



**COMPANY: Russell Stover Candies**  
**COUNTRY: China**  
**ASSESSMENT DATE: 09/16/14**  
**MONITOR: SMT-Global**  
**PRODUCTS: Paper [for paper products of any type]**  
**PROCESSES: Screen Printing/Printing**  
**NUMBER OF WORKERS: 250**  
**NUMBER OF WORKERS INTERVIEWED:**  
**ASSESSMENT NUMBER: AA0000000504**

## **FLA Comments**

The Company is no longer using this factory as a collegiate supplier. The exit explanation will be placed in the report once it is provided by the Company.

## **What's Included in this Report**

- Understanding this Assessment Report
- Glossary
- Score by Employment Function
- Score By Management Function
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- Summary of Code Violations Table
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# 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.

## Glossary

**De minimis:** A de minimis factory is a factory (1) with which the Company contracts for production for six months or less in any 24-month period; or (2) in which the Company accounts for 10% or less of the annual production of such facility. The FLA Charter states that in no event shall de minimis facilities constitute more than 15% of the total of all facilities of a Company, and the list of facilities designated as de minimis by a Company is subject to the approval of the FLA. Please note that collegiate-producing factories cannot count as de minimis.

**Facility performance:** how a facility rates in terms of a particular employment or management function, with 100% being the best possible score.

**Fair labor standards:** the minimum requirement for how workers should be treated in a workplace, as outlined in the [FLA Workplace Code of Conduct](#).

**Employment life cycle:** all aspects of an employee's relationship with the employer, from date of hire to termination or end of employment.

**Code violation:** failure to meet standards outlined in the FLA Workplace Code of Conduct in the workplace implementation of employment or management functions.

**Employment Functions:** The different components of the relationship between management and employees in a factory. An employment function is a process regulating an aspect of the employment relationship, such as the recruitment of workers. All employment functions together constitute the employment relationship between an employer and an employee.

1. Recruitment, Hiring & Personnel Development (e.g., performance reviews)
2. Compensation (e.g., wages, health care)
3. Hours of Work (e.g., overtime, documentation of working hours)
4. Industrial Relations (e.g., collective bargaining agreements)
5. Grievance System (e.g., worker communication with management)
6. Workplace Conduct & Discipline (e.g., discrimination, harassment)
7. Termination & Worker Retrenchment (e.g., downsizing, resignation)
8. Health & Safety (e.g., exposure to chemicals)
9. Environmental Protection (e.g., energy saving)

**Management functions:** violations or risks related to an employment function could be caused by the absence – or a problem in the operation – of any one of the management functions or in more than one.

1. Policy
2. Procedure
3. Responsibility & Accountability
4. Review Process
5. Training
6. Implementation
7. Communication & Worker Involvement
8. Support & Resources (only for the in-depth level)

**Finding:** indicators of potential gaps between desired and actual performance of the workplace on different employment functions.

### Finding type

- **Immediate action required:** discoveries or findings at the workplace that need immediate action because they not only constitute an imminent danger, risk the workers' basic rights, threaten their safety and well-being or pose a clear hazard to

the environment, but also are clear non-compliances with the FLA Workplace Code of Conduct and local laws. Examples include a finding by the assessor that crucial fire safety elements are not in place or that there is underpayment of wages and/or worker entitlements or that there is direct discharge of waste water, etc.

- *Sustainable improvement required*: findings that require sustainable and systematic actions. The factory will be asked to tackle the underlying root causes and to do so in a long-term and systematic manner to bridge the gap between actual and desired performance. Examples include a finding by the assessor that there is lack of termination policies and procedures in the workplace, lack of grievance system, etc.
- *Notable feature*: indicates a remarkable feature or best practice at a workplace. Examples might include workers' wages and benefits that are significantly above the industry average, or community benefits such as free daycare.

**Local law or Code Requirement**: applicable regulations and standards in a workplace, which serve as the basis for an assessment, as per local law or FLA Workplace Code of Conduct. When these two do not concur, the stricter of the two standards applies.

