Country	Thailand
Factory name	36007459D
IEM	Kenan Institute Asia
Date(s) in facility	21-22 September 2005
PC(s)	Puma
Number of workers	2.038
Product(s)	Slippers
Production processes	Sole Rubber mixing-pressing, Cutting, Sewing, Assembly, Packing

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FLA Code/ Compliance issue	Country Linw/Legal Reference	FLA Benchmark	Non-compliance	Risik of Non-compliance	Evidence of Non- compliance (uncorroborated)	corrobonated, explain why	Sources/Document tion	PC Remediation plan	Target Completion Date	Company follow-up (February 7, 2006)	Documentation	Company follow-up Doc (June 27, 2006)	currentation Cor Per On-	mpleted; nding; -going	Company follow-up (November 10, 2006)	Documentation	Completed; Pending; On- going	Company follow-up (December 13, 2007 & August 18, 2008)	Documentation Complete Pending: 0 going
Trute à aussenses Code posting/information	According to Labor Protection Art B. 2541 Coggier 8 Section (1) which classed that TV coggier 8 Section (1) which classed that TV complyor a That distribute and affer the work called a repair protection in the workplace was allowed to the complex of the complex	PLA Principle of Monthering, Obligation of Companies Citalina and anticulate citize, written workplace associates. Primary convey trace standards and principle convey trace standards contractors and suppliers.	No factory registrations and notification of updated was a promised on a prominent board.				Visual inspection	Intermediate short factory regulations and reminum wagas inching new legislations and guidelines pertaining loss ages (assess should be locatively position on promiser) and should be locatively position of promisers of the should be locatively position of promisers of the should be locatively and should form pand of written company positions and to be included as paint of employees theirings, and and the should be located to the should be loc	Decembe 2005	Sectory equilibrium and wage information are possed. Binding of workers on these items to be identificated.	inspection	Factor spigations are legal primoration as in equipment and equipment an	pection, perview		response to the remediation, the factory revised its rules and regulations and submitted it to the Ministry of Labor for approval.	ules and egulations with stamp of eceipt by MOL; sopy of the socket manual; marview	pending	Revised risks and regulations already with approval by the Mensey of Labor the Mensey of Labor and Control of Mensey of Labor and the Control of Mensey of Laborators and were able to enumerate through discussed during the to enumerate through discussed during the town deviced, one for social standards and another about health and salely.	document rovious; workers interview*
Worker/management awareness of Code		FLA Principle of Monitoring, Obligation of Companies: Errore that all Company factorise as well as contractors and supplies riform hair emptypes about the workplace standards crally and through the posting of standards in a prominent place (in the boat languages spoken by employees and managers) and undertake other afforts to obcaste employees about the standards on a regular basis.	Most workers are not aware of factory's standards and codes of conduct although these were provided during orientation upon hiring. The posting of standards is in a prominent accessible place.				Workers interview	Design detailed and clear briefing guides about way factory policies and buyers? Code Conduct issues. Include as part of the briefing process and evaluation of the participants' retention of the briefing materials	Decembe 2005	 No briefings were conducted yet on key factory policilies and GoC issues. No evaluation system included for the effectiveness of training. 	interview and document seview	No progress on this	per	- 1	Turking guide not yet developed. Turking guide not yet developed. Factory was given a sample of evaluation test for briefling of workers	nanegement nterview	pending	Guide for orientation of new employees already made. According to interviewed workers, orientation would take about two hours. Brief evaluation tests after orientation have been devised; one for social standards and another about health and safety.	document Complete review; workers' interview
There will not be any use of f Employment Records	reced labor, whether in the form of prison labor,	incontractation, bonded labor or orhansia. Employees was measure, sufficient firing and employment records to demonstrate and verify compliance with this Code provision.		The ampleyer did not provide a copy of contract to the ampleyees			Personnel records review and workers interview	Provide copy of signed working contracts and all other personnel action documents to the workers	Decembe 2005	Copy of contracts provided to employees starting in January 2008	interview and document serview			1	interviewed workers confirmed getting a ecopy of the contract	nberview	completed		
3. Child Labor No person will be employed a	at an age younger than 15 (or 14 where the law overlanding in the country of manufacture where	of the country of manufacture allows) or younger than the																	
4. Harassment or Abuse Every employee will be treate	,	e subject to any physical, sexual, psychological or verbal																	
harasament of abuse. Monetary Fines & Penables	The Labor Protection Act B.E.2541, Chapter 5, section 76 witch stated that Yes employer what for making yellow the form making. What for the section was purely and testing yellow and testing pay. ""	Employers will not use monetary fines and penalties for poor performance	Wages will be decluted in following cases: 1) Start work bate by 15 minutes, the wages will be deducted by 30 minutes, and 15 minutes of 15 m				Payroll records, Leave records, Personnel records	Revise rules such that workers are correctly paid based on the actual hours worked and paid to the such as the such as the such part of the such as the such paid to the such as the such regulations. Inform all employees about the said revision of hules. Post copy of the new nales on bulletin boards.	Decembe 2005	Factory will stop old practice regarding diductions for tardiness. Naw regulation to be issued or Feb. 16. 2006. Practice of monetary deductions to be supposed feb. 18. 2006. Requires follow up. Requires follow up.	interview and document review	bulletin boards. Instead of the deductions, the reg rules on discipline (warning, etc.) will apply. Inst	arview; cor by of platforc paction of letin board	mpleted					
