

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 Monitoring Visit Profile	
Country	China
Factory name	200015116B
IEM	Kenan Institute Asia
Date of audit	26-Sep-03
Days in the facility	1 days
PC(s)	Boyd's Collection
Number of workers	155
Product(s)	Handicraft Articles
Production processes	Sewing

FLA Code/ Compliance issue	Findings					Remediation				
	Legal Reference	FLA Benchmark	Monitor's Findings	Documentation	Best Practice	PC remediation plan	Target Completion Date	Factory Response	PC follow up	Documentation
1. Code Awareness										
Code posting/information		FLA Principles of Monitoring, Obligations of Companies: Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.	The code of conduct is not posted in the factory.	visual inspection		The code of conduct has been posted on 1 st Nov.				
Worker/management awareness of Code		FLA Principles of Monitoring, Obligations of Companies: 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.	The factory policy (factory regulations) is not posted in the factory.	visual inspection and management interview		The factory policy or regulations has been posted on 1 st Nov.				
Confidential non-compliance reporting channel		FLA Principles of Monitoring, Obligations of Companies: Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.	There is no suggestion box in the factory. But there are colloquias two times a year for the workers to report their concerns.	management interviews, worker interviews		Suggestion box has been provided for workers concerns.				
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										
Employment Terms		Employment terms shall be those to which the worker has voluntarily agreed.	The factory doesn't sign a labor contract with workers.	worker interview, record review, management interview		The factory has signed a contract with the monitor in the early year, and with every worker from 20 th Nov.				

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Recruitment Contracts		There can be no employment terms (including contracts, recruitment arrangements, or any other instruments) which specify that employees can be confined or be subjected to restrictions on freedom of movement; allow employers to hold wages already earned; provide for penalties resulting in paying back wages already earned; or, in any way punish workers for terminating employment. (It is acceptable to provide bonuses to workers who stay for a term of contract and meet reasonable conditions, such as regular attendance, punctuality, good quality, etc	The factory doesn't sign a labor contract with workers.	worker interview, record review, management interview		The factory has signed a contract with the monitor in the early year, and with every worker from 20 th Nov.				
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 of abuse.										
Verbal abuse		Employers will prohibit screaming, threatening, or demeaning verbal language	Worker reported that if a worker makes a big mistake, she will be yelled at by her supervisor.	worker interview		The employees make a promise that good exchanges will be undergoing, even though the workers may commit a mistake.				
Monetary Fines and Penalties		Employers will not use monetary fines and penalties for poor performance	If a worker eats food during worktime, they will be fined 3 yuan per time.	worker interview		New regulation has been brought forward that education will replace fines and penalties when the workers eat food during working time.				
5. Nondiscrimination										
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.										
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 provision. They include: hiring, job assignment, wages, bonuses, allowances, and other forms of compensation, promotion, discipline, assignment of work, termination of employment, provision of retirement	Female workers will receive pregnancy testing upon hiring.	worker interview, management interview		There is no regulation that female getting pregnancy are prohibited during hiring.				
Pregnancy Testing		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.	Female workers will receive pregnancy testing upon hiring. And during their employment, they must assure that they will not get pregnant.	worker interview, management interview		There is no regulation that female can not get pregnancy during their employment or work..				

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Pregnancy Dismissal		Employers will not, on the basis of a woman's pregnancy, make decisions that result in dismissal, threat to dismiss, loss of seniority, or deduction of wages	The factory management said that the workers cannot get pregnant.	management interviews,						
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										
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 manner and in the local language or language spoken by majority of the workers if different from the local language.	This kind of document is not posted in the factory.	visual inspection, management interview						
Evacuation Procedure	Article 52 The employing unit must establish and perfect the system of occupational safety and health, strictly implement the rules and standards of the State with regard to occupational safety and health, carry out education among labourers in occupational safety and health, prevent accidents in the process of work, and lessen occupational hazards.	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	Some stairs and exits are not equipped with handrails where needed.	visual inspection		The factory has been equipped with safe evacuation facilities where needed.				
PPE		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.	There is a lot of dust in the cutting workshop, but no workers are wearing masks.	visual inspection		The cutting workers wear masks during their working time.				
Record Maintenance		All safety and accident reports shall be maintained for at least one year, or longer if required by law	There are not many documents available at the factory, so we couldn't review many items, the manager told us some documents are kept by the accountant (who was in Shanghai).	records review		All the safety and accident reports have been filed.				
Sanitation in Facilities		All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws	Some workshops are dirty. The public toilet is dirty and below standard.	visual inspection, worker interview		Someone has been employed specially for the cleaning work.				
7. Freedom of Association and Collective Bargaining										
Employers will recognize and respect the right of employees to freedom of association and collective bargaining										
Right to Freely Associate		Workers will have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization. The right to freedom of association begins at the time that a worker seeks employment, and continues through the course of employment	There is no trade union in the factory.	records review and worker interviews, management interview		The factory has contacted with local government and intend to establish the trade union during the early 2004.				

		Findings				Remediation				
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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										
Wage and Benefits Posting		All notices that are legally required to be posted in the factory work areas will be posted. All legally required documents, such as copies of legal code or law, will be kept at the factory and available for inspection	This kind of document is not posted in the factory.	visual inspection, records review		Documents related to laws have been posted on the wall.				
Time-recording system		Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards	There is no electronic time recording system at the factory. The time worked by workers will be recorded by the team leaders.	worker interviews and records review, management interview						
Record Maintenance		All compensation records will be maintained accurately and should be acknowledged by the employee as accurate.	There are not many documents available at the factory, so we couldn't review many items, the manager told us some documents are kept by the accountant (who was in Shanghai).	records review and management interview		All the documents are kept by our accountant.		Interviews with workers and a review of related documents.		
Record Maintenance		All legally required payroll documents, journals and reports will be available complete, accurate and up-to date. (In the United States terms this would include W-4s, I-9s, green cards, 941s and supporting material	Because the working time record documents for this year are kept by the accountant, we only reviewed February 2002 to June 2002.	worker interview, records review						
Legal benefits	Article 72 The sources of social insurance funds shall be determined according to the branches of insurance, and an overall raising of social insurance funds shall be practised step by step. The employing unit and labourers must participate in social insurance and pay social insurance premiums in accordance with the law.	Employers will provide all legally mandated benefits to all eligible workers	All local workers have legally mandated benefits, all migrant workers have gotten RMB 60/ per month for social insurance benefit, this is permitted by the local government.	worker interview, records review						

		Findings				Remediation				
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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	According to Article 41 of Labour Law of the People's Republic of China, The employin unit may extend working hours as necessitated by its production or business operation after consultation with the trade union and labourers, but the extended working hour per day shall generally not exceed one hour; if sych extention is needed for special reason, under the condition that the health of labourers is guaranteed, the exrtended hours shall not exceed three hours per day. However, the total extention in a month shall not exceed thirty six hours.	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	Worker reported that from the week before last week (counted from the audit day) workers had to work on Sunday, and overtime every night from 5.30 to 10, except for Sunday night. (Because the new toys they were making were too difficult to produce).	worker interview, management interview, record reivew		Never does factory impose extra work on the workers, in that case, which should be agreed by the workers and they are privileged to have there due extra salaries on the basis of what they have done.				
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.										
Miscellaneous										