

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
Factory name	08027082D
IEM	T GROUP SOLUTIONS PVT, LTD
Date(s) in factory	22ND & 23RD AUGUST 2005
PC(s)	Nordstrom, Inc. and Liz Claiborne, Inc.
Number of workers	1309
Product(s)	WOVENS
Production processes	CUTTING, SEWING, FINISHING & PACKING.

FLA Code/ Compliance Issue	Country/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	IEM Findings Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or Company	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Remediation	Company Follow up (Cite date of planned or follow up visit, if appropriate) Oct 06, Jan 06, Jun 06, Sept 06	Documentation
1. Code Awareness															
Worker/management awareness of Code		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 place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	1.Code elements of Nordstrom, Inc. and Liz Claiborne, Inc. are not communicated to workers 2.While the Supervisors and Management personnel interviewed were aware of the code elements, none of the workers interviewed were aware of any Code Element.				Interview with Management Supervisors & workers.			The factory should clearly post Code elements of Nordstrom, Inc. and Liz Claiborne, Inc. at the prominent areas in the factory and undertake efforts to educate all employees about the Code on a regular basis.		The factory confirmed that the corrective actions had been taken by the end of November 2005. The PC plans to visit the factory in January 2006 to ensure that the Code is properly communicated to all employees including both factory managements and workers.	The factory agreed to add the code elements on employee handbook and distribute the handbook to each individual employee. In addition, factory agreed to conduct the induction programme to address the Code to all employees. Both records and photos will be maintained accordingly.	The PC visited the factory on January 11, 2006 and confirmed that the induction programme was commenced on October 27, 2005. A list of attendance sheets and photos were reviewed and maintained on site.	A list of attendance sheets and photos
Confidential non-compliance reporting channel		FLA Principle of Monitoring, Obligation of Companies: Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.	Though contact number of Nordstrom, Inc. (US office) is mentioned on the COC poster, no contact information is available on the Liz Claiborne, Inc. COC poster. Nordstrom, Inc. has not held any formal meeting with management to explain the reasons for providing this contact number or any other confidential non-compliance reporting mechanism to allow workers to report complaints.				Visual observation and interview with Management and workers.			The objective of Liz Claiborne, Inc. is to strengthen the internal grievance systems of their contract manufacturers. In alignment with this objective, direct communication with the PC should be considered a last resort for factory employees. Liz Claiborne, Inc. requests that the factory establishes a formal system of dialog between the management and workers in order to allow workers to voice workplace grievances, develop internal procedures for resolving workplace disputes, and relieve grievances in good faith.	The factory confirmed that the corrective actions had been taken by the end of November 2005. The PC plans to visit the factory in January 2006 to ensure that the Code with contact information is being posted and an internal grievance system is to be strengthened.		The factory agreed to print the Code of Conduct with contact information on employee handbook and distribute the employee handbook to each individual employee. Besides, factory will strengthen the internal grievance system and perform the induction programme to explain this system in details to all employees. Records and photos will be maintained accordingly.	The PC visited the factory on January 11, 2006 and noted that factory had not taken the corrective actions properly. There did not have the contact information on Liz's Code of Conduct. The PC visited the factory on June 6, 2006, and noted that factory had distributed to each of the workers an updated version of employee handbook which includes the Code of Conduct of PCs. Liz's Code of Conduct with contact information has already been posted at the main entrance of the factory. The factory has conducted workers' training on PC's Code of Conduct and the internal grievance system. Training records are properly maintained.	Photos.
