



COMPANIES: Kathmandu  
COUNTRY: Taiwan  
ASSESSMENT DATE: 09/14/17  
ASSESSOR: Elevate  
PRODUCTS: Apparel  
NUMBER OF WORKERS: 83

# Understanding this Assessment Report

This is a report of a workplace assessment conducted by Fair Labor Association assessors following FLA's Sustainable Compliance methodology (SCI), which evaluates a facility's performance in upholding fair labor standards through effective management practices throughout the entire employment life cycle.

This report identifies violations and risks of noncompliance with the Fair Labor Association Workplace Code of Conduct in its assessment of the employment functions, and includes a description of the root causes of violations, recommendations for sustainable and immediate improvement, and the corrective action plan for each risk or violation as submitted by the company. This document is not a static report; rather, it reflects the most recent progress updates on remediation in the "Progress Update" section for each finding.

## 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	Violations
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## Findings and Action Plans

### FINDING NO.1

#### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Policies & Procedures (Macro)

##### Finding Explanation

The factory has no specific written policy or procedures in place on all Employment Functions, however, the factory rules and regulations exist to manage practices for all Employment Functions. ER.1, ER.23, ER.28, ER.29, ER.30, ER.31, and ER.32

##### Local Law or Code Requirement

FLA Workplace Code and Benchmarks(Employment Relationship Benchmarks ER.1, ER.23, ER.28, ER.29, ER.30, ER.31, and ER.32)

#### COMPANY ACTION PLANS

##### 1. Immediate Action (IA)

1. Create written policies and procedures outlining process for all Employment Functions.
2. Provide all employees with education on the policies and procedures outlining process for all Employment Functions and respond to questions.

##### Sustainable Improvement (SI)

1. Train HR and related personnel on changes
2. Include in worker handbook.
3. Include changes on worker orientation and training.

#### 4. Monitor implementation

Action plan status: In progress

## FINDING NO.2

### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Policies & Procedures (Macro)

##### Finding Explanation

- 1.The factory does not have any on-going trainings on any Employment Functions except Health & Safety. The factory does not provide trainings to the relevant supervisors on all Employment Functions. ER.1, ER.15, and ER.17
- 2.The factory could not provide the training records for migrant workers. As per the factory management, they provide orientation training by translating to Indonesian. ER.1

##### Local Law or Code Requirement

FLA Workplace Code and Benchmarks(Employment Relationship Benchmarks ER.1, ER.15,ER.17)

### COMPANY ACTION PLANS

#### 1. IA:

1. Develop training materials for all employment functions on Workplace Conduct & Discipline.
2. Provide such training to managers and supervisors.
3. Respond to questions.

#### SI:

1. Appoint relevant HR and related personnel to be responsible for training and education within the factory
2. Include such training for managers and supervisors upon appointment and/or promotion
3. Create system to monitor and record such training

Action plan status: In progress

#### 2.

#### IA:

1. Develop training materials on Recruitment, Hiring & Personnel Development, Compensation, Hours of Work, Termination & Retrenchment, Workplace Conduct & Discipline, Grievance System, or Environmental Protection.
2. Provide such training to migrant workers in language they can understand.
3. Respond to questions.

#### SI:

1. Appoint relevant HR and related personnel to be responsible for training and education within the factory
2. Include such training for migrant workers
3. Create system to monitor and record such training
4. Monitor implementation

Action plan status: In progress

## FINDING NO.3

### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Review Process (Macro)

##### Finding Explanation

The factory does not have a review process for any Employment Functions, including internal assessments. ER.1

##### Local Law or Code Requirement

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

### COMPANY ACTION PLANS

#### 1. IA:

1. Conduct internal review of factory policies and procedures
  2. Compare with local law and FLA Workplace Code requirements and identify discrepancies.
  3. Develop policies and procedures that are in accordance with local law and FLA Workplace Code requirements.
  4. Incorporate these standards into companywide policies.
  5. Periodically review policies and procedures for all Employment Functions to ensure they remain in compliance.
- SI:
1. Train HR and related personnel on the changes.
  2. Communicate new policies and procedures with workers
  3. Include policy changes in new worker orientation and worker trainings.
  4. Include in Employee Handbooks.
  5. Monitor implementation.