Other			Bose days off	No harassment and abuse policy is established		i	Management interview and document review	Formulate written policy on harassment or abuse and guidelines to prevent it. Guidelines should include sanctions against those who violate the policy (including management and supervisors). Brief all employees on the policy and guidelines and include the same in the briefing of new employees.	Decembe 2005	r, Not yet done	interview and document serview	Policies and guidelines not yet formulated. Intelligence of employees to be done once formulation of policies / guidelines is completed.	erview per	nding I	Policies not yet formulated in	nanagement nterview	pending		
 Nondiscrimination No person will be subject to a or retirement, on the basis of 	any discrimination in employment, including hirin f gender, race, religion, age, disability, sexual or	g, salary, benefits, advancement, discipline, termination fientation, nationality, political opinion, or social or ethnic																	
Action Hiring Discrimination Practices		Employment decisions will be made solely on the basis of education, training, demonstrated skills or abilities. All employment decisions will be subject to this provider. They include: Niring, job assignment, wages, bonuses, allowances, and other forms of compensation, promotion, discipline, assignment of work, simmarison or employment, providen of references.	questions about nationality, race.			i	Personnel records and employment application form review	Remove such questions in the application form. Prepare a separate form to get those data after the applicant has been employed	Decembe 2005	r, Not yet done	interview and document seview		oy of new Consideration m	impleted					
Hiring Discrimination Practices		Employment decisions will be made solely on the basic of decision, fairing, demonstrated silks or abilities. A simply-general decision as will be subject to this provision. They include fring, pia sesignment, wages, boruses, allowances, and other forms of compensation, promotion, designers, assignment of work, termination o employment, provision of ratherment	If that the maximum employment age of				Factory's rules and regulations review	Revise rules and regulations to remove age intri for applicants. Inform all people involved in the recultanter process about the revision of the rules	Decembe 2005	r. Not yet done	Interview and document seview	rules and regulations because according to factory, approval by the Ministry of Labor will lake a long time.		- 1	Ministry of Labor no longer contained the nage limit for applicants.	ules and egulations with stamp of eceipt by dinistry of abor	completed		
Other				No non-discrimination policy is established			Management interview and document review	Formation written policy and guidelines pertaining to non-discrimination. Brief all standard productions and standard and make the part of the topics in briefing new employees	Decembe 2005	r. Not yet done	interview and document seview	Policies and guidelines not yet formulated. Intelligence of empty years to be done once to the complete of policies / guidelines is completed.	erview per		with freedom of association) already formulated and were included in the revised rules and regulations submitted to the	ules and egulations with stamp of eceipt by dinistry of abor	pending	Revised rules and regulations already with approval by the Ministry of Labor Interviewed volence confirmed orientation; were able to enumerate things discussed during the training. One item in the evaluation test after briefing is about non-discrimination	document review; workers' interview

FLA Code/ Compliance issue	Country Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	Ginos Evidence of Non- compliance If not corrobonated, explain why	Sources/Document	PC Remediation plan	Remediatio Target Completion	Company follow-up (February 7, 2006)	Documentation	Company follow-up (June 27, 2006)	Documentation	Completed Pending:	Company follow-up (November 10, 2006)	Documentation	Completed; Pending; Or	Company follow-up (December 13, 2007 & August 18, 2008)	Documentation Completed; Pending: On
6. Health and Safety Employers will provide a sa	fe and healthy working environment to prevent a look or as a result of the operation of employer fa	coldents and injury to health arising out of, linked with, or			(uncomoborated)			Date	(recounty 1, 2000)		(5012 21, 2000)		On-going	(HOTELINE 10, 2000)		going	The factory hired a Safety Officer in January 2008.	going
Safety Equipment			All fire extinguishers are inspected by internal staffs only. They need to be			Visual inspection	Fire safety systems and facilities should be	January, 2006	Per the factory, all fire extinguishers are	interview and document	Factory has certification from Rich & P	inspection; copy of	pending	fire extinguishing units that were inspected had tags to record in-house inspection	inspection	completed	previous work experience in factory producing another known brand of sportswear.	
	Working Safety relating to protection and Prevention of Fire for Employees, Chapter 2, Clause 9	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	internal staffs only. They need to be inspected semi-annually by an external body as per the legal requirements.				inspected routinely by government agency or independent professional entity, as required by law.	2006	inspected morthly by Rich & P, the company supplying the unles. There is no contract supporting this claim. Inspection tags were provided. Factory to ask for certification for the external inspections and this agency to provide inspection stickers on each unit.	document review	(supplier of fire outinguishers) on the quarterly inspection of units; inspection tags are provided though some units do not have	copy of certificate		had tags to record in-house inspection				
									the external inspections and this agency to provide inspection stickers on each unit.		= need to provide tags on all units							
Fire Safety Health and Safety legal compliance	at Work Related to Fire Prevention and	laws and regulations. In any case where laws and code	No fire alarms are installed at buildings a 4, 5 and 6			Visual inspection	Adequate fire alarm system should be installed in all buildings, with trigger switches	January, 2006	No fire alarms noted during the inspection.	inspection	fire alarm for the entire compound. Waiting	copy of network plan	pending	Construction work on building not yet completed. Hence, installation of the fine	management interview.	pending	Quote by contractor not accepted by factory as it is too expensive. Factory did the installation in-house is	management pending interview.
