<table>
<thead>
<tr>
<th>Company Name</th>
<th>Product(s)</th>
<th>Factory name</th>
<th>FLA Audit Profile</th>
<th>FLA Benchmark</th>
<th>Updates</th>
<th>FLA Code posting/information</th>
<th>FLA Workers' Rights</th>
<th>FLA Management</th>
<th>FLA Product Compliance</th>
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<th>FLA Internal audit</th>
<th>FLA Third-Party Verification</th>
<th>FLA Period of Company follow up (Optional)</th>
<th>FLA Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hennes &amp; Mauritz AB</td>
<td>440015386E</td>
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**FLA Workers' Rights**

1. **Compulsory Education**
   - The factory has been asked to set up a system to verify that all employees have received compulsory education in the country of manufacture where such age is higher than 15.
   - Records of compulsory education must be maintained and verified by local representatives.

2. **Forced Labor**
   - The factory has been asked to ensure that all workers engaged in the following are paid their due wages and are treated with respect:
     - Working in hazardous conditions
     - Working under heavy load
     - Being exposed to hazardous substances

3. **Minimum Working Age**
   - The factory has been asked to ensure that all workers engaged in the following are paid their due wages and are treated with respect:
     - Working under heavy load
     - Being exposed to hazardous substances

4. **Medical or Health Care**
   - The factory has been asked to ensure that all workers engaged in the following are paid their due wages and are treated with respect:
     - Working under heavy load
     - Being exposed to hazardous substances

**FLA Management**

1. **Compliance System**
   - The factory has been asked to establish and articulate clear, written procedures for compliance with FLA standards.

2. **Compliance Training**
   - The factory has been asked to ensure that all workers are trained on FLA standards.

3. **Compliance Records**
   - The factory has been asked to ensure that all workers are aware of their rights and responsibilities under FLA standards.

**FLA Product Compliance**

1. **Age Verification**
   - The factory has been asked to ensure that all workers engaged in the following are paid their due wages and are treated with respect:
     - Working under heavy load
     - Being exposed to hazardous substances

2. **Age Documentation**
   - The factory has been asked to ensure that all workers engaged in the following are paid their due wages and are treated with respect:
     - Working under heavy load
     - Being exposed to hazardous substances

3. **Medical or Health Care**
   - The factory has been asked to ensure that all workers engaged in the following are paid their due wages and are treated with respect:
     - Working under heavy load
     - Being exposed to hazardous substances

**FLA Sources/Documentation used for FLA Compliance**

1. **Factory tour and review of employment records**
   - The factory has been asked to conduct a review of employment records to demonstrate and verify FLA compliance.

2. **Review of factory records and interview with Administration**
   - The factory has been asked to conduct a review of factory records and interview with Administration to demonstrate and verify FLA compliance.

3. **Review of factory records and Management Interview**
   - The factory has been asked to conduct a review of factory records and Management Interview to demonstrate and verify FLA compliance.

**FLA Internal audit**

1. **Document review**
   - The factory has been asked to conduct a document review to demonstrate and verify FLA compliance.

2. **Management or Internal re-FAP audit**
   - The factory has been asked to conduct a management or internal re-FAP audit to demonstrate and verify FLA compliance.

3. **Sources/Documentation**
   - The factory has been asked to conduct a sources/documentation audit to demonstrate and verify FLA compliance.

**FLA Third-Party Verification**

1. **Review of factory records**
   - The factory has been asked to conduct a review of factory records to demonstrate and verify FLA compliance.

2. **Review of factory records and interview with Administration**
   - The factory has been asked to conduct a review of factory records and interview with Administration to demonstrate and verify FLA compliance.

3. **Review of factory records and Management Interview**
   - The factory has been asked to conduct a review of factory records and Management Interview to demonstrate and verify FLA compliance.

**FLA Period of Company follow up (Optional)**

1. **Jan 29, 2008**
   - The factory has been asked to conduct a follow up on the previous audit and will follow it up in future audit.