Action plan status: In progress

## FINDING NO.4

### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Policies & Procedures (Macro)

##### Finding Explanation

- 1.The factory has defined the responsible person for all Employment Functions, but not in writing. ER.1
- 2.There was no written job descriptions prepared for all positions when personnel need to be hired. ER.1

##### Local Law or Code Requirement

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

### COMPANY ACTION PLANS

1. IA:
  1. Conduct internal review of factory policy.
  2. Communicate in writing who is responsible for all Employment functions.
  3. Incorporate this person and position into company wide policies.

- SI:
1. Inform HR and related personnel on the changes.
  2. Communicate the role of this person/people with all workers
  3. Include this position in new worker orientation and worker trainings.
  4. Include in Employee Handbooks.
  5. Monitor implementation.

Action plan status: In progress

2. IA:
  1. Conduct internal review of factory policies and procedures
  2. Compare with local law and FLA Workplace Code requirements and identify discrepancies.
  3. Create writing job descriptions for all positions.
  4. Incorporate all of these job descriptions into companywide policies.
  5. Periodically review policies and procedures for all Employment Functions to ensure they remain in compliance.

- SI:
1. Train HR and related personnel on the changes and job descriptions.
  2. Include relevant job descriptions in new worker orientation and worker trainings.
  3. Include in Employee Handbooks.
  4. Monitor implementation.

Action plan status: In progress

## FINDING NO.5

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Recruitment, Hiring & Personnel Development

### Finding Explanation

- 1.The factory did not have stamps or signatures in all reviewed labor contracts between the workers. ER.1
- 2.The factory does not have written criteria for performance review, and they could not provide any evidence to prove that they had conducted the annual performance review for workers, even though they claim to have conducted annual performance reviews for workers. ER.1
- 3.The Taiwanese agent collects a service fee from migrant workers of NTD 1,800 (USD 56) per month in the first year of the contract, NTD 1,700 (USD 53) per month in the second year, and NTD 1,500 (USD 47) per month in the third year, which is permitted under the prevailing legislation in Taiwan. The factory currently does not have a system in place to monitor the migrant workers' recruitment fees or cover any of the costs paid by workers in their home or host country. There are currently 13 migrant workers in this facility. ER.5, ER.6, ND.3

### Local Law or Code Requirement

Labor Standards Act: Chapter 3, Article 25; FLA Workplace Code and Benchmarks (Employment Relationship Benchmarks ER.1, ER.5, ER.6; Non-discrimination Benchmark ND.3)

### FLA's Recommendations for Sustainable Improvements

- 1.Ensure the labor contracts are signed between the factory and the employees, and the workers know well about the items of the contracts.
- 2.Ensure all workers are not deducted any recruitment fees.

## COMPANY ACTION PLANS

### 1. IA:

- "1. Conduct internal review of labor contracts.
2. Compare with local law and FLA Workplace Code requirements and identify discrepancies.
3. Develop labor contracts for all staff.
4. Incorporate these contracts into companywide policies.

### SI:

1. Train this person/people in all Employment Functions.
2. Communicate their function and role to all workers
3. Include their role and responsibilities in Employee Handbooks.
4. Monitor implementation.

Action plan status: In progress

### 2. IA:

1. Conduct internal review of factory performance reviews
2. Develop policies and procedures that are in accordance with local law and FLA Workplace Code requirements.
4. Incorporate these performance reviews into companywide policies.
5. Periodically review policies and procedures for all Employment Functions to ensure they remain in compliance.

### SI

1. Train HR and related personnel on performance reviews
2. Communicate new policies and procedures with workers
3. Include performance reviews in new worker orientation and worker trainings.
4. Include in Employee Handbooks.
5. Monitor implementation.

