

Corrective action plan - Annex to Audit Report		China - KTC - Factory Audit UID - 2-3 Jul 2015					
Audit initiated by:		FWF/Mammut/Haglofs/ODLO/Swiss Post/Mountain Force					
<p>In the table below the issues that need improvement are summarized. For each improvement issue a requirements or recommendation is mentioned. Requirements include concrete articles in laws, decrees or any other legal texts and contain useful details (for example legal limits to overtime hours, the legally required content of a first aid box, etc.) Recommendations are written in italics. Indicated is whether management agreed with the findings of the audit team and what timeframe could be agreed on the corrective action.</p> <p>下面的表格中列举了需要改善的各个方面问题,分为标准要求和建议两部分,此栏内将包括相关的法律法规和相应的细节(比如说关于加班时间的法律法规及急救药品的配备等). 建议部分用斜体字标识出来了。另外此列表中也显示了工厂管理层是否同意关于审核人员的审核发现及做出改善的时间框架。</p>							
Labour standard / management system requirement	Standard Finding/ Common finding	Detailed finding 3rd audit (Mar/2013)	Detailed finding follow up audit (Jul/2015)	Management response to findings	Requirements / Recommendations	Time-frame	Factory Comment
Sourcing practices of FWF affiliates 1 FWF成员公司的采购行为 1	According to the supplier the prices of the affiliate do not support the payment of living wages. 根据供应商的反馈,品牌公司给到的订单价格不足以支持支付工人的生活工资水平	The company complied with Chinese labour legislation on payment of wages for a regular working week. However, wages for a regular working week of most workers were below living wages estimated by local stakeholders consulted by FWF. 工厂支付所有工人的工资满足当地最低工资标准,但是其支付的工资支付低于基本生活工资水平。	IN PROGRESS: The company complied with Chinese labour legislation on payment of wages for a regular working week. However, wages for a regular working week of most workers were below living wages estimated by local stakeholders consulted by FWF. 工厂支付所有工人的工资满足当地最低工资标准,但是其支付的工资支付低于基本生活工资水平。	N/A 不适用	Requirement: Buyers to discuss how wage levels can be increased with the factory. <i>Recommendation: FWF expects the FWF affiliates to take measures to facilitate that KTC works towards payment of a decent living wage for a regular working week. On request, FWF could provide support for the process of establishing a framework for improved wages.</i> 标准: 买家应当协商如何让工人的工资水平得到提高。 建议: <i>FWF 希望the FWF affiliates 可以采取一些措施协助KTC能逐步满足工人在标准工作周内正常工作时间内能得到较好的生活工资标准。如需要, FWF 也能够提供一些帮助关于如何构建一个提高工人工资水平的框架。</i>	N/A 不适用	At time of the audit, our factory's average wage for a normal working week reaches about 95% of the Asia Floor Wage (3,132 RMB at time of the audit). With costs of living constantly developing, we strive to achieve an average wage that fulfills living wage conditions in this ongoing process. KTC believes in transparency and open exchange to effectively tackle severe and common problems and publishes a wage distribution graph of it's factories' workers online at www.ktquality.com .
Monitoring system of [FWF affiliate(s)] 1 FWF品牌公司对供应商的监控体系 1	The FWF affiliate has not shared previous audit reports with the factory. FWF品牌公司没有将审核报告分享给工厂	No areas for improvement found 没有需要整改的地方	NEW FINDING: Since 2013, no follow up on CAP from the FWF member companies has been carried out. 从2013年开始, FWF品牌公司没有跟进整改计划。	N/A 不适用	Requirement: The FWF affiliates shall follow up the corrective action plans with its suppliers after a social audit. 标准: FWF品牌公司在审核后应跟进整个计划。	N/A 不适用	In the past we feel there was a lack in regard of communication and cooperation for follow-up work of audits and findings. We hope and are confident that, together with the Fair Wear Foundation and our customers, we will achieve a more pro-active approach in this regard.