2. **Sep. 2008**
   - The factory has been asked to conduct a follow up on the previous audit and will follow it up in future audit.

3. **Oct 22, 2008**
   - The factory has been asked to conduct a follow up on the previous audit and will follow it up in future audit.

**FLA Notes**

1. **Age Verification**
   - In those cases where proof of age documentation was not found in the personnel files, it was found that there were no systematic grievance procedures to address worker complaints.

2. **Age Documentation**
   - In those cases where proof of age documentation was not found in the personnel files, it was found that there were no systematic grievance procedures to address worker complaints.

3. **Medical or Health Care**
   - In those cases where proof of age documentation was not found in the personnel files, it was found that there were no systematic grievance procedures to address worker complaints.
<table>
<thead>
<tr>
<th>FLA Benchmark</th>
<th>FLA Comment</th>
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<tbody>
<tr>
<td>7. Freedom of Association and Collective Bargaining</td>
<td>The young worker did not receive the training and was not satisfied with the level of support provided. The employer will comply with applicable health and safety regulations and procedures.</td>
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<tr>
<td>3. Chemical Management for Pregnant women and Minors</td>
<td>It was found that no qualification certificates had been obtained for empty chemical containers and chemical rests. The factory will issue a new certificate of the chemical management system.</td>
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<tr>
<td>2. Replace the monitoring of air quality at the entrance to the factory</td>
<td>During visual inspection, routine inspection of fire extinguishers was not conducted. The suppliers had been kept.</td>
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<tr>
<td>1. Create a safety proof of the factory's fire safety system</td>
<td>It was found that the factory had not yet obtained a safety proof. The safety proof had been obtained.</td>
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<td>4. Safety Equipment</td>
<td>One of the emergency lamps in the fire safety system found well.</td>
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<tr>
<td>5. Health and Safety legal compliance</td>
<td>The Amended Trade Union Act of October 2001 recently, however, the government has not received the updated company remediation plan at next audit.</td>
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<tr>
<td>6. Employers will utilize consistent written standards and procedures.</td>
<td>Employers will recognize and respect the right of employees to freedom of association and collective bargaining.</td>
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<tr>
<td>8. Evidence of Non-compliance with our Code of Conduct</td>
<td>All chemicals and hazardous substances should be properly disposed of. The factory will consider as safe.</td>
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<tr>
<td>9. Management talk</td>
<td>Safety proof will be provided for us to check during future audit.</td>
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<tr>
<td>10. Company follow up</td>
<td>The suppliers had been kept.</td>
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<tr>
<td>11. Evidence of Non-compliance</td>
<td>Corroborating evidence should be obtained and reviewed.</td>
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<tr>
<td>12. Risk of Non-compliance</td>
<td>Management talk should be set up and properly documented and could be provided for us to check during future audit.</td>
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<tr>
<td>13. Evidence of Non-compliance</td>
<td>The suppliers had been kept.</td>
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<tr>
<td>14. Risk of Non-compliance</td>
<td>Evidence of non-conformance has been received. The suppliers had been kept.</td>
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<tr>
<td>15. Evidence of Non-compliance</td>
<td>Review of factory records are now renewed.</td>
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Updates

No further progress was noted

Pending

It was found that hygiene issues have been re-evaluated, not only from competent authority in the course of work or as a result of the operation of employer facilities. No further progress was noted.

We will follow this up according to the Health and Safety legal compliance.

We encourage the factory to take appropriate corrective actions. They include: hiring, job abilities. All employment decisions will be subject to this provision. They include: hiring, job abilities. All employment decisions will be subject to this provision.