Action plan status: In progress

### 3. IA:

1. Conduct internal review of migrant workers recruitment fees
2. Compare with local law and FLA Workplace Code requirements to ensure that all recruitment fees and/or employment fees are covered by employers. Identify any discrepancies.
3. Develop policies and procedures to monitor agent fees with local law and FLA Workplace Code requirements.
4. Incorporate this monitoring process into companywide policies.

### SI

1. Train HR and related personnel on these changes.
2. Communicate new policies and procedures with all migrant workers
3. Include policy changes in new migrant worker orientation and migrant worker trainings.
4. Include in Employee Handbooks.
5. Monitor implementation.

Action plan status: In progress

## IMMEDIATE ACTION REQUIRED

### FINDING TYPE: Compensation

#### Finding Explanation

- 1.The wages of the workers in the factory are issued via bank transfer. However, the factory does not maintain payroll records with worker signatures to confirm payment, or any of the bank transfer records for any worker. C.14, C.15
- 2.The factory had set full-attendance bonus (NTD1000 per month) for local workers, however, there was no such bonus for migrant workers. ND.3

#### Local Law or Code Requirement

FLA Workplace Code and Benchmarks (Compensation Benchmarks C.14, C.15; Nondiscrimination Benchmarks ND.3)

#### Recommendations for Immediate Action

Ensure that Indonesian migrant workers in the factory are receiving attendance bonus same like local workers.

## COMPANY ACTION PLANS

### 1. IA:

1. Review current factory practice and legal requirements regarding paying wages.
2. Identify discrepancies, and reason for the discrepancies.
3. Change payment procedures to allow for workers to confirm their pay owed .
4. Implement paying workers according to the corrected local government sector 2 amount.
5. Include worker communication in this process.

### SI:

1. Train HR and related personnel on local government wages and how to implement the roll out within the factory.
2. Communicate with workers and post on bulletin boards, include in worker handbook, orientation and training.
3. Create system to monitor the payment of wages.
4. Ensure payments for workers are timely and accurate.
5. Implement contributions.

Action plan status: In progress

### 2. IA:

1. Review current factory practice and legal requirements regarding payment of bonuses for migrant workers.
2. Identify discrepancies.
3. Set a plan to make payments to migrant workers.
4. Plan implementation of these corrected contributions and include migrant worker communication in this process.

### SI:

1. Train HR and related personnel regarding legal payments to migrant workers.
2. Communicate with workers and post on bulletin boards, include in worker handbook, orientation and training as to the payments to migrant workers.
3. Create system to monitor the payments to migrant workers.
4. Implement corrected contributions.
5. Monitor implementation

Action plan status: In progress

## FINDING NO.7

## SUSTAINABLE IMPROVEMENT REQUIRED

### FINDING TYPE: Hours of Work

#### Finding Explanation

The workers in injection workshop change shifts once every 7-14 days, which is not in compliance with legal requirement of rotating on a weekly basis. The factory has no agreement regarding this between the workers. ER.1, ER.23; HOW.1

#### Local Law or Code Requirement

Labor Standards Act: Chapter 4, Article 34; FLA Workplace Code and Benchmarks (Employment Relationship Benchmarks ER.1, ER.23; Hours of Work Benchmark HOW.1)

## COMPANY ACTION PLANS

### 1. IA:

1. Review policy and procedures for workers' rotating on weekly basis in accordance with local law.
2. Identify discrepancies.
3. Provide education to workers on the need to rotate weekly.
4. Ensure procedures are in place to correctly record workers' time and their rotation.

### SI:

1. Train HR and related personnel on workers' time records and their use of permits to go home early.
2. Communicate the legal requirements with workers and post on bulletin boards, include in worker handbook, orientation and trainings.
3. Create system to monitor workers' time records and their use of permits to go home early.
4. Monitor implementation.