Management system of factory to improve working conditions 工厂用于提高劳动 标准的管理体系	No areas for improvement 没有需要整改的地方	No areas for improvement found 没有需要整改的地方	No areas for improvement found 没有需要整改的地方	N/A 不适用	No actions required by factory 无需整改	N/A 不适用	N/A
Communication and consultation 1 沟通和协商 1	Despite verifiable efforts of the employer, less than 50% of interviewed workers were aware of the FWF complaints mechanism, the CoLP and relevant legislation. 尽管雇主有尽努力提高工人意识,但是少于50%的工人对FWF的申诉机制以及行为准则相关的信息不了解。	Workers confirmed they were trained on the FWF Code of Labour Practices at the time of hire; however, most workers represented they did not develop themselves a good understanding of the FWF Code of Labour Practices or social compliance. 工人表示在入职的时候接受过FWF行为准则的培训。但是大部分的工人在培训之后没有对FWF行为准则有一个很好的理解。	NO CHANGE: Workers are aware of FWF and the complaints mechanisms, but not aware of the FWF Code of Labour Practices. 工人不知道FWF行为准则的内容。	Management state they provided brief trainings on the FWF Code of Labour Practices at the time of hire. But no special trainings on the code elements provided to workers. 管理层表示他们在入职的时候给工人讲过行为准则的内容,但是没有专门针对FWF行为准则的内容做过专题培训。	Requirement: Workers should be informed and consulted about PRC Labour Law, FWF Code of Labour Practices and Code of Conduct of other clients. Information about the PRC Labour Law, FWF Code of Labour Practices and Code of Conduct of other clients should be posted in a place that is easily accessible for workers. 标准: 工厂应告知工人相关法律标准, FWF行为准则内容以及其他的客户的行为准则内容,同时, 这些信息应该张贴出来给工人查阅。 <i>Recommendation: FWF's free Workplace Education Programme to promote social dialogue for possible labour disputes and deepen the understanding of FWF CoLP & local laws is recommended to be carried out at the factory.</i> 建议: <i>FWF 的工厂培训计划能够推进双边对话, 解决劳资纠纷以及加深工人对FWF行为准则和当地劳动法的了解</i>	3 months 3个月	See 'Management response to findings'.

Communication and consultation 2 沟通和协商 2	Other, please specify _ workers voices 其他, 请列明_工人的声音	Workers complained that there was no soup provided at the factory canteen. Workers suggested factory to arrange 10 or 20 minutes variation for them to take turns for lunch & dinner, as it is too crowded if the entire workforce had meals simultaneously. And if they were late for lunch or dinner, they probably had nothing to eat. Some sewing workers complained about the low piece price. Some workers complained that they were deducted several hundreds of RMB from their wage, while they did not know the reason for the deduction. After the audit, FWF local complaint handler received a complaint phone call from a worker of KTC. The plaintiff said she was a local worker, and she didn't have dinner at the factory if she had no OT at night. Yet, factory deducted meal cost from her wage as well. She mentioned it was the first time in 5 years with KTC that she didn't reach the production quota and it was not because of her low productivity, but because her department lacks of production order. She thought the policy of meal cost deduction for her was unfair.	IN PROGRESS: Workers are able to have lunch at 12:30 now; yet, if they all like a specific food taste, that food distribution window will be very crowded and will run out of food if they are late for meals. Workers state the food material is good at the factory canteen, but they complained the food taste is not good. 现在工人在12:30就能吃饭了。但是如果他们都喜欢同一种口味, 那个分菜的窗口就会很挤, 晚到了会没有菜。工人说食材不错, 但是味道不好。 2 sewing workers and 1 bonding worker complained that the work allocation is unfair, for instance, after they get used to the craftsmanship, they are arranged to do other styles and this has also negative influence to their productivity. They think their group leaders allocates the work with better prices to the workers who have better working relationship with them. 2个车位的员工以及一个压胶工抱怨派活不均, 例如, 当他们上手了一种工艺, 他们会被安排做其他的活。他们认为他们的组长将价格好容易做的活派给跟他们关系好的员工。 One ironing worker complained his income is low in low season when they only work up to 19:00; in this case he only make 2000 or more RMB per month. 一个整烫员工抱怨工资低, 他说如果只加班到19:00, 一个月只能拿到2000多块。	Workers order their food in advance; there are 3 types of different foods available per meal for their choice, and they need to make decision what to eat beforehand, so that the kitchen can prepare. But when it turns to choose the food at the distribution windows, some workers might change their mind and choose the kind of foods 'looks' better. As a result, it could happen that if they all change their mind on-site, one specific food runs out very quickly. For other issues, KTC will look into them; and it cannot rule out the possibility that some group leaders take advantage of their positions to unfairly allocate the work. But it is hard to identify these cases. Once such a case is verified, the group leader will be dismissed, as informed by KTC.	Requirement: Factory shall take workers voices seriously and a solution to worker's complaint shall be provided. 标准: 工厂应该重视工人的诉求, 并就工人提出的申诉提供一个解决方案。	2 months 2个月	See 'Management response to findings'.