2.Forced Labor															
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise															
Employment Records		Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision	4.Appointment letters are not maintained for House keeping workers who are outsourced. 2.Personnel records of Canteen workers (outsourced) are incomplete. Except for application for job, no other document is available.				Interview with Management & review of records.			1. The factory should have an accurate and complete agreement with each of the outsourcing parties for outsourcing services, and right and obligation of each parties should be clearly stipulated on the agreement, and the agreement should be also properly maintained in the factory. 2. The factory should ensure that the personnel records be complete, accurate and in proper order, and information of joining date, recent photo and copies of the appropriate age documentation and official identification document should be also included on the personnel files.		The factory confirmed that the corrective actions had been taken by December 31, 2005. The PC plans to visit the factory in January 2006 to ensure that the agreement be properly maintained and personnel records be complete.	1. The factory agreed to sign an agreement with house-keeping workers who are outsourced. 2. The factory agreed to maintain personnel records complete.	The PC visited the factory on January 11, 2006 and noted that factory had not taken the corrective actions properly. The PC visited the factory on 09/20/06 and noted that the factory had signed the agreement with the outsourced parties including security guards, canteen and house-keeping workers. The agreement stipulated the requirements of treating employees pursuant to the local legal laws and regulations.	Agreements with outsourced parties
Other			Employees' files had not been updated with progressive wage increase over the past 3 years. As a standard practice, factory works till 18:45hrs as regular work everyday and thereafter works for an hour and 45 min overtime, on 4 days of the week. Workers need to obtain a gate pass to exit the factory after completing regular working hours on these four days				Review of records and interview with Management & workers.			The factory should ensure that progressive wage increases be updated in the employees' files. In addition, the factory should also ensure that workers be able to freely leave the factory after finishing work at regular working hours.		The factory confirmed that the corrective actions had been taken by December 31, 2005. The PC plans to visit the factory in January 2006 to ensure that the employees' files be updated accordingly and And The practice to issue gate pass to exit from the workers be able to freely leave the factory after regular working hours.	The factory agreed to provide the standard annual wage increase to workers and update in the personnel files, and notify to all workers by way of notices posted on notice boards, and will issue individual letters for the forth coming annual increases from the end of the year. In each individual personnel file. Such arrangement was communicated to all employees. A letter was issued to employee for annual wage increase and a copy of such letter was maintained in the personnel file.	The PC visited the factory on January 11, 2006 and observed that all Employees employees who wanted to leave the factory were able to leave without a gate pass. The PC visited the factory on June 6, 2006 and noted that factory adopted standard wage review on a yearly basis and the information was being added into "Personal Record Sheet" in each individual personnel file.	Interview sheets and personnel records.
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, psychological or verbal harassment of abuse.															
5. Nondiscrimination															
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.															
6. Health and Safety															
Fire Safety Health and Safety legal compliance		Factories ordinance of Sri Lanka. Employer will comply with applicable health and safety laws and ordinance no. 45 of 1962, No. 22 regulations. In any case where laws and code of conduct are of 1946, Acts nos. 54 of 1961, 17, contradictory, the higher standards will apply. The factory will of 1965 & 29 of 1971. Law no. 12 possess all legally required permits of 1976, Acts 17 of 1982, 32 of 1984, 18 of 1998 & 33 of 2000.	Factory does not have an environmental permit as required to be posted, by local law.				Visual Inspection & interview with Management			The factory should obtain an environmental permit from local government department, and the permit should be posted at the prominent areas of the factory.		The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that the permit be obtained and posted.	The factory has applied for a certificate and the Environmental Authority in the B.O.I is in the progress of inspection. Factory will then post the environmental permit at the prominent area of the facility.	The PC visited the factory on October 13, 2005 and reviewed the application of the permit being made to the Environmental Authority. The Environment Permit is now posted at factory.	A copy of the Environment Permit and photo.