	Protection of Workplace for Employee's Safety, Chapter 8:	of conduct are contradictory, the higher standards will apply. The factory will possess all legally required permits					at all sections				for the completion of the new building to install the fire alarm network			alarm system not yet done. Contractor already submitted quotation for the job.			but not completed as of the last audit. Factory was reminded about the urgency of this project and was advised to get a professional to	
Fire Safety Health and	The Notification of the Ministry of Interior RE:					Document review		lancar.		hts://www.							evaluate the installation once completed.	government completed
Safety legal compliance	Working Safety relating to Protection of Fire for Employees, Chapter 3, Clause 19 (3)	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	a preliminary fine fighting technique. Only 389 workers were trained, representing less than 40% of all employees in the work place.			and safety officer interview	Provide fire fighting training to sufficient number of workers as required by local law.	January, 2006	Factory to train the minimum 40% of current personnel strength. Old practice was to count all trainings conducted since founding of the company. No checking was done whether the number of current trained personnel compiles with the 40% minimum requirement.	document review	Fire fighting training will be done in August 2006 and factory will make sure that 40% of present workforce will undergo training	interview	panding	Fire fighting and evacuation training was conducted by the Fire Department on August 19, 2006 with 1,838 workers in attendance.	management and workers interview; certification by the Fire Department;	companies	Fire safety training was conducted by a government agency on Sept. 17 to 22, 2007 for 300 persons and a fire drill on Sept. 22, 2007 with 2,315 persons present	government completed agenecy certification
		permits	work place.						whether the number of current trained personnel complies with the 40% minimum requirement.						the Fire Department; photos			
Safety Equipment	The Notification of the Ministerial Regulation Occupation Health Walfare Section. 2 (1):	All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place,	First aid kits are not adequately stocked with appropriate supplies in each			Visual inspection	Provide a list of all required supply and equipment at each box and check regularly	December 2005	Last fire drill was done in Sect. 2005 f, First aid kits were not adequately stocked. Factory was tasked to refer to both local law	inspection	First aid boxes do not have adequate contents	inspection	pending	No list of required contents provided at each box. Boxes lack contents. Cotton not	inspection	pending	List of contents at each first aid box is available. It terms are properly wrapped. Nurse inspects boxes in	inspection, completed interview
	,,	maintained as prescribed and accessible to the employees	working section				condition of the first aid boxes, its contents, and expiry of medicines.		and PUMA S.A.F.E. standard for content of first aid kits					properly wrapped and can be contaminated			once a month	
Document Maintenance/ Accessibility		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	No loading limit is posted near the elevator at building 3			Visual inspection	Provide written instructions specifying load limits and safe loading practices at the elevator.	December 2005	 Factory has posted loading limit poster, but was advised to post annual inspection certificate for authenticity. 	interview and inspection	Load limit posted at the elevators. All three units have quarterly inspection certificates, the latest inspection on June 24, 2006	inspection; copy of inspection	completed					
		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.	1									certificate						
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	The chemical storage area, glue mixing area and assembly section in buildings 1 and 3 are not equipped with emergency eye wash units			Visual inspection	Provide emergency eye wash facility in all warehouse and areas where chemicals are stored and handled routinely.	January, 2006	No permanent emergency eye wash in both new and old chemical warehouse areas glue mixing and assembly sections.	inspection	emergency eye wash facilities installed on June 24, 2006	inspection	completed				Eyewash facility was tested during the last visit in	inspection completed
Ventilation/Electrical/facility maintenance	The Notification of Ministry of Industrial No. 2 (B.E. 2513) Clause 8:	All ventilation, plumbing, electrical, and lighting services shall be provided and maintained to conform to	emergency eye wash units The stairs at buildings 2 & 5 are not equipped with an emergency lighting			Visual inspection	Provide emergency light facility in all building stainwell and main exit alleys. Include all	December 2005	r, No emergency lighting system in place	inspection	Emergency lights are provided but could not be tested during the visit because they are	inspection	pending	Emergency lights that were tested were found to be working. However, it was noted on this visit that there were no units in the middle portion of big working areas.	inspection	pending	Emergency lights provided in middle portions of big is working areas. Some units were tested during the	inspection completed
		applicable laws and prevent hazardous conditions to employees in the facility	system				emergency lights in regular safety inspection				Emergency lights are provided but could not be tested during the visit because they are too high. Factory should devise ways to ensure that emergency lights can be tested at any time. All units should be tested regularly and test record kept on file.			on this visit that there were no units in the middle portion of big working areas.			audit.	
Ventilation/Electrical/facility	The Notification of the Ministry of Interior RE:	All ventilation, plumbing, electrical, and lighting services shall be provided and maintained to conform to	The factory does not provide an			Visual inspection	Provide emergency light facility to guide operator in emergency operation of boiler	December	r, No emergency lighting system in place	inspection	No update on this		pending	Light facility was installed in July 2006	interview, inspection	completed		
	2, Clause 20	applicable laws and prevent hazardous conditions to employees in the facility	emergency lighting system that shines toward the controlling boards and the exit in the boiler room				panel board and to guide to the exit during power cut off.											
PPE	The Notification of the Ministry of Interior RE:	Workers shall wear appropriate protective equipment	It was observed that some workers did			Visual inspection	Implement written guidelines prescribing the	December	r, Factory currently testing its replacement	inspection	Toluene already replaced by acetone and	invoice for the	pending	Chemicals with tolouene content still in use	copy of MSDS;	pending	Chemicals with tolouene content still in use	copy of pending
	Working Safety relating to Harmful Chemicals Chapter 2 , Clause 21 The Notification of the Ministry of Interior RE:	Workers shall wear appropriate protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent ursafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements including medical waste.	It was observed that some workers did not wear proper PPE. For example: 1. The worker in the glue mixing section was not provided with goggles, latex				Implement written guidelines prescribing the correct PPE equipment depending on nature of operation, its importance and proper use; and include same in safety training of all	2005	Factory currently testing its replacement (233BF) for toluene. Factory provided goggles and gloves. Chily cotton mask and not respiration mask was provided. Long gloves were provided in the assembly section but goggles were not readily.	.,	Inappropriate PPE used in some areas; PPE	invoice for the purchase of acetone and MEK;		Inappropriate PPE used in some areas; PPE not used properly in assembly and	inspection; interview		Inappropriate PPE used in some areas; PPE not used properly in assembly and printing sections.	copy of pending MSDS; inspection; interview
	Working Safety in the Respect to Environmental Condition Chapter 1, Clause 3	noise, dust, etc.) to hazardous elements including medical waste.	gloves and respiration mask although he worked with harmful chemicals, such as MEK, Toluene and chemical glue. 2. The workers at the assembly section				workers. Replace toluene as it is a restricted chemical				not used properly or not used at all in assembly and buffing sections Factory has yet to do the following:	inspection		printing sections. No record to show that the following things required during the previous visit were			No record to show that the following were done: - evaluate the proper protective equipment to be used at critical areas such as cement /glue room;	
			where UV lighting was in use did not wear covered arms and UV goggles.						EVA and sole mixing/pressing sections. Some workers were found using PPE incorrectly in all sections, hence factory must improve on its use of PPE education in		- evaluate the proper protective equipment to			required during the previous visit were done: - evaluate the proper protective equipment to be used at critical areas such as coment /glue room; buffing section; assembly			used at critical areas such as cement iglue room; buffing section; assembly section; compounding and sole press; chemical weighing area - conduct training on the importance and proper use of protective equipments.	