Communication and consultation 沟通和协商	Other, please specify _ workers voices 其他, 请列明_工人的声音	Some interviewees stated if their piece wage was less than the minimum hourly wage, they were not able to enjoy the meal subsidy from factory and base on their attendance, 18 RMB/day of meal cost will be deducted from workers' wage.	IMPROVED: No worker reports that they pay for the meals themselves due to low productivity. 没有工人表示需要支付餐费。	N/A 不适用	No actions required by factory 无需整改	N/A 不适用	N/A
Employment is freely chosen 自由择业	No areas for improvement 没有需要整改的地方	No areas for improvement found 没有需要整改的地方	No areas for improvement found 没有需要整改的地方	N/A 不适用	No actions required by factory 无需整改	N/A 不适用	N/A
No discrimination in employment 禁止歧视	No areas for improvement 没有需要整改的地方	No areas for improvement found 没有需要整改的地方	No areas for improvement found 没有需要整改的地方	N/A 不适用	No actions required by factory 无需整改	N/A 不适用	N/A
No exploitation of child labour 禁止使用童工	No areas for improvement 没有需要整改的地方	No areas for improvement found 没有需要整改的地方	No areas for improvement found 没有需要整改的地方	N/A 不适用	No actions required by factory 无需整改	N/A 不适用	N/A
Freedom of association and the right to collective bargaining 1 自由结社和集体谈判的权利 1	There is no independent union or workers committee which is run by workers without management involvement 工厂没有一个由工人自己运作, 管理层不参与的独立组织或者工会	Chairman and committees of the trade union were appointed by local government instead of democratic elections. Workers showed little interest in trade union and they were not aware of the right of freedom of association. 工会主席以及工会委员会是由管理层提名产生的, 并不是通过民主选举产生。	NOT IMPROVED: The chairman and committee of the trade union were appointed by the local government instead of democratic elections. In addition, workers are not aware of the right of freedom of association, neither are they interested in the trade union. 工会主席以及委员会是政府指定的。工人不了解自由结社的权利, 他们对工会也不感兴趣。	Agree 同意	Requirement: It is supposed to have a trade union with democratic elected workers representatives, a more in-depth requirement is to make the functions of the trade union to promote social dialogues and help workers with labour disputes etc. And workers involvements into the union activities as well as the awareness towards the right of freedom of association shall be strengthened. 标准: 进一步的要求是让工会的功能更加活跃的代表全体工人推进劳资双方的对话以及帮助员工解决劳动纠纷。同时, 应加强工人参与工会活动以及提高对自由结社的认识。	1 year 1年	See 'Management response to findings'.
Payment of a living wage 1 生活工资标准 1	Wages paid are below estimates of living wage by local stakeholders 工人的工资水平低于生活工资标准	The company complied with Chinese labour legislation on payment of wages for a regular working week. However, wages for a regular working week of most workers were below living wages estimated by local stakeholders consulted by FWF. 工厂支付所有工人的工资满足当地最低工资标准, 但是其支付的工资支付低于基本生活工资水平。	NO CHANGE: The company complied with Chinese labour legislation on payment of wages for a regular working week. However, wages for a regular working week of most workers were below living wages estimated by local stakeholders consulted by FWF. 工厂支付所有工人的工资满足当地最低工资标准, 但是其支付的工资支付低于基本生活工资水平。	Management state they will like to work towards the living wage step by step and they prefer to an achieving points system for the living wage, for instance, the current wage level is 60% or 70% compliance of the living wage etc. In addition, KTC dose not think the living wage benchmark is correct. 管理层表示会逐步提高生活工资标准, 他们倾向于一个生活工资标准的分数体系。例如60%符合, 70%符合等等。	Requirement: Buyers to discuss how wage levels can be increased with the factory. <i>Recommendation: FWF expects the FWF affiliates to take measures to facilitate that KTC works towards payment of a decent living wage for a regular working week. On request, FWF could provide support for the process of establishing a framework for improved wages.</i> 标准: 买家应当协商如何让工人的工资水平得到提高。 <i>建议: FWF 希望the FWF affiliates 可以采取一些措施协助KTC能逐步满足工人在标准工作周内正常工作时间内能得到较好的生活工资标准。如需要, FWF 也能够提供一些帮助关于如何构建一个提高工人工资水平的框架。</i>	1 year 1年	At time of the audit, our factory's average wage for a normal working week reaches about 95% of the Asia Floor Wage (3,132 RMB at time of the audit). With costs of living constantly developing, we strive to achieve an average wage that fulfills living wage conditions in this ongoing process. KTC believes in transparency and open exchange to effectively tackle severe and common problems and publishes a wage distribution graph of it's factories' workers online at www.ktcquality.com. KTC believes the respective living wage benchmarks used in the reports should be stated in numbers, including a numeric comparison regarding the achievement of the living wage benchmark.

