



COMPANIES: Russell Brands/Fruit of the Loom

COUNTRY: China

ASSESSMENT DATE: 07/18/19

ASSESSOR: Openview

PRODUCTS: Accessories [items, such as handbag clasps, that are affixed to other products]

NUMBER OF
WORKERS: 69

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.

FLA Code Element	Number of Violations
Compensation	3
Hours of Work	3
Employment Relationship	18
Health, Safety, and Environment	5
Nondiscrimination	1

Findings and Action Plans

FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The factory has no written policies or procedures on Personnel Development to encourage ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers. [ER.28.1]
2. The factory does not have written policies or procedures on performance reviews that include steps and processes, linkages to job grading, nondiscrimination, written feedback, or compliance with legal requirements. [ER.29.1]
3. The factory does not have written policies or procedures on promotion, demotion, or job reassignment. [ER.30.1]
4. The factory has no policies or procedures on retrenchment, which should include consulting with worker/union representatives prior to making the final decision on retrenchment, a plan that mitigates the adverse effects of layoffs to workers and non-discriminatory criteria selecting individual workers who will be laid off. [ER.32.1]
5. The disciplinary procedures do not include workers' right to appeal the disciplinary action or workers' ability to have a third-party witness during the imposition of disciplinary actions. [ER.27.4]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.27, ER.28, ER.29, ER.30 and ER.32)

COMPANY ACTION PLANS

Action Plan no 1.

Description

11.1

- a).The factory will develop policies and procedures to include all the necessary components for Personal Development.
- b). The factory will train relevant personnel on this document.
- c). Develop an annual plan for this relevant training.
- d). Supervise the implementation of this policy by the management representative.
- e). The personnel manager will evaluate the training performance.

11.2

- a).The factory should update the performance review system to include communication to workers of training opportunities necessary to advance in their careers and to verify the worker has been educated and train by documenting the process.
- b). The factory will develop policy and procedures on personnel development that define the training workers need to meet job requirements on the advancement of their careers. Evaluations are conducted on an annual basis and signed by workers. The date of the evaluation and the recommendations for improvement should be recorded on the evaluation and stored in workers files.

11.3

- a).The factory should develop written policies procedures on promotion, demotion, or job reassignment.
- b). The evaluation and promotion or demotion or job reassignment process will be included as part of the annual review process and detailed what actions can facilitate a promotion or result in a demotion or job reassignment such as poor evaluation results.
- c). The evaluation and promotion results will be maintained for workers who are promoted with a change in designation and an increase in wages.

11.4

- a). The factory will develop policies and procedures on retrenchment.
- b). The factory will train relevant personnel on this document.
- c). The factory will develop an annual plan for this training and supervise the implementation.
- d). The personnel manager will evaluate the training performance.

11.5

- a). The factory will update the disciplinary procedures to include an appeal process.
- b). The factory will train relevant personnel on this document.
- c). Develop an annual plan for this relevant training.
- d). Supervise the implementation of this by the management representative.
- e). The personnel manager will evaluate the training performance.

Company Action Plan Update

11.1- Factory has developed written statement to build up employees Personal Development as part of its Human Resources Operating Procedure (evidence 11.1a). The factory management has communicated its human resources operating procedure to department in charges (evidence 11.1b). The factory management has arranged training with department in charges about the revised operating procedure so that they can train with its employees (evidence 11.1c & d).

11.2- The factory has updated its performance review system with the revised performance evaluation management procedure

which outlined training opportunities for employees to advance in their careers & documented (evidence 11.2a). The factory has communicated the revised performance evaluation management procedure to its department in charges and provided training with them. The performance evaluation will be reviewed by departments annually (evidence 11.2b & c). The factory personnel department has requested employees to provide feedback with factory rules and also personal development at annual basis (evidence 11.2d).

11.3- The factory has updated its performance review system with the revised performance evaluation management procedure include topics of promotion, demotion and job reassignment. The performance evaluation will be conducted with employees at an annual basis (evidence 11.3a). The revised procedure has been communicated with department in charges with proper procedural training (evidence 11.3b & c). The factory personnel department requested employees to provide feedback of factory revised policies and regulations annually (evidence 11.3d).