We require the factory to ensure that employees are trained in first aid. The suppliers had been kept. |

Please view above.
<table>
<thead>
<tr>
<th>FLA Code/ Compliance Issue</th>
<th>Country Law/Legal Reference</th>
<th>FLA Benchmark</th>
<th>Non-compliance</th>
<th>Risk of Non-compliance</th>
<th>Evidence of Non-compliance</th>
<th>If not corroborated, explain why</th>
<th>Sources/Documentation used for corroborating</th>
<th>Notable Features implemented by Factory Management or Company</th>
<th>PC</th>
<th>Internal audit findings</th>
<th>PC Remediation plan</th>
<th>Target Completion Date</th>
<th>Factory Response (Optional)</th>
<th>Company follow up (Identify whether follow up is mandatory, internal or外来的)</th>
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Note: Internal re-FAP audit where all CoC issues have been re-evaluated, not only focused on FLA findings. Graded "Rejected" due to uncooperative management and minimum wage issue.

### Employer Interference/Elections

Workers' organizations have the right to elect their representatives and conduct their activities without employer interference.

There was no worker representatives.

H&M require that the workers should be free to form associations of their own choosing, and to bargain collectively. We don't accept any disciplinary actions from the factory against workers who choose to peacefully and lawfully organise or join an association.

We encourage the factory to develop and maintain well functioning communication channels between workers and management. We will follow on the remediation plan of the factory.

**Sep. 2008**

It was found that no worker representatives had been elected and no relevant docs had been kept. H&M will continue to monitor this issue and encourage the factory set up comprehensive dialogue system between workers and management.

**Management interview**

Pending

No further progress was noted for this finding. H&M have readdressed this issue to the factory and encourage they set up versatile and effective channels that can facilitate workers to communicate freely with the management.

**Management talk**

There is no a dialogue system between the workers and management in place at the factory.

**Management talk**

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All workers should be covered by the minimum wage, or for any other wages, incentive systems, benefits and bonuses required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits. 

Mismatch was also found between production records and payrolls. Production records and payrolls, reviewed by management, did not reflect the real situation. Workers in packing departments does not reflect the real situation. Workers in packing departments are found going for work without being paid. The door keeper would help them punch, but we still suspect fabrications. 

Mismatch was also found between the date in production records and the date ofSilkscreen Printing card made by factory. The salary calculation method was based on the production quantity shown in the production records rather than the actual production. 

All hourly wages, piecework, bonuses, and other payments for overtime work performed shall result in a compensating rate that meets the legal overtime rates. When working overtime through dialogue with the factory management to regularly inform the workers on the updates on the legal requirements. All normal working hours are found going for work without being paid. The door keeper would help them punch, but we still suspect fabrications. 

The workers will not be paid for holidays and leave as determined by law. According to the production planning and efficiency steadily make sure that they can ensure true documentation on salaries between production records and workers' attendance records for some of the workers in packing departments. 

There is no evidence of the workers giving false statements or answer false questions. 

Target Completion: No further progress was noted as far as the factory was concerned. 

The Audit System in the factory was not transparent. A new meeting is scheduled in A new meeting is scheduled in the future to address this issue. 

H&M attaches great importance to transparency, and will keep readdressed the importance of transparency, and will keep readdressed this issue to the factory. 

Evidence of Non-Voluntary Use of Benefits: Workers were paid for annual leave in accordance with local labor law. The minimum wage is $18 per day. Premium is 40% of the hourly rate in the local area. 

If workers give false statements or answer false questions, the factory may be re-evaluated if the factory management is not transparent. As a result, the factory management and workers are found going for work without being paid. The door keeper would help them punch, but we still suspect fabrications. 

Factory (Optional) Findings: Review of factory records gathered from workers interview. The salary calculation method was based on the production quantity shown in the production records rather than the actual production. In workers interview, they get $18 per day. The minimum wage is $18 per day. 

Sources/Documentation used for Audit System: The audit system was used. If they are found going for work without being paid, the factory management will provide reliable documentation of the workers' attendance records for some of the workers in packing departments. 

If any future payrolls are found going for work without being paid, the factory management will provide reliable documentation of the workers' attendance records for some of the workers in packing departments. 

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