<table>
<thead>
<tr>
<th>FLA Code/Fla/Benchmark</th>
<th>Country</th>
<th>Code Posting/Information</th>
<th>Workers/Management Awareness of Code</th>
<th>Compliance/Noncompliance Reporting Channel</th>
<th>Visual Inspection</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>FLA Principle of Monitoring, Obligation of Companies: Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as licensees, contractors and suppliers.</td>
<td>Thailand</td>
<td>Code Posting/Information</td>
<td>Workers/Management Awareness of Code</td>
<td>Compliance/Noncompliance Reporting Channel</td>
<td>Visual Inspection</td>
<td>Notes</td>
</tr>
<tr>
<td>FLA Principle of Monitoring, Obligation of Companies: 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.</td>
<td>Thailand</td>
<td>Code Posting/Information</td>
<td>Workers/Management Awareness of Code</td>
<td>Compliance/Noncompliance Reporting Channel</td>
<td>Visual Inspection</td>
<td>Notes</td>
</tr>
<tr>
<td>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.</td>
<td>Thailand</td>
<td>Code Posting/Information</td>
<td>Workers/Management Awareness of Code</td>
<td>Compliance/Noncompliance Reporting Channel</td>
<td>Visual Inspection</td>
<td>Notes</td>
</tr>
</tbody>
</table>

**Findings**

<table>
<thead>
<tr>
<th>Product(s)</th>
<th>Garment</th>
<th>Freshment</th>
<th>FLA Benchmark</th>
<th>Documentation</th>
<th>Best Practice</th>
<th>PC Remediation plan</th>
<th>Target Completion Date</th>
<th>Factory Response</th>
<th>Company Follow Up (Cite Date of Follow up)</th>
<th>Documentation</th>
<th>Company Follow Up (Cite Date of Follow-up Visit)</th>
<th>Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garment: Cutting, Sewing, Ironing, Folding, Packing</td>
<td>Garment: Cutting, Sewing, Ironing, Folding, Packing</td>
<td>Freshment</td>
<td>FLA Benchmark</td>
<td>Documentation</td>
<td>Best Practice</td>
<td>PC Remediation plan</td>
<td>Target Completion Date</td>
<td>Factory Response</td>
<td>Company Follow Up (Cite Date of Follow up)</td>
<td>Documentation</td>
<td>Company Follow Up (Cite Date of Follow-up Visit)</td>
<td>Documentation</td>
</tr>
<tr>
<td>FLA Principle of Monitoring, Obligation of Companies: Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as licensees, contractors and suppliers.</td>
<td>Thailand</td>
<td>Code Posting/Information</td>
<td>Workers/Management Awareness of Code</td>
<td>Compliance/Noncompliance Reporting Channel</td>
<td>Visual Inspection</td>
<td>Notes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FLA Principle of Monitoring, Obligation of Companies: 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.</td>
<td>Thailand</td>
<td>Code Posting/Information</td>
<td>Workers/Management Awareness of Code</td>
<td>Compliance/Noncompliance Reporting Channel</td>
<td>Visual Inspection</td>
<td>Notes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td>Thailand</td>
<td>Code Posting/Information</td>
<td>Workers/Management Awareness of Code</td>
<td>Compliance/Noncompliance Reporting Channel</td>
<td>Visual Inspection</td>
<td>Notes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Updates**

May 11, 2005: Nike continues to retrain workers to be aware of the code by using internal radio.

May 11, 2005: Nike's objective is to strengthen contract manufacturers' internal grievance systems, so direct involvement by Nike in their employee grievances should be considered last resort. In alignment with Nike's objective to strengthen contract manufacturers' internal grievance processes, it piloted educational programs facilitated by local NGOs in Indonesia and China. In addition, Nike Compliance staff trained the leaders of its Compliance teams around the world on how to listen to factory employees during 1-on-1 confidential interviews during in-depth Management Audits. More than 9,000 factory employees were confidentially interviewed by Nike Compliance staff from August 1, 2002 through end of May 2004.

Nordstrom: Factory to provide means for workers to communicate questions/concerns/complaints to management, i.e., confidential suggestion box. Nordstrom is asking factory to establish a formal means for communication and confidential reporting. Nordstrom is evaluating installation of noncompliance reporting tool for workers to contact Nordstrom directly. Evaluation/evaluation timeframe TBD.

**Remediation**

There will not be any use of forced labor, whether in the form of prison labor, bonded labor, bonded labor or otherwise.
### Child Labor

No child labor found.

<table>
<thead>
<tr>
<th>FLA Code</th>
<th>Compliance Issue</th>
<th>Country Law/Legal Reference</th>
<th>FLA Benchmark</th>
<th>Monitor's Findings</th>
<th>Documentation</th>
<th>Best Practice</th>
<th>PC Remediation Plan</th>
<th>Target Completion Date</th>
<th>Factory Response (Optional)</th>
<th>Company Follow Up (Cite Date of Follow-Up)</th>
<th>Documentation</th>
<th>Company Follow Up (Cite Date of Follow-up Visit)</th>
<th>Remediation Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Child Labor</td>
<td>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.</td>
<td>Labor Protection Act, Chapter 9, Section 113: The employees' register shall contain at least the following particulars: name, family, ... age and other remuneration which employer agrees to pay employees.</td>
<td>Some employee contracts do not show an agreed-upon wage in the contract.</td>
<td>Documented review</td>
<td>11/17/2005: Factory already revised all worker contracts with consultation and agreement by workers. Wages, starting date, type of employment all identified in each employment contract.</td>
<td>Sample of worker's revised contract</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

Labor Protection Act, Chapter 9, Section 113: The employees' register shall contain at least the following particulars: name, family, ... age and other remuneration which employer agrees to pay employees.

