

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 name	360074376E
IEM	Kenan Institute Asia
Date(s) in facility	21-22 August 2006
PC(s)	Puma AG
Number of workers	523
Product(s)	Track Suit, Woven Suit, Jogging Suit, Sweatshirt, Jacket, Running Suit,
Production processes	Cutting, Sewing, Printing, Embroidery, Inspection, Pressing, Packing

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	IEM Findings Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documents used for corroborating	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (December 2, 2006)	Documentation	[Status] Completed, Pending, On-going	Updates (Cite Date of Follow up)	Documentation	Third-Party Verification (Date)	Documentation	Company Verification Follow up (Cite date of planned or follow up visit, if appropriate)	Documentation
1. Code Awareness																				
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.																				
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 or abuse.																				
5. Non-discrimination																				
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																				
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.																				
Evacuation Procedure	According to the Notification of Ministry of Interior Re: Working safety relation to protection and prevention of fire for employees Clause 13. "The employer shall provide fire escape route which is not obstructed from the spot the employees are working to the spot of exit."	All applicable legally required or recommended elements of safe evacuation (such as posting of the evacuation plans, unblocked aisles/kits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.	The embroidery section was not marked with yellow lines in order to separate the working station and the evacuation route. In addition, the evacuation route was blocked by table.				Visual inspection		Provide line markings on the floor to define clearly the aisles and the working areas, provide directional arrows on the floor to show evacuation route. Brief all people in the production areas to keep all aisles always clear.	11/30/2006		Yellow lines to designate aisles were drawn on the floor together with arrows showing the direction of exit. Briefing of workers was also done.	Site inspection (with photos taken).	Completed						
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.	An elevator is not posted a sign of lift weight limit.				Visual inspection, Workers' and Safety officer interview		Post a visible sign at the elevator indicating the load limit and notice that the elevator is for materials use only.	10/31/2006		The correct load limit of 500 kg (as approved by the government inspector) was posted at the first floor but the old notice for 1,000 kg load limit posted at the second floor was not corrected. Correction will be done on December 6, 2006.	Site inspection (with photos taken) and management interview.	Pending						
PPE	According to Notification of the Ministry of Interior Re: Working safety relation to protection and prevention of fire for employees Clause 21, which states "The employer shall provide personal safety equipment, such as gloves, safety shoes, face protector to protect against harm from chemical, air filter or respirator or other necessary equipment, made from material with quality to protect against harmful chemical, for the employees working with harmful chemical to wear, as suitable to the condition and the nature of each type of harmful chemical."	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.	Although the factory provided mask for chemical protection and a safety officer provided training, we still find some workers who worked with chemical(s) did not wear mask for chemical protection. Most workers in screening section prefer to use the cotton mask than the mask for chemical protection.				Visual inspection		Provide the proper mask to all workers involved in the handling of chemicals. Brief them on the importance and proper use of the mask. Post sign at the area to use the mask.	10/31/2006		During the visit, all workers were found wearing carbon-type mask. Further training will be conducted on December 15, 2006 for workers to fully understand the necessity of wearing appropriate PPE and other work safety requirements.	Site inspection (with photos taken), workers' and management interview	Pending						
Legal compliance	The Notification of Ministry of Industrial Issue # 6 BE.2540 Section 1, 2 and 3 indicated that "The entrepreneur has to inform all details concerning the type, quantity characteristic and the disposal area of the wastage including the method of keeping, extinguishing, moving, transporting according to the RG. 6 form to the factory department within 90 days since the commence date of establishments." Also factory has to submit the RG. 6 form within 30th of December every year.		The factory did not report the details of wastage as wastage such as type, quantity, characteristic, containing and disposal system in the factory (RG.6) to the Factory Division (Governmental Organization).				Safety officer interview, document review		Comply with the reporting requirements on industrial waste as mandated by the Ministry of Industry.	11/30/2006		Factory now keeps a waste disposal record, which is handled by a staff from the Accounting dept. The record was provided and the auditor took a photocopy thereof.	Notebook of the record of waste disposal	Completed						
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.																				
Legal Compliance for holidays/leave	The Labour Protection Act B.E.2541 Section 32 which stated that "An employee is entitled to sick leave as long as he or she is actually sick. For sick leave of three days or more, the employer may require the employee to produce a certificate from a first class physician or an official medical establishment."	Workers will be paid for holidays and leave as required by law.	The workers interviewed said they're required to submit the medical certification for 1-2 days of sick leave. Otherwise, they will not be compensated during the leave.				HR officer informed that the workers who can not submit the medical certification, they have to get the approval from their supervisor. The approval depends on a judgement of the supervisor. Only worker who get the approval from the supervisor, will be compensated for that sick leave.		Revise company regulation to require medical certificate only for sick leave of three days or more as provided for in the law. Brief all employees/managers on the revised regulation. Post copy on bulletin boards.	10/31/2006		Medical certificate is no longer required for sick leave of 1 to 2 days. One interviewed worker who filed one day sick leave confirmed the new practice. However, other interviewed workers who have not yet filed sick leave were not aware of the new policy. The factory will post the new policy/guideline on the notice board as well as conduct orientation of all employees on the new policy within December 2006.	Document approved sick leave form with verification of payment in payroll, workers' and management interview	Pending						
9. 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.	Some workers worked OT in excess of 12 hours a week. Details as following: - July 2006, 9 out of 25 selected workers worked OT excessive 12 hours/ week and maximum OT was 24 hours/ week. - June 2006, 3 out of 25 selected workers worked OT excessive 12 hours/ week and maximum OT was 18 hours/ week. - May 2006, 2 out of 25 selected workers worked OT excessive 12 hours/ week and maximum OT was 15 hours/ week. - December 2005, 1 out of 25 selected workers worked OT excessive 12 hours/ week and maximum OT was 15 hours/ week. These workers worked in Sewing, Backdoor, Cutlery and Dressing.				Workers' interview, Time records and payroll records review		Determine factors that necessitate extra overtime hours or work on rest day and institute corrective measures to eliminate them. Train production people to plan capacity loading based on normal working hours and to coordinate and monitor production status with other production sections and to monitor and control overtime hours.	Nov. 30, 2006		In November 2006, some workers in QC and Printing had overtime of 15 to 18 hours a week, which is in excess of the limit of 12 hours a week. Production plan is based on capacity loading but factory management mentioned that there are times with heavy production schedule necessitating extra overtime. Factory agreed to cut working hours further by the end of the year.	Attendance records, workers' interview	On-going						

