

*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.

<b>FLA Audit Profile</b>	<b>Company Comment:</b> Patagonia has discussed the severance policy with the factory and has received the policies from the factory that outline the laying off procedures under Thai labor law. Patagonia has also requested from both the agent and the factory documentation that the severance has been paid out according to the policy.	
<b>Country</b>	Thailand	
<b>Factory name</b>	090074504E	
<b>IEM</b>	Global Standards	
<b>Date(s) in facility</b>	12/25-26/2006	
<b>PC(s)</b>	Patagonia	
<b>Number of workers</b>	347	
<b>Product(s)</b>	Apparel / Garment	
<b>Production processes</b>	Cutting, Stitching, Packing	
<b>Other brands in facility</b>	OJAI, Pentland, Berghaus and several local brands	

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	IEM Findings		Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or Company	Remediation		Status	Updates (Cite Date of Follow up)	Company Verification Follow up
					Evidence of Non-compliance (un corroborated)	If not corroborated, explain why			Target Completion Date	Factory Response (Optional)			
<b>1. Code Awareness</b>													
Code posting/information		<b>FLA Principle of Monitoring, Obligation of Companies:</b> Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.	No Patagonia code posted.				worker interview and visual inspection	Patagonia will deliver Posters of its code of conduct. It will be the responsibility of the factory to post the Poster	January-07	Pending to receive posters, now temporarily posting the general code of conduct in English and Thai. (Pls see attached files of fair labor code of conduct in English and Thai languages)	Completed. Posters were sent and posted		A follow up with the agent and factory will be done August 2007. Any items that are still relevant after the factory closure will be verified.
Worker/management awareness of Code		<b>FLA Principle of Monitoring, Obligation of Companies:</b> 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.	Workers are not aware of any code.				worker interview and visual inspection	Factory Management will review the code and determine the best way to communicate it to employees. If the factory requires further resources to do this they will contact Patagonia for assistance. The factory will then update this tracking chart noting that this communication has occurred.	January-07	A meeting has been made to explain the codes of conduct to all department heads to pass on the explanation to their subordinates. New workers will receive code of conduct explanation at the time of enrollment.	Completed		
Confidential non-compliance reporting channel		<b>FLA Principle of Monitoring, Obligation of Companies:</b> 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.	Patagonia does not provide a CoC or a outside line of communication.				worker interview and visual inspection	Due to the recent understanding that the factory will be closing down in the next 4 months no plan for a reporting channel will be established.	n/a		pending		
<b>2. Forced Labor</b>													
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or													
<b>3. Child Labor</b>													
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or													
<b>4. Harassment or Abuse</b>													
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual,													
Other				In cases where the discipline process results in termination, there is no policy providing workers with an opportunity to reply, challenge or make appeals against the termination.		No cases found	records review and worker interviews	Factory will provide Patagonia documentation for procedures it will take with regards to the laying off of workers due to the closure of the factory.	March-07	Please refer to file "Laying-off procedures_TM" as attached for explanation.	Completed	Documentation on file.	
<b>5. Nondiscrimination</b>													
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement,													
Pregnancy Dismissal		Employers will not, on the basis of a woman's pregnancy, make decisions that result in dismissal, threat to dismiss, loss of seniority, or deduction of wages		Some workers reported that they may be dismissed, if they get pregnant before passing probation.		No related evidence/documentation found.	worker interviews	Factory will provide documentation indicating that pregnant workers are not discriminated against during the closure of the factory.	March-07	Please refer to file "Laying-off procedures_TM" as attached for explanation under the heading "Pregnancy dismissal".	Completed	Documentation on file.	
<b>6. Health and Safety</b>													
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								Factory will review and address the following health and safety issues found and provide a plan for addressing them. Despite the fact that the factory is closing down many of the health and safety issues pose immediate risks to employees.	March-07				
Fire Safety Health and Safety legal compliance	Notification of the Ministry 2006, Article 1, Section 3, Article 2, Clause 23	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	Need to provide health and safety manual in the workplace				management interview and records review	Factory will provide health and safety manual in the workplace	March-07	We have made manuals on health and safety in Thai for each department to suit their working conditions. Manuals have been posted in each production area and are given to every new worker at enrollment. Pls find the attached file for manual reference & see tab "Health and Satly manuals" for photo.	Completed	Pictures on file.	
Document Maintenance/ Accessibility	The notification of Ministry of Interior on subject safety in working condition, safety in chemical working condition, Fire safety and prevention, safety in boiler working condition. The Factory Control Act B.E.2535	All documents required to be available to workers and management by applicable laws (such as policies, MSDS, etc) shall be made available in the prescribed manner and in the local language or language spoken by majority of the workers if different from the local language	No MSDS are available for various chemicals used in production.				management interview, visual inspection and records review	MSDS will be made available for various chemicals used in production.	March-07	MSDS for trichloroethylene both in Thai and English versions are available in the spot-lifting room for users' reference. (This chemical is used as stain remover for clothes). See MSDS files attached.	Completed	Documentation on file.	
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/ways, employee education, evacuation procedures, etc.) shall be compiled with and workers shall be trained in proper safety, first aid, and evacuation procedures	Several evacuation plans were in English only and posted outside (not inside as required) production rooms. Aisles are cramped on the production floors. Painted yellow lines do not follow production process/location of machinery.				visual inspection	Factory will post evacuation plans in the local language of the workers and will post the evacuation plans inside the production rooms. Aisles will be cleared on production floors. Factory will outline with painted yellow lines to follow production process/location of machinery.	March-07	Plans have been revised into Thai language and are attached on 2 points on each production floor. The placement points are where workers walk past everyday so they are easy to recognize. Please see tab "Evacuation" for pictures of placement points and plans for each floor.	Completed	Documentation on file.	
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	Many of the first aid kits were low in stock or missing key items. No fire extinguisher in or at the boiler room.				visual inspection	The factory will review the first aid kits and stock or replace missing key items. Factory will put a fire extinguisher in or at the boiler room that is required.	March-07	First aid kits have been arranged on every floor containing all necessary first aid items. Fire extinguisher has been placed inside the boiler room. Please see tab "Safety equipment" for pictures.	Completed	Pictures on file.	
PPE	Notifications of Ministry of Interior, RE: Safety at Work in Work Related to Machinery	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.	No PPE found in the spot lifting or chemical storage areas. Only one metal glove available for those using stationary fabric cutting machines.				visual inspection	Factory will provide the appropriate PPE in the spot lifting or chemical storage areas. Factory will also provide enough metal gloves for all those using stationary fabric cutting machines.	March-07	In the spot lifting area, the PPEs are hung visibly and worn during spot lifting. For stationary fabric cutter, both sides of gloves are worn to protect from injury. Please see tab "PPE" for pictures.	Completed	Pictures on file.	
Chemical Management	Notification of Ministry of Interior, RE: Labour Protection, Notification of the Ministry of Interior, Notification of the Ministry of Interior, Safety at Work related to Hazardous Chemicals	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	MSDS not available for various chemicals used for spot lifting and some have English labels only.				visual inspection, management interview	Factory will provide MSDS for all chemicals used for spot lifting and in the local language spoken by workers.	March-07	MSDS for trichloroethylene both in Thai and English versions are available in the cleaning room for users' reference. (This chemical is used as stain remover for clothes). See MSDS files attached. Labels on detergent and chemical bottles are in Thai language and safety locked in a cupboard when not in use. Please see tab "PPE" for picture of chemical storage in the cupboard.	Completed	Pictures on file.	

