

The factual information set forth on the Tracking Charts was submitted to the FLA by each Independent External Monitor and Participating Company and reviewed by FLA staff. It is being made available to the public pursuant to the FLA Charter in order to strengthen the monitoring process. The FLA Charter provides for regular public disclosure of the factual results of independent monitoring and the resulting specific actions taken by Participating Companies.

What is a Tracking Chart?

Compliance is a process, not an event. A Tracking Chart outlines the process involved in FLA independent external monitoring and remediation. It is used by the accredited independent external monitor, the participating company and the FLA staff to do the following:

- **Record Findings:** The independent external monitor uses the Tracking Chart to report noncompliance with FLA Code standards. The monitor should also cite the specific Code benchmark or national/local law that was used to measure compliance.
- **Report on Remediation:** The FLA participating company uses the Tracking Chart to report on the remediation program that was implemented in order to resolve the noncompliance and prevent any future violations.
- **Evaluate Progress:** The FLA uses the Tracking Chart for purposes of collecting and analyzing information on the compliance situation of a particular factory and for publication on our website. This information is updated on an ongoing basis.

What a Tracking Chart is NOT -

- An exhaustive assessment of factory conditions

Working conditions - in any type of workplace - are dynamic. Each Tracking Chart represents a survey of the factory's conditions on a specific day. Over time, a fuller picture emerges as we compile information from various sources to track the compliance progress of a factory.

- A pass or fail evaluation

The Tracking Charts do not certify whether or not factories are in compliance with the FLA Code. Monitoring is a measurement tool. The discovery of noncompliance issues is therefore not an indication that the participating company should withdraw from a factory. Instead, the results of monitoring visits are used to prioritize capacity building activities that will lead to sustainable improvements in the factory's working conditions.

- A one-time event

Each monitoring visit is followed by a remediation program, further monitoring and remediation in an ongoing process. The Tracking Charts are updated accordingly.

Note on Language

Please be advised that because FLA independent external monitors are locally-based and English is generally not their native language, the language presented may at times appear unclear to a reader who is a native English speaker. In order to preserve the integrity of the transparency process and the information we receive, our policy is to publish the original text from the monitor and participating company. However, the reader will note that we have taken the precaution to remove any identifying information about the factory that was monitored or the workers interviewed.

For example, in cases where monitors and/or participating companies have cited the actual number of workers in reference to a noncompliance issue, in order to protect the workers' identities, we have replaced the numbers with generic wording in brackets (i.e. "[some]", "[worker interviews revealed that]", etc.).

We do not disclose the name of the factory that was monitored in order to ensure that the FLA's efforts to encourage and reward transparency do not have detrimental consequences for the factory and the workers.

Instructions for Printing

The information contained in the Tracking Charts is organized by columns and rows in a table format. Due to the number and width of the columns, the charts have been formatted for legal size (8.5 x 14in.) paper. To print the charts, please make sure to select "legal" size paper from Print properties.

FLA Audit Profile	
Country	Thailand
Factory Code	12027401B
IEM	Kenan Institute Asia
Date of audit	January 22 - 23, 2003
PC(s)	Reebok
Number of workers	966
Product(s)	garments
Production processes	cutting, sewing, inspection
Other brands in factory	[...]