			mixing-pressing sections who worked with heating machinery did not wear cotton gloves.						must improve on its use of PPE education in the workplace.		be used at critical areas such as cement/glue room; buffing section; assembly section; compounding and sibe press; chemical weighing area - conduct training on the importance and			/glue room; buffing section; assembly section; compounding and sole press; chemical weighing area - conduct training on the importance and			of protective equipments	
Chemical Management		All chemicals and hazardous substances should be properly labeled and stored in accordance with	Chemical bottles in the silk screen section are not labeled			Visual inspection	All chemical containers including bottles and dispersers being used in production areas	December 2005	r, Containers still do not have labels.	inspection	 conduct training on the importance and Containers of chemicals are labeled but with no warning or danger signs 	inspection	pending	conduct training on the importance and Danger signs pasted on chemical containers in the production area	inspection	completed		
		applicable laws. Workers should receive training, appropriate to their job responsibilities, in the safe use of chemicals and other hazardous substances					should be properly labeled and provided with safety warning sign.											
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	Chemical containers in the chemical storage at the assembly section in buildings 1 and 3 are not provided with			Visual inspection	All areas where chemicals are being stored or used should be provided with secondary containment to hold and prevent spillage from flowing into the ground or to water sewages.	December 2005	r, No secondary containment for chemical storage and chemicals in use in all buildings, except for one assembly section where the chemicals in use had secondary	inspection	Secondary containers are provided for chemicals except those at the assembly section	inspection	pending	Chemicals in assembly section were not properly stacked and had no secondary containers	inspection	pending	Chemicals were properly stacked but still with no secondary containment	inspection pending
			SECONDARY CONTARTMENT				nowing into the ground or to water sewages.		chemicas in use had secondary containment.		Chemical weighing area is not enclosed and with no chemical dust collector							
Ventilation/Electrical/facility maintenance		All vertilation, plumbing, electrical, and lighting services shall be provided and maintained to conform to applicable laws and prevent hazardous conditions to employees in the facility	The assembly section at building 1, PU section and EVA injection section are not well ventilated. There is poor air quality (strong smell of chemical glue) in the work place.			Visual inspection	Provide facility to improve air ventilation and circulation in the area; provide respirator type or carbon type mask to workers in this	December 2005	r, Same air quality noted.	inspection	Smell of solvent still strong at assembly section. Ventilation needs to be improved.	inspection	pending	Smell of solvent still strong at assembly and printing sections. Ventilation needs to be improved.	inspection	pending	smell of solvent at assembly section still strong some masks used are not the proper ones and some	inspection pending
		employees in the facility	quality (strong smell of chemical glue) in the work place.				area.				Masks are provided but not properly used by some workers			Some masks used are not the proper ones and some workers do not use the masks			workers do not use the masks properly	
Machinery Maintenance	The Notification of the Ministry of Interior RE: Working Safety relating to Protection of Crane	All production machinery and equipment shall be maintained, properly guarded, and operated in a safe	The factory indicates 2 elevators in buildings 3 and 5 to be cranes and they			Document review and safety officer	Routine inspection by authorized government or professional agency should be conducted, as required by local laws.	December 2005	r, Latest inspection reports were presented. Timeliness of inspections (i.e. quarterly	interview and document	The units have since been inspected on Feb. 17, 2006 and June 24, 2006	copies of inspection	on-going	The units were inspected again on October 5, 2006	copies of inspection	on-going	Quarterly check done on elevators; last check on July 14, 2008	record of completed checking
	Chapter 1, Clause 8	marner	were inspected by a mechanical engineer since May 13, 2004. If the factory declares them to be cranes then they need to be inspected by a			interview	as required by local laws.		r, Latest inspection reports were presented. Timeliness of inspections (i.e. quarterly nature of inspection) requires follow up. Appointment with engineer was made by factory for the next quarter.	review	Will be monitored in subsequent visits	reports			report			
Machinery Maintenance	The Notification of Ministry of Industrial Issue 4 (BE 2514) Chapter 12 Section 3:	All production machinery and equipment shall be maintained, properly guarded, and operated in a safe	mechanical engineer every 3 months. All sewing machines do not have lower and upper pulley guards			Visual inspection	Provide required pulley guards on all exposed machine drives, as well as needle guards for	December 2005	r, No pulley guards, needle and eye guards found on all sewing machines.	inspection	Installation of pulley guards already started but not yet completed. Eye guards and	inspection	pending	Installation of pulley guards, eye guards and needle guards not yet completed.	d inspection	pending	Installation of pulley guards, eye guards and needle is guards not yet completed.	inspection pending
Sanitation in Dining Area	The Public Health Act B.E. 2535, Chapter 8, Section 38-40	manner All food preparation shall be prepared, stored, and served in a sanitary manner in accordance with	No food shop in the carteen has food hygiene certification and no record of			Document review and safety officer	all single needle lockstitch sewing machines. There should be regular hygiene certification of kitchen facilities, as well as annual health	January,	Food hygiene certificates were accomplished and health examinations were	document	needle guards not yet installed			, , , , , , , , , , , , , , , , , , , ,			Hygiene certificate and health check records for if food vendors posted at the canteen	inspection completed