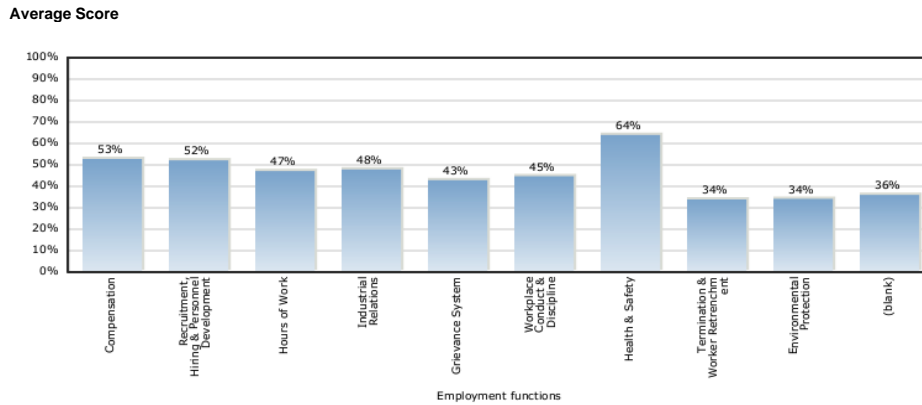
**Root causes**: a systemic failure within an employment function, resulting in a "finding." Findings are symptoms of underlying problems or "root causes." Consider, for example, the case of workers not wearing hearing protection equipment in a high noise area. The most expedient conclusion might be that the worker did not use the hearing protection equipment because such equipment was not provided by management. However, upon a more thorough evaluation of available information, the assessor might find that the worker was indeed supplied with hearing protection equipment and with written information about the importance of wearing hearing protection, but was not trained on how to use the equipment and that use of the equipment was not enforced in a consistent manner by management.

**Company action plan**: a detailed set of activities outlined by the sourcing company and/or direct employer to address FLA findings.

# Factory Profile

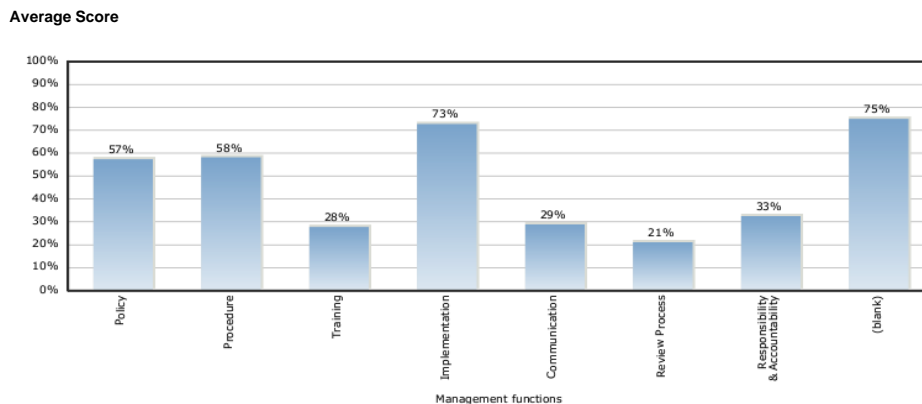
## Score by Employment Function

Scores indicate a factory's performance related to a specific employment function based on an FLA assessment. A score of 100 percent indicates flawless operation of an employment function. A score of less than 100 percent indicates need for improvement.



## Score by Management Function

Scores indicate a factory's performance related to a specific management function based on an assessment conducted for FLA by independent, accredited assessors. A score of 100 percent indicates flawless operation of a management function. A score of less than 100 percent indicates need for improvement.



## Score Summary

Scores indicate the strength of management functions as they relate to different elements of the employment relationship (employment functions). For example (reading left to right), a score of 100 percent in the cell on the top left corner would indicate the existence of appropriate policies related to recruitment, hiring and personnel development.

Management Functions	Recruitment, Hiring & Personnel Development	Compensation	Hours of Work	Industrial Relations	Grievance System	Workplace Conduct & Discipline	Termination & Worker Retrenchment	Health & Safety	Environmental Protection
Policy	33.4%	50%	50%	50%	50%	25%	6.25%	66.67%	75%
Procedure	61.54%	66.67%	50%	100%	80%	83.33%	8.33%	54.69%	0%
Responsibility & Accountability	40.43%	36.6%	40.43%	27.67%	36.6%	36.6%	36.6%	27.67%	27.67%
Review Process	50%	0%	50%	50%	0%	0%	0%	33.33%	0%
Training	45.45%	0%	0%	0%	0%	0%	0%	64.29%	0%
Implementation	62.51%	73.93%	66.65%	86.36%	90%	93.33%	90%	78.07%	66.67%
Communication	16.67%	62.5%	0%	0%	25%	25%	0%	62.5%	0%