Action plan status: In progress

## FINDING NO.8

## SUSTAINABLE IMPROVEMENT REQUIRED

### FINDING TYPE: Workplace Conduct & Discipline

#### Finding Explanation

1. The factory does not maintain any disciplinary records. The management stated that there was no disciplinary measures. ER.2, ER.27
2. There is no Grievance Procedure but some documents or systems exist. The factory has a functioning Grievance Mechanism. ER.25
3. Management does not maintain any documentation in relation to grievance processes ER.2

#### Local Law or Code Requirement

FLA Workplace Code and Benchmarks (Employment Relationship Benchmarks ER.2, ER.25, and ER.27)

## COMPANY ACTION PLANS

### 1. IA:

1. Review any workers who are currently facing disciplinary action.
2. Commence records of all disciplinary actions taken against them.
3. Provide a copy of such records to workers and a third-party witness during any disciplinary actions.
4. Keep a record of all disciplinary actions inside workers files.

### SI:

1. Review current disciplinary policy and procedures.
2. Revise details on disciplinary actions within legal requirements including procedure for written records of disciplinary actions.
3. Revise details on disciplinary actions within legal requirements (including the presence of a third-party witness during application of disciplinary actions.)
4. Train HR and related personnel on disciplinary actions taken and the need to keep robust records.
5. Include these changes on worker orientation and trainings.
6. Create system to monitor disciplinary actions against workers and any appeals.
7. Monitor implementation.

Action plan status: In progress

### 2. IA:

1. Review current worker grievances and the current formal grievance procedures and factory policy.
2. Rewrite the grievance procedure as it is currently written to ensure that it is functioning properly.
4. Keep a record of all such grievances and document how they are resolved and communicated to workers.

### SI:

1. Review best practices for grievance policy and procedures
2. Revise details on grievance procedures and how management's responses to grievances are communicated to workers.
3. Train HR and related personnel on changes.
4. Include changes on worker orientation, employee handbook and trainings.
5. Create system to monitor grievances of workers, their resolution and how responses are communicated to workers.

Action plan status: In progress

3. IA:  
Addressed in 8.2

SI:  
Addressed in 8.2

Action plan status: In progress

## FINDING NO.9

### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Environmental Protection

##### Finding Explanation

1. The factory does not completely manage the environmental impact of their chemicals. Chemicals do not have labels, second containers, or MSDS. ER.31,HSE.9
2. The chemical management system is not managed properly, there is no chemical list in the factory and there is no specific chemical storage area. The chemicals are stored in the workshop, along with other production materials. HSE.9
3. The factory does not have an appropriate system to respond to any unexpected environmental emergency such as chemical spills. HSE.9
4. The factory only maintains partial documentation in relation to environmental protection, but misses emergency plans, monitoring records, etc. HSE.2
5. The factory does not update or renew any of its current permits according to legislation. They currently do not have any environment permit. HSE.4
6. The factory does not have a system to respond to any unexpected environmental emergency such as chemical spills or gas leaks. HSE.5

##### Local Law or Code Requirement

Water Pollution Control Act, Chapter 3 Control Measures, Article 20; FLA Workplace Code and Benchmarks (Employment Relationship Benchmark ER.31.3; Health, Safety & Environment Benchmarks HSE.2, HSE.4, HSE.5, and HSE.9)

### COMPANY ACTION PLANS

1. IA:

1. Review all environmental law and local policy as it relates to environmental impact and management of chemicals.
2. Identify and appoint someone responsible for assessing, monitoring and addressing environmental issues and impact and in particular the management and labelling of chemicals.
3. Provide education on environmental issues including the management and labeling of chemicals, to all workers and respond to questions.

SI:

1. Review current environmental policy and procedures
2. Revise policies to align with legal requirements of management and labeling of chemicals.
3. Train HR and related personnel on changes
4. Include changes on worker orientation and training.

Action plan status: In progress

2. IA:

1. Review all chemical management and policy as it relates to local laws and requirements or the FLA Workplace Code and Benchmarks.
2. Identify and appoint someone responsible for assessing, monitoring and addressing chemical management and storage.
3. Provide education to relevant staff on chemical management and storage to all workers and respond to questions.
4. Label move and store all chemicals correctly and safely in their own purpose designed storage area.