Fire Safety Health and	Notification of The Ministry of Labor and	applicable laws. Safe drinking water should be available in each building. Employer will comply with applicable health and safety	health examination of cooks are kept No report was disclosed for the survey			interview Document review	check-up of all canteen workers, documents to be posted at Canteen area. In-house Health, Safely and Environmental	Innunu	obtained.		Copies of monthly reports not available		pendina	Copies of monthly reports not available		pending	·	none of completed
Safety legal compliance	Social Welfare Re: Committee on Occupational Safety, Health and Working Environment, Chapter 3, Clause18 (2)	laws and regulations. In any case where laws and code of conduct are contradictory, the higher standards will apply.	of occupational safety, health and working environment by the Occupational Safety Committee at least once a month in year 2005			and safety officer interview		January, 2006	Committee reports were all submitted to the government and no copy is retained in the factory. Factory was instructed to retain copies of all reports submitted to	interview and document review	Copies of monthly reports not available		panding	Copies of monthly reports not stranson		panang	Quarterly reports on occupational health and safety are submitted to the Minitry of Labor. Reports for first and second quarters of 2008 already submitted	copy of completed reports with acknowledgme nt recipts
	, , , , , , , , , , , , , , , , , , , ,		once a month in year 2005				commissee should be asswed to immisse inspection checklist, conduct regular monthly inspection of all facilities, and make regular report about findings and their prevention/correction. Submit monthly report as required by the government		copies of all reports submitted to government. Working papers of OHS Committee were shown as proof of OHS Committee activities.									
Fire Safety Health and Safety legal compliance	Notification of Ministry of Interior Re: Welfare on Health and Hyglene for Employees:	Employer will comply with applicable health and safety laws and regulations. In any case where laws and code	The factory provides only 1 regular nutse and no regular doctor during			Visual inspection	Factory to hire additional nurse and secure the services of at least a part time doctor (for	January,	Committee activities. Factory provided a contract with the local hospital for all medical concerns. No	interview and document	not verified during this visit		pending	Still has only one nurse. No doctor's visit a the factory.		pending	No doctor's visit at the factory but factory has contract with local hospital for employees' treatment.	document on-going review,
Salety legal compliance	on Health and Hygiene for Employees:	laws and regulations. In any case where laws and code of conduct are contradictory, the higher standards will apply.	working hours for at least 2 hours per time. This violates the legal requirement which infroses that a facility having				the services or at least a part time doctor (to daily visit of at least two hours each visit) to support the in-house health maintenance in the factory.	2006	nospital for all medical concerns, No arrangement made for the 2nd nurse or part time doctor. Vehicle is generally available for emergency cases.	review				the factory.			contract with local hospital for employees treatment. If	review, inspection, interview
									, , , , , , , , , , , , , , , , , , , ,									
			more than 1,000 employees has to arrange the following: a) Medical treatment room with 2 beds and enough contentrs of first aid: b) 2 regular nurses: c) One regular doctor during working by the regular during the regular during the regu															
Fire Safety Health and Safety legal compliance	Notification of Ministry of Interior Re: Working Safety relating to harmful chemicals: Chapter	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 seek.	hours for at least 2 hours per time. Base on the result of physical examination of employees who worked with harmful chemicals (Sor Or 4), only			Document review and safety officer	Implement procedures such that all workers in high risk jobs such as those involving	January. 2006	Factory provided physical examination results of all employees directly working with harmful chemicals.	interview and document							Physical examination provided to workers involved in a handling chemicals.	document on-going review,
	Clause 19	or conduct are contradictory, the higher standards will apply.	with harmful chemicals (Sor Or 4), only 18 workers in risky working areas where harmful chemicals were used were randomly selected for special physical			interview	chemicals should be subjected to routine physical examination.		narmful chemicals.	review							Factory also started implementing the 'hot work in permit'; which is issued to a person allowing him to work in a 'dangerous' area after checking the conditions, i.e., availability of PPE and other safety	inspection, interview
Fire Safety Health and	The Ministerial regulation of Department of	Employer will comply with applicable health and safety	examination			Document review	Ensure that all people directly involved in the	January,	All boiler operators were registered. One	document							conditions, i.e., availability of PPE and other safety requirements	
Safety legal compliance	Industrial Works B.E. 2528, Ministry of Industry RE: Registration of engineer and boiler operator B.E. 2528.	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 assigns 4 staffs to be boiler controllers. However, 2 are not registered as boiler operators.			and safety officer interview	Ensure that all people directly involved in the operation of boiler have the required certificate as boiler operators	2006	All boiler operators were registered. One operator received a higher certification and thus is exempt from the actual boiler certification.	review								
Machinery Maintenance		All production machinery and equipment shall be maintained, properly guarded, and operated in a safe	Not all forklift drivers have received training			Document review and safety officer	Ensure that forkift operators and those of other heavy equipments are also equipped with the proper license.	January, 2006	Training for forkift operators were conducted.	document								
	n and Collective Bargaining of respect the right of employees to freedom of a	marner.				interview												
