

The factual information set forth on the Tracking Charts was submitted to the FLA by each Independent External Monitor and Participating Company and reviewed by FLA staff. It is being made available to the public pursuant to the FLA Charter in order to strengthen the monitoring process. The FLA Charter provides for regular public disclosure of the factual results of independent monitoring and the resulting specific actions taken by Participating Companies.

What is a Tracking Chart?

Compliance is a process, not an event. A Tracking Chart outlines the process involved in FLA independent external monitoring and remediation. It is used by the accredited independent external monitor, the participating company and the FLA staff to do the following:

- **Record Findings:** The independent external monitor uses the Tracking Chart to report noncompliance with FLA Code standards. The monitor should also cite the specific Code benchmark or national/local law that was used to measure compliance.
- **Report on Remediation:** The FLA participating company uses the Tracking Chart to report on the remediation program that was implemented in order to resolve the noncompliance and prevent any future violations.
- **Evaluate Progress:** The FLA uses the Tracking Chart for purposes of collecting and analyzing information on the compliance situation of a particular factory and for publication on our website. This information is updated on an ongoing basis.

What a Tracking Chart is NOT -

- An exhaustive assessment of factory conditions

Working conditions - in any type of workplace - are dynamic. Each Tracking Chart represents a survey of the factory's conditions on a specific day. Over time, a fuller picture emerges as we compile information from various sources to track the compliance progress of a factory.

- A pass or fail evaluation

The Tracking Charts do not certify whether or not factories are in compliance with the FLA Code. Monitoring is a measurement tool. The discovery of noncompliance issues is therefore not an indication that the participating company should withdraw from a factory. Instead, the results of monitoring visits are used to prioritize capacity building activities that will lead to sustainable improvements in the factory's working conditions.

- A one-time event

Each monitoring visit is followed by a remediation program, further monitoring and remediation in an ongoing process. The Tracking Charts are updated accordingly.

Note on Language

Please be advised that because FLA independent external monitors are locally-based and English is generally not their native language, the language presented may at times appear unclear to a reader who is a native English speaker. In order to preserve the integrity of the transparency process and the information we receive, our policy is to publish the original text from the monitor and participating company. However, the reader will note that we have taken the precaution to remove any identifying information about the factory that was monitored or the workers interviewed.

For example, in cases where monitors and/or participating companies have cited the actual number of workers in reference to a noncompliance issue, in order to protect the workers' identities, we have replaced the numbers with generic wording in brackets (i.e. "[some]", "[worker interviews revealed that]", etc.).

We do not disclose the name of the factory that was monitored in order to ensure that the FLA's efforts to encourage and reward transparency do not have detrimental consequences for the factory and the workers.

Instructions for Printing

The information contained in the Tracking Charts is organized by columns and rows in a table format. Due to the number and width of the columns, the charts have been formatted for legal size (8.5 x 14in.) paper. To print the charts, please make sure to select "legal" size paper from Print properties.

Factory Profile	
Country	Thailand
Factory	05027449A
IEM	MTL (Thailand) Co. Ltd.
Date of monitoring visit	11-Mar-02
Duration of IEM Evaluation	3 Days
PC(s)	Levi Strauss & Co., Liz Claiborne, Inc.
Number of Workers	3050
Product	woven shirt