Some employee contracts do not show an agreed-upon wage in the contract.

Documented review

11/17/2005: Factory already revised all worker contracts with consultation and agreement by workers. Wages, starting date, type of employment all identified in each employment contract.

Sample of worker’s revised contract.
Country Law/Legal Reference

**Hiring and Discipline**

- No person will be subject to any discrimination in employment, including hiring, firing, benefits, advancement, discipline, termination, or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, national origin, political opinion, or alien or political status.

- Employers will prohibit sexual, intimidating, or demeaning verbal language.

**Employer Obligations**

- Employers will prohibit screaming, threatening, or demeaning verbal language.

- Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.

- Employers will provide hazardous materials handling training for employees that work near or with hazardous chemicals.

**PPE**

- PPE provided, but some workers are not using it.

**Observation/Findings**

- **September 2004**
  - MSDS not available for all chemicals used in the factory.
  - MSDS is available in all areas where activities associated with hazardous elements including medical waste.

- **December 2004**
  - Factory should provide MSDS prominently for all chemicals used in the factory.
  - Factory will provide MSDS for all chemical users.

- **November 2004**
  - Factory should provide MSDS prominently for all chemicals used in the factory.
  - Factory will provide hazardous materials handling training for employees that work near or with hazardous chemicals.
  - Training for employees that work near or with hazardous chemicals.

- **August 2005**
  - Factory should train workers on the reason for PPE use, how to use it correctly and risks associated.
  - Factory should post diagrams in language spoken by workers for correct usage of PPE in all areas where activities conducted on PPE are required.
  - Factory should instruct supervisors to require all workers to wear proper PPE.

**MSDS**

- MSDS is available in all areas where activities associated with hazardous elements including medical waste.

**MSDS**

- MSDS is provided in all chemical rooms, including cleaning spot at sewing 3. All dirty fabric needs to be cleaned at specific cleaning spot rooms.
- MSDS is provided at chemical storage area. 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.
- MSDS is provided at chemical storage area. 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.
- MSDS is provided at chemical storage area. 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.
4. Toilet Provision

- **Sanitation in Facilities**
  - **Sanitation Committee:**
    - Established in 2001 according to Factory Act 2535.
    - Composition includes factory representatives, labor representatives, and a welfare committee.
    - Regular meetings are held to ensure sanitation compliance.

- **Toilet Provision:**
  - Factory already had toilets on each floor of sewing building.
  - Workplace includes toilet facilities on each floor.
  - Pregnant workers have priority to use the toilet facilities.
  - Overcrowding is an issue in some areas.
  - Pregnant workers prefer to use the 1st and 2nd floors for comfort.

- **Sanitation Area:**
  - Sewing: Includes toilets, washing machines, and toilets
  - Cutting: Includes toilets, washing machines, and toilets

5. Freedom of Association and Collective Bargaining

- **Union Rights:**
  - Factory allows employees to form unions.
  - Factory provides a space for union meetings.
  - Employees are free to discuss work-related issues.

6. Wages and Benefits

- **Wages:**
  - Minimum wage is adjusted annually based on cost of living.
  - Employees receive a wage slip with deductions.
  - Overtime is paid at a premium rate.

- **Benefits:**
  - Health insurance is provided by the factory.
  - Annual leave is granted.
  - Annual bonuses are given.

7. Right to a Safe and Healthy Working Environment

- **Health and Safety:**
  - Factory provides medical check-up annually.
  - Emergency exits are provided.
  - Fire extinguishers are available.

8. Protection of Association and Collective Bargaining

- **Anti-Discrimination:**
  - No discrimination based on gender, race, or religion.
  - Equal opportunity for promotion and training.

9. Right to Basic Rights

- **Basic Rights:**
  - Freedom of expression is protected.
  - Right to privacy is respected.
  - Employees have the right to work in a dignified manner.

10. Right to a Fair Labor Practice

- **Fair Labor Practices:**
  - No forced labor or child labor.
  - Respect for local labor laws.
  - Workers are informed of their rights and responsibilities.

11. Right to a Safe Working Environment

- **Safety and Health:**
  - Factory provides a safe workplace.
  - Safety training is conducted.
  - First aid kits are available.

12. Right to Social Security

- **Social Security:**
  - Factory contributes to the social security fund.
  - Employees receive benefits in case of illness or retirement.

13. Right to a Decent Living Condition

- **Living Conditions:**
  - Factory provides adequate living conditions.
  - Housing is provided for all employees.
  - Utility allowances are provided.

14. Right to Workers' Council

- **Worker's Council:**
  - Council meetings are held regularly.
  - Recommendations are considered by management.
  - Translations are provided for non-English speaking employees.

15. Right to a Social Life

- **Social Life:**
  - Factory sponsors social events.
  - Employees have access to sports facilities.
  - Social clubs are available.

16. Right to Free Choice of Union

- **Union Activity:**
  - Employees have the right to join a union.
  - Union activities are not restricted.
  - Union representatives are provided.
6. Hours of Work

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.

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 (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 avoided by other reasonable efforts.

It was found that from March through August, the average working hours per week were between 62 to 63 total hours.

- Document review

- Participating Companies advise: Factories total work hours, including overtime, must not be in excess of 60 hours per week on a regularly scheduled basis. Factory must control working hours to within the 60 hours per week limit.

Factory with work week in such country plus 12 hours overtime, and (ii) be entitled to at least one day off in every seven day period.

Factory plan to reduce work hour to 60 hours per week within Jan 2005.

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice

- FP Benchmark

- Compliance

- FLA Benchmark

- Best Practice