

FLA Audit Profile		Company Comment: Nordstrom now has regretfully ceased efforts due to termination of business relationships between factory and Nordstrom. Due to termination of business relationship, the company's leverage for implementing remediation has diminished completely.
Country	China	
Factory name	080015441E	
IEM	ALGI	
Date(s) in facility	December 28 - 29, 2007	
PC(s)	Nordstrom, Inc.	
Number of workers	397	
Product(s)	Apparel	
Production processes	Cutting, Sewing, Ironing, Inspection, Packing	

FLA Code/Compliance Issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings						Remediation				[Status]	Updates (Cite Date of Follow Up)		
			Noncompliance	Risk of Noncompliance	Evidence of Noncompliance (un corroborated)	If Not Corroborated, Explain Why	Sources/ Documentation Used for Corroborating	Notable Features	PC Remediation Plan	Target Completion Date	Company Follow Up (Cite Date of Follow Up)	Documentation	Completed, Pending, Ongoing	Company Follow Up	Documentation	
1. Code Awareness																
Code Posting/Information		FLA Principle of Monitoring, Obligation of Companies: Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.	The Company has not provided their Code of Conduct to the factory.					Factory walkthrough and management interview		Company will provide factory with their Code of Conduct poster and ensure all are trained on required workplace standards.	2/27/2007			Completed	February 27, 2007: Verified via photos that Code of Conduct is posted in factory.	
Confidential Noncompliance Reporting Channel		FLA Principle of Monitoring, Obligation of Companies: Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.	No confidential reporting channel has been provided by the Company to employees.					Factory walkthrough and management interview		Company's priority is to work with factory to develop and/or strengthen existing avenues for communicating workers' concerns.	Ongoing			Ongoing	Nordstrom continually monitors long-term progress of our contracted suppliers and will work individually with suppliers to move in direction of sustainable solutions. We are researching and analyzing option of providing secure communication channel encompassing the following: right to caller's confidentiality (workers will not be identified by name or specifics to factory management); expressing information provided by worker will be kept confidential, if experience any retaliation from factory management they should contact Nordstrom; issue of concern; and if worker has suggestions in addressing issue. December, 2009 ; Nordstrom now has regretfully ceased efforts due to termination of business relationships between factory and Nordstrom. Due to termination of business relationship, the company's leverage for implementing remediation has diminished completely. For further comment, please contact Nordstrom directly.	
2. Forced Labor																
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.																
3. Child Labor																
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.																
4. Harassment or Abuse																
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.																
5. Nondiscrimination																
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.																
7. Freedom of Association and Collective Bargaining																

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					Evidence of Noncompliance (uncorroborated)	If Not Corroborated, Explain Why	Sources/ Documentation Used for Corroborating	PC Remediation Plan		Target Completion Date	Company Follow Up (Cite Date of Follow Up)	Documentation		Completed, Pending, Ongoing	Company Follow Up
Employers will recognize and respect the right of employees to freedom of association and collective bargaining.															
Freedom of Association: FLA Comment		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 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 does stipulate 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.													
A. Wages and Benefits.															
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.															
B. Hours of Work															
Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period.															
10. Overtime Compensation															
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.															
Miscellaneous															
Illegal Subcontracting				There is no clause of commitment to FLA Code of Conduct in any of the subcontracting contracts. Contracts do not mention: 1 rest day, maximum hours of work, minimum wage and OT payments, minimum age or health and safety requirements.			Management interview and documentation review		Company will research having factory include requirement in subcontractor contracts of 1 rest day, maximum hours of work, minimum wage, OT payments, minimum age and health and safety requirements.				Completed	January 31, 2017. PC has advised factory to ensure subcontractor contracts have appropriate clauses.	