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.
| Date of audit | Duration of IEM Evaluation | PC(s)/Compliance Staff | FLA Code Posting 
---|---|---|---
9/29/01 | 5 days | Eddie Bauer & Levi Strauss & Co. | 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.

### FLA Code
- **FLA Code Posting**
  - FLA Code Posting is of paramount importance for the factory to maintain a safe and healthy working environment. It is essential to ensure that all employees are aware of their rights and responsibilities under the FLA.
  - FLA Code Posting should be in place to ensure that employees are informed about the FLA standards and their rights.

### Compliance
- **Probationary Period**
  - The probationary period should be clearly defined in the employee handbook. It should be consistent with local labor laws and regulations.

### Juvenile Workers
- **Hiring and Employment**
  - It is noted that the factory does not hire juvenile workers under the age of 18. However, the factory should ensure that there is no violation of local laws and regulations regarding the employment of juvenile workers.

### Forced Labor
- **Hiring and Employment**
  - The factory should maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision.

### Child Labor
- **Hiring and Employment**
  - The factory should ensure that there is no violation of local laws and regulations regarding the employment of workers under the minimum working age.

###その他
- **Hiring and Employment**
  - The factory should ensure that there is no violation of local laws and regulations regarding the employment of workers under the minimum working age.
### FLA Code

<table>
<thead>
<tr>
<th>FLA Code</th>
<th>PC Findings</th>
<th>PC Corrective Action Plan</th>
<th>PC Remediation Status</th>
<th>Remediation Note</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Follow-Up Activities

#### Maternity Leave

- **Wages and Benefits**
  - Maternity Leave
    - **Action:** Factory has increased the minimum wages to RMB430 from October 1, 2001. They planned to compensate workers whose wages lower than RMB430 for the difference from July to September. It will be completed before January 13, 2002.

#### Health and Safety

- **Health and Safety**
  - No fire sprinkler system is equipped in the factory.
  - **Action:** Factory must submit a plan for the compensation on the difference due to revise on the minimum wages requirement during July, August & September (Factory adopted the new minimum requirement on October 1, 2001). Factory need to establish system to check on the minimum wages information regularly.

- ** monetar agreement on sprinkler system is legally required for the factory area**

####自由表达和集体谈判

- **Fire Safety / Sanitation**
  - Hand washing lotion, soap and paper tissue were not supplied to all toilets.

#### Production of Materials and Commodities

- **Fla. Rep. found agreed on the system is implemented.**

### Nondiscrimination

- **Maternity Leave**
  - **Action:** Factory has increased the minimum wages to RMB430 from October 1, 2001. They planned to compensate workers whose wages lower than RMB430 for the difference from July to September. It will be completed before January 13, 2002.

### Remediation Status

- **Follow-Up Activities**
  - **Maternity Leave**
    - **Action:** Factory has increased the minimum wages to RMB430 from October 1, 2001. They planned to compensate workers whose wages lower than RMB430 for the difference from July to September. It will be completed before January 13, 2002.

- **Health and Safety**
  - **Action:** Factory must submit a plan for the compensation on the difference due to revise on the minimum wages requirement during July, August & September (Factory adopted the new minimum requirement on October 1, 2001). Factory need to establish system to check on the minimum wages information regularly.

#### FLA Code

- **Freedom of Association and Collective Bargaining**
  - Minimum Wage
    - **Action:** Factory must submit a plan for the compensation on the difference due to revise on the minimum wages requirement during July, August & September (Factory adopted the new minimum requirement on October 1, 2001). Factory need to establish system to check on the minimum wages information regularly.

- **Harassment or Abuse**
  - **Action:** Factory must submit a plan for the compensation on the difference due to revise on the minimum wages requirement during July, August & September (Factory adopted the new minimum requirement on October 1, 2001). Factory need to establish system to check on the minimum wages information regularly.

### Action Plan

- **Maternity Leave**
  - **Action:** Factory has increased the minimum wages to RMB430 from October 1, 2001. They planned to compensate workers whose wages lower than RMB430 for the difference from July to September. It will be completed before January 13, 2002.