FLA Code/ Compliance Issue	Findings				Remediation					
	FLA Compliance Benchmark or Legal Reference	Monitor's Findings	Documentation	Best Practice	PC Remediation Plan	Target Completion Date	Factory Response	PC Follow-Up	Completion Date	Documentation
1. Code Awareness										
Worker/management awareness of Code	In accordance with the FLA Obligations of Companies, B. Create An Informed Workplace: 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.	Management presented a basic knowledge of the code. However, workers were not well trained in the elements of the code. Management was not aware of the capacity review as a requirement.	Worker and management interviews		1. To help create an informed workplace, Reebok's local monitor will conduct two training sessions: (A) Orientation on the Human Rights Production Standards code elements and (B) Training for worker representatives (Welfare Committee) on the Code to help them identify problems related to code compliance. 2. Once Reebok training is completed, factory is expected to implement a program for in-house training on Code elements to both old and new workers	Reebok training scheduled for Q1 2003, and internal factory training ongoing	Factory will conduct training on the Reebok Code to all existing workers by end of May 03. For new workers employed during Apr-June, factory will provide orientation in June. Training to new workers will be ongoing as needed.	Reebok monitor conducted a training on code elements for [this factory] and other apparel factories on 26th March. Factory management attended the training. Training for [this factory's] Welfare Committee was conducted on 24th April. Factory is currently conducting a Code awareness training to all workers, set between 19th June-17th July. Reebok monitor will follow up factory's training till the end of the program.	30-Jun-03	Supporting documentation of Reebok's training and factory's training are maintained in Reebok's internal files.
2. Forced Labor		No noncompliance observed								
3. Child Labor		No noncompliance observed								
4. Harassment or Abuse		No noncompliance observed								
5. Nondiscrimination				Clear policy						
Pregnancy testing	In accordance with the FLA Compliance Benchmarks, Nondiscrimination: Employers will not use pregnancy tests or the use of contraception as a condition of hiring or of continued employment. Employers will not require pregnancy testing of female employees, except as required by national law.	[...worker] reported pregnancy test	worker interview	No cases	Factory must develop and submit to Reebok a written letter of commitment that it will no longer require pregnancy testing, and that information arising from previous tests will not be used as a factor in making employment decisions to the detriment of the worker. (Also, please see Reebok's requirements regarding a non-discrimination policy).	1-Apr-03	Factory is always aware of policy of no pregnancy testing. Nevertheless, factory has issued a written policy statement of no pregnancy testing. Policy has been posted on board in factory.	Reebok's local monitor conducted a review of the written policy. Under the policy, factory commits to no urine testing as part of screening process, no interview screening on pregnancy condition, no discrimination for pregnant workers, as well as reasonable accommodation of no overtime work for pregnant workers.	1-Apr-03	A copy of the policy is maintained in Reebok's internal files.
Age discrimination	In accordance with the FLA Compliance Benchmark, Nondiscrimination: Employment decisions will be made solely on the basis of education, training, demonstrated skills or abilities.	Age discrimination as evidenced by job advertisement	written job posting		1. Factory must ensure no age discrimination in job advertising and in hiring. Factory must immediately pull any and all advertisements referring to age or gender restrictions. 2. Factory management must develop and implement a non-discrimination policy, adopting that the factory will not discriminate in its employment practices, and will make all employment decisions (about hiring, salary, benefits, training opportunities, work assignments, advancements, discipline, and termination) solely on the basis of a worker's ability to the job. Factory must submit to Reebok a copy of the policy, and explain how this policy will be communicated to the workforce.	01-Apr-03 15-Apr-03	1. Factory has issued a new job advertisement that does not refer to age and gender requirement. 2. Factory had issued non-discrimination policy, and committed to Reebok in writing that it will strictly implement policy.	Reebok's local monitor conducted a review of the written policy and the job advertisement.	1-Apr-03	Copies of job advertisement and non-discrimination policy are maintained in Reebok's internal files.

FLA Code/ Compliance Issue	Findings				Remediation					
	FLA Compliance Benchmark or Legal Reference	Monitor's Findings	Documentation	Best Practice	PC Remediation Plan	Target Completion Date	Factory Response	PC Follow-Up	Completion Date	Documentation
6. Health and Safety										
Fire safety and evacuation	In accordance with the FLA Compliance Benchmarks, Health and Safety: All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures. In accordance with Thai law: Notifications of Ministry of Interior, RE: Safety at Work Related to Fire Prevention and Protection of Workplace for Employee's Safety, Chapter 8: Fire Alarm and Fire Drill	No fire alarm in some buildings	visual inspection	<i>Factory has an excellent method of fire alarms: automatic smoke detector. Well maintained file of documents for emergency response in case of fire.</i>	Factory must install fire alarms in buildings where required.	1-Apr-03	Factory has installed fire alarms in 1st and 2nd floor of the Fifth Building	Reebok's local monitor conducted a visual inspection of the factory, and verified that fire alarms have been appropriately installed.	1-Apr-03	Visual inspection
Fire safety and evacuation	In accordance with the FLA Compliance Benchmarks, Health and Safety: All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures. In accordance with Thai law: Notifications of Ministry of Interior, RE: Safety at Work Related to Fire Prevention and Protection of Workplace for Employee's Safety, Chapter 2: Safety of Building and Fire Escape.	Narrow and unmarked passageway	visual inspection		Factory must ensure aisles leading to exits are at least 70 cms or greater, and keeps aisles clear of obstructions. Please submit proof, such as pictures, that this has been completed.	15-Mar-03	Factory has enlarged the aisles leading to exit from 80cms to 110 cms in the stitching room.	Reebok's local monitor conducted a visual inspection of the factory and has verified that the factory has completed the corrective action plan.	15-Mar-03	Visual inspection
Fire equipment	In accordance with the FLA Compliance Benchmarks, Health and Safety: 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. In accordance with Thai law: Notifications of Ministry of Interior, RE: Safety at Work Related to Fire Prevention and Protection of Workplace for Employee's Safety, Chapter 3: Fire Extinguisher, Clause 19	Blocking, missing and improper condition of fire extinguisher	visual inspection		1. Factory must replace any missing fire extinguishers and ensure that all are easy to locate and access. A qualified license company should service and charge fire extinguishers to ensure they are all operating properly. 2. Factory must develop and implement a policy for regular inspections and maintenance of all fire safety equipment to ensure they operate properly and are in good condition. This policy should comply with Reebok's standards, which require the following procedures for extinguishers: (1) they must be serviced and charged annually by a qualified licensed company, and (2) extinguishers must be inspected visually every month to make sure they are charged and in good working condition. A tag should be attached to each extinguisher to record the inspection date and inspector's initials. Factory should assign a person to be accountable for testing extinguishers according to this policy. Please provide Reebok with a copy of this policy.	01-Apr-03 15-Apr-03	1. Factory has replaced missing fire extinguishers, and cleared the blocked area so that extinguishers are easily accessible. Factory also posted tag when extinguishers are taken out for repairing. Factory has also asked Nippon Chemical Co. to check condition of extinguishers, and extinguishers were all serviced. 2. Factory has appointed three professional safety officers responsible for ensuring inspection and maintenance of all fire safety equipment.	Reebok's local monitor conducted a visual inspection of the factory, reviewed documents, and has verified that these remediation steps have been taken by the factory.	1-Apr-03	Visual inspection. Also, a copy of Nippon Chemical Co's certification is maintained in Reebok's internal files.

