

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	ARGENTINA
Factory name	010002318E
IEM	CERTINT S.A.C.
Date(s) in facility	JULY 27, 2006
PC(s)	ADIDAS AG
Number of workers	23
Product(s)	SPORTING APPAREL
Production processes	SEWING AND FINISHING

FLA Code/ Compliance issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings					Remediation				[Status] Completed; On-going	
			Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or Company	PC Remediation plan	Target Completion Date	Company follow up (March 2007)		Documentation
1. Code Awareness													
Code posting/information		FLA Principle of Monitoring, Obligation of Companies: Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.	No Code of Conduct has been delivered to this facility after it was lost during a change of location.				Visual inspection and manager's interview		PC has provided factory with code of conduct to factory. 1. Factory management post code in area accessible to workers. 2. Factory management to verbally train all managers, supervisors, and workers on content of code during new employee trainings and ongoing internal policy training.	30-Mar-07	PC has adopted new workplace standards. The new workplace standards will be communicated to management and workers via letter which will be posted throughout the factory area.		Ongoing
Worker/management awareness of Code		FLA Principle of Monitoring, Obligation 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.	Code of Conduct not posted, workers have not been informed of workplace standards.				Visual inspection and worker's interview		PC has provided factory with code of conduct. 1. Factory management post code in area accessible to workers. 2. Factory management to verbally train all managers, supervisors, and workers on content of code during new employee trainings and ongoing internal policy training.	30-Mar-07			Ongoing
Confidential non-compliance reporting channel		FLA Principle of Monitoring, Obligation 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.	No communications channel has been put in this factory to enable the workers to report confidentially to PC.				Manager and workers interviews.		PC will provide local contact in new workplace standards that will be distributed to factory in 2007.				Pending
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.													
Disciplinary Practices		Employers will utilize consistent written disciplinary practices that are applied fairly among all workers		No formal written disciplinary practices			Manager interview and records review.		1. Factory management must adopt reasonable factory rules that apply to all employees, including supervisors and other managers. 2. Post factory rules on notice boards and in public areas around the factory. 3. As part of the factory rules, management must adopt a progressive disciplinary system in the factory: 1-verbal warning; 2-written warning 3-suspension; 4-dismissal. Reasons for dismissal must be clearly stated in factory rules. In addition, disciplinary policies should not include any form of financial deductions or penalties as a form of discipline or punishment. 4. Disciplinary system should also include procedures for workers to appeal disciplinary action received. 5. Factory management must train all employees on factory rules and progressive disciplinary procedure.	30-Jun-07			On-going
Record Maintenance		Employers will maintain written records of disciplinary actions taken.		No written records of disciplinary actions.			Manager interview and records review.		1. Factory management must document all progressive disciplinary actions given to any worker (including supervisors and managers). Disciplinary records must be kept in a confidential place, such as workers' files.	30-Jun-07			Ongoing

FLA Code/ Compliance issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings					Remediation					[Status] Completed: Pending: On-going	
			Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or Company	PC Remediation plan	Target Completion Date	Company follow up (March 2007)	Documentation		
Other				Facility does not have a written policy on Harassment or Abuse				Manager interview and records review.		1. Factory management to implement a management policy banning all forms of harassment and abuse of employees by other employees, supervisors, or managers. 2. Post policy banning harassment in bulletin board. 3. In addition, all managers, supervisors, and workers must be provided verbal training on non-harassment policy. 4. Factory management must provide communication channel for workers to report confidentially any instances of harassment or abuse.	30-Jun-07			On-going
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		1) No written policy on this matter, therefore risk of non compliance.				Manager interview and records review.		1. Factory management must create a consistent hiring practice for all positions within the factory. Recruitment policies and procedures should focus on applicant's ability to do the job, job specifications, expected performance levels and employment terms and conditions, rather than personal characteristics. 2. Factory management must create a job description for all jobs within the factory with a list of education/professional requirements only. Job descriptions should not be age (unless required by law to protect minors) or gender specific. All applicants should be measured against job description requirements only. 3. Factory management to provide training on hiring decisions to all managers/supervisors responsible for making hiring decisions.				Pending
Other				2) Facility does not have a written policy on Non Discrimination.				Manager interview and records review.		1. Factory management must create and implement a non-discriminatory policy. Non-discrimination policy should be applied during hiring procedures, or during decisions regarding training, transfer or rotation, promotion and demotion of an employee; such decisions should be based on merit and discussed with the employee first. 2. Factory management to post non-discrimination policy in bulletin or public areas within the factory. 3. Verbal training should be provided to all workers, including supervisors and managers.				Pending
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														