FLA Code/ Compliance issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings					Remediation			[Status]	Updates (Cite Date of Follow up)		Company Verification Follow up		
			Non-compliance	Risk of Non-compliance	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 Remediation plan	Target Completion Date		Factory Response (Optional)	Completed: Pending: On-going	Company Follow up	Documentation	Company Follow up (Cite date of planned or follow up visit, if appropriate)
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	Dust levels are heavy throughout the sewing/cutting areas and around water fountains.				visual inspection		Factory will assess the levels of dust throughout the sewing/cutting areas and around water fountains and provide a plan for reducing the levels immediately.	March-07	External auditors have come to our factory on Feb-15 to assess the level of dust and other environmental factors which our dust level was still under acceptable level. However, the official report has not yet been issued. For water dispenser area, we made sure they clean up the dust on daily basis and that all water containers must have a lid on. Please see tab "Drinking area" for pictures.	Completed	Pictures on file.			
Machinery Maintenance	Notifications of Ministry of Interior, RE: Safety at Work in Work Related to Machinery	All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner	Some sewing machines do not have needle guards and many are not in use (especially high speed ones). Also some sewing machines do not have pulley guards. One button fastening machine has operating instructions in English only and a label cutting machine is dangerous to the user.				visual inspection		Factory will address the lack of needle guards and pulley guards on sewing machines by implementing the required safety devices. The button fastening machine must have instructions in the local language spoken by workers. The label cutting machine must be repaired so that it is safe to use.	March-07	As the factory will be closing down soon, now the capacity have been minimized and not all machines are in use. Therefore, we will gradually exclude the sewing machines without the guards from our production. For the instructions in Local language on button fastening (Snap) machine and fusing machine, please see tab "Machine labelling" for pictures.	Completed	Pictures on file.			
Other	Notifications of Ministry of Interior, RE: Safety at Work		Documentation regarding waste disposal, chemical usage and general safety are not in compliance with Safety at Work laws.				records review and management interview		Factory must bring documentation regarding waste disposal, chemical usage and general safety into compliance with Safety at Work laws.	March-07	With our minimal chemical usage in our factory, the waste water amount is under compliance with the Safety laws and requires no special waste management procedure.	Completed				
<b>7. Freedom of Association and Collective Bargaining</b>																
Employers will recognize and respect the right of employees to freedom of association and collective bargaining																
Other																
<b>8. Wages and Benefits</b>																
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as																
<b>9. Hours of Work</b>																
Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a)																
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	The factory works Sundays only very occasionally and only in a few months. Working hours usually are less than 60 per week, however in peak periods work was at 65 hours per week in a few instances.				Records review and management interviews		Factory will document the circumstances that lead to overtime. Factory will aim at reducing the potential for over time for the remainder of its operations to be in compliance with local law.	March-07	Pls see separate attached file summarising the working hours and OT from November to January.	Completed	Documentation on file			
<b>10. Overtime Compensation</b>																
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at																
<b>Miscellaneous</b>																
Illegal subcontracting																
Possible homework																
Other																