

FLA Audit Profile				IEV Profile			
Country	Thailand			Thailand			
Name of Factory	610074645F			610074645FV			
Independent External Monitoring	Kenan Institute Asia			Global Standards			
Date(s) in Facility	September 11-12, 2007			December 22-23, 2010			
FLA Affiliated Compan(ies)	NK Apparel, Co., Ltd.			NK Apparel, Co., Ltd.			
Number of Workers	4626						
Product(s)	Sportswear						
Production Processes	Fabric Inspection, Cutting, Embroidery, Sewing, Ironing, Packing						
FLA Code/Benchmark	Compliance Status	[Status]	Noncompliance, Risk of Noncompliance or Uncorroborated Evidence of Noncompliance	Updates (Cite Date of Follow Up)		Third-Party Verification	
		Completed, Pending, Ongoing		Company Follow Up	Documentation	External Verification	Documentation
H&S.9 Evacuation Requirements and Procedure	Noncompliance	Completed	Only 31% of total workers have been trained on basic fire fighting. This is not in line with legal limits, which require at least 40% of total workers.			Dec 22-23, 2010	<b>Completed:</b> Factory has achieved the required 40% in basic fire fighting as shown in records. Additionally, workers demonstrated adequate knowledge of fire fighting practices during interviews.
H&S.17 Ventilation/Electrical/Facility Installation and Maintenance						Dec 22-23, 2010	<b>New Finding:</b> Observed that electrical boxes in water filtration room are uncovered (wire connections are exposed and dusty).
H&S.21 Medical Facilities	Noncompliance	Completed	Factory provides only 1 regular nurse during working hours. This violates the legal requirement, which indicates that a facility having more than 1,000 employees has to arrange the following: a) Medical treatment room with 2 beds and enough contents of first aid. b) 2 regular nurses. c) 1 regular doctor during working hours for at least 2 hours per time. d) Vehicle for emergency cases.			Dec 22-23, 2010	<b>Completed:</b> 2 nurses were interviewed at 2 different clinics on site; a contract showed that a doctor visits on Saturdays.
						Dec 22-23, 2010	<b>New Finding:</b> First aid boxes are not properly stocked in embroidery department.
HOW.1 General Compliance Hours of Work	Noncompliance	Completed	Found that some workers worked in excess of 60 hours per week (61-73.5 hours/week) each month. These workers worked in sample, sewing, cutting, packing, store and QA sections.			Dec 22-23, 2010	<b>Ongoing:</b> Payroll reviews show that some workers exceeded 68 hours per week in November 2010.
HOW.2 Rest Day						Dec 22-23, 2010	<b>New finding:</b> Workers worked on Sundays. This work is not recorded in regular payroll and paid in cash. These noncompliances were confirmed by management. Workers in several sections reported Sunday work.

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HOW.3 Meal and Rest Breaks	Risk of noncompliance	Completed	It was observed during the lunch break that employees on the production floor, in particular, the sewers, came back to their workstations and continued to work during break time, as they earn from piece rate. Thusly, they did not take a rest for at least 1 hour in a regular working day.			Dec 22-23, 2010	<b>Ongoing:</b> Observed that workers were at their stations operating machinery and conducting other activities 10 minutes before the end of lunch. In addition, they do not punch time cards at break times.
HOW.4 Protected Workers (Women and Young Workers)	Noncompliance	Completed	Although the factory has a procedure to protect pregnant workers, it was found that 1 out of 25 selected pregnant workers worked overtime in June 2007.			Dec 22-23, 2010	<b>Completed:</b> No OT found after an extensive payroll review and interviews with 4 pregnant workers. In addition, there is a log to record workers' pregnancy status.
WBOT.5 Holidays, Leave, Legal Benefits and Bonuses	Risk of noncompliance	Completed	Workers have to submit a medical certificate even if they take 1 or 2 days of sick leave. If they cannot submit a medical certificate, they will not receive wages on that day. However, HR manager stated facility did not require such certificate and that they have policy regarding sick leave that has been communicated to all workers. Reason is workers are afraid they will not be paid; for this reason, they always submit a doctor's certificate when they take sick leave.			Dec 22-23, 2010	<b>Ongoing:</b> During interviews workers continued to report that they needed to present a doctor's certificate for any length of illness if they wanted to receive payment.
Other						Dec 22-23, 2010	<b>New finding:</b> In payroll, it was found that a young worker (17 years old) was engaged in work on Sundays. According to Thai Labor Protection Act, Article 48, "a boss is not to let a child employee under the age of 18 years work overtime or on holidays."

Company Verification Follow Up	
Company Follow Up	Documentation
Factory had installed plastic covers onto electrical boxes in the water filtration room.	Photos sent to the FLA for review.
Host of each area had set up the responsible person for their first aid boxes. Safety Officer had provided the refreshing training to all responsible persons. Safety Officer had set up regular checking (internal audit) monthly.	Internal audit for first aid boxes checklist sent to the FLA for review.
Factory had set up the strategy to control working hour calls, the "working hour safety alert." HR warns production of working hours twice a week (every Wednesday and Friday). Production avoids OT for workers at risk (risk to working over 60 hours a week).	Working Hour Safety Alert sent to the FLA for review.
Top management (COO: Chief Operation Officer) announced a word of command on emphasizing "No Sunday Working policy" to production directors and all production managers. HR manager announced "No Sunday Working policy" to workplace by posting announcement onto notice boards and through mass radio communication channel.	Corrective Action Plan against Working Hour Policy sent to the FLA for review.

Company Verification Follow Up	
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Factory had set up production building closing from 12:30pm to 12:50pm to avoid workers conducting operations. Maintenance Department is to supply electric at 13:00pm.	
Management Board reannounced about sick leave and mentioned that workers do not need to present a doctor's certificate if they apply for sick leave for 1-2 days, but need approval signed by division manager. If workers apply sick leave for more than 3 days: Worker should present a doctor 's certificate; if they do not have a certificate, they need to seek approval from the division manager. HR will pay sick leave compensation based on approval from host	
Top management (COO: Chief Operation Officer) announced a word of command emphasizing the "No Sunday Working policy" to production director and all production managers. HR Manager announced "No Sunday working policy" to workplace by posting announcement onto notice boards and through mass radio communication channel. HR set up control log of "Juvenile Labor" and informed all concerned sections on cooperation and taking care to monitor the working conditions of juvenile laborers.	Juvenile Labor Control Log sent to the FLA for review.