

*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	El Salvador
IEM	Cotecna
Factory Code	01032211A
Date of Audit	5/15/02
Duration of IEM Evaluation	2 Days
Announced/unannounced	Unannounced
PC(s)	adidas & Reebok International Ltd.
# of workers	780
Product	Sportswear

FLA Code/ Compliance issue	Findings		Remediation		Remediation Updates	
	Benchmark or legal reference	Cotecna's Findings	PC remediation plan	Due Date	Follow Up result 07/29/02	
<b>1. Code Awareness</b>						
<b>2. Forced Labor</b>						
<b>3. Child Labor</b>						
<b>4. Harassment or Abuse</b>						
Verbal abuse	<b>FLA Code Benchmark III. Harassment or Abuse:</b> B.1. Employers will utilize progressive discipline, e.g., escalating discipline using steps such as verbal warning, written warning, suspension, termination. Any exceptions to this rule, e.g., immediate termination for theft or assault, shall be in writing and clearly communicated to workers. 8. Employers will prohibit screaming, threatening, or demeaning verbal language.	[Some] workers interviewed complained about harsh treatment from Managers and Supervisors, particularly verbal abuse.	Factory management to create a Harassment and Abuse policy, and document employee training on the Policy. The written policy must outline the scope of the policy, define harassment/abuse, the responsibility of individuals to carry out the policy, confidential grievance methods, and appropriate disciplinary sanction for each type of violation against the policy. The policy must state, as appropriate, that the offensive behavior may lead to termination of employment or prosecution by legal authorities. The policy must also specifically state that no employee will be punished for reporting in good faith harassment and abusive behavior to management. No employee of the contractor is exempt from the policy - it applies to vendors, customers, and others who enter the contractor's workplace.	24-Jul-02	Contractor has develop a non-harassment or abuse policy. (Policy is posted, please refer to attachment: Factory's non-harassment policy.) Contractor needs to further outline policy scope and confidential grievance methods. It also needs to state that offensive behavior may lead to termination of employment. Further follow-ups are required to verify compliance and policy enhancement.	Verified. Worker interviews report there is no harassment by management and supervisors. PC compliance staff will monitor this item on an on-going basis.
<b>5. Non-Discrimination</b>						
Discrimination	<b>FLA Code Benchmark IV. Non-Discrimination: B.4.</b> 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.	[It was reported during worker interview section that factory] requested a pregnancy test in the year 2001.	1. Contractor must have a written policy against discrimination, which includes: : A statement that the decisions for hiring, salary, benefits, advancement, termination or retirement are based solely on the ability of the employee to do the job. Pregnancy Contractor must not require pregnancy tests for job applicants, have any pregnancy questions on job applications, or ask about pregnancy status during the hiring process. Contractor must not use an employee's pregnancy as the reason for making any hiring, transfer, promotion or termination decisions. Voluntary pregnancy tests may be provided, but only at the request of employee and each such request must be documented.  2. Contractor must post this policy on employee notification board(s). 3. Contractor must communicate this policy during new employee orientation and at on-going management meetings.	24-Jul-02	1. Contractor has developed a non-discrimination policy that states that decision for hiring an individual is based solely in the candidates conduct and ability to perform the job. Gathered information revealed factory does not require pregnancy tests when hiring, however at least 2 interviewed workers recall being asked if they were pregnant during the screening process. Management stated that no pregnancy questions are asked. Since, some medical exams are done at the factory's clinic during the first 2 weeks for new arrivals, management has decided to stop medical tests because that might had led workers to believe they were being tested for pregnancy. 2. Non discrimination policy is posted 3. Policy is now being communicated to all workers in worker-pamphlets and inductive interviews	PC compliance staff will continue to monitor this issue, to determine the effectiveness of the new policy and to monitor continued compliance.

FLA Code/ Compliance issue	Findings		Remediation			Remediation Updates														
	Benchmark or legal reference	Cotecna's Findings	PC remediation plan	Due Date	Follow Up result 07/29/02	Follow Up Comments														
<b>6. Health and Safety</b>																				
Sanitation	<b>FLA Code Benchmark V. Health and Safety:</b> B.11. All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws.	Insufficient WC's for women, there are 16 and 20 are needed. Same with men WC's	Contractor must follow the following criteria of toilets per worker population:  <table border="0"> <tr> <td>Number of Employees</td> <td>Toilets</td> </tr> <tr> <td>1- 15</td> <td>1</td> </tr> <tr> <td>16-35</td> <td>2</td> </tr> <tr> <td>36-55</td> <td>3</td> </tr> <tr> <td>56-80</td> <td>4</td> </tr> <tr> <td>81-110</td> <td>5</td> </tr> <tr> <td>111-150</td> <td>6</td> </tr> </table> Over 150 add one additional fixture for each additional 40 employees.  Based on the information provided by auditors Factory only needs to add 1 more toilet for men. They are ok with 16 for Women.	Number of Employees	Toilets	1- 15	1	16-35	2	36-55	3	56-80	4	81-110	5	111-150	6	24-Jul-02	Toilet has been added.	
Number of Employees	Toilets																			
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Back Support	<b>FLA Code V.A. WORKPLACE CODE PROVISION:</b> 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.	About 50% of sewing machine operators do not have chairs. They use stools without proper support for their backs.	Contractor must provide adequate equipment for job position. For sewing operators contractor must provide chairs with back support and height adjustment.	15-Aug-02	Contractor has formally outlined plans to acquire chairs with back support starting in Jan 2003.	New ergonomic chair design has been approved by adidas and Reebok on February. They have begun to start giving them to the employees for their work stations.														
<b>7. Freedom of Association and Collective Bargaining</b>																				
<b>8. Wages and Benefits</b>																				
<b>9. Working Hours</b>																				
Overtime Compensation	<b>FLA Code Benchmark VII. Overtime Compensation:</b> 1) Employers will not use hidden or multiple payroll records in order to hide overtime, to falsely demonstrate hourly wages, or for any other fraudulent reason. 2) Employees will be paid for all hours worked in a workweek. Calculation of hours worked must include all time that the employer allows or requires the worker to work.	Inadequate control of extra hours. Some hours appear registered but they are not paid for. Workers stay in the premises to play football and clockout after. This practice is misleading and must be corrected for an adequate control of overtime payment.	Contractor must ensure there is an overtime policy in place that states that workers clock out after they have finished work, recreational activities should not be included as overtime work. Contractor must ensure that payroll record matches hours of work.	24-Jul-02	Contractor has posted a new policy which states that workers must clockout when they finish working regular hours	Per reviews of records, payrolls and worker interviews, all OT worked is properly recorded and compensated for. PC compliance staff will monitor continued compliance of proper tracking, recording and payment of OT.														
<b>10. Overtime Compensation</b>																				