

*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.

<b>FLA Audit Profile</b>	
Country	Sri Lanka
Factory name	020270650
IEM	T-Group Solutions PVT LTD
Date(s) in facility	July 25th & 26th, 2005
PC(s)	Nike, Inc., Eddie Bauer, Inc.
Number of workers	1207
Product(s)	Knits, T-shirts
Production	Cutting, Sewing, Washing, Finishing & Packing

FLA Code/Compliance Issue	Country/Legal Reference	FLA Benchmark	IEM FINDINGS				REMEDIATION				UPDATES (12/2005)		UPDATES (4/21/06 & 5/20/06)			
			Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (Uncomorbated)	If Not Comorbated, Explain Why	Sources/Documentation Used for Comorbating	Notable Features Implemented by Factory Management or Company	PC Remediation Plan	Target Completion Date	Company Follow-up (Nov 11, 2005)	Documentation	Company Follow-up	Documentation	Company Follow-up	Documentation
<b>1. Code Awareness</b>																
Worker Management Awareness of Code		<b>FLA Principle of Monitoring, Obligation of Companies:</b> 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 language spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.		Some workers interviewed were not aware of the Code elements. Some of the managers interviewed were aware of few of the code elements while some were not aware of any.		Interview with workers and management.	1. PC suggests the Factory to incorporate CFC standards in the workers' handbook. 2. Factory is expected to implement a program for periodic in-house training on Code Elements and other labor practices to both existing and new employees, including management. 3. All training must be documented with supporting training documentation such as content material and attendance.	The factory agreed to complete this by 11/30/05.	1-day induction program for new workers. Induction program includes code standards, Code training for existing workers not in place yet (Factory to implement training by Jan-30-2006). New workers interviewed did not have much code awareness (only Sinhalese documentation available for Tamil Worker interviews).	Induction program training materials.					The PC visited the factory on 4/21/06 and confirmed that training programs that addressed Brand's Codes of Conduct, had commenced.	Outline of the courser/training and the attendance sheets.
Confidential Non-compliance Reporting Channel		<b>FLA Principle of Monitoring, Obligation of Companies:</b> 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 non-compliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.		There is no effective confidential non-compliance reporting mechanism introduced by the PCs. Workers are not quite aware of the email ID or phone no. posted on the Nike, Inc and Eddie Bauer, Inc COC respectively or their significance. No contact information is provided on the Nike, Inc COC.		Visual inspection and worker and management.	The objective of Eddie Bauer, Inc and Nike, Inc is to strengthen contact manufacturers' internal grievance systems, so that direct involvement by PC in employee grievances should be considered a last resort. The PCs request that the factory establish a formal system of dialog between the management and workers in order to allow workers to voice workplace grievances, develop internal procedures for resolving workplace disputes, and resolve grievances in good faith. In an effort to encourage internal grievance systems to be effective, Nike, Inc, opts not to pre-empt contact information on its Code of Conduct. Monitors from the PCs conduct one-on-one confidential interviews with factory employees during labor compliance audits of their contract facilities. During PC audits at contractor sites, PCs internal auditors provide contact information to workers who desire to contact PC directly.		Confidential complaint channel not effectively informed to the NIA workers.						The PC visited the factory on 4/21/06 and confirmed that the factory had communicated the confidential grievance channels to workers via posting the GP and interviews through induction and training.	Grievance procedure, training records, and interviews.
<b>2. Forced Labor</b>																
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.																
<b>3. Child Labor</b>																
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.																
<b>4. Harassment or Abuse</b>																
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment or abuse.																
<b>5. Nondiscrimination</b>																
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.																
<b>6. Health and Safety</b>																
Employees 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.																