- **Health and Safety**
  - **Action:** Factory must submit a plan for the compensation on the difference due to revise on the minimum wages requirement during July, August & September (Factory adopted the new minimum requirement on October 1, 2001). Factory need to establish system to check on the minimum wages information regularly.

### Remediation Note

- **Maternity Leave**
  - **Action:** Factory has increased the minimum wages to RMB430 from October 1, 2001. They planned to compensate workers whose wages lower than RMB430 for the difference from July to September. It will be completed before January 13, 2002.

- **Health and Safety**
  - **Action:** Factory must submit a plan for the compensation on the difference due to revise on the minimum wages requirement during July, August & September (Factory adopted the new minimum requirement on October 1, 2001). Factory need to establish system to check on the minimum wages information regularly.
Social Insurance

Benefits

In accordance with the PRC Labor Law article 72 and 73 and its workers must participate in social insurance schemes included retirement, illness or injury, work-related injury or occupational disease, unemployment and maternity.

Per FLA Benchmarks VIIB, Wages and Benefits

1. Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher. Employers will not discriminate against employees who are engaged in legitimate activities, including trade union activities, by reducing wages or giving worse working conditions.

2. Employers recognize that payment of wages must be in accordance with the law. Employers will ensure that wages paid to employees are recorded in writing, the amount of wages, date of payment, names and signatures of the persons who receive wages, and the units shall keep them for two years or more for examination.

3. Employers will provide workers with a copy of the payroll when they receive wage. Per FLA Benchmarks VIIB, Wages and Benefits, 1. Employers will provide employees with a copy of the payroll when they receive wage. If the company's wage system does not provide the copy of the payroll, the factory shall provide a copy of the relevant regulation to the labor department for examination.

4. Employers will pay workers the legal minimum wage or the prevailing industry wage, whichever is higher.

5. Employers will make sure that their workers receive meal allowance and meals or meal tickets. If the factory issues meal tickets, employers will provide workers with a copy of the meal ticket when they receive meal tickets. The factory shall also keep the record of meal ticket distribution for at least two years.

6. Employers will not make workers pay for meals or meal tickets, which is a violation of the law. If workers are required to purchase meals or meal tickets, the factory shall provide a copy of the relevant regulation to the labor department for examination.

7. Employers will not make workers pay for meals or meal tickets, which is a violation of the law. If workers are required to purchase meals or meal tickets, the factory shall provide a copy of the relevant regulation to the labor department for examination.

Wage Procedures

In accordance with Provisonal Regulations for the Payment of Wages article 6, employing units shall record in writing the amount of wages paid to workers, date of the payment, names and signatures of the persons who receive wages, and the units shall keep them for two years or more for examination. Employing units shall provide workers with a copy of his/her payroll when they receive wages.

Per FLA Benchmarks VIIB, Wages and Benefits

1. Employers will pay workers the legal minimum wage or the prevailing industry wage, whichever is higher.

2. Employers will provide workers with a copy of the payroll when they receive wages. If the company's wage system does not provide the copy of the payroll, the factory shall provide a copy of the relevant regulation to the labor department for examination.

3. Employers will provide workers with a copy of the payroll when they receive wages. If the company's wage system does not provide the copy of the payroll, the factory shall provide a copy of the relevant regulation to the labor department for examination.

4. Employers will provide workers with a copy of the payroll when they receive wages. If the company's wage system does not provide the copy of the payroll, the factory shall provide a copy of the relevant regulation to the labor department for examination.

Wage Deductions

Per FLA Benchmark VIIB, Wages and Benefits

1. Employers will pay workers the legal minimum wage or the prevailing industry wage, whichever is higher.

2. Employers will provide workers with a copy of the payroll when they receive wages. If the company's wage system does not provide the copy of the payroll, the factory shall provide a copy of the relevant regulation to the labor department for examination.

3. Employers will provide workers with a copy of the payroll when they receive wages. If the company's wage system does not provide the copy of the payroll, the factory shall provide a copy of the relevant regulation to the labor department for examination.