11.4- The factory has developed with written policies of retrenchment procedure and legal risk management (evidence 11.4a). The factory management has communicated the retrenchment and legal risk management with department in charges & documented (evidence 11.4b). The factory management has conducted factory policies & procedural training about the circumstances under the labor law which accepts for retrenchment. The decision should be made prior consulting with worker representative with mutual agreement (evidence 11.4c). The factory personnel manager has created evaluation checklist to keep track the related process was complied with the labor law requirement (evidence 11.4d).

11.5- The factory has developed its employees handbook of factory policies which include factory rules, benefits and responsibilities that employees need to followed (evidence 11.5a). The factory has informed the recruitment & disciplinary procedure with department in charges and also provided training with them (evidence 11.5b & c). The factory personnel manager has evaluated the training performance with evaluation checklist to show whether it was followed by the mentioned policies and procedures (evidence 11.5d).

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. The factory does not provide specific training to the relevant supervisors on Employment Functions including Recruitment, Hiring & Personnel Development, Compensation, Hours of Work, Termination & Retrenchment, Industrial Relations, Workplace Conduct & Discipline, Grievance System, Health & Safety and Environmental Protection. [ER.17.1]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.17)

COMPANY ACTION PLANS

Action Plan no 1.

Description

10.1

a).The factory will develop annual training schedule to cover all relevant supervisors on Employment Functions including Recruitment, Hiring & Personnel Development, Compensation, Hours of Work, Termination & Retrenchment, Industrial Relations, Workplace Conduct & Discipline, Grievance System, Health & Safety and Environmental Protection.

b). The factory management will implement and evaluate the effectiveness of training.

Company Action Plan Update

10a- The factory has developed annual training schedules with employees of their benefits and responsibilities according to the Law and factory policies and rules (evidence 10a).

10b- The factory management has informed department in charges of the training plans regarding its updated policies, regulation and changes of Law or customers requirement (evidence 10b).

10c- The factory management review the effectiveness of training with its target group of employees at monthly basis (evidence 10c).

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

1. The factory has not conducted management or internal reviews to ensure that policies and procedures are updated according to local laws and the FLA Workplace Code and Benchmarks for all Employment Functions. [ER.1.3]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

9.1

a). The factory will establish a schedule for annual review of all policies and procedures, and make any revision necessary due to changing laws or business requirements and customer workplace codes.

b). The factory will conduct communication and annual training to all workers and management to understand the content of the policy.

c). The General Manager will supervise the implementation of this process.

d). The personnel manager will evaluate the training performance.

Company Action Plan Update

9a- The factory management has established meeting for annual review of all policies and procedure, make any revision necessary due to changing laws or business and also customers workplace policies (evidence 9a).

9b- The factory management has communicated with department in charges about the management operating evaluation procedure with posting (evidence 9b).

9c- The factory management has arranged internal meeting to review its management and training evaluation procedure with supervisors on July 27, 2020 (evidence 9c).

9d- The factory personnel manager reviewed the management and training evaluation procedure revision with supervisors on August 11, 2020 (evidence 9d).

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Communication & Worker Involvement (Macro)

Finding Explanation

1. The worker integration component is missing from all Employment Functions. This indicates that the factory has not established procedures to receive worker input/feedback on the creation, implementation, or revision of its policies and procedures. Furthermore, workers are neither systematically integrated, nor consulted in decision-making processes. [ER.1.3]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

8.

- a). The factory will develop the onboarding orientation procedure document in this respect.
- b). The factory will train the factory's management personnel to understand the content of this document.
- c). The general manager will supervise the implementation of this system.
- d). The personnel manager will evaluate the training performance.

Company Action Plan Update

8a- The factory has been reformulated the employee representative election onboarding process and management procedure to include workers representative to get involve discussion with factory management decision (evidence 8a).

8b- The factory management has communicated with department in charges of the revised employees representation election process to include their inputs as part of factors to support factory management decision making (evidence 8b).

8c & d- The factory managers review employees inputs at suggestion box to maintain regularly follow up (evidence 8c & d).