Document Maintenance/Accessibility	Factory Ordinance of Sri Lanka Ordinance No. 45 (1942), No. 22 (1945), Act No. 54 (1971), 17 (1965) & 29 (1971), Law No. 12 (1984), Act 17 (1982), 32 (1984), 18 (1988) & 23(2005).	All documents required to be available to workers and management by applicable laws (such as policies, MSDS, etc.) shall be made available in the prescribed manner and in the local language or language spoken by majority of the workers if different from the local language.				Visual Inspection.	Material safety data sheet is not posted in the stain-removing areas for the 'Dry Clean Spray' which is used for cleaning. Instructions on the can read - "Avoid breathing vapors".	The factory stated they have already taken corrective action for this.	MSDS posted in stain-removing areas.	MSDS copy.						

FLA Code/Compliance Issue	Country/Legal/Reference FLA Benchmark	EM FINDINGS					REMEDIATION			UPDATES (12/06/05)		UPDATES (4/21/10 & 2/04/11)		
		Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (Observations)	If Not Compliant, Explain Why	Source/Documentation Used for Complying	Notable Features Implemented by Factory Management or Company	FC Remediation Plan	Target Completion Date	Company Follow-up (New 11, 2005)	Documentation	Company Follow-up	Documentation	Company Follow-up
Evacuation Procedure	All applicable legally required or recommended elements safe evacuation (such as posting of evacuation plans, unobstructed aisles/paths, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.	1. "You are here" is incorrectly marked on the evacuation plan in the main aisle near fire post no. 82. 2. Do not use lift in case of fire is not posted in the local language near the escape of the materials lift at the fabric store. 3. Cans are stored on the mezzanine floor in the main store and are disorganized. They are not stacked properly with well defined aisles between stacks/rows. 4. Evacuation plans are not posted in the mezzanine floor in the storage area. 5. Evacuation signs are not marked on the side aisle in the cutting section. Evacuation signs are not extended up, marked on the main passage leading to the exits.	The metal spiral staircase for emergency evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		1. "You are here" should be correctly marked on the evacuation plan in the main store near the power no. 82. 2. Do not use lift in case of fire. The should be posted in the local language near the lift cage of the materials lift at the fabric store. 3. Cans on the mezzanine floor in the main store should be organized. They are not stacked properly with well defined aisles between stacks/rows. 4. Evacuation plans should be posted in the mezzanine floor in the storage area. 5. Evacuation signs should be marked on the side aisle in the cutting section. Evacuation signs should be extended up, marked on the main passage leading to the exits.	The factory agreed to take corrective action by 11/15/05.	1. Evacuation plan updated with correct location. 2. "Do not use lift in case of fire" posted in local language. 3. Cans properly stored. 4. Evacuation plan posted. 5. Evacuation sign properly marked.	Evaluation plot plan, 8/05 9. The aisles kept free of obstruction. 10. Cans are properly arranged in broked goods store. Aisles are clear and unobstructed.					
Evacuation Procedure	All applicable legally required or recommended elements safe evacuation (such as posting of evacuation plans, unobstructed aisles/paths, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.	6. There are no high-beam emergency lights and no evacuation signage posted showing the direction to the emergency staircase in the cut panel store on the mezzanine floor of the cutting section. 7. Keep our yellow barrier set out marked in front of exits. 8. Some workers had blocked their access to the aisle with iron, plastic or poly bags containing partly cut fabric garments in production areas. 9. Some aisles were seen to be blocked with bags containing garments in the finished goods store where some workers were working on sewing machines. 10. Carton storage is high placed in the finished goods store. Aisles are not clearly demarcated between stacks.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		6. The factory should have high-beam emergency lights and evacuation signage posted showing the direction to the emergency staircase in the cut panel store on the mezzanine floor of the cutting section. 7. "Keep clear yellow barrier" should be marked in front of all exits. 8 & 9. Access to the aisles should be easy without any obstruction and aisles should be kept clear of all items. 10. Aisles should be clearly demarcated between stacks in the carton storage areas and cartons should be properly arranged with adequate space in between.	6. Emergency light tested and set up to standard. 7. Yellow boxes marked in front of all exits. 8. All aisles are unobstructed in the main production area. 9. The aisles near the sewing machines remains blocked. 10. Cans are now properly arranged in finished goods store. Aisles are blocked.	N/A visit on 12/06/05						