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Document Maintenance/ Accessibility	Argentinean Law 19587 of April 21st 1972. Law of Health and Safety in the Workplace Art. 7° - The regulations of the workplace conditions of safety must consider with priority: a) Installations, devices and accessories; utensils and tools; location and conservation. b) Protection of machinery, installations and devices. c) Electrical installations. d) Workers personal protective equipments. e) Workplace prevention of accidents and illnesses. f) Identification and labeling of hazardous substances and signalization of dangerous areas g) Prevention and protection against fires and any other kind of dangerous happenings.	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		Facility does not have policies or procedures on machinery, chemical safety, fire safety.				Manager interview and records review.		Factory management must create policies and procedures for chemical management (including storage, use, PPE, emergency), fire safety, and machine safety. 2. Policy should be communicated to all workers, managers, and supervisors, and posted in accessible areas to workers.	30-Jun-07			on-going
Evacuation Procedure		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	1. No evacuation plan posted. 2. No evidence of training on evacuation procedures, last one was December 2004.					1. Visual inspection. 2. Records review and workers interviews.		1. Factory management must create and post evacuation map in all factory areas. 2. Fire drills should be completed for all shifts every 6 months. 3. Factory management must document fire drill results.	30-Jun-07			on-going
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	No emergency lighting installed for illumination of exit paths					Visual inspection.		1. Factory management must install emergency exit lights in all evacuation routes and emergency exits. 2. All emergency lights must be tested monthly to ensure that they are properly functioning. 3. Factory management to document result of monthly testing.	30-Jun-07			on-going
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.	Workers have been issued with respiratory masks, but are not wearing them.					Workers interviews and visual inspection.		Factory management must enforce the use of PPE via PPE policy. 1. Factory management to create PPE policy indicating areas where the use of PPE is mandatory, as well as a clear indication of what PPE must be used in each factory area. 2. Factory management to train all managers, supervisors, and workers on PPE policy, and proper use of each PPE. 3. Supervisors must enforce the use of PPE, and conduct periodic checks to ensure proper use of PPE in areas where such is mandatory.	30-Jun-07			on-going
Record Maintenance		All safety and accident reports shall be maintained for at least one year, or longer if required by law	Facility does not maintain records on accidents or safety issues.					Records review. Manager interview.		1. Factory management must create and maintain an accident log. 2. Accident log must include all minor and major accidents including the date of the injury, name of the injured worker, a description and nature of injury, etc. 3. Management must designate a responsible person within factory management to update accident log as necessary, or whenever an injury occurs in the factory.	30-Jun-07			on-going
7. Freedom of Association and Collective Bargaining														
Employers will recognize and respect the right of employees to freedom of association and collective bargaining														
Other				Workers do not have on hand a copy of the Collective Bargaining Agreement. In fact they do not know it.				Visual inspection and workers interviews.		1. Factory management to post copy of signed CBA in areas where workers have access to it.	30-Jun-07			On-going
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														

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Record Maintenance	Argentinean Law 20744 of September 20th 1974. Law of Work Contract Art. 143° - Time of conservation. The employer must keep the receipts and other proofs of payment during all the time corresponding to the free prescription of the benefit in question. Payment made for the last or other periods does not suppose all previous payments have been made. Art. 256° - Common conservation scope of time. - The actions derived from credits related to individual work relations and in general, from collective agreements dispositions, legal rules and regulations prescribe after two years. This norm has public order character and the time scope cannot be modified by individual or collective agreements.	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		Time records belonging to March 2006 were asked for by auditors. Management did not produce them saying they had been sent to the accountant office.			Records review and manager interview.		1. Factory management must maintain all payroll and hours of work records on factory premises at all times. 2. Management must maintain all records from the last 2 years in the factory.	30-Jun-07			On-going
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													
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													