FLA Code	Findings			Remediation		
	FLA Code Benchmark/Legal Reference	Monitor Findings	Best Practice	Date	PC Required Action and Comments	Action
1. Code Awareness						
Lack of Code Awareness	FLA PRINCIPLES OF MONITORING: OBLIGATIONS OF COMPANIES. Create An Informed Workplace 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.	Neither management nor workers are aware of FLA Workplace Code of Conduct. Management did not have either a FLA Code of Conduct or Levi Code of Conduct posted.		30-Sep-02	The LS&Co. Code of Conduct Poster is currently being translated to the local language, will be printed and distributed in local and English languages to contractors. The Liz Claiborne Code of Conduct is already posted in the factory.	English TOE posters has already been translated to Thai language and is now undergoing printing lay-out work at printer company. Once poster is printed in Thai, will distribute to factories.
2. Forced Labor						
3. Child labor						
Presence of Children	FLA Code Benchmark II. Child Labor: Children under the local minimum working age will not be allowed in the factory work area at any time, unless they are part of a guided school group tour or other such unusual event. Children must not visit parents in the factory production areas.	It was observed that 2 children were helping their parents pick up the scrap fabric from cuttings the cutting section at the factory and put it into a pick-up truck. They were not a production Sub-contractor and no name was given for them.		20-Nov-02	During the audit, the factory have explained to the MTL auditor that these people are fabric scrap buyers (buying scrap fabric to be made in other useable items, i.e. rags, etc.). The current practice is giving these scrap buyers an identification number (they log at the security guards). Attached are photocopy of the visitor's pass and also the receipt of purchase of the scrap fabrics (during MTLs visit). When this concern was raised by MTL auditor, the factory immediately do the following: 1. Orient the guards, that children/minors (accompanied by visitors) are requested to stay at the guardhouse or the lobby and should not be present inside/outside the factory premises. In addition to what the factory have already made, the factory should: 1. Make a policy concerning this practice (visitors who brought their children, and/or minor are asked to have these children/minors stay only at the guardhouse or the lobby, for safety reasons. Further, they should not be present inside/outside the factory premises. 2. Post this policy on guardhouse, lobby, fabric/garment receiving section and make the necessary orientation to security guards and appropriate staff.	Contractor has opted to make a poster (with visual and wordings: lay-out in the computer) that describes the requirement. This was shown to LS&Co. during the follow-up visit. While the poster has not been printed yet, the factory has promised to print and post this by week of December 2nd. The posters were printed and posted. Photographs were provided to LS&Co. as verification.
4. Harassment or Abuse						
5. Non-Discrimination						
6. Health and Safety						
Emergency Evacuation	FLA Code Benchmark V. Health and Safety: B.3. All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.	Aisle spaces in sewing section 2 were obstructed by the additional sewing machines.		20-Nov-02	3. During the MTL audit, there were movement of machines in Section 2 (some machines, added, some machines removed). This happen when new styles come in or repair of machines. As soon as all the necessary machines are in-placed, the machines taken out from the sewing lines are transferred (and not stay at the aisles) and this process normally takes a few hours. The July 12th visit of LS&Co. confirms that aisles are free of any obstruction. Enclosed are photos.	Completed and verified compliance on July 12th. Corrective action sustained.
Fire Extinguisher	FLA Code Benchmark V. Health and Safety: B.3. All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures. 4. All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees.	It was found that some fire extinguishers in each working section were blocked by production or workplace and some were not mounting on the wall. Although, there is indicated with marking in front of the fire extinguishers.		20-Nov-02	1. Factory should ensure that, at all times fire extinguishers should be clear and accessible. Factory plans in addressing this as follows: a. Post materials on workplace to remind all employees that fire extinguishers should always be accessible, not blocked b. Mount all fire extinguishers	Completed.

Findings		Remediation				
FLA Code	FLA Code Benchmark/Legal Reference	Monitor Findings	Best Practice	Date	PC Required Action and Comments	Action
Toilet Sanitation	FLA Code Benchmark V. Health and Safety: B.11. All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws.	The toilet at the entrance of dining area are not kept clean, light and ventilated.		20-Nov-02	2. All the toilets that workers used (inside the facility) are clean and maintained well, please see attached photo. The toilet mentioned by the MTL auditor is 1 toilet outside the factory workplace and basically used by the security guards and utilities (carpenters, etc. doing some work). Please see attached photo. Note that ventilation is non-issue. The factory will improve this particular toilet by: a. replace the fluorescent bulb b. paint and clean the toilet c. put a reminder sign inside the toilet (in keeping it clean)	The toilet has been renovated and condition improved. Toilet has been painted, lights in-placed and cleaned
Chemical Storage	FLA Code Benchmark V. Health and Safety: B. 6. All chemicals and hazardous substances should be properly labeled and stored in accordance with applicable laws. Workers should receive training, appropriate to their job responsibilities, in the safe use of chemicals and other hazardous substances.	It was observed in washing section that the chemical tanks were not kept in the store nor chemical keeping area.		20-Nov-02	4. There are 2 storage chemical storage places, 1 in the work-area (softeners, other chemicals commonly used in wet-processing) and another storage for specialized chemicals (enzymes). MSDS available and posted for these chemicals. Please see enclosed photo on storage. In observing the current chemical storage, the factory should: a. placed all chemical containers in palletes so that leaks can easily be detected b. put in-placed secondary containment on these storage places.	Chemical storage has been improved. On the chemical storage at work area, chemicals were put on palletes and "dike" has been placed for secondary containment. On the main chemical storage area, "dike" has been in-placed for secondary containment. All chemical containers observed to be at the storage areas.
PPE	FLA Code Benchmark V. Health and Safety: B.5. Workers shall wear appropriate 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 hazardous elements including medical waste.	There are some workers did not wear a mouth guard during the working time, particularly in sewing section.			5. LS&Co. and Liz Claiborne Code of Conduct do not require mouth guards (dust mask) as standard PPE in the sewing line. The factory issues mouth guard to all workers. The production area where LS&Co. and Liz Claiborne Code of Conduct requires the use of mouth guards is the cutting area (i.e. for cutters) and also areas where chemicals are used.	No further action needed.
Dining Facility	FLA Code Benchmark V. Health and Safety: B.11. All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws.	The dining facility is insufficient, compare with the total number of worker (3,050).		31-Aug-02	7. Factory plans to do a scheduling on lunch breaks (shifting) to accommodate all workers	There are 3 ways as to how workers consume their lunch breaks. Eat in the canteen, eat on the open spaces (with co-workers sitting together) and eat outside the factory. It has been observed that even if there are still vacant seats at the canteen, some workers opted to sit on open spaces and eat with their friends. This issue has been raised to the Joint Consultant Committee (composed of 26 worker representative) for their inputs. The committee have pointed that workers prefer the current set-up (of having same time breaks) as this gives them the opportunity to talk, eat, share meals with their friends, family member and relatives (also working in this factory) which are working on different departments in [factory]. If the break will be scheduled, then they will not enjoy this opportunity
Access to Drinking Water/Ventilation	FLA Code Benchmark V. Health and Safety: B.8. All ventilation, plumbing, electrical, and lighting services shall be provided and maintained to conform to applicable laws and prevent hazardous conditions to employees in the facility. 12. All food preparation shall be prepared, stored, and served in a sanitary manner in accordance with applicable laws. Safe drinking water should be available in each building.	There is no drinking water available in dinning facility. And there is no appropriated ventilation in this area.		15-Aug-02	8. LS&Co. July 12th visit confirms that ventilation is a non-issue. The current canteen is open, high ceiling with exhaust and electric fans. Please see enclosed pictures. Water: The canteen is managed by a concessionaire (not owned and operated by the factory). As the canteen to do not pay for any rent to the factory, meals are priced reasonably between 5-10bhat and offers free rice to workers. The canteen sells drinking water. Workers have continuous access to clean drinking water inside the facility and they get (put water on their cups/bottles) and bring it with them in the canteen during lunch break. While the water concern is not a non-compliance issue (given this situation) the factory may explore to negotiate with the canteen concessionaire in installing drinking water in the canteen	No further action needed, The factory and canteen has agreed to provide for a water dispenser that will be placed inside the canteen. 3 water dispenser had been bought to be placed inside the factory. The old dispensers (inside the factory) will be pulled-out, repaired and will be placed in the canteen