FINDING NO.5

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. In addition, the factory does not contribute to the Employment Security Fund in lieu of employing disabled workers as allowed under the local law. [ND.2]

2. The factory has not conducted performance reviews for any workers. [ER.29.1]

3. Workers do not receive written documentation to substantiate all issues covered in orientation. [ER.15.3]

Local Law or Code Requirement

Regulations on the Employment of Persons with Disabilities, Article 8. FLA Workplace Code (Non-discrimination Benchmark ND.2; Employment Relationship Benchmarks ER.15 and ER.29)

COMPANY ACTION PLANS

Action Plan no 1.

Description

7.1

- a). The factory will implement the policy of hiring disabled workers.
- b). The factory will train the factory's recruitment personnel how to encourage and welcome disable workers to join the factory in the recruitment process.
- c). The factory's management staff will supervise and implement this plan.

7.2

- a). The factory will re-enact the performance evaluation procedure.
- b). Relevant training for the factory's management personnel.
- c). The factory will develop annual training in this area, and the system will be monitored and implemented by senior managers.

7.3

- a). The factory will re-enact the procedures in this respect.
- b). Develop written documents to confirm all the items involved in the onboarding training.
- c). The annual training in this aspect of the factory 's system will be supervised by senior managers.

Company Action Plan Update

7.1- The factory has revised the hiring procedure included recruit disabled workers (evidence 7.1a). The factory management arranged internal meeting to train up its personnel of this revised recruitment procedure (evidence 7.1b). The factory management staff has setup a tracking record to monitor the progress of hiring disabled workers (evidence 7.1c).

7.2- The factory has developed the performance review procedure (evidence 7.2a). The factory has communicated with department in charges and provided internal training of this procedure (evidence 7.2b & c). The factory management staff will arrange annual training of this performance review and employees satisfaction surveys were conducted during August 2020 (evidence 7.2c).

7.3- The factory has updated an employee handbook of factory rules and also setup training plan of recruitment, hiring and personal development program (evidence 7.3a). The factory management has communicated with department in charges of the factory training policy and posted the employee handbook at a specific area (evidence 7.3b). The factory management has scheduled training on hiring, recruitment procedure and performance review with supervisors. In addition, the factory has arranged new employees orientation training with records (evidence 7.3c).

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. The factory does not provide social insurance to all eligible workers. There were 71 workers, including 15 retired but re-recruited workers, as of the assessment days. According to the social insurance receipt and name list for June 2019, the factory provided pension, medical (including maternity insurance), work-related injury, and unemployment insurance to 16 of 56 eligible workers (29%). [C.1]
2. The contribution base of the four types of social insurance is not in line with legal requirements. The factory contributes to unemployment insurance based on the local minimum requirement of CNY 1,550 (USD 225) per month, work-related injury and pension insurance based on CNY 3,100 (USD 450) per month, and medical insurance (including maternity insurance) based on CNY 2,356 (USD 342) per month, which is not in compliance with the legal requirement of contribution based on workers' average monthly wage of last year. For all 16 workers provided with social insurance, their average monthly wages of last year were higher than the local minimum contribution base, ranging from CNY 2,400 (USD 349) to CNY 4,700 (USD 683). [C.10.1]
3. The factory does not provide the Housing Provident Fund to eligible workers. [ER.22.1]
4. According to records review and interviews, the factory does not take workers' external seniority (previous job experience prior to factory employment) into account when calculating annual leave, as required by law. [C.6]

Local Law or Code Requirement

China Labor Law, Article 72; Social Insurance Law of the PRC, Article 12 and Article 58; Regulations on Management of Housing Provident Fund, Article 2, Article 3, Article 15 and Article 16; Regulations on Annual Leave for Employees, Article 2. FLA Workplace Code (Employment Relationship Benchmark ER.22; Compensation Benchmarks C.1, C.6 and C.10)

Recommendations for Immediate Action

1. Provide social insurance to all eligible workers.
2. Contribute to social insurance based on workers' average monthly wage of last year.
3. Provide all workers with legally required Housing Provident Fund.
4. Calculate annual leave based on workers' cumulative working experience (working age).

COMPANY ACTION PLANS

Action Plan no 1.

