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.
**FLA Audit Profile**

**Country**

**Sri Lanka**

**DT-Group Solutions PVT LTD**

**FLA Audit Profile**

**July 25th & 26th, 2005**

**Arkandy Inc., Eddie Bauer, Inc.**

**1207**

**The objective of Eddie Bauer, Inc. and Nike, Inc. is to strengthen contract manufacturers’ internal grievance systems, so that direct involvement by PC in employee grievances should be considered a part of the internal procedures for resolving workplace disputes, and resolve grievances in good faith. In an effort to encourage and encourage workers to file grievances, management should distribute copies of the grievance procedure and grievance forms.**

**Outline of the course/training and the attendance sheets.**

**Remediation Plan**

<table>
<thead>
<tr>
<th>Date of Remediation</th>
<th>Target Remediation Date</th>
<th>Company Follow-up Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nov 11, 2005</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

There is no effective confidential non-compliance reporting channel not effectively informed to the workers. The factory agreed to complete an 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 workers).

**FLA Code/Compliance**

<table>
<thead>
<tr>
<th>Country Law/Legal Reference</th>
<th>FLA Benchmark</th>
<th>Non-compliance</th>
<th>Evidence of Non-compliance</th>
</tr>
</thead>
<tbody>
<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 location. No person will be subjected to any physical, sexual, or verbal harassment or abuse. No person will be subjected to any physical, sexual, or verbal harassment or abuse. The factory stated they have already taken corrective action for this. Instructions on the can read – ‘Avoid breathing vapor.'</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**IEM FINDINGS**

Some workers interviewed were not aware of the Code elements. Some of the managers interviewed were not aware of few of the Code elements. Interview with workers and managers.

**FLA Code/Compliance**

<table>
<thead>
<tr>
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<th>Country Law/Legal Reference</th>
<th>FLA Benchmark</th>
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<th>Evidence of Non-compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Code Awareness</td>
<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 location. No person will be subjected to any physical, sexual, or verbal harassment or abuse. No person will be subjected to any physical, sexual, or verbal harassment or abuse. The factory stated they have already taken corrective action for this. Instructions on the can read – ‘Avoid breathing vapor.'</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Interview with workers and managers.

PC suggests the Factory to incorporate CoC standards in the workers’ handbook.

**2. Forced Labor**

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.

**3. Child Labor**

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.

**4. Harassment or Abuse**

Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, or verbal harassment or abuse. The factory has taken corrective action for this. 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.

**5. Nondiscrimination**

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.

**6. Health and Safety**

Employees will have access to all documents required to be available at work for health and safety. Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, or in connection with, the employment, and not to undergo any harmful practices or substances. The factory stated they have already taken corrective action for this. Instructions on the can read – ‘Avoid breathing vapor.'
The metal spiraled staircase for emergency evacuation is not safe. It is not marked as the correct evacuation route. There is no emergency lighting or railing to assist in an evacuation. The emergency lights do not work, and the evacuation signs are not visible. The staircase does not meet the required safety standards for an emergency evacuation. The factory agreed to complete all the corrective actions by November 15th, 2005.

Inspectors/Procedures

- Visual Inspection: 1. & 2. No Smoking sign and fire extinguisher should be installed at the Chemical Store and in the laundry, Waste Fabric and Waste Packaging Material shed; 3. Factory should ensure that all fire extinguishers are unblocked and accessible at all times. Monthly checks should be done to ensure this. 4. Fire extinguishers remain blocked in the new carton storage area.
- Safety Equipment: All safety and medical equipment (such as fire fighting equipment, PPE, medical cabinets) should be provided and maintained to conform to applicable laws and prevent hazardous conditions to employees in the facility.
- Ventilation/Electrical/Facility Maintenance: All production machines in the facility shall be safe, well-maintained, and properly labeled.
- Vanity Area: In production and sampling areas; 2. Many sewing operators had tampered with needle-guards rendering them ineffective. Those serving food in the canteen were serving food with bare hands and are not using appropriate polythene gloves. Toilets in the facility were not kept in a sanitary manner in accordance with applicable laws. Safe drinking water should be available in each building.

Employees observed to be wearing gloves.

The factory should ensure that employees are provided with separate toilet facilities for men and women and that all toilet facilities are equipped with adequate sanitary equipment. The factory should ensure that employees are provided with separate toilet facilities for men and women and that all toilet facilities are equipped with adequate sanitary equipment. The factory should advise workers of adverse effects of wearing high heeled sandals and encourage them to wear appropriate footwear. The factory should ensure that workers are trained in proper safety, first aid, and evacuation procedures.

Hygiene: The factory should ensure that employees are provided with separate toilet facilities for men and women and that all toilet facilities are equipped with adequate sanitary equipment. The factory should ensure that employees are provided with separate toilet facilities for men and women and that all toilet facilities are equipped with adequate sanitary equipment. The factory should advise workers of adverse effects of wearing high heeled sandals and encourage them to wear appropriate footwear. The factory should ensure that workers are trained in proper safety, first aid, and evacuation procedures.

The factory should ensure that workers are trained in proper safety, first aid, and evacuation procedures.
Review of time records

1. Payroll for Jan -
2. Documentation Company Follow-up Documentation
   (Nov 11, 2005)
3. Review of time records and interview with management.
4. FLA Code/Compliance
   Country Law/Legal Reference
   FLA Benchmark
   Non-compliance
   Risk of Non-compliance
   Evidence of Non-compliance

7. Freedom of Association and Collective Bargaining
   Employers will recognize and respect the right of employees to freedom of association and collective bargaining.
   Voluntary OT
   Overtime hours worked in excess of code standard will be cut down by the management.
   Nike visit on 4/21/06.
   Workers have been informed that they are currently in compliance with the weekly work hours and providing one-day off in seven.
   Ways of controlling work hours related to security guards needs to be decided in follow up discussions between factory and PCs.

9. Hours of Work
   a. Employers will 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; and (ii) be entitled to at least one day off in every seven day period.
   b. Except for extra work that could not have been anticipated or alleviated by other reasonable efforts.
   c. All overtime work should be voluntary.
   Nike visit on December 6th
   Pay roll records, discrepancies were noticed on Hours of Work. Factories Ordinance Act 6 & 32 of 1984.
   Accurate recording of OT
   Board of Investment (BOI) visited the factory on April 21, 2006.
   Overtime Limitations
   BOI (Board of Investments)
   FLA Code
   Compliance
   FLA Benchmark
   Non-compliance
   Risk of Non-compliance
   Evidence of Non-compliance

4. FLA Code/Compliance
   Country Law/Legal Reference
   FLA Benchmark
   Non-compliance
   Risk of Non-compliance
   Evidence of Non-compliance

6. Overtime Limitations
   BOI (Board of Investments)
   FLA Code
   Compliance
   FLA Benchmark
   Non-compliance
   Risk of Non-compliance
   Evidence of Non-compliance

10. Overtime Compensation
   FLA Code/Compliance
   Country Law/Legal Reference
   FLA Benchmark
   Non-compliance
   Risk of Non-compliance
   Evidence of Non-compliance

8. Miscellaneous
   FLA Code/Compliance
   Country Law/Legal Reference
   FLA Benchmark
   Non-compliance
   Risk of Non-compliance
   Evidence of Non-compliance

5. FLA Code/Compliance
   Country Law/Legal Reference
   FLA Benchmark
   Non-compliance
   Risk of Non-compliance
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