Reasonable hours of work 1 合理的工作时间 1	Excessive overtime was found: <i>please specify: the regular overtime hours are more than 3 hours/day</i> <i>超时加班: 请列明_每天加班超过3小时。</i>	Some workers worked 3.5 regular overtime hours per day for 10 or more days and a few worked 4.5 hours in peak season, which exceeded the limit of 3 hours. Monthly overtime hours exceeded 36 hours, and around 100 hours in peak season. 部分工人在生产旺季的时间每天加班小时在3.5小时, 小部分工人有每天加班4.5小时的情况, 多于法律规定的3小时。旺季每月的加班时间在100小时左右, 超过36小时。	NO CHANGE: As per analysis of the attendance record of Jul and Aug 2014, more than 50% of the workforce worked more than 3 overtime hours a day (i.e. 3.5 hours) for 15 or more days. For most months in a year, workers work no more than 3 overtime hours a day. 根据2014年7月和8月的考勤记录, 超过50%的工人每月有15天, 每天加班超过3小时(如3.5小时)一年大部分月份, 工人每天加班不超过3小时。	Agree 同意	Requirement: Factory should maintain its weekly working hours to be less than 60 hours as required by the FWF Code of Labour Practices. 标准: 根据FWF的要求, 工人一周工作时间不得超过60小时。	1 year 1年	See 'Management response to findings'.
Reasonable hours of work 2 合理的工作时间 2	Excessive overtime was found: <i>please specify: the weekly working hours are more than 60 hours.</i> <i>超时加班: 请列明_每周总工作时间超过60小时。</i>	Workers worked around 60 hours a week in the year round; yet in peak season, workers worked around 66 hours a week up to 73 hours. 全年平均来讲, 工人的每周工作时间为60小时。但是在生产旺季的时候, 工人大概每周工作66小时, 最高到73小时。	IN PROGRESS: As per analysis of the attendance records of Jul and Aug 2014, 600 or more workers work around 65 up to 75 hours. In other months of the year, most workers work around 60 hours and a small portion of the workforce work 63 hours. 在2014年7月和8月, 600多名员工每周工作65到75小时, 超过60小时。 在一年中的其他月份, 大部分工人每周工作60小时, 一小部分工人工作63小时。	Agree 同意	h	1 year 1年	See 'Management response to findings'.
Reasonable hours of work 3 合理的工作时间 3	Excessive overtime was found: <i>please specify: the consecutive working days are more than 7</i> <i>超时加班: 请列明_连续工作天数超过7天。</i>	N/A 不适用	NEW FINDING: As per analysis of the attendance record of Aug 2014, 600 or more workers worked consecutively for 20 days. Most workers are entitled to 1 day off in a 7-day period in other months of the year. 2014年8月份, 有600多名员工连续工作超过20天。	Management state they will check the previous record to verify this point; it is supposed that they have 1 day off every week. 管理层表示会核实这个情况, 工厂应该每周都能有一天的休息时间。	Requirement: Workers shall be entitled to 1 day off in a 7-day period. 标准: 工人每连续工作6天, 第七天应该休息。	1 year 1年	Agree.