Other				No freedom of association and collective bargaining policy is established		Management interview and document review	Formulate a written policy document and guidelines covering freedom of association and collectible bargaining. The Bipartite Welfare Committee should be strengthened by election of all workers representatives by the workers themselves.	December 2005	 Bipartite Welfare Committee election was done. Policy on freedom of association and collective bargaining still pending. 	document review and interview	Policy and guidelines on freedom of association not yet formulated. Briefing of employees to be done once policy /	interview	pending	Policies on freedom of association (together with non-discrimination) already formulated and were included on the revise rules and regulations submitted to the	rules and regulations with d stamp of	pending	Revised rules and regulations already with approval by the Ministry of Labor	document Completed; review; workers'
8. Wages and Benefits							vivinite Committee should be strengthened by election of all workers representatives by the workers themselves.				guidelines are formulated			rules and regulations submitted to the Ministry of Labor for approval	receipt by Ministry of Labor			merview
Employers recognize that w the minimum wage required		needs. Employers will pay employees, as a base, at least thever is higher, and will provide legally mandated benefit:				Describe												
- wymeni oi Legal Benefits	entitled to sick leave as long as he or she is actually sick. For sick leave of three days or	Legally mandated benefits will be provided or paid in full within legally defined time periods	Employees are required to submit a medical certification for every time of sick leave, even for only 1 day. Otherwise, they will not be paid for the			Payroll records and leave records review, Management	Management should formulate clear and fair guidelines covering payment of sick leaves and other benefits. Sick leave of less than 3 days should not be included in the	2005	 Factory was told to follow the minimum requirement of law, which is a medical certificate for sick leave of minimum 3 days. 	interview and document review	No update on this		penang	The regulations require medical certificate only for sick leave of at least three days. However, the actual practice was that the certificate was required even for one day.	management and workers' interview	penuing	Medical certificate is still required for sick leave of two days (contrary to law and company regulation	management pending and workers' interview
	more, the employer may require the employee to produce a certificate from a first class physician or an official medical establishment.		day.			interview	requirement for submission of medical certificate.							The practice to conform with the regulation was started in July 2006				

		FM Findings							Remedia	ntian.									
FLA Code/ Compliance issue	Country Line/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	Evidence of Non- compliance (uncomplomated)	If not corroborated, explain why	y Sources/Documents tion		Target Complet	Company follow-up	Documentation	Company follow-up (June 27, 2006)	Documentation	Completed Pending: On-going	(November 10, 2006)	Documentation	Completed; Pending; On	Company follow-up (December 13, 2007 & August 18, 2008)	Documentation Co Pe go
Payment of Legal Benefits	The Labor Protection Act BE 2541, Chapter 2, 256cn 30 with only act and 114 for engine year in the second of the "on engine year in the second of the second	Legaly mentalized benefits will be provided or paid in full will in legally defined from periods	the emblyor will not pay wages to an employee who volunteem not to take arrange holds ye are all as will not account to any arrange holds ye will not excount to any arrange holds ye dut the account to any arrange holds ye dut to the following years are to a year for the following years.		ya karata a a a a a a a a a a a a a a a a a		records, leave	Payment of assend armsul or vacation have handled flowled boat liber registrons and puddiness, based on laimess and equity.	Decemb 2005	dec. Unused lawers wit to past starting 2006: Written memor to be reliazed Fuhruary 16, 2006	interview and document serview	Witten memo not yet dove mough management claimed that supervision had been informed about the change in policy. The wax confirmed by the supervisions for the wax confirmed by the supervisions was saided what would happen to the annual save if not used. Supervisions had also verbally informed the workers. Witten memo on new policy still needs to be soused and all employees be informed about 8.	management and on-site interview of supervisors and workers		Memorandum on this subject was issued September 14, 2006 and was posted on builden fooded. Tracerviewed where subjected the new regulation in the same way as it was in the remorandum.	ne memorandum; inspection; interview	completed		
Legal Compliance for holiday/leave	The Labor Prosection Act 8 E-2541. Chapter 5. Section 60 White National Act 10 Whiteness an employer neceives wages colicitated on a specific rate basis of we employer shall pay be explored to the control of payment before such folday or leave.	Workers will be paid for holdays and leave as required by law			The employer does not pay wages for holiday or leave equivalent to the average wages of working days received by the employee during the payment period prior to such holiday or leave	by group or individual to pay workers. Most workers receive more than the minimum wage. Their wages are guaranteed at the minimum wage when a producing lower than target. However, the auditors are	,	Payment of wages and all legally mendeled benefits should follow local labor laws and guidelines	December 2005	Beef Payment of wages on this matter conforms with local law.	document review and visual inspection	Payment of wages conforms with local law requirements	payroll and attendance records	completes	Payment of wages conforms with local lar requirements	payroll and attendance records	completed	Plymers of wages conforms with local tew requirements	payroll and co attendance records