SI:

1. Review current chemical management and storage policy and procedures
2. Revise policies to align with legal requirements, local laws and requirements or the FLA Workplace Code and Benchmarks..
3. Train HR and related personnel on changes
4. Include changes on worker orientation and trainings.
5. Create system to monitor chemical incidents that have an environmental impact



## 6. Monitor implementation

Action plan status: In progress

### 3. IA

1. Review legal requirement as well as procedures on fire safety and the number and storage of fire extinguishers.
2. Identify what needs to be done to purchase and store a fire extinguisher in regular intervals throughout the factory.
3. Identify who is responsible for doing so.
4. Implement action by installing a legally adequate number of fire extinguishers in the factory.

SI:

1. Create or amend Health and Safety Policy and Procedures addressing the number of fire extinguishers required throughout the factory and purchase the required amount.
2. Provide training or source external training for all employees on how to use fire extinguishers.
3. Create procedures to ensure that the fire extinguishers throughout the factory are regularly checked and certified.

Action plan status: In progress

### 4. IA:

1. Review procedures for maintaining documentation relating to environmental protection, emergency plans and monitoring.
2. Identify who is responsible for doing so.
3. Instruct them to establish and maintain such records.

SI:

1. Create or amend Health and safety Policy and Procedure addressing systems that allow an effective record keeping.
2. Provide training to all employees on how to record environmental issues, knowledge of emergency plan and the need for accurate records.
3. Create procedures for ensuring that all areas of the factory have the relevant emergency plans to deal with any incidents.

Action plan status: In progress

### 5. IA:

1. Review procedures against local law and FLA Benchmarks in environmental legislation and permits.
2. Identify what needs to be done to obtain the necessary permits.
3. Identify who is responsible for doing so.
4. Implement actions.

SI:

1. Review current environmental policy and procedures
2. Revise policies to align with legal requirements on environment.
3. Train HR and related personnel on changes.
4. Include changes on worker orientation and trainings.
5. Create system to monitor updating of environmental permits at the factory.
6. Monitor implementation

Action plan status: In progress

### 6. IA:

Covered in 9.3

SI:

Covered in 9.3

Action plan status: In progress

## FINDING NO.10

### IMMEDIATE ACTION REQUIRED

### FINDING TYPE: Health & Safety

#### Finding Explanation

1. The factory conducts fire drills once half a year. However, no night shift fire drill is conducted. HSE.5
2. No construction safety report and fire safety report for buildings was provided for review. HSE.4
3. It was noted that 3 fire extinguishers were installed on the wall; their distance to the floor was 1.6 meter on 1/F workshop, 2 fire extinguishers were placed on the floor directly on 1/F workshop. HSE.6
4. It was noted that one fire extinguisher on 1/F material warehouse, two fire extinguishers on 1/F injection molding section, one fire hydrant on 1/F workshop were blocked by sundries. HSE.6
5. It was noted that 2 evacuation aisles respectively in cutting and injection section were blocked on the first floor of production building. HSE.5

6. It was noted that no exit indicator was installed in two emergency exits on the 1/F handmaking section. HSE.5
7. There is no evidence of storage or shipment practices that could decrease the risk during an emergency or fire evacuation. HSE.5
8. It was noted that no spray nozzle and hose in one fire hydrant on 1/F workshop.
9. Furthermore, there was no firefighting equipment in the finished product warehouse and the tent. HSE.6

#### Local Law or Code Requirement

Fire Services Act: Chapter 2, Article 9; Standard for Installation of Fire Safety Equipment Based on Use and Occupancy: Volume 3, Chapter 1, Article 31, Clause 4 & 5 & 15, Standard for Installation of Fire Safety Equipment Based on Use and Occupancy: Volume 3, Chapter 3, Article 146-3; Occupational Safety and Health Facility Regulation: Chapter 2, Section 1, Article 27 (Working Place and Passageway); FLA Workplace Code and Benchmarks (Health, Safety & Environment Benchmarks HSE.1, HSE.4, HSE.5, HSE.6)

#### Recommendations for Immediate Action

1. Install complete indoor fire hydrant and ensure they are functional in production area. Provide fire extinguishers in finished goods area.
2. Ensure the fire extinguishers are at the proper height level as per the law.
3. Ensure the firefighting equipment are kept unblocked for emergency use.
4. Ensure the evacuation aisles free of obstacle all the times.
5. Install a set of exit indicator in the top of each emergency exit in the production area.