FLA Code/ Compliance Issue	Country/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	IEM Findings				Remediation			
					Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or otherwise	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	1. Most aisles in the work areas are not marked. Only the main aisle is marked. 2. Emergency Lights are not installed above Exits on staircases and landings. 3. Emergency Lights installed are tube lights and will not penetrate smoke incase of Fire. 4. Most aisles in all work areas were seen blocked either completely or partially with tables or trolleys. 5. Existing Evacuation route markings have faded. 6. Some aisles in between layering and fusing table in cutting section and between tables in the Numbering section are very narrow measuring 12 to 16 inches. 7. Over lock operators' access to passage was blocked with tables and hanger stands in the finishing section		Visual Inspection			The factory should ensure that (1) all aisles in the work areas be clearly marked; (2) emergency lights be installed on exits and staircase landings; (3) prescribed and appropriate emergency lights be installed and kept in good working condition to make sure illumination of exit paths; (4) all aisles in work areas be kept unblocked; (5) all evacuation route be kept clear and legible; (6) width of passages for evacuation be adequate, which meet local fire and safety law and regulation; (7) there is enough clearance between workstations to allow passage for evacuation.	The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that (1) aisles be clearly marked; (2) emergency lights be installed properly; (3) emergency lights keep in good working condition; (4) aisles be kept free from obstacles; (5) evacuation route be kept clear and legible; (6) width of passages for evacuation be adequate, which meet local fire and safety law and regulation; (7) there is enough clearance between workstations.	The factory agreed to ensure that (1) arrangements are being made to mark the aisles clearly; (2) Emergency lights are installed above the exits and on the stair case; (3) Emergency lights are being kept in good working conditions; (4) all aisles have been cleared; (5) the faded evacuation routes have been marked; (6) enough spaces of aisles are in the layering and numbering area; (7) there is enough clearance between workstations to allow passage for evacuation.	The PC visited the factory on January 11, 2006 and confirmed that the factory had rectified all noncompliance issues.	Photos.
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	8. Evacuation routes in the finishing and dispatch sections were blocked with hanger stands and tables. 9. Auto jig section is very congested with no well defined access to passages. 10. Hanger stands with ready garments are placed in a very haphazard manner in the finishing section. 11. White Electric cables connecting hand held cutting machines to the mains, were seen crossing aisles or close to operators' feet in the cutting room, electric wires of Sewing machines were seen lying loose obstructing the operators' free access to the passage. 12. In the fusing section, Electric cables connecting steam presses to mains were hanging low, close to workers' heads and obstructing free movement		Visual Inspection			The factory should ensure that (8) all evacuation routes be kept unblocked; (9) all workplaces be remained with fire evacuation passages and marked with the passage signs; (10) all workplaces be kept in good order; (11) the electrical cords or wires be fixed properly and controlled with stringency so as not to interfere with work or operators and obstruct aisles or passages; (12) the electrical cords or wires be fixed properly and controlled with stringency so as not to interfere with work or operators, and keep a appropriate safe distance away from employees.	The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that (8) evacuation routes be kept free from obstacles; (9) workplaces be kept in good order; (11) the electrical cords or wires be fixed properly.	The factory agreed that (8) the evacuation routes are now cleared; (9) the factory should remain fire evacuation passages and mark signs for the passages; (10) The hanger stands are now stored in a proper manner; (11) All electrical cables connecting hand held cutting machines, which are crossing the operators feet will be rectified; (12) The fusing section all electrical cables are been adjusted and rectified and now do not obstruct the free movement of workers.	The PC visited the factory on January 11, 2006 and confirmed that the factory had rectified all noncompliance issues.	Photos.
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	13. Numbering section is very congested with no well defined aisles between tables. 14. Most work stations on the sewing floor are very congested with space between machines ranging between 10 inches to 18 inches. 15. Instances of 2 workers working in the same work station noticed consecutively one was 'caged in' with no means of access to the passage.		Visual Inspection			The factory should ensure that (13) all workplaces be remained with fire evacuation passages and marked with the passage signs; (14) there is enough clearance between workstations to allow passage for evacuation; (15) there is enough clearance between workstations to allow passage for evacuation.	The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that (13) workplaces be remained with fire evacuation passages and marked with the passage signs; (14) there is enough clearance between workstations; (15) there is enough clearance between workstations.	Factory agreed to make sure that (13) fire evacuation passages are maintained and clearly mark signs for the passages; (14) the congestion in the work stations are rectified by rearranging the work stations; (15) there is enough clearance between workstations to allow passage for evacuation.	The PC visited the factory on January 11, 2006 and confirmed that the factory had rectified all noncompliance issues.	Photos.
