

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	THAILAND
Factory Code	07007402B
IEM	BV-CPS-SA(TH)
Date of audit	27-28 JANUARY, 2003
PC(s)	NIKE INC.
Number of workers	220
Product(s)	GARMENT
Production processes	Sewing, QC, Store, General
Other brands in factory	

FLA Code/ Compliance issue	Findings				Remediation		
	Benchmark or legal reference	Monitor's Findings	Documentation	Best Practice	PC remediation plan	Completion Date	Documentation
1. Code Awareness		No violation observed	Nil	Nil			
2. Forced Labor		No violation observed	Nil	Nil			
3. Child Labor		No violation observed	Nil	Nil			
4. Harassment or Abuse		No violation observed	Nil	Nil			
5. Nondiscrimination		No violation observed	Nil	Nil			
Pregnancy testing	FLA Compliance Benchmark, Non-discrimination: Employers will not use pregnancy tests or the use of contraception as a condition of hiring or of continued employment. Employers will not require pregnancy testing of female employees, except as required by national law.	Based on the employee interviews it was found that factory required the workers to get the pregnancy test certificate during the application process. If the applicants are pregnant, factory will not accept.	Based on the document reviewed, SCOs could not find any document such as health certificate in the worker's file.	Nil	Factory announced a new policy on required documentation for job applicants. Medical checkup certification is no longer required. Subsequently, PC interviewed some new workers who have worked at the factory within a range of 3 days to 4 months. All interviewed workers said that factory did not inquire about pregnancy status nor require them to take any pregnancy test.	Completed April 2003.	Page 1 is a factory announcement listing the requirements to apply for a job at the factory. Note that no mention of medical checkup in the list. Photos of factory announcement on required documentation for applicants (which does not include medical check up) enclosed. See Page 1 of supporting documentation.
6. Health and Safety		No violation observed	Nil	Nil			
Machine Safety	Country Law: The Notification of Ministry of Interior Machinery Safety Chapter 1 Section 5(8): The machine which transmits its energy by means of shaft, belt, pulley, flywheel shall have a steel colander for the complete covering of the moving and power transmission part be higher than two meters it shall have steel colander or fence by not less than two meters to surround it completely. FLA Compliance Benchmark, Health and Safety: All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner	During the factory tour, it was observed that there was no pulley guard and needle guard on each sewing machines.	Nil	Nil	All of the 200 sewing machines had the pulley guard installed. Installation for needle guard is still in process and factory plans to complete the installation by July 2003. Upon further checking, some sewing machines such as the double needle sewing machine and zip sewing machine were found to already have needle guards installed.	July 2003 follow-up: Installation of needle guard is in progress. Oct 6, 2003 follow-up: 126 sewing machines have needle guard installed. 17 machines have needle guards in need of repair. Additionally 77 machines will have needle guards installed by end of October, 2003.	Photos of pulley guards enclosed. Also, photos of double needle and zipping machines with needle guards enclosed.

FLA Code/ Compliance issue	Findings			Best Practice	Remediation		
	Benchmark or legal reference	Monitor's Findings	Documentation		PC remediation plan	Completion Date	Documentation
Medical Safety	<p>Country Law: The Ministerial Regulation Occupation Health and Welfare Sect. 2: Factory having more than 200 employees has to arrange: 1)Medical treatment room with one bed and enough of content of first aid; 2)one regular nurse; 3)one doctor for sometimes.</p> <p>FLA Compliance Benchmark, Health and Safety: Employer will comply with applicable health and safety laws and regulations. In any case where laws and code of conduct are contradictory, the higher standards will apply. The factory will possess all legally required permits</p>	During the factory tour, it was observed that there was no regular nurse during working hour.	Nil	Nil	Factory made an agreement with a local hospital in order to hire factory nurse working from 0730 to 1630 hrs. Nurse started working at factory on April 01, 2003. Remark: Factory is located just 300 meters from the Hospital.	Completed April 2003.	See Page 7 of supporting documentation. This is the contract between the Hospital and factory on hiring the fulltime nurse effective April 01, 2003. Photo of nurse and certificate posted on door informing workers about nurse enclosed. Photo of proximity of factory to hospital also enclosed.
Safety Officer	<p>Country Law: The Labor and Social Welfare Ministry Regulation BE.2540 Chapter 4 Section 14: Employer who has the employees more than 50 people has to provide the safety officer at least 1 person to perform the regular safety within 180 days whenever the employee amount reaches 50 people.</p> <p>FLA Compliance Benchmark, Health and Safety: Employer will comply with applicable health and safety laws and regulations. In any case where laws and code of conduct are contradictory, the higher standards will apply. The factory will possess all legally required permits</p>	Based on the document reviewed and management interview, it was found that factory did not have the safety officer at professional level for full time. Factory has 1 safety officer but he looked after 3 companies which is violated.	Nil		Factory enrolled the Human Resource Chief for a professional safety training program as part of the requirements for becoming a professional safety officer. Course started on Feb 24, 2003 and will be completed on June 04, 2003. Update Oct 1, 2003: Human resource chief has completed the professional safety officer training course and received the certificate on 22 September'03. He is assigned as the professional safety officer at the factory.	Completed September 22, 2003	Pages 2 to 6 of supporting documentation contain the following: 1) Receipt issued for payment for training course, 2) Application form made by Human Resource Chief to attend the course, 3) Course outline for professional safety training. Safety Officer Certificate attached.
7. Freedom of Association and Collective Bargaining							
		No violation observed	Nil	Nil			
8. Wages and Benefits							
Holiday Notice	<p>FLA Compliance Benchmark, Wages and Benefits: In general, workers will have access to understandable information about their wages and benefits, and will not express dissatisfaction with their ability to get information</p>	Some workers found to be unsatisfied with the prior notice they sometimes receive to a Holiday change. Such problem has been identified by both workers and management.	Nil	Nil	The factory had switched an annual holiday three years ago (1999), since then, factory has not reverted to the practice.		
9. Hours of Work							
		No violation observed	Nil	Nil			
10. Overtime Compensation							
		No violation observed	Nil	Nil			
Miscellaneous							
	<p>FLA Compliance Benchmark, Wages and Benefits: Deductions for services to employees will not exceed the cost of the service to the employer. If questioned, employers will demonstrate the reasonableness of these charges</p>	Per FLA Audit Instrument "all workers have to buy the uniform at the cost of 100THB per piece up to the size of the shirt. Please ensure this practice is in compliance with all local and national labor laws and that this fee is reasonable.			Factory changed its policy and effective August 1, 2003 provides free uniforms for both new and existing workers.	Completed August 1, 2003	The factory announcement attached.