## COMPANY ACTION PLANS

### 1. IA:

1. Review procedures on regularly having fire drills including night shift.
2. Identify what needs to be done to ensure that the drills occur regularly as required by law.
3. Identify who is responsible for doing so.
4. Implement action by having drills.

### SI:

1. Create or amend Health and Safety Policy and Procedures addressing fire drills.
2. Provide training and source the necessary equipment for regular fire drills.
3. Create procedures to ensure that the emergency drills are regularly checked and certified.

Action plan status: In progress

### 2. IA:

1. Review procedures on fire safety and a fire risk assessment.
2. Identify what needs to be done to commission a report and conduct a fire risk assessment.
3. Identify who is responsible for doing so.
4. Implement action by commissioning a third-party expert to conduct a fire risk assessment.

### SI:

1. Create or amend Health and Safety Policy and Procedure addressing the construction report and fire safety report.
2. Provide training or source external training for all employees who need to follow up on a fire risk assessment.
3. Create procedures to ensure that the fire safety reports are regularly assessed and followed up on.

Action plan status: In progress

### 3. IA

1. Review legal requirement as well as procedures on fire safety and the number and storage of fire extinguishers.
2. Identify what needs to be done to purchase and store a fire extinguisher in regular intervals throughout the factory.
3. Identify who is responsible for doing so.
4. Implement action by installing a legally adequate number of fire extinguishers in the factory.

### SI:

1. Create or amend Health and Safety Policy and Procedures addressing the number of fire extinguishers required throughout the factory and purchase the required amount.
2. Provide training or source external training for all employees on how to use fire extinguishers.
3. Create procedures to ensure that the fire extinguishers throughout the factory are regularly checked and certified.

Action plan status: In progress

### 4. IA:

Covered by 10.3

### SI:

Covered by 10.3

Action plan status: In progress

5. IA:

1. Review procedures on fire safety and emergency evacuation.
2. Identify what needs to be done to fix and ensure the emergency evacuation and aisles are kept clear at all times.
3. Identify who is responsible for doing so.
4. Implement action.

SI:

1. Create or amend Health and Safety Policy and Procedures addressing the emergency evacuation and clear aisles.
2. Provide training to ensure that aisles are kept clear at all times.
3. Create procedures to ensure that the emergency evacuation system is regularly checked and certified.

Action plan status: In progress

6. IA:

1. Review procedures on regularly inspecting and testing the emergency exit lights.
2. Identify what needs to be done to ensure that the emergency exit lighting system is tested annually as required by law.
3. Identify who is responsible for doing so.
4. Implement action by testing the emergency exit lightning system.

SI:

1. Create or amend Health and Safety Policy and Procedure addressing the regular inspection and testing of the emergency exit lights.
2. Provide training or source external training for all employees who need to be certified in testing the emergency exit lights.
3. Create procedures to ensure that there is a regular testing of the emergency exit lights.

Action plan status: In progress

7. IA:

1. Review storage and shopment practices to decrease risk during emergency or fire evacuation.
2. Identify what needs to be done to utilise these storage areas.
3. Identify who is responsible for doing so.
4. Implement action.

SI:

1. Create or amend Health and safety Policy and Procedure addressing the regular use and check of these storage areas to decrease risk during emergency or fire.
2. Provide Health and safety training to all relevant employees on using the designated storage areas for this purpose.

Action plan status: In progress

8. IA:

1. Review procedures on regularly inspecting and testing the fire hoses and nozzles.
2. Identify what needs to be done to ensure that this is tested regularly as required by law.
3. Identify who is responsible for doing so.
4. Implement action.