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	1. Latex gloves were seen kept in open plastic covers in first Aid kits (Not Sterilized). 2. No fire extinguisher is installed outside the kitchen.		Visual Inspection			(1) The factory should sterilize latex gloves and keep them in a proper manner to ensure in hygiene condition. (2) The factory should install fire extinguishers according to local fire and safety laws and regulations.	The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that (1) sterilized latex gloves be kept in a proper manner inside the first aid kits; (2) the fire extinguishers be installed properly in kitchen.	The factory will take the responsibility of keeping the surgical gloves clean and assign a person who periodically checks the first aid supplies in the first aid kit. Factory will place fire extinguishers between the canteen and the kitchen.	The PC visited the factory on January 11, 2006 and confirmed that the factory had rectified all noncompliance issues.	Photos.
PPE		Workers shall wear appropriate protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements including medical waste.	1. While few over lock machine operators are not provided with respiratory masks, masks provided to some of them were not being used. These workers had kept them in their pockets or storage places under the sewing machines. 2. Few workers in the numbering section have not been provided with respiratory masks to prevent them from breathing in floating fabric dust particles. Excessive floating fabric dust particles could be noticed in this section. 3. Stain removing operators were using cotton gloves while using the stain removing gun. These gloves soak the chemicals and keep them in contact with the skin for a longer period.		Visual Inspection			The factory should provide appropriate Personal Protective Equipments (PPE) to workers and provide training to them for properly wearing and using the Personal Protective Equipment (PPE).	The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that factory provides appropriate Personal Protective Equipment to employees and provide trainings on how to use PPE properly to all employees.	The factory agreed to (1) provide respiratory masks to over lock machine operators and ensure them wearing PPE properly; (2) offer respiratory masks to workers in the numbering section so as to prevent them from breathing in floating fabric dust particles; (3) provide impervious gloves instead of cotton glove to stain removing operators. Factory will conduct training programme educate these workers on the importance of wearing the Personal Protective Equipments properly.	The PC visited the factory on January 11, 2006 and confirmed that the factory had rectified all noncompliance issues.	Photos.
Chemical Management		All chemicals and hazardous substances should be properly labeled and stored in accordance with applicable laws. Workers should receive training, appropriate to their job responsibilities, in the safe use of chemicals and other hazardous substances	Barrels of CCL3 (stain removing chemical) were seen stored in the bundle room	1. No safety education programs are conducted for employees in this factory to educate employees on health, chemical safety, machinery and equipment safety. 2. No Signs and Diagrams are posted indicating need of PPE wherever required	Visual Inspection and Interview with Management.			1. The factory should conduct safety training programs on a regular basis for employees. 2. The factory should post signs and diagrams indicating need for properly using PPE wherever required in the facility.	The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that (1) Safety training programs be conducted on a regular basis; (2) PPE signs and diagrams be posted.	(1) The factory should arrange a training program and safety training be conducted on a regular basis; (2) The factory agreed to post signs and diagrams of PPE in the relevant areas and to place the barrel of chemical in a suitable place.	The PC visited the factory on January 11, 2006 and confirmed that the factory had rectified all noncompliance issues.	Photos and training records

FLA Code/ Compliance issue	Country/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	IEM Findings			PC Remediation plan	Target Completion Date	Remediation		Documentation
					Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating			Notable Features implemented by Factory Management or PC	PC Internal audit findings (Optional)	