4. Employers will provide workers with a copy of the payroll when they receive wages. If the company's wage system does not provide the copy of the payroll, the factory shall provide a copy of the relevant regulation to the labor department for examination.

As of Jan. 1, 2002, factory no longer deducts worker's wage with meal purchases. Workers are free to purchase or not to purchase the canteen food which is now subsidized by the factory and is appropriate amount and can voice grievance if amount seen to be unfair. Factory has provided meal allowance and workers are allowed to choose freely. Factory advised monitor of this during the closing meeting.

Factory has got the approval from the local Medicare of Social Insurance on other criterion, like retirement; work related accidental insurance; maternity insurance & unemployment insurance.

Continued Comments

Get written approval A general written approval obtained from local social insurance bureau dated on 12/19/2001 state that all employees are enrolled into the program for Pension, Medical, Maternity and Unemployment insurance. Factory has participated in all social insurances including illness with all employees with completion date on 6/1/2002.

p. 3
<table>
<thead>
<tr>
<th>FLA Code</th>
<th>PC Response to FLA Follow-up [CAP 8/30/03]</th>
<th>FR: Follow-up Comments (Company Only)</th>
<th>PC: Follow-up Comments</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FLA Benchmark VIII: Overtime Compensation</td>
<td>To make the necessary changes to the overtime compensation system, the company explained that one employee from each production line is to be notified of the issue, and a revised system is to be implemented. The company had revised the OT compensation system with completion date on 6/1/2002. (please refer to the OT approval)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Record Keeping</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>FLA Benchmark VIII: Overtime Compensation</td>
<td>The factory got a approval form local bureau, but it isn’t appropriate.  Factory had revised the OT compensation system with completion date on 6/1/2002. (please refer to the OT approval)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Record Keeping</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Remark: The overtime hour on monthly records was different from the daily computer scanning, through the employees interview, there is another manual record registered by the supervisor but the factory could not provide the manual record. The factory is 8:6:02) Follow Up Comments (Company Only)</td>
<td>Action 1: Review with ITS on their finding on the possible second record.  Action 2: [Factory] need to improve the accuracy of their time record to make sure the meal break during OT is not compensated, thus, the actual overtime hour could not be verified.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Follow up Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Action 1: Review with ITS on their finding on the possible second record.  Action 2: [Factory] need to improve the accuracy of their time record to make sure the meal break during OT is not compensated, thus, the actual overtime hour could not be verified.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Action 1: Review with ITS on their finding on the possible second record.  Action 2: [Factory] need to improve the accuracy of their time record to make sure the meal break during OT is not compensated, thus, the actual overtime hour could not be verified.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Remark: Since the overtime hour could not be verified, the actual overtime payment could not be calculated. Refer to Working Hours.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Have confirmed through the mail conducted by PC Compliance Officer: The factory got a approval form local bureau, but it isn’t appropriate.  Factory had revised the OT compensation system with completion date on 6/1/2002. (please refer to the OT approval)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PC: Follow-up Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Remark: Since the overtime hour on monthly records was different from the daily computer scanning, through the employees interview, there is another manual record registered by the supervisor but the factory could not provide the manual record. The factory is 8:6:02) Follow Up Comments (Company Only)</td>
<td>Action 1: Review with ITS on their finding on the possible second record.  Action 2: [Factory] need to improve the accuracy of their time record to make sure the meal break during OT is not compensated, thus, the actual overtime hour could not be verified.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Follow up Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Action 1: Review with ITS on their finding on the possible second record.  Action 2: [Factory] need to improve the accuracy of their time record to make sure the meal break during OT is not compensated, thus, the actual overtime hour could not be verified.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Action 1: Review with ITS on their finding on the possible second record.  Action 2: [Factory] need to improve the accuracy of their time record to make sure the meal break during OT is not compensated, thus, the actual overtime hour could not be verified.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Remark: Since the overtime hour could not be verified, the actual overtime payment could not be calculated. Refer to Working Hours.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Have confirmed through the mail conducted by PC Compliance Officer: The factory got a approval form local bureau, but it isn’t appropriate.  Factory had revised the OT compensation system with completion date on 6/1/2002. (please refer to the OT approval)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>