Description

6.1

- a). The factory management will communicate insurance benefits to employees and mobilize all employees to participate in the legal social insurance scheme to include all five types of insurance.
- b). The factory's management staff will formulate a 3 year time table planning to gradually to increase the insurance coverage to 100% to meet law requirement.
- c). The factory's management staff will supervise and implement the completion of the insurance plan.

6.2

- a). The factory will mobilize employees to participate in the insurance based on actual wages.

6.3

- a). Promote relevant information to employees and mobilize all employees to purchase housing provident funds.
- b). The factory management staff will supervise and implement the completion of the plan.

6.4

- a). The factory will consider a policy for future implementation. The factory will consider their previous job experience to provide a suitable job position to the new employee.

Company Action Plan Update

6.1- The factory has communicated and promoted the benefits and responsibility of legal social insurance to employees & encouraged them to participate to the scheme (evidence 6.1a). The factory management has developed a 3 years plan to improve the social insurance coverage until fully covered (evidence 6.1b). The factory management staff has setup a tracking record to monitor the process of the insurance plan (6.1c).

6.2- The factory has communicated employees to participate in the legal social insurance based on the legal requirement of contribution being made by actual earnings (evidence 6.2a). The factory management has developed an improvement of social insurance plan in about 3 years timeline until the 100% completion (evidence 6.2b).

6.3- The factory has arranged meeting to demonstrate the benefits of provident housing fund to employees (evidence 6.3a). The factory management staffs were assigned to monitor and kept track of the improvement plan coverage (evidence 6.3b).

6.4- The factory management has setup a human resources operating procedure that include consideration of candidate previous job experience to provide suitable job position. The procedure were communicated with department in charges and provided training with them. An employee satisfaction surveys were obtained regarding the factory operating procedure (evidence 6.4).

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. According to the provided time records for July 2018 to July 17, 2019, as well as worker interviews, monthly overtime for about 30% of workers in February 2019 and 95% of workers in other months exceeded the legal limit of 36 hours per month. About 45% of workers had a maximum of 67.5 overtime hours in March 2019. [HOW.1.1]
2. The factory production plan is based on 60 hours per week. The factory management sets production targets and the production system at a level that workers need to work beyond regular working hours. [ER.24]
3. The factory does not compensate resigned workers for unused annual leave. [HOW.11]

Local Law or Code Requirement

China Labor Law, Article 41; Regulations on Annual Leave for Employees, Article 2. FLA Workplace Code (Employment Relationship Benchmark ER.24; Hours of Work Benchmarks HOW.1 and HOW.11)

Recommendations for Immediate Action

1. Ensure overtime hours do not exceed 36 hours in a month.
2. Set production plan based on regular working hours.
3. Compensate resigned workers for unused annual leave.

COMPANY ACTION PLANS

Action Plan no 1.

Description

5.1

- a). The factory will re-establish the employee recruitment plan to hire more employees to reduce the overtime problem.
- b). The factory will conduct training regarding the legal working hours for all supervisors and workers.
- b). The factory management will communicate with the customers to determine if it is possible extend the production lead-time.

- c). The Production Manager will arrange the production schedule for employees to complete the production workload within their working hours.
- c). The factory will train employees the necessary skills to improve employee productivity.
- d). The factory will create a 2 year time table planning overtime hours to gradually reduce to 36 hours to meet the legal limit OT hours per month.

5.2

- a). Factory needs to re-develop the employee recruitment plan to recruit more employees to eliminate the overtime issues.
- b). In addition to increasing the number of workers and improving worker efficiency, the factory management will help the production managers to set the production plan to a normal 40 hours work week with rest days provided.

5.3

- a). Write the system to compensate resigning employees any unused annual leave. Communicate the system to all workers.
- b). Conduct relevant training for the responsible personnel.
- c). Require the factory financial personnel to implement this provision.
- d). The general manager supervises the implementation of this system.