Ventilation/Electrical/facility maintenance		All ventilation, plumbing, electrical, and lighting services shall be provided and maintained to conform to applicable laws and prevent hazardous conditions to employees in the facility	1.Electric wires connecting some steam presses and sewing machines to the mains had taped joints. 2. Lighting recorded in few areas in the cutting section was 320 lux, on band knife machine was as low as 60 lux, Fusing areas was 220 lux, pressing was 440 lux and on few sewing machines was 360 lux. 3.Excessive lint accumulation was noticed on electric switches under sewing machines and on table fans.		Visual Inspection			1. The factory should ensure that the electrical wires and cords be in good condition, without splices or taped joints. 2. The factory should ensure that work spaces be adequately lit in accordance with the relevant requirements so that workers are able to perform in a well illuminated work environment. 3. The factory should ensure that materials or goods be put in good order and kept a safe distance away from the electrical equipments.	The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that (1) the electrical wires and cords be in good condition, without splices or taped joints. (2) work spaces be well illuminated. (3) materials or goods be kept a appropriate safe distance away from electrical equipments.	(1) The factory should arrange the electricians conduct regular safety inspection to make sure that all electrical equipments be in good condition. (2) The factory should appropriately add lights in workshops. (3) The factory should provide safety training to workers and appoint the persons to conduct regular safety inspection.	The PC visited the factory on January 11, 2006 and confirmed that the factory had rectified all noncompliance issues.	Photos
Machinery Maintenance		All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner	1.Pedal Mats are missing from few sewing machines.2.Rubber mats have not been provided to few inline pressing operators. These operators were working barefeet.3.During the walk through, 6 needles were found on a button attaching machine. While 2 were broken needles 2 were blunt and the balance 2 were new needles		Visual Inspection		(1) The factory should provide pedal mats for the machines. (2) The factory should provide rubber mats to the pressing operators. (3) The factory must ensure that a proper needle control procedure is adopted so that all needles are counted properly.	The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that (1) pedal mats be provided. (2) rubber mats be provided. (3) a proper needle control procedure be adopted.	The factory agreed to (1) provide pedal mats at sewing machines; (2) provide rubber mats at inline pressing operators; (3) set up a needle control procedure to control and manage broken needles.	The PC visited the factory on 01/11/2006 and found that the corrective actions had been properly taken. The PC visited the factory on June 6, 2006 and noted that pedal mats for the machines were provided and rubber mats were also provided to the pressing operators. In addition, factory had established a proper needle control procedure to make sure all needles be counted properly.	Photos	
Sanitation in Facilities	Per the Board of Investment Health & Safety Norms, Toilet Ratio are to be maintained at 1 per 25 workers.	All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws	1. Bad odor was emanating from gents' toilets. Ventilation is poor.2.Windows installed for ventilation in individual ladies stalls open towards urinals in the gents' toilets.4. Production floors are littered with fabric cut ends and lint. All work areas were very dirty. Housekeeping standards are poor. 5.Cobwebs were noticed on the ceiling of the sewing section. 6.Kitchen floors were wet, lighting and ventilation are poor.		Visual Inspection		(1) The factory should ensure that the toilets be kept clean, and have proper ventilation. (2) The toilets should be secured to ensure users' privacy. (3) The factory should ensure that production floors be kept clean and tidy. (4) The factory should ensure that production areas be kept clean and tidy. (5) The factory should ensure that kitchen floors be always be clean and dry, and have proper lighting and ventilation.	The factory confirmed that the corrective actions had been taken on December 31, 2005. The PC planned to visit the factory in January 2006 to ensure that (1) toilets be kept clean and have proper ventilation; (2) toilets be secured to ensure users' privacy; (3) production floors be kept clean and tidy; (4) production areas be kept clean and tidy; (5) kitchen floors be always be clean and dry, and have proper lighting and ventilation.	