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings					Remediation					Documentation	[Status]	Updates (Cite Date of Follow up)		Third-Party Verification		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	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (December 2, 2006)			Completed	Company Follow up	Documentation	External Verification (Date)	Documentation	Company Follow up (Cite date of planned or follow up visit, if appropriate)
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.	Some workers worked without at least one day off in every seven days period. In January 2006, 1 out of 25 selected workers worked on Sunday. She worked in Embroidery section. In August 2006, 1 out of 25 selected workers worked on Sunday. He worked in Screening section.			Workers' interview, time records and payroll records review	Determine factors that necessitate extra overtime hours or work on rest day and institute corrective measures to eliminate them. Train production people to plan capacity loading based on normal working hours and to coordinate and monitor production status with other production sections and to monitor and control overtime hours.	11/30/2006	No work on rest day/Sunday was found September 2006, the month after the FLA audit, to November 2006. For further monitoring during the next visit.	Attendance record, workers interview	On-going									
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 factory shall comply with applicable law for premium rates for overtime compensation.	The workers received the living expense (55 Bahi/pay period) and it was calculated including daily wage for the social security deduction. In practically, the employer did not calculate the overtime compensation of the workers base on the total daily income (daily wage + daily living expense).			HR officer interview, payroll records review	Advise payroll section to exclude the cost of living allowance in the computation of contributions to the social security.		Starting November 2006, the cost of living allowance of Bahi 110 a month was no longer included in the calculations of the contributions to the social security fund.	Payroll and payslip, workers interview	Completed									
Miscellaneous																				