

*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	HONDURAS
Factory name	29002912D
IEM	ALGI
Date(s) in facility	SEPTEMBER 24 & 26, 2005
PC(s)	GILDAN ACTIVEWEAR
Number of workers	918
Product(s)	SPORTSWEAR
Production processes	SAMPLING, CUTTING, SEWING, QC AND PACKING

FLA Code/ Compliance issue	Country Law/Legal Reference (Honduras)	FLA Benchmark	Non-Compliance	Risk of Non-Compliance	IEM Findings			PC Remediation Plan	Target Completion Date	Remediation		
					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)
<b>1. Code Awareness</b>												
<b>2. Forced Labor</b>												
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise												
<b>3. Child Labor</b>												
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.												
<b>4. Harassment or Abuse</b>												
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.												
<b>5. Nondiscrimination</b>												
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or												
<b>6. Health and Safety</b>												
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or												
<b>7. Freedom of Association and Collective Bargaining</b>												
Employers will recognize and respect the right of employees to freedom of association and collective bargaining												
<b>8. Wages and Benefits</b>												
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the												
Record Maintenance	Art. 37 (Terms and conditions of labor contracts)	All compensation records will be maintained accurately and should be acknowledged by the employee as accurate.	Payment date in labor contract (at the end of the work shift) does not correspond to the actual pay date which is on the second day of the following work shift.					1. Management Interview. 2. Workers interview. 3. review of labor contracts.		Nov-05	1.- Our legal department has prepared an addendum to the contracts already existing detailing that 'the weekly pay will take place on the last day of the weekly shift or, if possible, could take place on the day before the end of the turn.'	Feb-07
Accurate Recording of Wage Compensation	Art. 37 (Terms and conditions of labor contracts)	All hourly wages, piecework, bonuses, and other incentives will be calculated and recorded accurately	All labor contracts state wages to be paid at a minimum base salary. Labor regulations require contracts to be specific to piece work, flat salary or hourly.					1. Management Interview. 2. Workers interview. 3. review of labor contracts.		Nov-05	3.-In an addendum to the contract, we will include 'the salary can never be below minimum wage and will be paid on piece rate to direct employees and per hours for indirect employees'.	Feb-07
Other								Facility has implemented a series of benefits that are self initiated and not regulated nor mandated by local regulations. 4. Transportation subsidies (100%) 5. Life insurance through employee cooperative (100%) 6. Medicine (100%) 7. Loans (through employee cooperative).				
<b>9. Hours of Work</b>												
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												
Other	Art. 37 (Terms and conditions of labor contracts)		Labor contract for mechanics states the schedule is Monday to Saturday, while in practice, mechanics work Mondays to Fridays.					1. Management Interview. 2. Workers interview. 3. review of labor contracts.		Nov-05	2.- The contract will be adjusted to reflect the real schedules 2.- The mechanics since they started have been working on the 4x4 system. With regards to the particular case of the carpenter of the plant, his contract was changed to include recommendation of ALGI.	Feb-07
<b>10. Overtime Compensation</b>												
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.												
<b>Miscellaneous</b>												