(1) The factory should arrange cleaning persons to clean toilets everyday, and appoint the persons to conduct hygiene inspection. (2) The factory should re-install windows. (3) The factory should arrange cleaning persons to clean toilets everyday, and appoint the persons to conduct hygiene inspection. (4) The factory should arrange cleaning persons to clean toilets everyday, and appoint the persons to conduct hygiene inspection. (5) The factory should arrange cleaning persons to clean toilets everyday, and appoint the persons to conduct hygiene inspection.	The PC visited the factory on 01/11/2006 and found that the corrective actions had been properly taken. The PC visited the factory on June 6, 2006, and noted that the male toilets were kept clean and well ventilated. Windows at female toilets had been installed to ensure privacy. The production floor and the kitchen were kept clean and tidy. The kitchen floors now have good lighting and ventilation. Overall, the housekeeping standard has been improved.	Photos	
Sanitation in Dining Area		All food preparation shall be prepared, stored, and served in a sanitary manner in accordance with applicable laws. Safe drinking water should be available in each building.	1 Canteen workers were not using any gloves while serving food. Also, one worker with a bandaged finger was seen placing polythene sheets on plates prior to serving food on these plates.		Visual Inspection		The factory should provide gloves to canteen workers and supervise and train them to use while serving food.	The factory confirmed that the corrective actions had been taken on October 1, 2005. The PC planned to visit the factory in January 2006 to ensure that gloves be properly worn by canteen workers while serving food.	The factory will take strict measures to make sure that all canteen workers are wearing polyethylene gloves when serving food.	The PC visited the factory on 10/13/05 and confirmed that factory had rectified all noncompliance issues.	Photos	
Other	As per BGI standards 7.8 on "facilities for resting", suitable facilities for resting have to be provided and maintained for the use of all female workers whose work is done standing.		1. Few Workers with standing jobs were seen either working bare feet or using high heeled hard soled footwear. 2.No resting facility has been provided for standing workers as required by law. 3.Prices list for food items sold in the canteen is not posted.		Visual Inspection		(1) The factory should ensure that workers dress in appropriate and safe manner when they enter into the facility. (2) The factory should provide resting facility for the workers as required by law. (3) The factory should post price list for food items in the canteen.	The factory confirmed that the corrective actions had been taken on October 31, 2005. The PC planned to visit the factory in January 2006 to ensure that (1) Workers dress in appropriate and safe manner; (2) Resting facility be provided; (3) Price-list for food items be posted.	The factory agreed to educate all workers and have an awareness programme to teach all workers on footwear, and the resting facility is provided. There should be price list posted for food items in the canteen.	The PC visited the factory on October 13, 2005 and confirmed that factory had rectified all noncompliance issues.	Photos and training records	
7. Freedom of Association and Collective Bargaining												
Employers will recognize and respect the right of employees to freedom of association and collective bargaining												
8. Wages and Benefits												
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, and will provide legally mandated benefits.												
Wage and Benefits Posting	Wage Board Ordinance of Sri Lanka no. 27 of 1941, 40 of 1943, 19 of 1945, 22 of 1945.	All notices that are legally required to be posted in the factory work areas will be posted. All legally required documents, such as copies of legal code or law, will be kept at the factory and available for inspection	Applicable minimum wages notification payable is not posted		Visual Inspection		The factory must post the applicable minimum wages notification in the factory.	the factory confirms that the corrective action had been taken on Oct 31, 2005.	The factory agreed to post the applicable minimum wages notification.	The PC visited the factory on October 13, 2005 and confirmed that the Minimum Wage notification had been posted in the notice board of the production floor, canteen, and the main entrance.	Photos.	