Evacuation Procedure	All applicable legally required or recommended elements safe evacuation (such as posting of evacuation plans, unobstructed aisles/paths, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.	11. Aisle markings and evacuation signs in the production hall next to the laundry have faded. Side aisles are narrow and not more than 2 feet wide. 12. Some workers in the panel inspection room working behind the tables have no access to the passage leading to exit. 13. Panel inspection room does not have an emergency exit. The only exit that aisle opens directly and is partly blocked with bags containing fabric panels. There were about 20 workers working in this area and there is congestion at exit. 14. The side aisle in the sampling section next to the sewing basin is blocked with furniture, cartons, hangers, racks and magazines. The aisle is neither marked nor are there evacuation signs posted.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		11. Factory should re-plant the aisles markings and evacuation signs in the production hall next to the laundry. Aisles should be adequate width. 12. Passageways should be action by 11/15/05 clear without any obstruction at all times. 13. Panel inspection room should have an emergency exit. 14. The side aisle in the sampling section should be marked, and evacuation sign should be posted. Aisle should not be blocked.	Factory agreed to take corrective action by 11/15/05	11. Aisles are properly marked. 12. Some aisles in the panel inspection room remain blocked. 13. No secondary exit in the panel inspection room. The only exit open now. 14. The side aisle in the sampling section is marked, unobstructed and evacuation sign is posted.	N/A visit on 12/06/05 12 & 13. Panel inspection room is moved to other aisle. This room is unoccupied now.					
Evacuation Procedure	All applicable legally required or recommended elements safe evacuation (such as posting of evacuation plans, unobstructed aisles/paths, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.	15. The emergency exit in sampling section does not have an emergency light installed. 16. Cutting area in the sampling section is cramped and the aisle at the rear of the cutting table where the workers were working was blocked with fabric bundles. 17. Some of the beam-type emergency lights in the factory are weak batteries (like a torch-light with weak batteries. When checked with a light-meter at a distance of one foot the reading ranged from 80 to 100 lux). One installed in the sampling is a tube-light which is barely working. Such weak illumination may not serve the desired purpose in thick smoke. 18. Fire alarm and evacuation plans are not posted on either of the floors in the new building called E Zone.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		15. The emergency exit in sampling section should have an emergency light installed. 16. The factory should ensure adequate aisle width with maintained. 17. Emergency lights should be in adequate level. 18. Fire alarm and evacuation plan should install a fire alarm and post evacuation plan in the new building called E Zone.	18. Action has already been taken, factory agreed to verify after 11/30/05. 19. Factory issued by 11/30/05.	15. Emergency light installed. 16. Aisles are unobstructed and adequate width is maintained. 17. Emergency light tested to be in adequate level. 18. Fire alarm and evacuation plan is installed in E Zone.						
Safety Equipment	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.	1. No Smoking sign and fire-extinguisher are not installed at the Chemical Store in the laundry. 2. There is no fire extinguisher with no smoking sign installed at the Waste Fabric and Waste Packaging Material shed. 3. A fire extinguisher was found to be blocked with empty cartons in the new cartons storage area.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		1 & 2. No Smoking sign and fire-extinguisher should be installed at the Chemical Store. The factory stated corrective action has already been taken.	1 & 2. No smoking sign and fire extinguishers are installed in the laundry, Waste Fabric and Waste Packaging Material shed. 3. Factory should ensure that all fire extinguishers are unobstructed and accessible at all times. Monthly checks should be done to ensure this.		N/A visit on 12/06/05					
PPE	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.	Some over-lock operators in production halls and sampling section were using make-up and were exposed to breathing in fluting fabric dust fibers/particles.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		1. Masks should be provided to all relevant workers and factory management should provide the use of PPE at all times to workers. 2. The factory should conduct educational training sessions on the proper PPE usage and importance to respective workers. 3. The factory should post warning signs in the local language to advise employees and pictorial diagrams illustrating proper PPE and usage in all production areas where PPE is required.	The factory agreed to complete corrective action by 10/30/05.	All employees using over lock machines are wearing mask.						
