grievance System; and Environmental Protection.

3.Factory has to provide trainings to Workers on proper lifting techniques.

4. The factory has to provide specific training on maintenance safety for workers with maintenance responsibilities.

Planned completion date

03/01/19

Company Action Plan Update

1. Factory has provided specific training for managers and supervisors include below Employment Functions: Personnel Development; Grievance System; Workplace Conduct & Discipline; and Termination & Retrenchment.

2.Factory has provided the orientation training for new employees include below Employment Functions: Industrial Relations and Freedom of Association; Grievance System; and Environmental Protection.

3.Factory has provided trainings to Workers on proper lifting techniques.

4. The factory has provided specific training on maintenance safety for workers with maintenance responsibilities.

FINDING NO.10

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Communication & Worker Involvement (Macro)

Finding Explanation

1. The worker integration component is missing across all Employment Functions: Recruitment, Hiring & Personnel Development; Compensation; Hours of Work; Industrial Relations; Grievance System; Workplace Conduct & Discipline; Termination & Retrenchment; Environmental Protection; and Health & Safety. 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 decision-making processes. [ER.1, ER.25]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.25)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1.Factory will keep the worker integration component across all Employment Functions: Recruitment, Hiring & Personnel Development; Compensation; Hours of Work; Industrial Relations; Grievance System; Workplace Conduct & Discipline; Termination & Retrenchment; Environmental Protection; and Health & Safety.Factory will establish procedures to request and/ or receive workers' input/ feedback regarding the creation, implementation, and updating of its policies and procedures. Workers will be systematically integrated and consulted in decision-making processes.

Planned completion date

03/01/19

Company Action Plan Update

In progress until 31-12-2019

FINDING NO.11

NOTABLE FEATURE

FINDING TYPE: Compensation

Finding Explanation

1. The factory provides free dormitory and one free meal per day for all employees.

2. The factory provides free transportation from metro station to the factory for all employees.

3. The factory installs air conditioners in workshops and workers' bedrooms.

COMPANY ACTION PLANS

Action Plan no 1.

Description

No action plan needed

Company Action Plan Update

1. The factory has provided free dormitory and one free meal per day for all employees.
2. The factory has provided free transportation from metro station to the factory for all employees.
3. The factory has installed air conditioners in workshops and workers' bedrooms.

FINDING NO.12

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The factory does not have written policies or procedures on Personnel Development, including: a) a policy on performance reviews that includes steps and processes, demonstrates linkages to job grading, prohibits discrimination, provides written feedback, and complies with legal requirements; b) policies and procedures that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory and beyond, and; c) policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria for promotion, demotion, and job reassignment scheme, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment. [ER.1.1, ER.29.1]
2. Health and safety policies and procedures do not include following information: A list of equipment and/ or machines that require lockout-tagout in the factory, Steps for workers to raise health and safety concerns, Protection against retaliation for workers who raise health and safety concerns, A list of confined spaces that require work permits and the precautions people must take prior to & upon entry and stay in each confined space. [ER.31.1, ER.31.2, HSE.14]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.29 and ER.31; Health, Safety & Environment Benchmark HSE.14)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Factory will establish policies or procedures on Personnel Development, including: a) a policy on performance reviews that includes steps and processes, demonstrates linkages to job grading, prohibits discrimination, provides written feedback, and complies with legal requirements; b) policies and procedures that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory and beyond, and; c) policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria for promotion, demotion, and job reassignment scheme, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment.
2. Factory will re-establish health and safety policies and procedures that include following information: A list of equipment and/ or machines that require lockout-tagout in the factory, Steps for workers to raise health and safety concerns, Protection against retaliation for workers who raise health and safety concerns, A list of confined spaces that require work permits and the precautions people must take prior to & upon entry and stay in each confined space.

Planned completion date

03/05/19

Company Action Plan Update

