

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	Vietnam
Factory name	070284455E
ISM	Global Standards
Date(s) in facility	November 13-14
PC(s)	Nike, Inc., Columbia Sportswear Co.
Number of workers	2170
Product(s)	cap
Production processes	Cutting, preparation, sewing, packing

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings						Remediation				[Status]	Updates (Cite Date of Follow up)		Third-Party Verification		Company Verification Follow up	
			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	Factory Response (Optional)	Company follow up (Cite date of follow up)		Documentation	Completed, Pending, On-going	Company Follow up	Documentation	External Verification (Date)	Documentation
1. Code Awareness																			
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.		CoC and factory policies and code requirements have not been communicated to subcontractors (laundry, recruiting agents, canteen), i.e. 4 canteen workers born in 1989 who cannot be verified as fully 18 years of age.		Management interview, record review		Factory to review the issue with all subcontractors - communicate/train COC and policies to ensure strict implementation.	4/1/2007	We have been communicated again to our subcontractors ***subcontractor name***, and ask for who hire workers need to verify the age are over than 18 years of age. And we are ensure that 4 canteen workers [are] fully 18 years of age.	1/4/2007	Factory Policies, Factory Regulation	Completed						
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 of abuse.																			
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.		In one documented case, a pregnant worker's contract was not renewed. At the request of PC this case was resolved recently and no further cases found. Monitors found that factory's internal job application forms include marital status which suggests potential risk of discrimination, that may require further follow-up.			Factory to keep track of pregnant workers to ensure all benefits are provided. Factory to revise application form taking out all non-work related information.	4/1/2007	The case happened in Sep. 2006 as factory accompany with Nike to handle the status. It is a careless issue, they renewed contract with her immediately. Related the job application forms with marital status, they accept the auditor suggestion fixed to renew on 11/16/2006.	1/4/2007	Factory Regulation, Factory Policies	Completed							
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.																			
Fire Safety Health and Safety legal compliance	Labor Code - Article No. 97 Decree No. 06/CP dated 1/20/1995 giving detail instruction for the enforcement of relevant stipulation of the Labor Code on occupational safety and health. Circular No. 13/BYT-TT date 10/24/1996 giving instructions for the administration of occupational health, employee's health and occupational diseases.	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.	Air compressor operators have not been properly trained and certified as per local law.			Management interview, record review	Factory to have all air compressor train and certified as per local law.	4/1/2007	Air compressor have certified by authorized 3rd party last Aug.06, would renew accompany with operators training this May.	1/4/2007	Training Record	On-going							
Evacuation Procedure	Article 102 of labor code Circular No.06/LDTBXH-TT dated 11 Apr 1995 & Circular No.23/LDTBXH-TT dated 19 Sept 1995	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 compiled with and workers shall be trained in proper safety, first aid, and evacuation procedures.	Aisle in embroidery room is narrow and partly blocked by structural columns and only one exit door exists.			Visual inspection	Factory to install one more door exit.	4/1/2007	Have installed two exits to provide for narrow exit.	1/4/2007		Completed							
Safety Equipment	Circular No. 13/BYT-TT dated October 24th, 1996 "3.1.1. At the workplace holding harmful and dangerous elements likely to cause occupational accidents the employer shall provide medical technical facilities such as first aid medicine, anti-dose, emergency charts, dressing, cotton-wool, gauze, scissors, stretchers, gas mask, poison prevention and ambulance car".	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	First aid boxes are not checked regularly and restocked. Some boxes not fully stocked according to stock list. One FA Box Inspected had not been restocked since 2005 and contained expired medicines. No eyewash as per previous request from PC audit.			Visual inspection Record review	Factory to review all first aid boxes, come up with protocols for frequent check and restock. Factory to install eyewash.	4/1/2007	Have been checked regularly per week. And as no stock as we increase drug immediately and maintain regularly. They make a mistake to buy eye-drug for eyewash, then. So far, it is improved.	1/4/2007		Completed							