Company Action Plan Update

5.1- The factory has published recruitment notice to hire more workers for the overtime issue and prepared the new employee orientation training procedure (evidence 5.1a). The factory has already arranged overtime hour management training with all production department supervisors on Aug 6, 2020. Furthermore, an overtime hour improvement plan was developed which projected overtime hours will be gradually managed per legally required of 36 hours per month by 2022 (evidence 5.1b). The production manager has arranged production schedule meeting with employees of how to improve the productivity level within working hours September 29, 2020 (evidence 5.1d & e). The factory has established overtime hour management checking record to track overtime hours & rest day weekly since August 2020 (evidence 5.1f).

5.2- The factory has published recruitment notice to hire more workers for the overtime issue and prepared the new employee orientation training procedure (evidence 5.2a). The factory has established overtime hour management training on August as well as checking record to track overtime hours & rest day also since August 2020 (evidence 5.2b). The production manager has arranged production plan meeting with employees of the ways to improve the productivity level at a 40 hours work week with rest day provided on September 2020 (evidence 5.2b).

5.3- The factory has corresponded an overtime hour and unused annual leave guideline with sample time and payroll records as example (evidence 5.3a). The factory has communicated and arranged training to the financial personnel who implemented this provision (evidence 5.3b & c). The general manager supervisors monitored the implementation of the unused annual leave and also the guideline and procedure of the recruitment plan, training to improve the overtime hours and productivity (evidence 5.3b & d).

FINDING NO.8

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

4

- a). The factory will provide relevant union information to employees, let employees freely discuss whether a union needs to be formed.
- b). At present, the factory has an employee representative organization. The factory will gather the opinions of employees through the employee representative, and then provide support to form a union if that is the decision of the employees.
- c). The employee representatives will be elected by the workers.

Company Action Plan Update

4- The factory has provided adequate union information to employees representative of their need whether to form a union (evidence 4a). The employee representative's photos and name list were posted at specific area (evidence of 4b). The discussion to form a union was documented with both the factory management and employee representative (evidence 4b). The employee representative and factory management communication record stated the formation of union will need further communicated (evidence 4c).

FINDING NO.9

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

- 1. The factory only provides one set of appropriate personal protective equipment (PPE) to the fire brigade to fight fires (such as breathing apparatus), but there are nine members in the fire brigade. [HSE.5.1]
- 2. All evacuation signs in the production building, canteen, and dormitory are very blurry. [HSE.5.1]
- 3. The Material Safety Data Sheet (MSDS) for the machine oil was created by the factory; it does not include complete information for 16 sections required by law. [HSE.10]

Local Law or Code Requirement

Setting Standards for Fire Safety Evacuation Signs, Article 3.1.2; Safety Data Sheet for Chemical Products-Content and Order of Sections (GB16483-2008), Article 19. FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.5 and HSE.10)

Recommendations for Immediate Action

- 1. Repaint the evacuation signs on the floor in production building, canteen, and dormitory.

2. Obtain complete MSDS for machine oil from the chemical supplier.

COMPANY ACTION PLANS

Action Plan no 1.

Description

3.1

- a). The factory will buy proper fire safety PPE for each member of the fire brigade.
- b). The factory has its' own "Fire Safety Evacuation Plan Procedure" which includes the company to conduct Fire Safety training twice a year.

3.2

- a). Schedule the workshop leaders and health and safety management personnel to regularly check and handle this type of situation. Replace signs as necessary.
- b). Conduct the training of workshop leaders and health and safety management personnel.
- c). Regular inspect the production areas by the security team leader to supervise the implementation of this training.

3.3

- a). The material safety data sheet (MSDS) of the machine oil will be included with the procedure document.
- b). Arrange the person in charge to take relevant consultation and training.
- c). Complete the 16 sections of information required by law and update as required and schedule annual review of MSDS.

Company Action Plan Update

3.1- The factory management believed it was best to contact a professional fire brigade put out the fire. The factory fire safety team, however will direct employees evacuation and call the professional fire brigade of 119 for emergency. The factory has developed its own fire safety evacuation procedure which included the fire drill training during May 2020 and setup the schedule of the following trainings in 2020 (evidence 3.1b).

3.2- The factory has emphasized this procedure to health & safety personnel and line leaders and repainted some arrow sign marking on the floors of the production area, dormitory and canteen (evidence 3.2a). The work environment sanitary training was conducted with related personnel on Aug 4, 2020 (evidence 3.2b). A weekly work floor inspection has been scheduled & conducted by security team with checklist to ensure the accepted performance was maintained (evidence 3.2c).