SI:

1. Create or amend Health and Safety Policy and Procedure addressing the regular inspection and testing of the fire hydrants, hoses and nozzles.
2. Provide training or source external training for all employees who need to be certified in this testing.
3. Create procedures to ensure that there is a regular testing of this equipment.

Action plan status: In progress

9. IA: Covered by 10.3 SI: Covered by 10.3

Action plan status: In progress

## FINDING NO.11

### IMMEDIATE ACTION REQUIRED

### FINDING TYPE: Health & Safety

#### Finding Explanation

1. It was noted that no MSDS was maintained for chemicals like Toluene, n-hexane. HSE.10
2. It was noted that a) all the chemicals are stored directly in the workshop, there is no chemical storage room and 10 barrel of glues are

stored in the hand making section and 5 barrels of solvent is stored in the injection molding section did not have anti-leak containers. b) Two bottle of cleaning solvent did not have any label. HSE.9

#### Local Law or Code Requirement

Enforcement Rules of the Occupational Safety and Health Act: Chapter 2, Article 13; FLA Workplace Code and Benchmarks (Health, Safety, and Environment Benchmarks HSE.9 and HSE.10)

#### Recommendations for Immediate Action

1. Provide anti-leak containers for all chemical materials and ensure all chemical containers in the working area are properly labeled with safety precautions.
2. Ensure that MSDS forms of all chemicals in use are available in local language and workers working with hazardous chemicals, like Toluene and n-hexane, are provided with proper PPEs and using them effectively.

### COMPANY ACTION PLANS

1. IA:

Covered by 9.1

SI:

Covered by 9.1

Action plan status: In progress

2. IA:

Covered by 9.2

SI:

Covered by 9.2

Action plan status: In progress

## FINDING NO.12

### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Health & Safety

#### Finding Explanation

1. The factory does not have a management system to monitor the health & safety status of dormitory, such as periodic assessment. HSE.25
2. No occupational health check was provided for workers who are in contact with occupational hazardous factors, such as printing workers who are in contact with paintings and glues, and assembling workers who are in contact with cleansers. HSE.12
3. The factory does not take proactive steps to reduce repetitive-motion stress and/or injuries. HSE.17

#### Local Law or Code Requirement

Occupational Safety and Health Act: Chapter 2, Article 20; FLA Workplace Code and Benchmarks (Health, Safety, and Environment Benchmarks HSE.12, HSE.17, and HSE.25)

### COMPANY ACTION PLANS

1. IA:

1. Review procedures for a management system to monitor the health & safety status of the dormitory.
2. Identify what needs to be done to create a management system to regularly monitor the health & safety status of the dormitory.
3. Identify who is responsible for doing so.
4. Implement action.

SI:

1. Create or amend Health and safety Policy and Procedure addressing the ongoing maintenance and regular monitoring of the health & safety status of the dormitory.
2. Provide training to the relevant employees on this.
3. Create procedures for ensuring that all areas of the dormitory have the relevant safety instructions, warning signs, appropriate ventilation and routine and regular maintenance.

Action plan status: In progress

2. IA:

1. Appoint Health and Safety person responsible for ensuring an occupational health check is provided for workers who are in contact with occupational hazardous factors and that those those workers who are in contact with occupational hazardous factors are properly protected.
2. Review and clearly define what type of PPE is needed for the production processes that pose a risk to workers.

SI:

1. Create or amend Health and safety Policy and Procedure addressing and clearly defining what type of PPE is needed for the production processes that pose a risk to workers.
2. Provide Health and safety training to all employees on the safe use of appropriate PPE for specific production processes.
3. Create a procedure for regular occupational health checks to be conducted for those workers who are in contact with occupational hazardous factors and to ensure that they are safely and correctly using the required PPE.

Action plan status: Scheduled

3. IA:

1. Appoint Health and Safety person responsible for preventing repetitive-motion stress and/or injuries to relevant workers.
2. Identify which workers are in most need of additional equipment to ensure their health and prevent repetitive-motion stress and/or injuries.
3. Create a purchasing budget to begin buying the necessary equipment.
4. Implement training and provide training and equipment to relevant workers.