Accurate benefit compensation	The Labor Procession Act 8 E. 2541. Chapter 5. Section 75 which stated that is him cases that it is necessary for the engineer to state the case that it is necessary for the engineer to state the case of the control	All employees will be conditined with all mirror secreted to employee for purposes of collaborating implicit post and collaborating implicit post and collaborating implicit post and collaboration that beneatts to which workers are entitled distermine the beneatts to which workers are entitled.					Personnal records and employment contracts review	management initiated day-offs due to no fault		their **Sectory will cornect old practice to conform with the law starting February 16, 2006	interview and document serview	Memo was issued on June 23,2006 regarding 50th was good for the volk on June 24, 2006 for EVA and foot bed making ascentism. This sith be checked ascentism. This sith has be be checked view of the sith of the visit. A specific policy on this matter should be issued and circulated to all employees.	copy of memorandum	pending	50% wage for "no work" on June 24, 150 is was checked against the payor! List is accordance with Art. 75 of the Thai Labo Law. Workers knew that they would be paid 50 for days with no work "it no work is due to the fault of the company".	interview	completed	Workers get 60% of wage if there is 'no work' available	workers' co

		1		FHE				Damadistia:											
FLA Code/ Compliance issue	Country Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance Evidence of Non- compliance	If not corroborated, explain wh	Sources/Documents tion	PC Remediation plan	Target Completion	Company follow-up (February 7, 2006)	Documentation	Company follow-up (June 27, 2006)	Documentation	Completed Pending:	Company follow-up (November 10, 2006)	Documentation	Completed; Pending; On-	Company follow-up (December 13, 2007 & August 18, 2008)	Documentation	Completed; Pending: On-
9. Hours of Work				(uncomplorated)				Date	(Petroary 1, 2006)		(June 21, 2006)	_	On-going	(November 10, 2006)		going	(December 13, 2007 & August 16, 2006)	_	going
Except in extraordinary busin- week and 12 hours overtime	ess circumstances, employees will (i) not be rec or (h) the limits on regular and overtime hours al	quired to work more than the lesser of (a) 48 hours per llowed by the law of the country of manufacture or, where																	
the laws of such country will n	not limit the hours of work, the regular work weel f in every seven day period	k in such country plus 12 hours overtime; and (ii) be																	
Overtime Limitations	THE PARTY SHAWER	Except in extraordinary business circumstances,	It was found that, during the last 8			Time records	Management should initiate systems and	Immediate	Factory plans to add another shift to	interview	Attendance records from February to May	attendance	pending	Long overtime hours and work on Sundays	attendance	pending	Long overtime hours and work on Sundays still	attendance	pending
		employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime	selected employees worked overtime in			review and workers interview	procedure to limit overtime working hours to prescribed COC standards through better	У	minimize excessive overtime.		2006 still showed overtime work of 3 to 6 hours on certain days	records		still found. No action plan done to reduce overtime and eliminate work on Sundays	records; management		found. No action plan done to reduce overtime and eliminate work on Sundays	records; management	
		or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the	excess of 12 hours per week. Details are as follows: The overtimes for the 5				scheduling and planning of resources, manpower and activities.		Requires follow up.					Work shifts still the same	interview		Workers confirmed they can refuse to work sevrtime	interview	
		laws of such country will not limit the hours of work, the	selected samples were 26.5-39 hours											WORK STREETS SOR THE SAME			although they also prefer to have more overtime		
		regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in	per week in Jan. '05, 32.5-35.5 hours per week in Feb. '05, 36.5-43 hours per				Implement a voluntary overtime form.		There are separate forms for overtime up to 3 hours and more than 3 hours but workers	file of OT requests							work		
		every seven day period. An extraordinary business circumstance is a temporary period of extra work that	week in Mar. '05, 19.5-34 hours per week in Apr. '05, 32-41 hours per week						can indicate the number of hours they want to work e.g. 2 hours or 4 hours only. The										
		could not have been anticipated or alleviated by other	in May.'05, 20-25 hours per week in						form will be signed 2 hours before the										
		reasonable efforts	Jun '05, 17-25 hours per week in Jul '05, and 13,22 hours ner week in It was found that, during the last 8						scheduled overtime										
Overtime Limitations	The Labor Protection Act B.E.254, Chapter 2, Section 28: An employer shall provide a	Except in extraordinary business circumstances, employees will (i) not be required to work more than the	It was found that, during the last 8 months (Jan. to Aur. 105), all 5 randomly			Time records, Workers	Management should insure that there is one day off in every seven days. In case work or	December	Factory plans to add another shift to minimize expessive regritme	interview	No Sunday work noted in the attendance records that were checked		pending	Long overtime hours and work on Sundays still found. No action plan done to reduce	attendance records	pending	Long overtime hours and work on Sundays still found. No action plan done to reduce overtime and	attendance records:	pending
	weekly holiday of not less than one day per	lesser of (a) 48 hours per week and 12 hours overtime	selected employees worked on Sunday (without at least one day off in every			interviewed	a rest day cannot be avoided, a substitute		Requires follow up.		= for father monitoring			overtime and eliminate work on Sundays	management		eliminate work on Sundays	management	
	week for an employee, and interval between weekly holiday shall be not more than six days	or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the	seven-day period). Details are as				rest day must be provided immediately in the following week.		Requires follow up.		= for father monitoring				interview		Workers confirmed they can refuse to work sevrtime	interview	
	the Employer and the Employee may agree in advance to fix any day as a weekly holiday.	laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours	follows: all the samples worked on Sunday for 1-2 times in Jan. 05, 2 of the				-										although they also prefer to have more overtime		
	actuality to to any day as a secony northly.	overtime: and (ii) be entitled to at least one day off in	5 samples worked on Sunday once in														mun.		
