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.
## Harassment or Abuse

During our audits and in discussions with the workers, we had also encouraged them to develop and deepen its own confidential non-compliance system. We support the factory in establishing a reporting mechanism that will be a mobile number that the workers can call or SMS. The mobile number will be printed on business cards that will be provided to the workers during worker interviews. The mobile number will be posted in the factory. In the case a factory produces for different buyers it might be confusing for the workers. Instead of providing a mobile number for each of the buyers on the business card, it will be better to provide a single number that the workers can call. This number will be used to report any issues related to the workplace standards. The workers should be provided with relevant personal protective equipment depending on work process, along with education both orally and in writing in their native language on how to use it.

### Factory Tour

The workers should be provided with relevant personal protective equipment (PPE) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements including medical waste. Every workshop should be equipped with clear evacuation procedures regarding special protection for juvenile workers.

### Documentation

All applicable legally required or recommended records of Voluntary Overtime Art. 4 of the Ministry of Labor Document No.118: If a company forces employees to work overtime shifts, an employee may refuse to do so. The company may not reduce that employee's wages nor shall use this as a reason for dismissal.

### Audits

H&M will urge the factory to establish a policy for juvenile workers. The factory will be required to have a policy in place that specifies the age of the workers, the responsibilities of the workers, and the rules and regulations that apply to them. The policy will be communicated to all workers and to clearly communicate these to all workers, for example through a handbook for the workers and to post it on the notice board.

### Verification

- **FLA Principle of Monitoring, Obligation of Compliance (uncorroborated)**: The factory will be required to provide evidence that it is following the FLA Code of Conduct.
- **FLA Principle of Monitoring, Obligation of Reporting Channel**: The factory will be required to establish a secure communication channel for workers to report any issues related to the workplace standards.

### Timeline

- **Factory tour**: The factory will be required to post the national and the local Labour Codes in the factory where all workers can take part of it. The factory has not posted national labor law information in prominent places for workers awareness.
- **Voluntary OT** application form and signed back by workers whoever overtime work in future.
- **Management interview**: H&M will urge the factory to establish a policy for juvenile workers.
- **Document review**: All overtime should be voluntary in the factory. We will audit the voluntary OT application form and signed back by workers whoever overtime work in future.
- **Post of National or Local Labor Codes**: Every workshop should be equipped with clear evacuation procedures regarding special protection for juvenile workers.
- **Factory tour**: Every workshop should be equipped with clear evacuation procedures regarding special protection for juvenile workers.
- **Management interview**: H&M will urge the factory to establish a policy for juvenile workers.
- **Document review**: All overtime should be voluntary in the factory. We will audit the voluntary OT application form and signed back by workers whoever overtime work in future.

### Status

- **Pending; On-going**: The factory will be required to establish a policy for juvenile workers.
- **Cite Date of Follow up Verification Follow up**: Nov 29th, 2006

### Confidential Non-Compliance System

Establish and articulate clear, written workplace standards. Formally convey those standards to company factories as well as to licensees, contractors and suppliers. Every workplace must have a clear evacuation procedure. Workers: Employers can not arrange juvenile workers to engage in hazardous working activities.
<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>
</tr>
</thead>
<tbody>
<tr>
<td>Freedom of Association</td>
<td>FLA Comment: The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole labour federation.</td>
<td>The factory recognizes the right to freedom of association and collective bargaining. Employment contracts must provide for the right to permanent employment and to negotiate collective bargaining agreements at the enterprise level.</td>
<td>Evidence of Non-compliance</td>
<td>The factory does not have a written policy on collective bargaining.</td>
</tr>
</tbody>
</table>

### Freedom of Association and Collective Bargaining

Employers will recognize and respect the right of employees to freedom of association and collective bargaining. Employment contracts must provide for the right to permanent employment and to negotiate collective bargaining agreements at the enterprise level.

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### FLA Code/ Compliance issue

#### Country Law/Legal Reference

- FLA Comment: The factory recognizes the right to freedom of association and collective bargaining. Employment contracts must provide for the right to permanent employment and to negotiate collective bargaining agreements at the enterprise level.
- Evidence of Non-compliance: The factory does not have a written policy on collective bargaining.
- Risk of Non-compliance: The factory is in violation of the FLA Code/Compliance issue.

#### FLA Benchmark

- The factory recognizes the right to freedom of association and collective bargaining. Employment contracts must provide for the right to permanent employment and to negotiate collective bargaining agreements at the enterprise level.

#### Non-compliance

- Evidence of Non-compliance: The factory does not have a written policy on collective bargaining.
- Risk of Non-compliance: The factory is in violation of the FLA Code/Compliance issue.

### FLA Code/ Compliance issue

#### Country Law/Legal Reference

- FLA Comment: The factory recognizes the right to freedom of association and collective bargaining. Employment contracts must provide for the right to permanent employment and to negotiate collective bargaining agreements at the enterprise level.
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#### Non-compliance

- Evidence of Non-compliance: The factory does not have a written policy on collective bargaining.
- Risk of Non-compliance: The factory is in violation of the FLA Code/Compliance issue.
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<thead>
<tr>
<th>FLA Code/Compliance Issue</th>
<th>FLA Benchmark Non-compliance</th>
<th>FLA Non-compliance Risk</th>
<th>Evidence of Non-compliance (uncorroborated)</th>
<th>If not corroborated, explain why</th>
<th>FLA Remediation plan Target Completion Date</th>
<th>Factory Response (Optional)</th>
<th>Company follow up (Cite date of follow up)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Guards Certificate Art. 3 of Determination Made by the Ministry of Public Security on consolidating the Industry of Security Guards: The security guards should have the occupational licenses issued by the department of public security and registered with the local police station.</td>
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<tr>
<td>None of the 12 Security Guards have legally mandated licenses.</td>
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<td>Document review and management interview</td>
<td>We will follow-up on the factory remediation plan at next audit.</td>
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