## 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	Violations
Compensation	8	<ul style="list-style-type: none"> <li>Compensation Receipt</li> <li>Record Maintenance</li> <li>False Payroll Records</li> <li>Workers Awareness and Understanding of Compensation</li> <li>Minimum Wage</li> <li>Accurate Calculation, Recording, and Payment of Wages</li> <li>Accurate Length of Service Calculation</li> </ul>
Employment Relationship	18	<ul style="list-style-type: none"> <li>Calculation Basis for Overtime Payments</li> <li>General/Human Resource Management Systems</li> <li>Terms and Conditions/Contract, Contingent or Temporary Workers</li> <li>Terms and Conditions/New Employee Orientation</li> <li>Terms and Conditions/Communication</li> <li>Terms and Conditions/Supervisor Training</li> <li>Administration of Compensation/Termination Payouts</li> <li>General/Documentation and Inspection</li> <li>Administration of Fringe Benefits/Holidays, Leave, Legal Social Benefits and Bonuses</li> <li>Administration of Hours/Time Recording System</li> <li>Industrial Relations</li> <li>Work Rules and Discipline</li> <li>Skills Development/Training</li> <li>Skills Development/Management of Performance Reviews</li> <li>Recruitment and Hiring/Employment Decisions</li> <li>Skills Development/Promotion, Demotion and Job Reassignment</li> <li>Health, Safety, and Environmental Management System/Policies and Procedures</li> <li>Termination and Retrenchment/General Policies and Procedures</li> <li>Recruitment and Hiring/Proof of Age Documentation</li> </ul>
Freedom of Association and Collective Bargaining	3	<ul style="list-style-type: none"> <li>Employer Interference</li> <li>Employer Interference/Constitution, Elections, Administration, Activities and Programs</li> <li>Right to Freely Associate</li> </ul>
Hours of Work	2	<ul style="list-style-type: none"> <li>General Compliance Hours of Work</li> <li>Rest Day</li> </ul>
Health, Safety and Environment	8	<ul style="list-style-type: none"> <li>General Compliance Health, Safety, and Environment</li> <li>Material Safety Data Sheets/Workers Access and Awareness</li> <li>Machinery Safety, Maintenance and Workers Training</li> <li>Ergonomics</li> <li>Document Maintenance/Workers Accessibility and Awareness</li> <li>Permits and Certificates</li> <li>Evacuation Requirements and Procedure</li> <li>Chemical Management and Training</li> </ul>
Non-Discrimination	2	<ul style="list-style-type: none"> <li>General Compliance Nondiscrimination</li> <li>Recruitment and Employment Practices/Job Advertisements, Job Descriptions and Evaluation Policies</li> </ul>

# Findings and Action Plans

## FINDING NO.1

### POLICY AND PROCEDURE

#### FINDING TYPE: Sustainable Improvement Required

##### Finding Explanation

There are incomplete or missing policies and procedures for some Employment Functions:

1. There are no written policies and procedures regulating the recruitment and hiring of contract, contingent, and temporary workers. The factory uses temporary workers for loading; however, no guidelines are in place for this practice.
2. There are no written policies and procedures for ongoing training to broaden workers' skill sets in order to advance their careers.
3. While there are several informal documents that contain incomplete procedures for performance reviews, there are no written policies and procedures regarding performance reviews.
4. Several of the processes regarding promotions, demotions or job reassignments were defined in the disciplinary procedures guidelines; however, there are no related written policies and procedures.
5. While there are some informal documents that contain scattered and incomplete procedures regarding termination, there are no formal written policies and procedures governing all aspects and modes of Termination & Retrenchment.
6. The emergency evacuation plan does not include a procedure for notifying local community authorities in the case of accidents.

##### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.1, ER.7.2, ER.19.1, ER.28.1, ER.29.1, ER.30.1, and ER.32.1; Health, Safety and Environment Benchmark HSE.5.4)

## FINDING NO.2

### TRAINING

#### FINDING TYPE: Sustainable Improvement Required

##### Finding Explanation

Training activities are not adequately carried out for all Employment Functions, including orientation training, supervisor training, and ongoing training:

1. The factory provides orientation training to new workers at the time of hire that includes explanation of the factory's rules, job skills, personal protective facilities, fire safety, chemical safety, and first aid response. The orientation does not cover compensation packages, human resources (HR) policies, industrial relations, respect for the right of freedom of association, or health and safety (H&S).
2. Workers are not provided with written documentation substantiating all of the issues covered in the orientation briefings.
3. Managerial staff, including administrative and supervisory staff along with HR and production staff, are not trained in: a) national laws, b) regulations, c) FLA affiliate's Workplace Code or d) appropriate practices. While some information was informally communicated through internal meetings, the managerial staff was not clear on the details regarding these policies.
4. No ongoing training is provided to regular workers and managerial staff when there are updates to policies, procedures, and legal requirements. Additionally, ongoing training is not provided to all categories of workers with the goal of increasing their skill in order to advance their careers.

##### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.2, ER.15.1, ER.15.2, ER.15.3, ER.17.1, ER.17.3, ER.28.1, and ER.28.2; Compensation Benchmark C.17)

## FINDING NO.3

## RECRUITMENT, HIRING & PERSONNEL DEVELOPMENT

### FINDING TYPE: Immediate Action Required

#### Finding Explanation

1. According to management, the factory uses temporary workers once or twice a month for loading. In the manual reimbursement records kept by 1 production leader, wage advances and compensation records were found for 15 unidentified workers. No personnel files, proof of age documentation, employment information, or labor contracts were maintained for these workers.
2. The factory has not hired disabled workers, although at least 1.5% of the workforce should be comprised of disabled workers as per local law. Additionally, the factory has not contributed to the Employment Security Fund in lieu of employing disabled workers, as is allowed under the local law. This practice carries the risk of discrimination based on FLA Workplace Code and Benchmarks.

#### Local Law or Code Requirement

The Regulations of Banning Child Labor Recruitment, Article 4; The PRC Employment Contract Law, Article 10; Regulations on the Employment of Persons with Disabilities, Article 8; FLA Workplace Code (Employment Relationship Benchmarks ER.4.1, ER.11.3, ER.11.5, ER.11.6; Child Labor Benchmark CL.1; Nondiscrimination Benchmark ND.2.1)

#### Recommendations for Immediate Action

Set up personnel files with proof of age documentation and sign contracts with all workers, including temporary workers.

## FINDING NO.4

## COMMUNICATION & WORKER INVOLVEMENT

### FINDING TYPE: Sustainable Improvement Required

#### Finding Explanation

1. The factory has not communicated its policies and procedures for almost all of the Employment Functions to the general workforce and managerial staff. Although all new workers were informed about some factory rules and practices during orientation, this training was not effective and comprehensive. All interviewees only roughly understood some points, but had no idea about details such as: exact wage calculation, working hours control policy, escalating disciplinary measures, the tracking system for complaints, etc. Furthermore, no policies, procedures, or legal notices were posted on-site. There was no follow-up planned to communicate updates and legal changes.
2. 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, and revision of policies and procedures. Additionally, workers were neither systematically integrated, nor consulted in the decision-making processes.

#### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.2, ER.1.3, ER.16.1 ER.25.1, ER.25.2, ER.27.3, and ER.29.1.1)

#### Root Causes

## FINDING NO.5

## REVIEW PROCESS

### FINDING TYPE: Sustainable Improvement Required

#### Finding Explanation

The factory management does not periodically review its policies and procedures for all Employment Functions. Some policies and procedures were not updated according to legal requirements or the factory's actual practices:

1. The basic information in the factory social responsibility manual was not revised to include accurate information regarding

- the current address, main products, production processes, and management department.
2. Maternity leave is defined as 90 days in the compensation procedure, rather than the legal required 98 days. Additionally, the factory rules stipulate 98 paid days for maternity leave.
  3. The payment date has not been revised from the 25<sup>th</sup> to the 30<sup>th</sup> of each month as per current practice.

