<table>
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<tr>
<th>Category</th>
<th>Action</th>
<th>Status</th>
<th>Comments</th>
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</thead>
<tbody>
<tr>
<td>1. Code Awareness</td>
<td>FLA Audit Profile</td>
<td>A. MOSTLY DONE</td>
<td>Health and Safety legal concerned; d) methods and safe attitude in Occupational Safety Law, chapter V</td>
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<tr>
<td>2. Chemical Safety &amp; MSDS</td>
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<td>equipment to prevent occupational diseases.  Article 5.2: The employer is obliged to supply free of charge all protective devices to work &amp; protect employees from the harmful effects of chemical hazards.  The protective devices shall be in place, maintained as fire fighting equipment, first aid kits, etc.</td>
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<td>3. First Aid</td>
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<td>Two (2) Boiler Operators have been trained on the first aid in the factory.</td>
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<td>4. Monitoring &amp; Maintenance</td>
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<td>The supervisor is responsible to report any emergency while monitoring the area.</td>
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<tr>
<td>5. Training</td>
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<td>The employees are trained on the safe operation of machines and equipment.</td>
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<tr>
<td>7. Environmental Health</td>
<td></td>
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<td>The factory is required to maintain the cleanliness of the workplace.</td>
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<td>8. Emergency Preparedness</td>
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<td>The factory is required to have an emergency plan in place.</td>
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<tr>
<td>9. Employee Rights</td>
<td></td>
<td></td>
<td>The employees are entitled to a safe and healthy working environment.</td>
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<tr>
<td>10. Management Review</td>
<td></td>
<td></td>
<td>The management is responsible for reviewing the health and safety policies and procedures.</td>
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<tr>
<td>11. whipping</td>
<td></td>
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<td>The workers are required to comply with the safety rules and regulations.</td>
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<td>12. safety</td>
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<td>The workers are required to follow the safety procedures.</td>
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</table>

**FLA Principle of Monitoring,**

- The factory is required to ensure that the fire alarm system is functioning properly.
- The factory is required to maintain adequate levels of protective wear and equipment.
- The factory is required to have regular safety inspections and audits.
- The factory is required to have a well-documented safety policy and procedures.
- The factory is required to have a well-structured safety organization.

**FLA Audit Profile,**

- The factory is required to have a well-planned safety training program.
- The factory is required to have a well-defined safety committee.
- The factory is required to have a well-documented safety plan.
- The factory is required to have a well-structured safety program.
- The factory is required to have a well-organized safety department.

**FLA Audit Profile,**

- The factory is required to have a well-documented safety policy and procedures.
- The factory is required to have a well-structured safety program.
- The factory is required to have a well-organized safety department.
- The factory is required to have a well-organized safety plan.
- The factory is required to have a well-documented safety plan.

**FLA Audit Profile,**

- The factory is required to have a well-documented safety policy and procedures.
- The factory is required to have a well-structured safety program.
- The factory is required to have a well-organized safety department.
- The factory is required to have a well-organized safety plan.
- The factory is required to have a well-documented safety plan.
C. Payment plan for
IN PROCESS
A, DONE.
Updates
Completed
COMPLETED
Employers will not use hidden or
Completed
- Factory has started auditing the
DONE

10. Overtime Compensation

- 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

- Written limitation of period the work that

- Stated that the meals and drinks provided

- Company assigning workers/laborers during

- In the work agreements, company regulations

- Amount and the procedures/methods

- For each worker, paid by employer (3.7%) and

- Defined time periods.

- Legally mandated benefits will be

- Recorded review

- Management &

- Bargaining Agreement (CBA) with

- SPSI union branch

- To be workers' decision to choose

- Company level association or

- 7.2 stated that the meals and drinks provided

- To control the total number of working

- Excessive working hours is due to the

- Paper is given to them and it is the

- Interview stated that the white

- WERE at least 2 workers with

- Redundancy payment is calculated

- For at least 2 workers of cutting

- No.14/1993 regarding implementation of social

- Weekly

- Independent worker

- Monthly payment worker for the payment and

- Contract for at least 2 workers of cutting

- Office (signed by

- Production areas.

- Program error in printing and actually

- More accurate recording of working

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<th>Country Law/Legal Reference</th>
<th>FLA Benchmark</th>
<th>Noncompliance</th>
<th>Risk of Non-compliance</th>
<th>Evidence of Non-compliance</th>
<th>Sources/Documentation used for corroborating evidence</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>
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**Updates**

**Remediation Findings**

- There is embroidery section inside the factory area. The workers mentioned that embroidery workers were employed under ***. Most of workers interviewed didn't know about the existence of ***.
- Management claims the embroidery section does not belong to the factory. However, from the purchase order of embroidery work record reviewed, the address of *** is not the same as the production location. The auditors were not given access to worker interview and document review pertaining to the workers in that section.

**Management & workers interviewed**

- Factory is to do regular audit to its subcontractors (at least annually basis).
- Factory can use the buyers' (Adidas AG & Nike) SOE/Code of Conduct as well as Indonesia law and regulation as references.

**Start on Feb, 2006**

- Factory has started auditing the subcontractor located on the same premises.
- Factory is asked to have audits scheduled for the rest of subcontractors.

**On going IN PROCESS**

- Presently factory uses around 5 subcontractors. Factory plans on auditing these subcontractors, but the implementation time is yet to be determined.

**Briefing records**

- Factory has conducted a briefing/meeting with the subcontractors on August 3, 2006.
- Audit for selected subcontractors will be conducted in September 2006.
- Factory is going to provide all its subcontractors the requirements based on buyers' code of conducts/SOE and ask the subcontractors to sign an acknowledgement letter. The deadline is October 2006.

**Briefing:_pending**

- 6 subcontractors were invited on August 3 '06 to attend briefing/training regarding topics of lean system, 6S, quality standard, testing requirement standard, labour & safety standard.
- Audit of Subcontractors: all 6 subcontractors have been audited by Factory compliance coordinator and team between August and September 2006. No progress on acknowledgement letter yet.
- Pending: Factory management to obtain written acknowledgement of compliance standard from each subcontractor’s top mgmt.
- Factory to provide copy of compliance standards (along with acknowledgement request) to each subcontractor.

**Briefing:**

- minutes of meeting
- list of attendance
- training materials

**Audit:**

- written summary of audit result

**PENDING**

- Copy of company’s standard of compliance provided to each subcontractor along with acknowledgement to be signed
- 3 of the 6 subcontractors have returned acknowledgement letter, 3 pending. Factory management to obtain 3 more pending acknowledgement letters from its subcontractor factories. The deadline is April 30, 2007

**Pending**

- copy of company's compliance standards as provided to subcontractor
- signed letter of acknowledgement from 3 subcontractors

**PENDING**

- Acknowledgement letters of compliance received from 6 subcontractors
- Copy of acknowledgement letters