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.
Company: LIZ CLAIBORNE, INC.

Factory: Knitting, Linking, Sewing, Finishing

Date of Facility: September 25, 2004

Number of Workers: 120

Company: LIZ CLAIBORNE, INC.

Factory: Knitting, Linking, Sewing, Finishing

Date of Facility: September 25, 2004

Number of Workers: 120

### Factory Verification Follow-up

#### FLA Audit Profile

**Factory name**: IEM

**Date(s) in facility**: January 18, 2005

**PC(s)**: P2

**Number of workers**: 120

<table>
<thead>
<tr>
<th>FLA Principle of Monitoring</th>
<th>Obligation of Companies</th>
<th>Whether action taken</th>
<th>Corroborated?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair Labor Practices - Freedom of Association</td>
<td>Establish and articulate clear, written workplace standards.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Fair Labor Practices - No Forced Labor</td>
<td>There will be no use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.</td>
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<td>Fair Labor Practices - Good Working Conditions</td>
<td>No discrimination on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.</td>
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<td>Yes</td>
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<td>Fair Labor Practices - Right to a Living Wage</td>
<td>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.</td>
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<td>Yes</td>
<td>Yes</td>
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</tbody>
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#### Findings

- **Forced Labor**: There will be no use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.

#### Remediation

- **Freedom of Association**: The factory confirmed that the corrective actions had been taken on September 30, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that the Code is properly addressed to all workers.

- **No Forced Labor**: The factory confirmed that the corrective actions had been taken on October 30, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that MSDS is posted at all storage areas.

- **No Child Labor**: The factory confirmed that the corrective actions had been taken on December 31, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that MSDS is posted at all storage areas.

- **Good Working Conditions**: The factory confirmed that the corrective actions had been taken on November 30, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that the evacuation plan is revised and matched with the facility layout, and is posted at all emergency exits. The evacuation plan basically include the location of fire equipment, evacuation direction, exit, etc.

- **Right to a Living Wage**: The factory confirmed that the corrective actions had been taken on January 19, 2005 to ensure that MSDS is posted at all storage areas.

#### Training

- **OHS Training records, worker interviews and interview form**: The factory agreed to place type ABC fire extinguishers throughout the factory and ensure that all fire extinguishers be properly in place, maintained as per governmental requirement, and accessible to the employees. Moreover, the first aid kit should be adequately stocked and records are properly maintained.

- **Evacuation Plan and photographs**: The factory agreed to make the evacuation plan match with the planning. A copy of evacuation plan and photographs will be included in the PC's internal file.

- **Company**: LIZ CLAIBORNE, INC.

- **Factory**: Knitting, Linking, Sewing, Finishing

- **Date of Facility**: September 25, 2004

- **Number of Workers**: 120
The factory agreed to ensure that all small machines for spinning purposes and other functions have been properly grounded and operated in a safe manner. The factory confirmed that the corrective actions had been taken on October 19, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all employees, including the newly joined, were provided with paystubs since October, 2004. All the attendance records should be available for inspection at any time during the year.

**Visual Inspections**

- **Employees’ Work Environment:** The factory confirmed that the corrective actions had been taken on October 19, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all employees, including the newly joined, were provided with paystubs since October, 2004. All the attendance records should be available for inspection at any time during the year.

**Social Security**

- **Medical Insurance:** The factory confirmed that the corrective actions had been taken on October 19, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all employees, including the newly joined, were provided with paystubs since October, 2004. All the attendance records should be available for inspection at any time during the year.

**Workers’ Compensation**

- **Workers’ Compensation:** The factory confirmed that the corrective actions had been taken on October 19, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all employees, including the newly joined, were provided with paystubs since October, 2004. All the attendance records should be available for inspection at any time during the year.

- **Survey Results:** The factory confirmed that the corrective actions had been taken on October 19, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all employees, including the newly joined, were provided with paystubs since October, 2004. All the attendance records should be available for inspection at any time during the year.

- **Survey Results:** The factory confirmed that the corrective actions had been taken on October 19, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all employees, including the newly joined, were provided with paystubs since October, 2004. All the attendance records should be available for inspection at any time during the year.

- **Survey Results:** The factory confirmed that the corrective actions had been taken on October 19, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all employees, including the newly joined, were provided with paystubs since October, 2004. All the attendance records should be available for inspection at any time during the year.

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<tbody>
<tr>
<td>9.8</td>
<td>Hours of Work</td>
<td>China</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>The factory confirmed that the corrective actions had been taken on September 30, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all compensation be paid to employees including the newly joined in a timely manner.</td>
<td>Copy of payrolls, time attendance records and interview forms will be included in the PC’s internal file.</td>
<td>No</td>
<td>Remedial steps are needed to assure that the working hour will be lesser than 60 hours under ordinary business circumstances.</td>
<td></td>
</tr>
<tr>
<td>9.9</td>
<td>Overtime</td>
<td>China</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>The factory confirmed that the corrective actions had been taken on December 31, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that employees work lesser than 60 hours a week under ordinary business circumstances.</td>
<td>Copy of payrolls, time attendance records and interview forms will be included in the PC’s internal file.</td>
<td>No</td>
<td>Remedial steps are needed to assure that the working hour will be lesser than 60 hours under ordinary business circumstances.</td>
<td></td>
</tr>
<tr>
<td>10.1</td>
<td>Compensation</td>
<td>China</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>The factory confirmed that the corrective actions had been taken on June 30, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all compensation be paid to employees including the newly joined in a timely manner.</td>
<td>Copy of payrolls, time attendance records and interview forms will be included in the PC’s internal file.</td>
<td>No</td>
<td>Remedial steps are needed to assure that the working hour will be lesser than 60 hours under ordinary business circumstances.</td>
<td></td>
</tr>
<tr>
<td>10.2</td>
<td>Accurate recording of wages and compensation</td>
<td>China</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>The factory confirmed that the corrective actions had been taken on August 31, 2004. The PC plans to visit the factory on January 18, 2005 to ensure that all compensation be paid to employees including the newly joined in a timely manner.</td>
<td>Copy of payrolls, time attendance records and interview forms will be included in the PC’s internal file.</td>
<td>No</td>
<td>Remedial steps are needed to assure that the working hour will be lesser than 60 hours under ordinary business circumstances.</td>
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<tr>
<td>10.3</td>
<td>Incentives</td>
<td>China</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>China Labor Code, Article 41</td>
<td>The factory confirmed that the corrective actions had been taken on May 1, 1997. The PC plans to visit the factory on January 18, 2005 to ensure that all compensation be paid to employees including the newly joined in a timely manner.</td>
<td>Copy of payrolls, time attendance records and interview forms will be included in the PC’s internal file.</td>
<td>No</td>
<td>Remedial steps are needed to assure that the working hour will be lesser than 60 hours under ordinary business circumstances.</td>
<td></td>
</tr>
</tbody>
</table>

The factory agreed to pay employees, including the newly joined, in a timely manner, ie. the 18th of every month. All compensation shall be paid in a timely manner. Payday is the 18th of each month, however the workers have not received pay for August (already 7 days late). Several new workers were not paid as of January 18, 2005. The PC visited the factory on January 18, 2005 and confirmed and verified that all employees including the newly joined were provided with paystubs since October, 2004. All time records were electronically maintained except for the first month of employment where manual time record is used. Records are available for inspection. All hourly wages, piecework, bonuses, and other incentives will be calculated and recorded accurately. The workers have not received paystubs as at the time of the visit and their time is recorded by supervisor (but these records were not available for inspection).