3.3- The factory maintained the material safety data sheet included with machine oil on March 2019 (evidence 3.3a). The factory has arranged chemical substance safety usage training to all employees on Aug 5, 2020 (evidence 3.3b). The training of the MSDS for the machine oil with complete information for 16 section and work environment safety inspection with checklist have been arranged (evidence 3.3a & c).

FINDING NO.10

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The factory does not maintain records for accidents or incidents (e.g. minor or near-miss cases). For example, workers are not required to fill in reasons for using medical supplies when they take them from first aid boxes. [HSE.3.2]
2. Food samples are not kept for at least 48 hours or stored in a refrigerator. [HSE.22.1]
3. The door to the female restroom on the first floor of the production building is broken. [HSE.20]
4. The toilets on the second and the third floors of the production building are not clean, and there is water on the floor. [HSE.19]

Local Law or Code Requirement

Food Safety Operation Specifications for Catering Service, Article 7.9.2; Hygienic Standards for the Design of Industrial Enterprises GBZ 1-2010, Article 7.1.1. FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.3, HSE.19, HSE.20 and HSE.22)

Recommendations for Immediate Action

1. Keep food samples for at least 48 hours.
2. Repair the door of the female restroom on the first floor of the production building.
3. Clean the toilets on the second and third floors of the production building.

COMPANY ACTION PLANS

Action Plan no 1.

Description

2.1

- a). Implement the registration procedure of the medicine-taking records by workers.
- b). Implement the procedure to periodically inspect the registration records by the health and safety management personnel to ensure implementation.
- c). Implement the procedure to clearly document the reasons of medicine being taken & used. by workers.

d), Train workers on how to complete the registration procedure.

2.2

- a). Re-emphasize and implement the registration process of keeping food samples by canteen staffs.
- b). Require the person in charge at the canteen to regularly check the record.
- c). Conduct communication and training for the canteen staff.
- d). Management representatives will supervise this record keeping process.

2.3

- a). Schedule the workshop leaders and health and safety management personnel to regularly check restroom and deal with the issue.
- b). Training workshop leaders and health and safety management personnel.
- c). Have the security team to check the areas regularly to supervise the implementation of this plan.

2.4

- a). Establish a schedule for the workshop leaders and health and safety management personnel to regularly check and deal with this issue.
- b). Train workshop leaders and health and safety management personnel.
- c). Enlist the security team leader to check during working hours to verify the implementation of this plan.

Company Action Plan Update

2.1- The factory has implemented the revised first aid responders procedure and communicated with departments (evidence 2.1a). The health & safety personnel has conducted periodic work place inspection (evidence 2.1b). A proper first aid supplier usage

record has been setup with reasons of medicine being taken & used with signature (evidence 2.1c). The health & safety and first aid training with registration procedure were conducted with workers on Aug 4, 2020 (evidence 2.1d).

2.2- The employee health & safety monitoring procedure has been implemented, communicated with posting with all departments (evidence 2.2a and c). The factory has assigned personnel at the office to conduct weekly inspection (evidence 2.2b). The health & safety monitoring procedure training was conducted with employees on Aug 4, 2020 (evidence 2.2c). The health & safety monitoring procedure was developed on labeling and storing food samples for 48 hours with photos (evidence 2.2d).

2.3- The factory has arranged training of workstation health & safety and sanitary condition with personnel at different departments and requested weekly check on-site (evidence 2.3a & b). The door of the female restroom on the 1st floor was repaired (evidence 2.3a). The factory has assigned security team to make daily physical security check at factory area and dormitory (evidence 2.3c).

2.4- The factory has arranged training of workstation health & safety and sanitary condition with personnel at different departments and requested weekly check on-site (evidence 2.4a & b). The toilets on the 2nd & 3rd floors of the production building were maintained proper cleanliness monitored by the factory security team (evidence 2.4a). The factory security team has conducted regular work environment checking at both the factory area and dormitory (evidence 2.4c).

