Training Report

FAIR LABOR ASSOCIATION

Training Schedule

Training Name: Labour & Environmental Training Workshop in Kunshan

Date: April 26, 2010

Venue: CCCT Training Centre, Kunshan Huaqiao, China

Organisers:
The one-day training workshop was jointly organised by the Fair Labor Association and Greennovate, a specialised environmental consulting organisation based in Shanghai.

Objective:
The training aims to introduce China's factory management to the essentials of corporate social responsibility concepts, labour code of conduct, and sustainable environmental management. It helps to understand what is implied by CSR and going beyond compliance, and how factories can meet the labour and environmental policies of the most responsible foreign brands without raising costs.

Trainer:
Labour unit: Jesse Shi (FLA approved trainer)
Jesse Shi is the founder of Openview Service Limited, an FLA accredited monitoring and training company in China. He has performed over 1000 audits & sustainable assessments, and more than 100 training programmes for workers, factories and buyers during his over 10 years' work in corporate social responsibility solutions.
Environmental unit: Phil Berry
Phil Berry spent 8 years as Director of Sustainable Footwear Development at Nike and personally assessed over 500 factories on 5 continents. He is uniquely capable of advising factories in the most practical ways for improvement.

Trainee: A total of 16 participants representing 14 factories attended the training workshop. Most of the factories are suppliers of Adidas, Puma, Nike, NewWave, Asics, Uniqlo and other brands. The profiles of the participants included vice general managers, managers or key personnel from the factories' CSR, HR or Production departments. Several management staff of Chenfeng Group, a reporter from Workers Daily, the FLA Shanghai and Greennovate staff were also present at the training.

Agenda

Part 1 Labour Unit

08:30-09:00 Training Introduction, Objective & Ice Breaker

09:00-10:00 Corporate Social Responsibility

- What is Corporate Social Responsibility (CSR)?
- CSR Trends and Development
- Why Adopt CSR?

10:00-10:15 Coffee Break

10:15-11:30 Labour Code of Conduct - Risks and Benefits

• Forced Labour
• Child Labour
• Harassment or Abuse
• Non- Discrimination
• Health and Safety
• Freedom of Association and Collective Bargaining
• Hours of Work Wages
• Benefits and Overtime Compensation

11:30-12:00 Q&A

12:00-13:00 Lunch

Part 2 Environmental Unit

13:00-13:20 Environmental Impact of the Textile Industry

13:20- 13:45 Foreign Brand's Position on Environment including Future Expectations

• Self-Assessments
• Reporting Progress
• Monitoring of Emissions

13:45-14:00 Advantages of Going Beyond Compliance

14:00-14:15 Coffee Break

14:15-16:00 Reducing Environmental Impact and Cost in Factories

• Measure Amount and Cost of Waste at the Process
• Reduce Waste and Increase Raw Material Efficiency
• Measure Amount and Cost of Energy
• Reduce Energy and Greenhouse Gas Emissions
• Increase Recycling and Stop On-Site Waste Burning
• Reduce Water Use and Recycle Water

16:00-16:30 Q&A

End

Reaction & Feedback

In the morning session, participants were not only exposed to the conceptual framework, evolution background, driving forces and future trends of CSR, but also had active reflections on its implications from the factories' own perspective. Through group exercise and discussion, factory managers came to realise that CSR and labour compliance is not just something extraneous that the brands impose on them, but rather, there is an intrinsic need for the factories to manage the subject proactively that will bring meaningful benefits and risk reduction for themselves. When it comes to labour codes of conduct, participants showed particular interest in learning practical solutions and sharing cases, for example, what are the workable ways to detect teenagers who use their relative's ID cards to fake their age; how to deal with positive hepatitis B employees appropriately when direct test is no longer permitted in on-job medical check, etc.

In the afternoon session, Chris and Phil from Greennovate gave enlightening presentations on how going beyond environmental compliance could benefit the factory, and illustrated a number of examples on how

waste reuse, energy conservation and cost reduction could be possibly achieved on site. Participants were very interested to learn more cases and solutions on how they could measure and manage their environmental impact.

Overall, the workshop was well received by the audience. Most participants expressed their willingness to attend more trainings of this kind in future.

It is a first trial of the FLA and the Greennovate to put together labour and environmental sustainability training into a joint workshop, as it is believed that an integrated approach to the two fundamental dimensions of CSR will help the factories understand and treat the subject in a more holistic manner. Based on the success of the training, the FLA and Greennovate will organise more introductory labour + environmental trainings on a regular basis in future, complemented by other more advanced or issue-specific trainings that are tailored to factories' particular interests and concerns. Like this time, future trainings are also planned to be open to factories of non-FLA members and continue to be supported by the CCCT (China Chamber of Commerce for Import & Export of Textiles).