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	IFEM Findings			PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company Follow up (Cite date of follow up)	Documentation	[Status]	Updates (Cite Date of Follow up)		Third-Party Verification (Date)	Documentation	Company Verification Follow up	Documentation
					Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating							Notable Features implemented by Factory Management or Company	Company Follow up				
Safety Equipment	Circular No. 13/BYT-TT dated October 24th, 1996/3.1.1. At the workplace holding harmful and dangerous elements likely to cause occupational accidents the employer shall provide medical technical facilities such as first aid medicine, anti-dose, emergency charts, dressing, cotton-wool, gauze, scissors, stretchers, gas mask, poison prevention and ambulance car".	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.	Fire alarm system is not adequate or accessible to workers in many areas. Alarm in factory A only in mgt office. No Alarm in Factory C on ground floor. Alarm in office building has been disconnected due to false alarms. Staff reported that workers/staff can sound alarm by calling the office. Government fire inspection on 09/28/2006 required automatic fire alarm system in materials warehouse.			Visual inspection, record review		Install automatic fire alarm system in material warehouse.	4/1/2007	Fire alarm has been fixed. Meanwhile, they increase automatic sprinkler system in our warehouse. They also announce to our worker "no fire no touch alarm."	1/4/2007		Completed						
Machinery Maintenance	Article 98 of Labor Code: "The employer must have adequate protection for parts which may easily cause dangers and sections of machinery and equipment within the enterprise."	All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner.	Needle guards and eye shields lacking on most machines.			Visual inspection		Factory to install needle guards and eye shields.	4/1/2007	Have been reset needle guards for sewing workers and eye shields for hole machine.	1/4/2007		Completed						
Sanitation in Dining Area	Decision No. 41/2005/QD-BYT dated 12/08/2005	All food preparation shall be prepared, stored, and served in a sanitary manner in accordance with applicable laws. Safe drinking water should be available in each building.	(Some of the) canteen staff have not undergone required health checks as per law.			Record review, management interview		Factory to arrange health check for all canteen staffs.	4/7/2007	Change to new canteen subcontractor - all canteen staffs have undergone health checks.	1/4/2007		Completed						
Worker Participation	Joint Circular No. 14/1998/TTLT/BYT-SLDTBXH-TLDDVN dated 31 Oct 1998	Workers should be involved in planning for safety, including through worker safety committees.	Safety committee has not been established as per Joint Circular No. 14/1998/TTLT-SLDTBXH-BYT-TLDDVN			Record review, management interview		Establish safety committee with involvement from Trade Union.	4/1/2007	Safety committee has been set up with Trade Union member as Vice Chairman.	1/4/2007		Completed						
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 record of workers applying to join the union.			Management interview, record review		Factory to document TU application forms.	4/1/2007	Factory is improving by asking Trade Union work more effective.	1/4/2007	Trade Union application list	Completed						
Compliance to local collective bargaining laws	Chapter V of labor code; Decree No. 196/CP; Decree No. 93/2002/ND-CP	Employers will comply with all national and local laws and regulations concerning collective bargaining and free association. Where conflicts are known to exist, employers will use the standard that provides the greatest protection for workers.	Trade union chairwoman was not duly elected by members as per local legal procedures. (She was selected by committee).			Record review, interview with management and Union leader		Factory to fix the issue in the next coming election (scheduled to be in March 07).	4/1/2007	They would be voting new worker representative and elected chairman after committee member voted on 03/30/2007.	4/1/2007	CBA Grievance System	On-going						
Access to Unions		Trade unions not recognized as bargaining agent of some or all of the workers in a facility should have the means for defending the occupational interests of their members, including making representations on their behalf and representing them in cases of individual grievances, within limits established by applicable law. Workers' representatives should have the facilities necessary for the proper exercise of their functions, including access to workplaces.	Workers are not aware of union leader or grievance system. Union appears non-functional.			Worker interview		Factory to provide training to workers on Trade Union and Grievance system. Training plan required.	4/1/2007	Hold training for workers what Trade Union's function is.	4/1/2007	Training record	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.																			
Others	Article 57 of the Labor Code Upon formulation of a wage scale, wage table and labor rates, the employer must consult the executive committee of the trade union of the enterprise; the wage scale and wage table must be registered with the body in charge of State administration of labor of the province or city under central authority where the head office of the enterprise is located and must be publicized within the enterprise.	In general, workers will have access to understandable information about their wages and benefits, and will not express dissatisfaction with their ability to get information.	Wage scale system has not been finalized and approved as requested by government inspection. Also cited: allowances and bonus should be included and clarified.			Record review, management interview		Factory to push up the process of getting the Wage Scale done and approved by local authorities.	4/1/2007	Officially/authorized approval by HEPZA.	1/4/2007	Wage Scale	Completed						

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					Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating			Notable Features implemented by Factory Management or Company	Factory Response (Optional)	Company Follow up (Cite date of follow up)			Documentation	External Verification (Date)	Documentation	Company Follow Up	Documentation		
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	Article 72 of the Labor Code In every week, each employee shall be entitled to a break of at least one day (twenty four consecutive hours). Circular No. 14/2003/TT-BLDTBXH In special cases where, due to the production cycle, it is impossible to arrange weekly rest, it must be ensured that laborers shall have at least 4 rest days in a month; Article 68, 69 of the Labor Code Circular No. 15/2003/TT-BLDTBXH dated 06/03/2003 The overtime must not exceed 4 hours a day, 16 hours a week, 14 hours in 4 consecutive days and 300 hours a year.	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.	OT in excess of code and local law. Some cases over 12 OT hrs per week in Sept-October. Cases over 300 hours from Jan-Oct. (Mgt is in process of working on action plan to reduce OT by adding lines and workers).			Record review, workers' interview		Factory need to review OT policy, as well as capacity issue to make sure OT policy is strictly followed. Factory to come up with OT tracking system to ensure no OT violation.	4/1/2007	Adjust to keeping OT control from 09/09/2007.	3/9/2007	OT Accumulate, OT Summary	On-going								
Overtime Limitations	Article 72 of the Labor Code In every week, each employee shall be entitled to a break of at least one day (twenty four consecutive hours). Circular No. 14/2003/TT-BLDTBXH In special cases where, due to the production cycle, it is impossible to arrange weekly rest, it must be ensured that laborers shall have at least 4 rest days in a month; Article 68, 69 of the Labor Code Circular No. 15/2003/TT-BLDTBXH dated 06/03/2003 The overtime must not exceed 4 hours a day, 16 hours a week, 14 hours in 4 consecutive days and 300 hours a year.	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.	Some Sunday OT work without compensating day off.			Record review, worker interview		Factory to ensure one day off in seven.	4/1/2007	Comply with CLS as our policy strictly.	3/9/2007	OT Accumulate, OT Summary	On-going								
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																					