FLA Code/ Compliance Issue	Country/Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	IEM Findings			Remediation				
					Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or Owners	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)
8. Hours of Work												
Except in extraordinary business circumstances, employees will (i) 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 of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period												
Overtime Limitations		Except in extraordinary business circumstances, employees will (i) 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 of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	1. Few workers from the Cutting, Sewing, Finishing and Packing departments have worked up to 65 hours per week during December 2004, May 2005 and June 2005. Security guards, House keeping and Canteen workers work on 12 hour shifts - up to 72 hours a week as a regular practice. At times House keeping and Canteen workers work up to 75 hours per week. 2. Review of time records revealed that most production related workers from all sections including outsourced workers (Canteen and House keeping workers) have worked on 02 rest days in June, 3 rest days in July and one rest day of August 2005.	Review of records and Interviews with Management, Security guards, Canteen and House keeping workers		Regarding the outsourced services (canteen and housekeeping workers, and security guards), the factory should have an agreement with each of the outsourced parties. The agreement stipulates the outsourced parties to treat their workers pursuant to the local regulations (for example, working hours, minimum wages and OT compensations, and legally mandated benefits). The outsourced parties are required to keep track of the working hours and to maintain the time cards and payroll records. On the other hand, the factory is required to monitor the outsourced parties to verify if they treat the workers properly.	The factory is under discussion with the outsourced parties and confirmed that the corrective action had been taken by December 31, 2005.	The factory agreed to sign an agreement with each of the outsourced parties which employ security guards, canteen and house keeping workers so that all workers will be entitled to all legally mandated benefits.	The PC visited the factory January 11, 2006 and noted that the corrective action had not been taken properly. The PC visited the factory on 05/20/06 and noted that the factory had signed the agreement with the outsourced parties including security guards, canteen and house-keeping workers. The agreement stipulated the requirements of treating employees pursuant to the local legal laws and regulations. The PC visited the factory on 09/10/05 and noted that the security guards worked 72 hours per week (6 days * 12 hours per shift) for the months of July and August. Some even worked up to 84 hours per week (7days 12 hours per shift), in order to have a closer monitoring. PC's have requested the factory to submit the time cards of the security guards starting from October 06. PC's agreed that the security guards work 72 hours a week (6 days * 12 hours per shift) which is an industry norm in Sri Lanka based on the following study. PC's conducted extensive negotiations and research with the vendor, other peer companies and local entities, the following can be summarized:	Agreements with outsourced parties. Time records.		
										Many factories in Sri Lanka outsource security guards. It is an industry practice that the security guards in Sri Lanka work 12 hours shifts 6 days a week, which results in 72 hours per week. Based on our experience, we have seen an effort to understand the industry practice and incorporate that into how various issues are managed. Industry views this as a longer term issue that will need broader support in order to push effective industry change forward. 6-7 organizations supplying security guards in Sri Lanka were in contact to discuss the possibility of them scheduling guards at 8 hour shifts for 6 days per week (48 hours per week) or 12 hour shifts for only 5 days per week (60 hours per week). None would commit to these proposed arrangements in an effort to meet COC working hour limits. One of the primary reasons is that individuals working in the "security services" industry have become accustomed to working 72 hours per week and receiving the corresponding overtime income.		
										It would be difficult, if not impossible, for one security firm to schedule guards at less than the norm without substantial increases in their turnover rates and issues with the quality of their staff. Please note that one or two security firms confirmed that they could organize guards at the factory for only 60 hours per week, but in order to do this, they would swap them out with guards from other facilities, which would result in these individuals still working 72 or more hours per week. PC's firmly believe that this is not what the broader effort around the implementation of labor standards was intended to do. Regarding the canteen and housekeeping workers, it was noted from their timecards for the months of July, August and September that they worked at a range from 54 to 66 hours per week. Workers received a day off in August.		
10. Overtime Compensation												
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.												