FLA Code	Findings		Best Practice	Date	Remediation	
	FLA Code Benchmark/Legal Reference	Monitor Findings			PC Required Action and Comments	Action
7. Freedom of Association and Collective Bargaining						
		Suggestion boxes were provided, but there was no action taken or followed up documentation available or evident.		31-Jul-02	1. Aside from the suggestion box, the factory has a Welfare Committee (composed of elected workers representative and management) that meets once a month to discuss workers welfare and concerns. To provide the necessary transparency to the process, the factory will: a. provide a summary of all the actions taken as a result of the Welfare Committee meetings and post it in bulletin boards. b. This summary should include comments that workers put in the suggestion box and corresponding factory comments/actions on these suggestions.	Meeting minutes has been reviewed, unfortunately has not been typed yet. Factory commits that once this is typed, this will be posted for workers reference. Target to complete by week of December 2nd. Some of the suggestions from workers are not documented as these are given as verbal to the welfare committee and up for discussion.
8. Wages & Benefits						
Best Practice: Accident Insurance			Besides the Social security which is complied with Labor Law, factory also provide an accident insurance for all workers.			
Best Practice: Transportation for Workers			The transportation are suite for number of workers and available even the overtime working. Workers are very satisfied with this benefit.			
9. Hours of Work						
Rest Days	FLA Code Benchmark VII. 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. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	Overtime working on Sunday was found (7 days straight work without rest was found).			1. Because of the Chinese New Year holiday, Sunday work was requested in the month of February. From January to July 2002, there were only 4 instances (3 of which in February, 1 in January) where there was Sunday work. To be able to cope with situations where Sunday work is necessary. The factory should: a. make a policy in-place where: when a worker worked continuously for 7 days, said workers will not be required to report for work on the 8th day. If the worker chooses to work on the 8th day, they may do so but would need supporting documentation that the 8th day work was done voluntarily (documented) and will be paid as per regulation b. a plan in order to avoid/ or limit any Sunday work. Any Sunday work should be done voluntarily (documented) and paid as per regulation. (LS&Co. standard: If OT is really needed/requested on Sunday, this should be no more than 8 separate Sunday works in a year)	Factory understands the issue on excessive OT and Sunday work and have made impressive efforts to improve on the issue: 1. Since September, no OT on Sunday has been done. 2. Based on correspondence, all Managers were given the instructions that Sunday is a rest day for workers and no work should be done on this day. However, if work is really needed, this has to be informed and approved first by the Director of the company. 3. Any manager who fails to follow this process will undergo disciplinary measure. In addition to this initiative, the company has newly set-up a management system where OT condition of departments will be tracked. Key features are: a. This is generated on a weekly basis b. This is done per department with the following OT parameters: meeting 60 hours, more than 60 but less than 63 hours, more than 63 hours but less than 65 hours, and more than 65 hours. c. The end product of this is measuring the extent of OT works, for example, in x department, 70% of the workers meets 60 hours per week, 20% are in the 63/65 and etc.
Excessive OT	FLA Code Benchmark VII. 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. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	Overtime hours were recorded max. 17.5 hours/week, which violates FLA requirement (max. 12 hours OT/week, 60 hours total per week).				d. The percentage are analyzed and reasons are stated as to why OT exceeds 60 hours per week. Records review. The management system that has been set-up is very impressive. A meeting has been agreed to happen by next year so that factory can share what they have learned on this initiative.
10. Overtime Compensation						