SI:

1. Create or amend Health and safety Policy and Procedure addressing safe use of preventative equipment and related training.
2. Provide Health and safety training to all employees who are at risk of repetitive-motion stress and/or injuries as part of their work.
3. Create a procedures for the storage, use and replacement of supporting and preventative equipment as needed.

Action plan status: In progress

## FINDING NO.13

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Health & Safety

##### Finding Explanation

- 1.It was noted that one drilling machine was not equipped with guards of belt pulleys. HSE.14
- 2.It was noted that one ladder in the injection molding section about 1.6 meters, however, no handrail was equipped for that. HSE.14
- 3.The factory does not properly implement a lockout-tagout program by locking out equipment when needed. HSE.14
- 4.The factory did not maintain a grounding measurement report for electrical system to ensure grounding protection is provided. HSE.13

##### Local Law or Code Requirement

Occupational Safety and Health Facility Regulation: Chapter 8, Section 4, Article 43 (Prevention of Mechanical Hazard) & 196, Clause 3 (Hazardous Machinery, Equipment and Facility) Occupational Safety and Health Act: Chapter 3, Article 32; FLA Workplace Code and Benchmarks (Health, Safety, and Environment Benchmarks HSE.13 and HSE.14)

##### Recommendations for Immediate Action

- 1.All production machinery, equipment and tools shall be properly guarded and regularly maintained, e.g. all drilling machines should be equipped with guards of belt pulleys, lathe chuck guard, metal saw guard, broken glass cover injection machines.
- 2.Install properly height handrail for ladders.
- 3.Provide a grounding measurement report for electrical system to ensure grounding protection is provided.

### COMPANY ACTION PLANS

1.

IA:

1. Appoint Health and Safety person responsible for posting guards, safety instructions and warning signs on the machines in factory.
2. Review which machines require such guards and safety instructions or warning signs.
3. Install guards, safety instructions or warning signs.

SI:

1. Create or amend Health and safety Policy and Procedure addressing the use of guards, safety instructions and warning signs
2. Provide Health and safety training to all employees on the safe use of machinery and ensuring that all machines have relevant

guards, safety instructions or warning signs.

3. Create a procedures for ensuring that all machines have the relevant guards, safety instructions or warning signs.

Action plan status: In progress

2. IA:

1. Appoint Health and Safety person responsible for regularly checking safety equipment.

2. Identify which equipment (such as this ladder) is in urgent need of replacement or repair to ensure health of workers.

3. Create a purchasing budget to fix or repair the ladder with handrails.

SI:

1. Create or amend Health and safety Policy and Procedure addressing use of ladders and other safety equipment.

2. Provide Health and safety training to all employees on the safe use ladders and other safety equipment.

3. Create a procedures for the monitoring of safe use of such equipment.

Action plan status: In progress

3. IA:

1. Create a list of equipment and machines that require the LOTO procedure, and implement LOTO in the factory.

SI:

1. Create or amend Health and Safety Policy and Procedure addressing a lockout-tagout system (LOTO) and create a list of equipment and machinery that require the LOTO procedure and of those workers to carry out the procedure.

2. Provide training or source external training for all employees who need to be upskilled in a lockout-tagout system (LOTO) and how to create a list of equipment and machinery that require the LOTO procedure.

3. Create procedures for the regular updating and renewal of all lockout-tagout systems and equipment and machinery that require the LOTO procedures.

Action plan status: In progress

4.

IA:

1. Review procedures on ensuring that electrical system is well maintained and grounded.

2. Identify what needs to be done to ensure that all electrical panels are properly maintained and grounded.

3. Identify who is responsible for doing so.

4. Implement action.

SI:

1. Create or amend Health and Safety Policy and Procedure addressing maintaining electrical wiring, electrical panels and grounding.

2. Provide Health and safety training to all employees on identifying any electrical wiring and electrical panels that need repair, cleaning or grounding.

3. Create procedures for the regular maintenance of all electrical systems, wiring and electrical panels.

Action plan status: In progress