Chemical Management	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.	Desal barrels should be stored inside a proper storage shed.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		The factory agreed to make a cement barrier to avoid leaks. Agreed to complete this by 11/30/05.	No desal barrels are stored outside boiler section.							
Ventilation/Electrical/Facility Maintenance	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.	1. Fluting machine room near the cutting section is cramped. Ventilation is poor and the area is warm and humid. 2. Lighting on cutting tables in the cutting section ranges from 200 lux to 450 lux while in the surrounding section it was 130 lux. 3. Lighting at mezzanine points on machines without individual lamps ranged from 100 to 200 lux while on machines with individual lamps the lighting ranged from 200 to 5200 lux. 4. Lint was noticed on wall bars in stain-removing areas and on the wiring at a pressing station in the production hall located near the laundry. Lint was also seen on the wall fan in the Drying section.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		1. Fluting machine room should be organized ensuring enough space. Proper ventilation system also required. 2. Lighting in cutting area should be between 200 - 1000 lux. 3. Lighting at mezzanine points should be 500 - 1000 lux. 4. Lint/dust collected on equip and surrounding areas needs to be cleaned frequently to minimize the dust level.	Factory ensured that a new ventilation duct will be installed by 11/09/05. 2. Factory agreed to install new lights by 10/30/05. 3. Factory agreed to adjust the machine light to meet the standard and do a documented light level test by 10th Nov 05. 4. Factory stated that corrective action is already taken and frequent cleaning is carried out.	1. A fan installed in the fluting room. Ventilation improved. 2. Lighting in cutting area is above 700 lux. 3. Lighting in sewing area is 750 lux with no lamp and above 3000 lux with lamp. 4. Lint was not observed.	N/A visit on 12/06/05 Insulation was installed on the exhaust pipes. Part of the laundry floor was done.					
Ventilation/Electrical/Facility Maintenance	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.	5. The exhaust pipes of the power generating sets are not insulated and could cause burn injuries to those working in this area. 6. Loose wires were seen on the floor and wiring areas passages in the ironing machines area in the finished goods store. 7. Spillage water was seen on the floor of the laundry. The floor was found to be uneven which was obstructing the flow of water.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		5. A & 6. The factory ensured corrective action will be taken by 10/30/05. 7. Factory agreed to redo the floor area by 12/15/05.	5. No insulation was installed on the exhaust pipes. 6. No loose wire was observed. 7. The uneven floor remain in the laundry section.		N/A visit on 12/06/05 Insulation was installed on the exhaust pipes. Part of the laundry floor was done.					
Machinery Maintenance	All production machinery and equipment shall be maintained properly guarded, and operated in a safe manner.	1. Pallet mats were missing from many sewing machines in production and sampling areas. 2. Many sewing operators had tampered with needle-guards keeping them ineffective.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		1. The factory needs to check all sewing machines and provide pallet mats where missing. 2. The factory needs to fix all tampered needle-guards, and also should educate workers on importance of using the machine guards.	1. The factory ensured corrective action will be taken by 10/30/05.	1. Pallet mats are provided. 2. Needle guards are installed on sewing machines.						
Sanitation in Facilities	All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws.	Women & men's toilet blocks in the cutting section do not have hand dryers while the towels provided were dirty from excessive use. The soap dispenser in the hand wash area of women's toilet block was empty while there was no soap dispenser in the hand wash area of men's toilet block.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		1. Women and men's toilet blocks in the cutting section need to equip with hand dryers. 2. The factory should ensure that soap dispenser in the toilet area are empty during work hours.	1. The factory ensured corrective action will be taken by 10/30/05. 2. Hand dryer or paper towels are provided. 2. Soap dispenser were installed.	Liquid soap is already in place and the checklist maintained.						