Safe and healthy working conditions 1 安全与健康的工作条件 1	Minor issues regarding ventilation safety are found 关于通风安全方面的违规	The ventilation fan of the taping machines were not equipped with active-carbon filter to absorb the toxic gas. 过胶机的排气扇没有安装活性炭过滤器来吸收所排出的有害气体。	NO CHANGE: The ventilation fan of the taping machines were not equipped with active-carbon filter to absorb the toxic gas. 过胶机的排气扇没有安装活性炭过滤器来吸收所排出的有害气体。	Agree 同意	Requirement: In accordance with Article 6.1.1.2 of Health Standard for Design of Industrial Enterprises, production process and equipment that generate dust and poisonous substance shall be limitedly handled by machines and automatically avoiding being handled manually. The effective airtight measures in equipment and pipeline shall be taken to avoid material running, giving off, dripping and leaking. The airtight measures should be taken, together with the ventilation and cleansing measures. 标准: 根据《工业企业设计卫生标准(GBZ1-2010)》第6.1.1.2条: 对产生粉尘、毒物的生产过程和设备(含露天作业的工艺设备), 应有限采用机械化和自动化, 避免直接人工操作。为防止物料跑、冒、滴、漏, 其设备和管道应采取有效的密闭措施, 密闭形式应根据工艺流程、设备特点、生产工艺、安全要求及便于操作、维修等因素确定, 并结合生产工艺采取通风和净化措施。	3 months 3个月	See 'Management response to findings'.
Safe and healthy working conditions 2 安全与健康的工作条件 2	Minor issues regarding personal protective equipment safety are found 关于个人防护用品方面的违规	Bonding workers were not provided with active-carbon mask. Bonding workers interviewed stated it was smelling working at the bonding station and they will use the mask if it was provided free of charge. 工厂没有提供活性炭口罩给粘合工人。粘合工人表示在粘合工作台工人气味很臭, 如果有口罩免费提供, 他们会用口罩。	IN PROGRESS: The bonding workers are provided with active-carbon mask, while they stated it is not comfortable to wear the mask. 压胶工人有配备口罩, 但是他们表示带着口罩不舒服。	The indoor air quality test report says it is in compliance with the legal requirements, therefore, it is up to workers to wear or not wear mask. 室内空气质量检测报告显示空气质量达标, 由工人决定是否佩戴口罩。	Requirement: In accordance with Article 37 of Law of the People's Republic of China on Production Safety, an employer shall provide employees with occupational health and safety conditions and necessary personal protective equipment conforming to the state stipulations and shall monitor and educate employees on how to wear and use such personal protective equipment according to use instruction. 标准: 根据《中华人民共和国安全生产法》第37条: 生产经营单位必须为从业人员提供符合国家标准或者行业标准的劳动防护用品, 并监督、教育从业人员按照使用规则佩戴、使用。	3 months 3个月	See 'Management response to findings'.
Safe and healthy working conditions 3 安全与健康的工作条件 3	Minor issues regarding ergonomics are found 关于人体工程学方面的违规	No ergonomic program has been set up at the factory. Standing workers were not provided with floor mat; sitting workers were not provided with chairs with back support; no exercise was arranged in work intervals to release workers body strains. 工厂没有建立人体工程学; 站立的工人没有脚垫; 坐着的工人没有靠背的椅子; 工厂没有安排工间操给工人。	NO CHANGE: No ergonomic program has been set up at the factory. Standing workers were not provided with floor mat; sitting workers were not provided with chairs with back support; no exercise was arranged in work intervals to release workers body strains. 工厂没有建立人体工程学; 站立的工人没有脚垫; 坐着的工人没有靠背的椅子; 工厂没有安排工间操给工人。	Agree 同意	<i>Recommendation: Factory is recommended to build up an ergonomic program, provide chairs with back support to the workers who have to sit for long periods of time. factory should also provide information on proper working positions.</i> <i>建议: 工厂应建立一个人体工程学体系, 比方说提供有靠背的椅子给需要长时间坐着工作的工人。另外, 工厂应提供相关信息并告知工人正确的工作姿势。</i>	1 year 1年	See 'Management response to findings'.

