1) Formulate policy and guidelines on harassment.

2. Forced Labor

There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or child labor.

3. Child Labor

There will not be any use of child labor.

4. Harassment or Abuse

Employers will not use monetary fines and penalties for poor performance. If workers are absent for 1 day, factory deducts wages equivalent to 3 days of pay. If workers make mistakes, management is very rude to workers when briefing new workers.

5. Psychological or Verbal Harassment

Workers report that supervisors in appropriate disciplinary practices.

6. Internal Harassment

If workers make complaints, management and supervisors to explain this case.

7. External Harassment

Workers can call top management and supervisory staff to explain this case.

8. Case Review

If a case is not resolved by management, the worker can file a complaint to HR management.

9. Training and Supervision

Workers are aware of the policies and guidelines in place, as evidenced by documentation on file and procedure.

10. Grievance Handling

Workers have access to grievance procedures.

11. Documentation

Workers are provided with copies of policies and procedures.

12. Follow-Up

Company follow-up on discipline and harassment have been developed and comply with PC and FLA Codes of Conduct (COCs).
1) Brief workers on the importance and proper use of fire extinguishers.

2) Attach a tag to every unit to record regular inspection and maintenance of fire extinguishers.

3) Brief all supervisors on the scheme and employees and post copy in all working areas.

4) Factory has made a plan to set up a fire evacuation plan and safety training for new workers, which is practiced twice per year.

5. Nondiscrimination

IEM Findings

Evidence of Risk of Noncompliance

Explain Why

If Not

Complete

Pending;

Complete

Pending;

Complete

Pending;

Complete

Pending;

Complete

Pending;

Complete

Pending;

Complete

Pending;

Complete

Pending;
Accurate and reliable payroll reporting, including pay and benefits. Documentation on the right:

1) Based on social insurance receipt and pay calculation. There are no deductions for workers living or eating in or outside. 100% workers are covered by work-related accident and medical health insurance.

2) Factory social insurance funds shall be determined according to the sources of social insurance. Employers will provide all legally mandated benefits to all eligible workers.

3) Other expenses as ruled in a judgment/trial, such as housing or meals. The Collective Contracts Decree introduced the obligation for representative trade unions and workers to sign written agreements consenting to increase the percentage to 50% by mid-2010.

4) According to law, 100% workers are covered by work-related accident and medical health insurance. The government has introduced new regulations that could improve the functioning of the labor relations mechanisms. 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-Union Act. The Amended Trade Union Act of 2003, the Collective Contracts Decree introduced the obligation for representative trade unions and workers to sign written agreements consenting to increase the percentage to 50% by mid-2010.

5) Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as per administrative agreements.

8. Wages and Benefits

7. Freedom of Association and Collective Bargaining

FLA Code/Compliance
### FLA Benchmark

1. **Capacity should be based on regular work**
   - According to Article 41 PRC

2. **Documentation**
   - Update
   - Noncompliance
   - Documentation

### Miscellaneous

- **Hours Worked**
- **Accurate Recording of OT**
- **at a rate at least equal to their regular hourly compensation rate.**
- **premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist,**
- **In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such**

#### 10. Overtime Compensation

- **Overtime Limitations**
  - 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**
  - country plus 12 hours overtime; and (ii) **be entitled to at least one day off in every seven day period.**

- **Calculation of hours worked must include all time**
  - Employees will be paid for all hours worked in a work
  - **that the employer allows or requires the worker to work.**

- **night shift workers were wrong**
  - because workers come back to
  - workstation right after lunch, but
  - work until 11pm or 12pm, 3 to 4
  - there are over 10 nights per
  - month when workers need to
  - overtime is not to exceed 36
  - exeed 3 hours per day.

- **Public notice in**
  - Factory has posted notice to instruct how
  - payroll staff, about the
  - payroll records. 3) After crosschecking the
  - working hours records and transfer into
  - persons have been briefed on how to collect
  - 1) Factory has posted notice to instruct how

- **having a right to report the violation to senior**
  - have a right to report the violation to senior

- **Resource management system and by**
  - capacity building of their internal Human
  - reducing working hours through internal

- **voluntary. 2) Factory**
  - All overtime in the factory is
  - through workers and management interview:

#### FLA Code/Compliance

- **Government - May 1, 1997,**
  - Work Time by the State

- **Country Law/Legal**
  - Exception that health of

- **Supervisors on the daily and weekly hours**
  - train and coach department managers and line

- **tracks systems to deal with overtime problems**

- **corporate policies and procedures; 3)**
  - Factory has called a meeting
  - cross training and shift work. 3) Track

- **Working hours**
  - June 2007; 2) 
  - 1) Workers' time

- **Overtime work is voluntary. 2) Factory**
  - through workers and management interview:

- **Sources/**
  - 1) Factory has made very strict policy on 60
  - has been working a maximum of working 60
  - worker and management interview

- **Responded to a Factory Follow Up**
  - production or business

- **IEM Findings**
  - of those workers.

- **Post copy at all working areas.**
  - according to how working hours will be computed.

- **certify the actual working hours**
  - are different, it is impossible to

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