Sanitation in Dining Area	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.	Those serving food in the canteen were serving food with bare hands and use not using appropriate polystyrene gloves.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		The factory should ensure those who serve/handle food in the canteen are provided wearing gloves when serving/handling food.	Agreed to take corrective action by 10/30/05.	Employees observed to be wearing gloves.						
PPE	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.	1. Numerous instances of female workers on standing jobs sporting high-heeled high-heeled sandals or working bare-foot.	evacuation connected to third floor of the main building is narrow and the gap between steps is 6 to 8 inches. The side railing made of pipe is about two and a half feet in height. The vertical support made of pipe for reinforcing the railing is spaced at about 15 inches. This staircase does not appear to be safe for an emergency evacuation.	Visual Inspection		The factory should advise workers of adverse effects of wearing high heeled sandals on standing jobs sporting high-heeled high-heeled sandals or working bare-foot.	The factory agreed to take corrective action by 10/30/05	Proper footwear was worn by the employees.						

FLA Code/Compliance Issue	Country/Legal Reference/FLA Benchmark	EM PROHIBS				REMEDATION			UPDATES (12/06/16)		UPDATES (4/21/06 & 2/08/16)				
		Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (Unchronobanded)	If Not Chronobanded, Explain Why	Source/Documentation Used for Chronobanding	Notable Features Implemented by Factory Management or Company	PC Remediation Plan	Target Completion Date	Company Follow-up (Nov 11, 2005)	Documentation	Company Follow-up	Documentation	Company Follow-up	Documentation
<b>7. Freedom of Association and Collective Bargaining</b>															
<b>8. Wages and Benefits</b>															
<b>9. Hours of Work</b>															
<b>9a. Overtime Limitations</b>	BOI (Board of Investment) standards on hours of work: 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 (c) be entitled to at least one day off in every seven day period.	Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 80 hours per week ranging between 61 – 65 hours, during the year 3 months; 2. During June 2005, "compensatory rest day" has been merged with a National Holiday. Factory worked on June 19, 2005 (Rest day) and gave a compensatory off on June 21, 2005 which was a National Holiday; 3. Security Guards work 12-hour shifts. Occasionally, these Guards end up working on 2 shifts (24 hours) continuously.	The following discrepancies were noticed in records obtained from the production floor: 1. Production Hall (Ground Floor) Register marked "Packing Lines Booth" had entries dated Sunday July 10, 2005; 2. Production Hall (First Floor) Copy marked "SO - 9002" had an entry dated Sunday June 5, 2005; 3. Production Hall (Ground Floor - New Building called E-Zone), Copy marked "Station Register" had an entry dated Sunday July 24th. When these discrepancies were pointed out, the management stated that these were genuine recording errors by those maintaining these records.	Review of time records and interview with management.	1. The factory must cease the practice of working more than 60 hrs per work week. 2. The factory confirmed that it currently is in compliance with the weekly work hours and providing one-day off in seven; 3. Ways of controlling work hours related to security guards needs to be decided up discussions between factory and PCs.	Overtime hours exceed legal maximum based on workers' testimonies and time records of the current month. Misleading management systems to control and monitor hours of work. Unreliable time records. PCs have held meetings with the factory ownership to discuss the need for transparency and solutions to the excessive working hours. The PCs will conduct unannounced visits to the factory on a monthly basis to monitor their hours of work.	Time records.	1. & 2. Nita, Inc. visited the factory on December 6th and had follow-up meetings on the issue of transparency. Factory changed their capacity planning to separately record excessive work hours on 12/07/05. According to these records more than 10% of workers have worked more than 12 hours per day and more than 60 hours per week in Oct-Nov-2005. 3. Factory had provided a letter for the contracts stating the requirements of compliance with legal standards. Compliance with work for security guards is still under discussion as none of the security firms in the country operate on 8-hour shift.	Pay roll records, time records, voucher payments.	Nita visit on 4/21/06. 1. & 2. Working hours are within the limits from the month of January 2006 onwards. Factory changed their capacity planning to separately record excessive work hours on 12/07/05. According to these records more than 10% of workers have worked more than 12 hours per day and more than 60 hours per week in Oct-Nov-2005. 3. Factory had provided a letter for the contracts stating the requirements of compliance with legal standards. Compliance with work for security guards is still under discussion as none of the security firms in the country operate on 8-hour shift.	Pay roll for Jan-April 2006. Time records, records for contract workers and statutory benefits annexure to income tax. Production incentive scheme revised in March to bridge contacts with the step off in income due to less amount of security and OT. 3. Factory needs to monitor further on compliance with wages and statutory benefits annexure to contract workers. Supervision benefits calculation for contract workers were not clear on the pay slips.	Pay roll for Jan-April 2006. Time records, records for contract workers and statutory benefits annexure to income tax. Production incentive scheme revised in March to bridge contacts with the step off in income due to less amount of security and OT. 3. Factory needs to monitor further on compliance with wages and statutory benefits annexure to contract workers. Supervision benefits calculation for contract workers were not clear on the pay slips.			