OT Compensation	The local law stipulates 8 hours regular standard working hours per day. Extra hours worked beyond 8 hours a day is considered overtime and should be compensated as required by law.	The factory shall comply with applicable law for premium rates for overtime compensation	As per the Company policy and practice, Outsourced workers are regular working hours are 8 hrs and 45 min. per day. Overtime is calculated beyond 8 hours and 45 minutes of regular working hours per day while as per law overtime is applicable after 8 hours of work per day.	Interview with outsourced workers, Security in charge and Housekeeping in charge.		The overtime premium should be calculated according to the local requirements.	The factory confirmed that the corrective action had been taken by 12/31/2005.	The factory has been operating on 5 day week basics and thereby giving workers the benefit of enjoying a holiday on Saturday and Sunday. The factory for many years have worked on Saturday and paid all workers overtime at the rate of 1.5 times the hourly rate. The letter of Consent issued by the B.O.I. Authorities is available for review and noted that it agrees for factory to work 45 hours in a week with 8 hours and 45 mins per day.	The PC visited the factory on January 11, 2006 and noted that the factory operated in 45 hours per week and 8 hours and 45 mins a day as regular working hour. Overtime is calculated beyond 8 hours and 45 minutes. Factory was waiting for the approval letter from B.O.I. to confirm the working hour arrangement in compliance with the local legal requirement. The PC visited the factory on June 6, 2006, and noted that factory had obtained a permission letter from the government. The letter shows that the factory is allowed to arrange the employees to work 8 hours and 45 mins a day and 5 days a week. Working on Salludaya is being regarded as overtime, and being properly compensated in accordance with the laws.	Payrolls and time attendance records.		
OT Compensation Awareness	BOI (Board of Investment) standards on Wages and overtime payment. Factories Ordinance Act 7 & 32 of 1984.	Workers shall be informed about overtime compensation rates, by oral and printed means	Most workers interviewed were not aware of the calculation for overtime compensation	Interview with workers		The factory should ensure all workers understand the way how to calculate the over time Compensation.	The factory confirmed that the corrective action had been taken by 12/31/2005.	The factory agreed to provide training programme on how to calculate the overtime payments once a half year for on-the-job employees and gather new comers on a monthly basis for the training programme.	The PC visited the factory on January 11, 2006 and confirmed that the factory had taken steps to educate the workers. The factory had organized an on-going training program which educated the workers on Code awareness, compensation and health and safety.			
Miscellaneous												
Outsourced Workers			1. Proof of Age documents are not maintained for Canteen workers. 2. Factory does not maintain pay and benefits records for outsourced workers (Security Guards, Canteen & House-Keeping workers) Hence cannot confirm Payment of minimum wages. 3. Appointment letters are not issued to House keeping workers providing details of wage and benefits. 4. Canteen and Housekeeping workers do not get a wage slip. 5. Canteen and Housekeeping workers are not provided a statement of wages at the end of each wage period. 6. There is no system in place for outsourced workers (Security guards, Canteen and Housekeeping workers) to ensure that overtime is voluntary.	Interview with Management, Canteen in charge and Canteen workers.		Regarding the outsourced services (canteen and housekeeping workers, and security guards), the factory should have an agreement with each of the outsourced parties. The agreement stipulates the outsourced parties to treat their workers pursuant to the local regulations (for example, working hours, minimum wages and OT compensations, and legally mandated benefits). The outsourced parties are required to keep track of the working hours and to maintain the time cards and payroll records. On the other hand, the factory is required to monitor the outsourced parties to verify if they treat the workers properly.	The factory confirmed that the corrective actions had been taken by December 31, 2005. The PC plans to visit the factory in January 2006 to ensure that the corrective actions have been taken properly.	The factory agreed to sign an agreement with each of the outsourced parties which employ security guards, canteen and house keeping workers. This will ensure that those employees working for them be entitled to all legally mandated benefits.	The PC visited the factory on January 11, 2006 and noted that the factory has not taken the corrective actions properly. The PC visited the factory on 05/20/06 and noted that the factory had signed the agreement with the outsourced parties including security guards, canteen and house-keeping workers. The agreement stipulated the requirements of treating employees pursuant to the local legal laws and regulations.	Agreements with outsourced parties		