FLA Code/ Compliance Issue	Findings				Remediation					
	FLA Compliance Benchmark or Legal Reference	Monitor's Findings	Documentation	Best Practice	PC Remediation Plan	Target Completion Date	Factory Response	PC Follow-Up	Completion Date	Documentation
Chemical safety	In accordance with the FLA Compliance Benchmarks, Health and Safety: 1. 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. 2. 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. 3. All chemicals and hazardous substances should be properly labeled and stored in accordance with applicable law. In accordance with Thai law: Notifications of Ministry of Interior, RE: Safety at Work in Connection with the Environment (Chemical Substance), Chapter 1 : Working with Hazardous Chemicals and Chapter 2: PPE	No appropriate PPE for employees who deal with hazardous chemical and no safety PPE for protection of head and foot injury for cart and forklift operator. No appropriate method for emergency cleaning in case of chemical exposure/contact. No air testing for chemicals. No posting of MSDS at all chemical workstations. No special health examination for employees who deal with chemicals		<i>Pictorial SSOP for dealing with hazardous chemicals</i>	1. Factory must provide appropriate mask for employees who deal with hazardous chemicals 2. Provide protective hats and shoes for cart and forklift operators. 3. Install eyewash stations in accessible locations 4. Ensure the use of spot cleaner removal with relatively low toxicity 5. Post MSDS at all workstations where chemicals are used, and 6. Provide urine or blood testing as part of annual health examination for employees who deal with chemicals. Please provide proof to Reebok when these items have been completed.	15-Apr-03	1. Factory has provided appropriate mask to these employees 2. Factory has provided protective hats and shoes to forklift and cart operations 3. From 2002 accident records, there was no evidence of chemical exposure and eye splash. Factory therefore resolved to not install eyewash stations, but to use existing bathrooms. Factory will also instruct workers to wash their hands after use of spot cleaner removal. 4. Factory is using a spot cleaner with relatively low toxicity 5. MSDS is posted at workstations and on chemical container 6. Annual health examination to be conducted in November 03	1-3. Our local monitor conducted a visual inspection of the factory to determine whether proper PPE was provided to these individuals, and verified that the factory has provided carbon masks for workers in contact with spot cleaner removal, and that appropriate hats and protective shoes were provided to two cart and forklift operators. Moreover, workers were instructed to wash hands after use of spot cleaner removal. 3. Reebok's local compliance staff will continue to follow up on factory's response as a needed, to determine if remediation is adequate. 4-5. Copies of MSDS are maintained in Reebok's internal files 6. Reebok's local compliance staff will follow up with the factory's action plan to require adequate remediation.	1-2. 15-Mar-03 3. 01-July-03 4. 01-Apr-03 5. 01-Apr-03 6. 30-Nov-03	1-2. Visual inspection 4. Document review. Copies of MSDS of SABIN 405 and CR120-42 are maintained in Reebok's internal files 5. Visual inspection
Health and Safety regulations/accident log	In accordance with the FLA Compliance Benchmarks, Health and Safety: 1. 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. 2. 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. 3. All safety and accident reports shall be maintained for at least one year, or longer if required by law.	No full copy of all Thai OSH laws and regulations in files. Missing some OSH records and documents as per Thai law. Lacking corrective action requirement in accident log	records review	<i>Providing industrial hygiene measurements and a closed container to store clean and used drinking cups</i>	1. Factory must ensure full copy of all Thai Occupational Safety and Health laws and regulations are maintained in files. 2. Factory must set up a system to document accidents/incidents and corresponding corrective actions. Please see Reebok Guide for a sample accident record and investigation forms. Please provide proof to Reebok when this is completed.	1-Apr-03	1. Factory has already obtained a full copy of Thai Occupational Safety and Health 2. Factory has a Health and Safety Committee to oversee Health and Safety in the factory. Committee developed accident forms to document accidents and required corrective actions.	Reebok's local monitor reviewed documents and has verified that these remediation steps have been taken by the factory.	15-Apr-03	1. Visual inspection. Factory keeps the OSH copies at site. 2. Copies of Health and Safety Committee announcement, monthly meeting records, and accident forms with corrective action recommendation, to be filled out by supervisors and safety officer, are maintained in Reebok's internal files.
Electrical wiring				<i>single on/off switch for each lamp is used</i>						
Medical facilities and first aid				<i>Factory has an outstanding medical and health service program</i>						
Machine guarding				<i>a double shield door of the elevator for material handling and overhead conveyor</i>						
Bathroom facilities				<i>good procedures for toilet maintenance</i>						
Dining facilities and food preparation				<i>Factory has a good program to monitor and maintain the condition of food shops and food preparation process</i>						