#### **Local Law or Code Requirement**

FLA Workplace Code (Employment Relationship Benchmarks ER.1.3, ER.30.2, and ER.31.2)

## **FINDING NO.6**

### **COMPENSATION**

#### **FINDING TYPE: Immediate Action Required**

##### **Finding Explanation**

1. Workers are not provided with any of 5 types of legally mandated social insurance; nor does the factory contribute to Housing Provident Fund
2. The provided payroll records were not complete and accurate:
  - a) The factory does not keep payroll records for all temporary loading workers, and manual reimbursement records kept by one production leader revealed 15 unidentified workers.
  - b) Wage advances were found in manual reimbursement records; however, no such deductions were listed in payroll records.
  - c) Discrepancies were identified between payroll records and manual pay records kept by one production leader. The payroll record showed the net wage of Worker A in July 2014 was CNY 2282, while the manual pay record showed the net wage was CNY 2772.
  - d) Accuracy of payment cannot be verified based on the existing time keeping system, as there is no reliable and effective time keeping system to record working hours for all workers.

#### **Local Law or Code Requirement**

The PRC Labor Law, Articles 44, 48, 72, and 73; Housing Fund Management Regulation, Articles 15 and 17; The Provisional Regulations for the Payment of Wages, Article 6; FLA Workplace Code (Employment Relationship Benchmarks ER.11.2.1 and ER.22.1; Compensation Benchmarks, C.2, C.5, C.6, C.7, C.14, C.15, and C.16.1.1)

#### **Recommendations for Immediate Action**

1. Maintain complete and accurate payroll records for all workers, including temporary workers.

## **FINDING NO.7**

### **HOURS OF WORK**

#### **FINDING TYPE: Immediate Action Required**

##### **Finding Explanation**

There is no reliable and effective time keeping system to record working hours. The following problems were observed during the assessment:

1. The factory did not record working hours for all temporary loading workers; 15 unidentified workers were noted in manual reimbursement records kept by one production leader.
2. Training records show that all workers participated in training courses on Health, Safety, and Environment (HSE) on June 15, 2014. Corresponding attendance records, however, showed that no workers worked or swiped an electronic identification card that day. The interviewees confirmed that the workers had received this training, but they were unclear on the specific training day. Management stated that the date of the training might be a typo.
3. A materials receipt showed that the factory manager signed in for material received on August 24, 2014; however, the corresponding attendance record showed he did not work that day. The factory management could not provide an explanation for the inconsistency.
4. In order to test the data entry process of the time keeping system, the assessor swiped one worker's electronic card around 14:10 on September 16, 2014. After importing working hours data, this time was not reflected in this worker's attendance record.



### **Local Law or Code Requirement**

The Provisional Regulations for the Payment of Wages, Article 6; The PRC Labor Law, Articles 38 and 41; FLA Workplace Code (Employment Relationship Benchmarks ER.2.1.1, ER.11.1, ER.23.2, ER.23.3, and ER.23.5; Hours of Work Benchmarks HOW.1.1, HOW.1.2, and HOW.2)

### **Recommendations for Immediate Action**

1. Adopt a reliable and effective time keeping system to record all working hours.

## **FINDING NO.8**

### **INDUSTRIAL RELATIONS**

#### **FINDING TYPE: Sustainable Improvement Required**

#### **Finding Explanation**

1. The factory has a worker representative body, which consists of 2 worker representatives; however, the interviewed workers were not aware of the worker representatives or an election. Additionally, there are neither records on file that indicate that any election has been held nor any written operational procedures that pertain to such elections. Based on interview with worker representatives, they were nominated by factory management.
2. FLA Comment: The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole official trade union – the All China Federation of Trade Unions (ACFTU). According to the 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.

### **Local Law or Code Requirement**

FLA Workplace Code (Freedom of Association and Collective Bargaining Benchmarks FOA.2, FOA.10, and FOA.11)

## **FINDING NO.9**

### **ENVIRONMENTAL PROTECTION**

#### **FINDING TYPE: Immediate Action Required**

#### **Finding Explanation**

1. Although the factory has signed a hazardous waste collection agreement with a qualified handler, no official disposal record was maintained on-site; as a result, it was impossible to verify if a qualified handler had disposed of the hazardous waste.
2. The factory has not filled out the legally required Environmental Impact Registration Form.

