



2009

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING REPORT

**COMPANY:** Acushnet  
**COUNTRY:** United States  
**FACTORY CODE:** 520082211H  
**MONITOR:** Accordia Global Compliance  
Group  
**AUDIT DATE:** September 17-18, 2009  
**PRODUCTS:** Golf balls  
**PROCESSES:** Core Mixing, Extrusion,  
Molding, Finishing (Coating)  
**NUMBER OF WORKERS:** 272



**CONTENTS:**

Wages, Benefits and Overtime Compensation: Other - Wages, Benefits and Overtime Compensation\* \_ 3  
Harassment or Abuse\* \_\_\_\_\_ 3  
Miscellaneous: Code Awareness \_\_\_\_\_ 4  
Miscellaneous: Code Awareness \_\_\_\_\_ 5  
Health and Safety: Health and Safety Management System\* \_\_\_\_\_ 6  
Health and Safety: Personal Protective Equipment\* \_\_\_\_\_ 6  
Health and Safety: Material Safety Data Sheets/Worker Access and Awareness\* \_\_\_\_\_ 7  
Health and Safety: Machinery Maintenance and Worker Training\* \_\_\_\_\_ 7

\*Denotes a Notable Feature



## **Wages, Benefits and Overtime Compensation: Other - Wages, Benefits and Overtime Compensation**

Other

### **Notable Feature**

**Explanation:** Company maintains a wellness (Healthwise) program that rewards workers for meeting healthy lifestyle objectives with incentives through monetary reduction in the cost of health care paid by workers, additional 2 paid days off of work, and a \$25 per month credit on a Healthwise Visa Card (plus \$75 for worker's spouse). Workers may be reimbursed up to \$1,250 per semester for undergraduate courses and \$1,750 for graduate level courses where workers wish to pursue a college level education.

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## **Harassment or Abuse: Violence/Harassment/Abuse**

H&A.13 Employers shall ensure that the workplace is free from any type of violence, harassment or abuse, be it physical, psychological, sexual, verbal, or otherwise. Employers shall refrain from any action (and shall take all appropriate action to ensure that all workers refrain from any action) that would result in an intimidating, hostile or offensive work environment for workers. (S)

### **Notable Feature**

**Explanation:** There is a practice in place whereby workers can approach an HR representative for situations as they arise. If she cannot get a resolution to an issue, the worker can elevate the issue to the Director of HR. There is training that is provided to supervisors on Sexual Harassment on a regular basis as evidenced by monitor's review of training records and training materials.

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**Code Awareness:**

GEN.1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.

**Noncompliance**

**Explanation:** The company has established a documented Code of Business Conduct & Ethics. However, in keeping with the intent of the Fair Labor Association's Company Obligations, to formally adopt a code that meets or exceeds FLA standards, the company's code does not address certain elements in the FLA code. Missing elements include: Child Labor, Forced Labor, Hours of Work, Freedom of Association and Wages, Benefits and Overtime.

**Plan Of Action:** In addition to the "Code of Business Conduct and Ethics," Acushnet Company has adopted an "Acushnet Supplier Citizenship Policy" which meets FLA standards (and was reviewed and approved by the FLA prior to implementation). The Acushnet Supplier Citizenship Policy includes the following elements: 1. Working Conditions/Health and Safety, 2. Child Labor, 3. Forced Labor, 4. Discrimination, 5. Harassment and Abuse, 6. Freedom of Association and Collective Bargaining, 7. Working Hours, 8. Wages and Benefits, 9. Environmental, 10. Management Systems, 11. Suppliers/Contractors. While addressed towards suppliers, all Acushnet worldwide manufacturing locations are expected to fully comply with this policy.

**Deadline Date:**

**Action Taken:**

**Plan Complete:** No

**Plan Complete Date:**



**Code Awareness:**

GEN.2 Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.

**Noncompliance**

**Explanation:** Management and workers have not received awareness training as evidenced by monitor's interviews. No code substantially meeting or exceeding the FLA standard was found posted.

**Plan Of Action:** Acushnet Company has prominently posted the "Acushnet Citizenship Policy" in all Acushnet US manufacturing facilities (as currently done internationally), and currently existing compliance training programs address the policy's topics.

**Deadline Date:**

**Action Taken:**

**Plan Complete:** No

**Plan Complete Date:**

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### **Health and Safety: Health and Safety Management System**

H&S.5 The health and safety policy shall contain the framework for a comprehensive health and safety management system within which employers' responsibilities and workers' rights and duties, various responsibilities of designated personnel, procedures that enable workers to raise health and safety concerns and procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) are clear and regularly tested and reviewed. (P)

#### **Notable Feature**

**Explanation:** The facility maintains a very strong health and safety program. Many elements of their Health and Safety program are considered best practices in the industry. Company has been certified and awarded as an OSHA Star factory continually since 2001.

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### **Health and Safety: Personal Protective Equipment**

H&S.11 Workers shall be provided with effective and all necessary personal protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to health and safety hazards, including medical waste. (S)

#### **Notable Feature**

**Explanation:** The company's spending on PPE approaches 15,000 USD per month for the factory. Workers are provided with "vending machine" type dispensers containing the most used personal protective equipment (gloves, eye protection, masks, etc.). Workers can simply pass their employee badge over the card reader on the "vending machine" and select the PPE they desire, and the machine will dispense the item to the worker. There is a system in place whereby the company can review, periodically, the PPE that is issued to workers by ID number to ensure that they have what they need regularly. This system helps the Health and Safety Manager to better track and plan for PPE procurement and usage. Workers found this to be innovative and were pleased to use this system for obtaining what they need for their protection.

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### **Health and Safety: Material Safety Data Sheets/Worker Access and Awareness**

H&S.14 Material Safety Data Sheets (MSDS) for all chemicals used in the factory must be available at the usage and storage sites of the chemicals, in the local language and the language(s) spoken by workers, if different from the local language. Workers shall have free access to MSDS. (P)

#### **Notable Feature**

**Explanation:** The factory maintains 4 workstations for workers to access information on the company including benefits and general information on Health and Safety. Workers can access MSDS sheets, 24 hours per day.

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### **Health and Safety: Machinery Maintenance and Worker Training**

H&S.18 All production machinery, equipment and tools shall be regularly maintained and properly guarded. Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use. Employers shall ensure safety instructions are either displayed/posted near all machinery or are readily accessible to the workers. (S)

#### **Notable Feature**

**Explanation:** The facility has instituted a best practice as related to operation of powered industrial vehicles. All workers that are trained to operate specified powered industrial vehicles (PIV), such as fork trucks, high-lifts, reach trucks, hand operated powered pallet jacks, etc., are provided a badge that is keyed to a badge reader on all powered industrial vehicles. The badge reader on the unit controls the ignition switch. If a worker is authorized to operate a specific PIV he will “badge in” on the unit and the unit will recognize their approval to operate the PIV. If the operator is NOT authorized, the machine will not engage/start at the time the worker “badges in.” Unauthorized attempts to use a PIV that a worker is NOT authorized to use is electronically reported (by email) to the Health and Safety Manager who can take appropriate action. This practice assures that only properly trained workers are allowed to operate factory equipment.

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