FLA Code/ Compliance Issue	Findings			Best Practice	Remediation					
	FLA Compliance Benchmark or Legal Reference	Monitor's Findings	Documentation		PC Remediation Plan	Target Completion Date	Factory Response	PC Follow-Up	Completion Date	Documentation
7. Freedom of Association and Collective Bargaining										
		No noncompliance observed		<i>Excellent example of procedures for response to grievances</i>						
8. Wages and Benefits										
Time-recording system				<i>good system</i>						
Holiday pay	In accordance with the FLA Compliance Benchmarks, Wages and Benefits, Hours of Work, and Overtime Compensation: Workers will be paid for holidays and leave as required by law. Where workers are paid on a piece rate, the payment for overtime work performed shall result in no less payment than the premium pay required by law. In accordance with the Thai Labor Protection Act, Article 61:work during overtime will be compensated at one and a half times the rate for each work unit performed on working day for employees who receive wages calculated on a work unit performed basis. Article 56 and 60 address that the rate for overtime compensation during holidays or annual leave compensation should be based on work unit as well.	Payroll systems and production based figures show that sewing section workers are compensated on a daily minimum wage for calculating holiday or other compensation pay. In the accounting log it is called incentive pay, our observations show that this type of compensation is based on piece rate.	Payroll records, production records and worker interviews		A legal interpretation from Thai Labor Ministry is advised to ensure that factory's wage practice is not against the spirit of Thai Labor Protection Act.	4/1/03 for commitment letter, but to be determined for wage calculations and wage payments pending Thai Labor Ministry's legal interpretation.	Factory submitted a letter to the Labor Ministry on 31-Mar-03, to seek legal interpretation on Factory's wage practices. The letter explained that although it applies piece rate system, workers would be paid the difference if the achieved target rate is less than the minimum wage+OT premium rates.	The Labor Ministry's Labor and Social Welfare Department issued a reply, dated 18 April 2003, that factory's wage practices are not against the local law's provision. Workers are paid at least minimum wage and OT premium rates. The piece rate system is considered as factory's internal system to measure workers' efficiency.	31-May-03	A copy of the letter dated 28 Mar 03, and the Ministry's letter dated 18 Apr, are maintained in Reebok's internal files.
9. Hours of Work										
Other	In accordance with the FLA Compliance Benchmarks, Wages and Benefits, Hours of Work, and Overtime Compensation: 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.	Consistent periods (3 to 4 months per year) of excessive overtime: 65 to 80 hours. Excessive overtime mainly in the packing and embroidery sections	Payroll records, swipe card read-outs and worker interviews		Factory is required to submit an action plan to ensure workers in packing and embroidery sections are not required to work more than 60 hours per week. Additionally, factory must submit to Reebok explanation for all periods when the extraordinary circumstance explanation has been used.	1-Apr-03	Factory developed a policy of no more than 60/hours of work per week. Policy became effective on 1st-April. Policy was announced to workers on April 1, and will be posted in the factory.	Reebok's local monitor reviewed the policy. Under the policy, issued by [the] Managing Director, workers must not work more than 8 hours/day or 48 hrs/week. Overtime work must not exceed 12 hours/week.	1-Apr-03	Copy of Factory's 60hrs/week policy is maintained in Reebok's internal files.
10. Overtime Compensation										
		No noncompliance observed								