<b>9b. Voluntary OT</b>	Excessive hours worked in excess of code standard will be voluntary.	Manual time records indicate that Security guards are working 12 to 24 hours a day. Some production workers have sometimes worked in excess of 60 hours per week. There is no formal system in place to ensure or determine that the overtime is voluntary.		Review of time records & interview with security guards.	1. Factory should conduct engaging supervisor/worker training on the voluntary overtime. Factory agreed to conduct more training and to maintain voluntary policy in excess of the local labor laws or 60 hours per week on a regularly scheduled basis. Since there is no restriction on overtime for most workers, if rank workers are working beyond 60 hours per week working beyond 60 hours, every hour worked above 60 must be voluntary, as evidenced by 10/30/05. If the employee's signature, not less than once each week, indicating a desire to work the additional hours.	Overtime hours exceed legal maximum based on workers' testimonies and time records of the current month. Misleading testimonies on OT hours from factory management. Lack of management systems to control and monitor hours of work. Unreliable time records.	Time records.	PC visited the factory on December 6th and had follow-up meetings on the issue of transparency of work hours. Factory disclosed the separately recorded excessive work hours on 12/07/05. According to these records more than 10% of workers have worked more than 12 hours per day and more than 60 hours per week in Oct-Nov-2005.	Nita visit on 04/21/06. Work hours were within the limits from the month of January 2006.	Pay roll records/Time attendance system.					
<b>10. Overtime Compensation</b>															
<b>10a. Accurate Recording of Hours Worked</b>	BOI (Board of Investment) standards on wages and overtime payment: Factories Ordinance Act 7 & 32 of 1964.	Employees will be paid for all hours worked in a workweek. Calculation of hours worked must include all time that the employee actually or requires the work to work.	No time records are maintained for certain workers while manual time records are maintained for security & housekeeping workers.	Interview with management & review of time records.	1. Regarding the outsourced services (barman & housekeeping workers, and security guards), the factory should have an agreement with each of the outsourced parties. The agreement should stipulate the outsourced parties to treat their workers pursuant to the local regulations, for example, working hours, minimum wages, and OT compensation, and legally mandated benefits. The outsourced parties are required to keep track of the working hours and to maintain the time cards and payroll records and furnish copies of records maintained in respect of workers to the principal employer/factory. On the other hand, the factory is required to monitor the outsourced parties to verify if they treat the workers properly.	11/30/2005 No time records for certain workers; manual time records for security and housekeeping workers.	Manual time records for security and housekeeping workers.	Nita visit on the 4/21/06. Manual records available for barman and security workers. Factory needs to monitor further on compliance with wages and statutory benefits annexure to contract workers. Supervision benefits calculation for contract workers were not clear on the pay slips.	Pay slips for contract workers, time attendance records.						