<p>Safe and healthy working conditions 4</p> <p>安全与健康的工作条件 4</p>	<p>Minor issues regarding fire safety are found</p> <p>关于通风安全方面的违规</p>	<p>N/A</p> <p>不适用</p>	<p>NEW FINDING: The accessory warehouse is not equipped with an emergency light; and the exit sign installed is not lighting with a power storage battery.</p> <p>辅料仓库没有配备应急灯；同时安装的安全出口表示不是带蓄电池的。</p>	<p>Agree</p> <p>同意</p>	<p>Requirement: In accordance with Article 11.3.3 of the Code of Fire Prevention for Architectural Design, emergency lights should be installed on the upside of wall, the ceiling or the top of exit. Lighting Evacuation Exit Signs should be placed right on the top of the doors, safety exits and along the evacuation passages of public building, high-rise industrial building (warehouse), Type A, B and C industrial building.</p> <p>第11.3.3条：消防应急照明灯具宜设置在墙面的上部、顶棚上或出口的顶部。公共建筑、高层厂房（仓库）及甲、乙、丙类厂房应沿疏散走道和在安全出口、人员密集场所的门的正上方设置灯光疏散指示标志</p>	<p>1 month</p> <p>1个月</p>	<p>Finding was addressed in the days after the audit and required equipment installed.</p>
<p>Legally binding employment relationship 1</p> <p>具有法律约束力的劳资关系 1</p>	<p>Not all social security or insurance fees are paid</p> <p>工厂没有为全部员工购买社保</p>	<p>As of Mar 2013, 1755 out of 2398 employees equal to 73% of the workforce has been registered with 5 kinds of social insurances. In addition, for those who do not have government insurance, factory covered them with commercial injury & medical insurance, meanwhile, the insurance coverage was upgraded to 500,000 RMB from 200,000 RMB compared with 2012.</p> <p>到2013年3月为止，工厂2398名员工中的1755名已经购买了保险，保险购买率为73%。同时，工厂为那些没有社保的员工购买了商业工伤医疗保险，保险保额由去年的20万也相应的提高到50万。</p>	<p>IN PROGRESS: As per the review of the social security receipt of May 2015, 1935 out of 2045 employees are provided with social security benefits; the insurance coverage rate is 94.67%. In addition, KTC buys a group commercial injury insurances for 350 employees and the insurance is valid till 20 Jul 2015.</p> <p>2045名员工中的1935名购买了社保。社保的覆盖率为94.67%。同时KTC为350名员工额外购买了商业意外伤害保险。</p>	<p>KTC has a total workforce of 2192 employees till the day of the audit, among which 147 employees have already reached their retired age who cannot be registered with the social security system. Therefore, the total number of employees that should be registered with social security is 2045 employees.</p> <p>KTC's policy is to encourage workers to participate into the social insurance system, they are required to buy social insurance from the 2nd month onward after they join KTC. Around 5% of the workers do not want to buy social security.</p> <p>直至审核当天KTC一共有2192名员工，其中有147名员工到退休年龄不能买社保，故能买社保的总人数为2045。</p> <p>KTC鼓励员工购买社保。根据KTC的政策，入职的第二月开始就必须买社保。大约有5%的员工不愿意买社保。</p>	<p>Requirement: In accordance with Article 73 of the Labor Law of the People's Republic of China, employees shall, in accordance with the law, be entitled to social insurance benefits under the following circumstances: (1) retirements; (2) illness or injury; (3) disability caused by work-related injury or occupational disease; (4) unemployment; and (5) maternity. The survivors of the insured laborers shall be entitled to subsidies for survivors in accordance with the law. The conditions and standards for laborers to enjoy social insurance benefits shall be stipulated by laws, rules and regulations. The social insurance amount that laborers and entitled to, must be timely paid in full amount. Recommendation: As a first step, the factory could offer injury commercial insurance to workers that are presently not participating in the social insurance system of the state.</p> <p>标准：根据《中华人民共和国劳动法》第73条：劳动者在下列情形下，依法享受社会保险待遇：（一）退休；（二）患病、负伤；（三）因工伤残或者患职业病；（四）失业；（五）生育。劳动者死亡后，其遗属依法享受遗属津贴。劳动者享受社会保险待遇的条件和标准由法律、法规规定。劳动者享受的社会保险金必须按时足额支付。</p>	<p>1 year</p> <p>1年</p>	<p>See 'Management response to findings'.</p>