FINDING NO.11

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The factory has not posted the legally required occupational hazard notification card in the injection section, which has occupational risks. Occupational hazard notification cards include basic information on the kind of occupational hazard, the risk, and how to handle in case of an emergency issue, and daily protection procedures. The factory also does not post the legally required occupational hazard factor test report in the injection section. [HSE.1]

2. The factory provides on-the-job occupational health examinations to eligible workers with hazardous exposure to chemicals or noise. However, the factory does not provide pre-job occupational health examinations for any eligible workers. [HSE.1]

3. The factory does not conduct an annual inspection of the lightning protection system. [HSE.13]

4. None of the chairs provided to workers are ergonomically designed with a backrest and none are adjustable to minimize bodily strain. The factory has not conducted an ergonomics assessment to prevent repetitive stress injury. [HSE.17.1]

Local Law or Code Requirement

China Law of Prevention and Control of Occupational Diseases, Article 24; Provisions on the Supervision and Administration of Occupational Health at Work Sites, Article 20; China Law of Prevention and Control of Occupational Diseases, Article 35; Technical Specifications for Inspection of Lightning Protection System in Building, Article 6. FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.1, HSE.13 and HSE.17)

Recommendations for Immediate Action

1. Post occupational hazard notification card and occupational hazard factor test report in injection section.

2. Provide pre-job occupational health examination to workers with hazardous exposure to chemicals and noise.
3. Hire a qualified service provider to conduct annual inspection for the lightning protection system.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1.1

- a). Arrange the personnel to collect the required information of the occupational hazards' notification card; post the hazardous notification card and the factory's Emergency Procedure in the relevant areas.
- b). Provide safety training to all employees and to personnel responsible for the management of safety.
- c). The factory will implement policies and establish training plan for health and safety management.
- d). The factory's management representative supervises the implementation of this training plan.

1.2

- a). Arrange the personnel to consult and collect some legal required information of occupational health examination.
- b). Provide relevant training to safety management staff and workers.
- c). The factory will implement policies and procedures to arrange pre-job occupational health examinations for those eligible workers for the positions.
- d). Establishment of the training plan and the implementation of it by the general manager.

1.3

- a). The factory building was not designed to install a lightning protection system. After consulting with an external professional company, the installation cost could range from USD7,500-USD9,000. It also has the possibility to damage the building integrity which was advised from the external professional company.
- b). So the landlord will not permit the company to do this installation as it will damage his building integrity.
- c). The company has its own "Natural Disaster Emergency Response Procedure" which includes to conduct a once a year Response Training to demo and train workers the plan and there also assigned office personnel, and production department to be responsible to arrange escape path if the factory has a lightning disaster event.

1.4

- a). The factory will carry out a health and safety study for management and employees by conducting an ergonomic study.
- b). The factory will replace the chairs with backrest first for the employees who spend more time sitting on chairs while working. For the employees who need to stand or move around with their job responsibilities, their chairs will be replaced with backrest chairs gradually.

Company Action Plan Update

1.1- The factory has obtained the occupational hazard notification card, occupational hazard factor test reports and employees health exam posted in relevant areas (evidence 1.1a). The factory has revised the occupational training procedure and communicated it to employees with regular exposure to chemicals (evidence 1.1b and c). The factory management representative have monitored at work environment regularly after the revised procedure was setup (evidence 1.1d).

1.2- The factory has assigned the personnel to collect the legally required information for individual health examination reports and posted it at relevant area (evidence 1.2a & c). The training was conducted with supervisors and safety management staff on Aug. 3, 2020 (evidence 1.2b & d). The revised procedure are established and conducted health & safety periodically check (evidence 1.2d).

1.3- The factory has requested the landlord and obtained response to install the lightning system (evidence 1.3a & b). Besides, the factory has its own Natural Disaster Emergency Procedure with training was conducted with its employees, management staffs together with local fire fighting team to show guidance of the evacuate path when emergency occurs (evidence 1.3c).

1.4- The factory has provided health & safety awareness of ergonomic study to employees (evidence 1.4a). In addition, the factory has scheduled timeline to replace chairs with backrest according to job nature of mobility at different work departments (evidence 1.4b).