### **Local Law or Code Requirement**

The PRC Law of Prevention and Treatment of Environmental Pollution by Solid Wastes, Article 51; The PRC Environmental Impact Assessment Law, Article 16; FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.1 and HSE.4)

### **Recommendations for Immediate Action**

1. Ensure that hazardous waste is disposed of properly, in line with legal requirements, and maintain disposal records on-site.

## **FINDING NO.10**

## WORKPLACE CONDUCT & DISCIPLINE

**FINDING TYPE:** Sustainable Improvement Required

### Finding Explanation

1. The disciplinary system does not include a third-party witness during the imposition or appeal process.

### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.27.4)

## FINDING NO.11

### HEALTH AND SAFETY

**FINDING TYPE:** Immediate Action Required

### Finding Explanation

Gluing chemicals do not have safety labels or complete material safety data sheets (MSDS):

1. None of the glue containers being used in the lamination workshop on the 2<sup>nd</sup> production floor have safety labels.
2. The MSDS for the glue was incomplete. It was missing information summarizing hazards (composition/information on ingredients, fire-fighting measures, exposure controls/personal protection, physical and chemical properties, stability and reactivity, toxicological information, ecological information, etc.).

### Local Law or Code Requirement

Safety data sheet for chemical products – Content and order of sections GB16483-2008, 4.1; Regulation For Chemical Usage Safety in Work Place, Article 14; FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.2, HSE.9.1, and HSE.10.1)

### Recommendations for Immediate Action

1. Post safety labels on all chemical containers.
2. Obtain complete MSDS from the suppliers and post them in chemical usage and storage areas.

## FINDING NO.12

### HEALTH AND SAFETY

**FINDING TYPE:** Sustainable Improvement Required

### Finding Explanation

1. Safety instructions are neither available to workers nor posted near all machinery.
2. The chairs provided for seated workers are not adjustable and do not have backrests.
3. Training on lifting techniques is not provided to workers. Furthermore, lifting belts are not provided to loading workers.

### Local Law or Code Requirement

FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.14.3, HSE.17.1, and HSE.17.2)

## FINDING NO.13

### HEALTH AND SAFETY

**FINDING TYPE:** Immediate Action Required

### **Finding Explanation**

1. The factory does not test occupational hazard factors and provide occupational health checks to affected workers:
  - a) Hazardous factors (i.e., high decibel noise and toxic gas) may be generated from the die-cutting, air pressing, and lamination processes. The factory has not conducted testing for noise in the die-cutting and air pressing workshops, or for indoor air quality in the lamination workshop.
  - b) The factory does not provide occupational health checks to all workers who are exposed to noise and hazardous chemicals.
2. Earplugs are not provided to all workers who are exposed to high decibel noise in the die-cutting process on the 1<sup>st</sup> production floor and air pressing process on the 2<sup>nd</sup> production floor.

### **Local Law or Code Requirement**

The PRC Law of Prevention and Control of Occupational Diseases, Article 36; Interim Provisions on the Supervision and Administration of Workplace Occupational Health, Article 22; The Safety Manufacturing Law, Article 37; FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.1 and HSE.7)

### **Recommendations for Immediate Action**

1. Conduct testing for noise in the die-cutting and air pressing workshops, and for indoor air quality in the lamination workshop.
2. Provide occupational health checks to all workers who are exposed to noise and contact with hazardous chemicals.
3. Provide personal protective equipment (earplugs) to all workers involved in the die-cutting and air pressing processes who are exposed to noise.

## **FINDING NO.14**

### **HEALTH AND SAFETY**

#### **FINDING TYPE: Immediate Action Required**

### **Finding Explanation**

1. There is only one emergency exit on the 2<sup>nd</sup> production floor, an area of about 1800 square meters with 25 workers.
2. The factory installed isolated fire alarms rather than a centralized fire alarm in the shared production building.

### **Local Law or Code Requirement**

The Fire Safety of Building Design Regulation (GB50016-2006), Article 3.7.2; Fire Control Law of the People's Republic of China, Article 16; FLA Workplace Code (Health, Safety and Environment Benchmarks HSE.1 and HSE.5.1)

### **Recommendations for Immediate Action**

1. Open additional emergency exits to ensure that at least two emergency exits are available on the 2<sup>nd</sup> floor in the production building.
2. Install a centralized fire alarm system instead of isolated alarms in the shared production building.