<b>10b. OT Compensation</b>	The factory shall comply with applicable law for premium rates for overtime compensation.	Review of Time & Pay records reveal that on few occasions, factory has given a day off to employees to enable them to have an extended weekend. This extra day given off is not working 4 hours extra on two consecutive Saturdays which are otherwise half working days (8 hours). On such instances, factory works for additional 4 hours which are treated as half day covered for the said day off given on each occasion. While this is done with workers' consent the issue here is that the law clearly states that any work undertaken in excess of 8 hours a day is overtime and must be compensated at overtime premium rates. This legal requirement is not met in this situation as on both such Saturdays worked the factory has ended up working 5:45 - 4:00 - 9:50 hours. No overtime premium was paid for 1.50 hours worked in excess of 8 hours on each occasion.		Interview with management & review of records.	Factory claimed that this is a practice adopted to provide extended weekends to workers, which they enjoy, as most workers are migrants to the city from villages. A normal working day comprises of 8 working hours including one hour for meal and rest. When covering work is done on Saturdays they cover 4 hours on two Saturdays to recover the 8 working hours. As per law, there is no provision for covering days. This is an industry practice where during New Year and Christmas season, workers are given long holidays to enjoy the festival. These holidays are covered from other holidays (Pop Day) or from overtime with consent from workers. These are decided during the yearly calendar planning. By having these 4 hours with the factory, the result would be that workers losing such benefit of having extended weekends. Factory did not have any other solution for this issue. PCs will interview workers and work with the factory on a resolution.	Current arrangement of switching holidays is deemed to be welcome and initiated by the workers. It is also a common and acceptable practice in other industries in the country. Factory has agreed that covering time will be limited to 2-1/2 hours. This means 5-1/2 hours working + 2 1/2 hours covering time. Any time worked beyond 8 hours, will be paid as overtime.	Management and workers' interviews.	Nita visit on the 4/21/06. Factory has limited covering time to 2-1/2 hours. This means 5-1/2 hours working + 2 1/2 hours covering time.	Factory calendar/Time records.						
<b>10c. OT Compensation Awareness</b>	Workers shall be informed about overtime compensation rates, by oral and printed means.	Few workers interviewed were aware of how overtime compensation is calculated.		Interview with workers.	1. Factory should provide a pay calculation awareness training program to increase contract workers' awareness. The factory should include this information in the new hire during induction and also had orientation as well. 2. Factory should use bulletin boards effectively to post payroll calculation information in the local language spoken by employees.	The factory already cover this area. No such training in place at this time.	PCs will interview workers and work with the factory on a resolution.	Nita visit on the 12/6/05. Training programs have started.	Training records.	Nita visit on the 4/21/06. Training program continue.					
<b>11. Miscellaneous</b>															
<b>11a. Personnel Files</b>		Personnel files of workers have not been updated with current wage increments hence did not match with pay records and workers responses.		Review of personnel and wage records and interview with workers. Also interview with management.	The factory should ensure that all personnel files are up to date with relevant information. The factory agreed to update all personnel files by 10/30/2005.	Personnel files are updated with the latest wage increment information.	Employee files								
<b>11b. Outsourced Workers</b>		In the absence of all relevant and appropriate records for local time keeping record available for security guards and housekeeping workers outsourced for support services including security, housekeeping & barman could not verify compliance with applicable code elements.		Interview with management.	1. Regarding the outsourced services (barman & housekeeping workers, and security guards), the factory should have an agreement with each of the outsourced parties. The agreement stipulates the outsourced parties to treat their workers pursuant to the local regulations, for example, working hours, minimum wages, and OT compensation, and legally mandated benefits. The outsourced parties are required to keep track of the working hours and to maintain the time cards and payroll records and furnish copies of records maintained in respect of workers to the principal employer/factory. On the other hand, the factory is required to monitor the outsourced parties to verify if they treat the workers properly.	11/30/2005 Records are maintained for security guards and housekeeping workers, incomplete for barman staff. No time records for contract workers. Manual time records for security and housekeeping workers.	Manual time records for security and housekeeping workers.	Nita visit on the 4/21/06. Manual records available for barman and security workers. Factory agreed to install a mechanical time keeping machine for contract workers.							