		every seven day period. An extraordinary business circumstance is a temporary period of extra work that	Feb. '05, 1 of the 5 samples worked on Sunday once in Mar. '05, all 5 samples																
		could not have been anticipated or alleviated by other reasonable efforts	worked on Sunday once in Apr. '05, 3 of the 5 samples worked on Sunday once																
		reasonable etrorts	in May. '05, 3 of the 5 samples worked																
			on Sunday once in Jun. 05, 1 of the 5 samples worked on Sunday once in																
Overtime Limitations	According to Ministerial Regulation No.3 B.E.2541 bissued under the Labor Protection Act B.E.2541	Except in extraordinary business circumstances,	Some employees worked overtime and			Time records,	See Row 64 above	December	See Row 64 above	document	See Row 64 above			Long overtime hours and work on Sundays	attendance	pending	Long overtime hours and work on Sundays still	attendance	pending
	which stated that "Overtime working hours under	employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime	holiday in excess of 36 hours per week (37.5-49 hours) during Jan. and May."			Employees interviewed		2005		review and interview				still found. No action plan done to reduce overtime and eliminate work on Sundays	records; management		found. No action plan done to reduce overtime and eliminate work on Sundays	records; management	
	paragraph on of Section 24 and working hours on Holiday under paragraphs two and three of Section	or (b) the limits on regular and overtime hours allowed	05												interview			interview	
	25 shall, in aggregate, not exceed 36 hours per week in annumente. Working hours on Holintees shall.	by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the															Workers confirmed they can refuse to work oevrtime although they also prefer to have more overtime	1	
	include overtime working hours on holidays."	regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in															work		
		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																	
	The Labor Protection Act B.E.2541, Chapter 2,	reasonable efforts																	\bot
Legal compliance with protected workers		The factory will comply with all applicable laws governing work hours, including those regulating or		recorded only for in	The workers stated that they were given 1 hour for	Time records review and	Workers should be required to punch time cards before and after long breaks. Hence,	December 2005	To be implemented by factory.	interview	Factory still implements the old practice of only one "time in" and one "time out" entries	time records	pending	Factory still implements the old practice of only one "time in" and one "time out" entries	time records	pending	To allow punching of cards during lunchbreak will require change of program.	interview, attendance	completed
	employer shall arrange a rest period during work for an employee of not less than one hour per day after	governing work hours, including those regulating or limiting the nature and volume of work performed by women or workers under the age of 18		and out (2 times per	lunch break and 30 minutes before starting overtime	workers interview	cards should be punched during lunch break and during break before overtime work.				in the time records			in the time records			PUMA believes change is not necessary as long as	and payroll records	
	the employee has been working for not more than	woman or workers under the age or re		auditors cannot	work		and during break belove overtime work.							Interviewed workers confirmed lunch break			the required breaktimes are observed; "in" and "out"	records	
				check break times of the workers.										of one hour and another break of 30 minutes before overtime			entries are properly recorded and recorded time is paid correctly.		
				or one workers.										THE DELOTE OVER THE					
																	Workers confrimed breaktimes and payroll showed correct computation of wages based on attendance		
																	records		
10. Overtime Compensation	0																		
In addition to their compensat as is legally required in the co	tion for regular hours of work, employees will be ountry of manufacture or, in those countries whe	compensated for overtime hours at such premium rate are such laws will not exist, at a rate at least equal to their																	
regular hourly compensation of	rate. The Labor Protection Act B.E.254. Chapter 2.	Employers will ensure reasonable meal and rest breaks	Sometimes, some employees in sewing			Workner Intention	Enline local labor marintane manelina side	December	. Factory management will include changes to	intensions	no progress on this		nandan				Still the same practice followed by factory. This		completed
	Section 27 which stated that "On a working day, an employer shall amange a rest period during work for	which, at a minimum, must comply with local laws	and packing sections were requested to			and time records	shift work and break periods.	2005	be implemented in February 2006	Inchiew	no progress on mis		pending				finding had been contested by Puma before as an		competed
	an employee of not less than one hour per day after		work overtime until midnight, but the factory provided them only 20-minutes			review											issue. Based on the provisions of the law, there was no violation as to breaktime or rest periods.		
	the employee has been working for not more than five consecutive hours."		break They worked overtime														According to Sec. 27 of the Thai Labor Law. "the		
			continuously for 6.40 hours (from 17.20 to 24.00). They were not given the														employer shall arrange for the employee to have a rest period of not less than one hour per day during		
			required 1-hour rest period after working for five consecutive hours.														the work after the employee has been working for not more than five consecutive hoursthere must		
			for live consecutive ribus.														not be less than one hour of rest in each work day.		
																	When overtime is to be performed continuosuly for		
																	not less than two hours, the employer must		
																	arrange for the employee to have a rest period of not less than twenty minutes before the employee		
																	commences such overtime work."		
																	The rest period of one hour is only for work during		
																	regular time while twenty minutes is to be given before working overtime if overtime is at least two		
			1		1						1	1			1		hours. The issue here is not about the provision of	1	
								l			1				1		rest period before overtime but the long overtime hours	1	
Miscellaneous Other: Contract				All employees have to sign an		Review of	Discontinue the implementation of the said				Factory claimed that the implementation of	managemen*	pending	According to new workers, there is no such	interview	completed	This contract was still found in old employment files	review of	completed
Oner: Contract			1	additional contract called	1	personnel records	additional contract. The offenses subject of				this kind of contract had been discontinued in	nanagement interview	penang	According to new workers, there is no such kind of contract	merview	completed	This contract was still found in old employment files but on such kind of contract in new employment files	employment	competed
				Employment-Termination- without-Severance-Pay			this additional contract can be included in the company regulations and the rules on				March 2006. But this has not yet been verified through other means.							files	
			1	contract. This contract states	1	without-severance	discipline and grievance procedures shall					1			1			1	
			1	that "The employee had never smoked and/or out the	1	pay contract	apply in case of violation of the rules.				1	1			1			1	
			1	cigarette before applying for	1						1	1			1			1	1
				this job. The employee will not smoke during work in the							I								
			1	factory. The employee has	1						1	1			1			1	
			1	never been addicted to drugs and/or will not distribute drugs	1						1	1			1			1	
			1	when working in the factory. If the employee violates the	1						1	1			1	1		1	
			1	contract, the employee agrees	1						1	1			1			1	
				to termination without severance pay."				l			1				1			1	
								l			1				1	1		1	