

FLA Audit Profile			FLA Comment: In situations where a FLA-affiliated Company is no longer sourcing from a factory that has received an independent External Monitoring visit, the Company shall submit information on (a) the reason for exiting; (b) the status of compliance and summary of efforts to remediate noncompliances in the factory; and (c) plans to follow up on critical issues. The FLA-affiliated Company in this case has submitted the following information, which has not been verified by the FLA. In 2006 the adidas-Group created and delivered a remediation plan to this factory in order to address the issues found during the original IEM visit. Yet, in March 2008 this facility was deactivated by adidas' sourcing group due to production related issues. As a result, the adidas Group is unable to ensure a successful completion of the remediation plan.
Country	Tunisia		
Factory name	010075317E	010075317EV	
IEM	Fair Wear Foundation - Tunisia	Slim Krichen	
Date(s) in facility	July 7, 2006	November 4, 2008	
PC(s)	adidas AG	adidas AG	
Number of workers	302		
Product(s)	Apparel		
Production processes	Sewing, knitting, packaging		

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings	Remediation	Updates (May 8, 2007)	Updates (November 20, 2007)	Status	Third-Party Verification (November 4, 2008)	Company Verification Follow-up												
			Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (unsubstantiated)	If not corroborated, explain why	Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or Company	PC Internal audit findings (Optional) Nov. 16th, 2005	Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (September 2006)	Documentation	Documentation	Documentation	Documentation	Documentation			
1. Code Awareness																					
Work/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.	Workers are not aware of contents of the ADIDAS and FLA Code of Conduct				Worker interviews		1) Workers handbook with factory rules and regulations, etc. is missing (only a draft is prepared); 2) No training provided to workers on policies; 3) Workers are not informed about the adidas Code of Conduct.	1) A workers handbook must be prepared and distributed. 2) Trainings on factory policies must be given. 3) Code awareness sessions must be held.	End of 2006	In process since February 2006; has to be finalized by end of September 2006; then on-going	09/13/2006 1) Staff handbook is available in English and Arabic. Detailed trainings are planned with smaller groups (20 workers) and will be held between October 2006 and end of the year. 2) A first adidas Code of Conduct training was conducted for a smaller group of workers in March 06 already. 3) A brief introduction about the adidas Code of Conduct will be held in week 38 for all workers. Detailed information about the code will be given in the training session for the staff handbook.	Management interview, worker interviews Documents: Staff handbook 8.5.a in French, 8.5.b in Arabic, Training plan 8.5.c, Trainings given 8.5.d Meeting was held on Sept. 18th. List of workers who attended is available on file.	An updated worker handbook containing factory policies is available and distributed to workers in French and Arabic. Trainings are given in smaller groups (about 20 workers) regularly. In addition, trainings regarding adidas Group's "Open Letter to Workers" was provided on April 21 and 27th. The "Open Letter to Workers" provides information to workers regarding factory's requirement to provide workers training on policies and adidas' code. In addition, the "Open Letter to Workers" provides contact information should workers have the need to contact Participating Company's compliance staff.	Verified by worker interviews and documents.	Completed	Addis code of conduct is posted and awareness sessions were done - Employees who used to work in the Addis line have a better knowledge of the code that the other - COMPLETED	Workers interviews and visual observation	Company Follow up (Cite date of planned or follow up visit, if appropriate)	Documentation
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 non-compliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.	There is no confidential reporting channel within the factory.				Worker and management interviews		The FLA monitors provided contact information to workers during worker interviews. Workers may contact SEA Team by phone, e-mail, and street address in the case they must file any grievances.												
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.		Contracts contain only stamps of the factory and they are not signed by the management.			Records review		The content of the contract must be clearly explained to the applicant and he/she must be given some time to review the document before signing. Every worker must sign and be given a copy of the individual labor contract. In addition, factory management representative must also sign all contracts.		From today onward.	09/13/2006 The management has changed the practice and all contracts are signed by the HR department.	Management interview, worker interviews and documentations 8.11. Copy of Contract in Arabic with stamp and signature.	Verified by worker interviews and documents.			Completed	Contracts are signed by HR manager and have company stamps on them and copies given to the employees, but Copies are not always given on time to the workers, delays depends on the HR planning - On-Going	Records review and workers interviews		
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.																					
Employment of young workers		Employers shall comply with all relevant laws that apply to young workers (i.e., those between the minimum working age and the age of 18) including regulations relating to hiring, working conditions, types of work, hours of work, proof of age documentation, and overtime.																			
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.																					
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.																					
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																					
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.	There is no appropriate plan for evacuation of workers posted in local language.				Visual inspection		Make proper floor maps for all buildings (including office and warehouse). The floor maps must be of a reasonable size and should be prominently displayed. Amend the existing floor maps by adding the information as well in local language.		End of September 06	09/13/2006 Floor maps are available in French. To ensure that all non-French speaking workers know what to do in case of emergency, regular evacuation trainings are being provided. In addition, SEA Team has required factory to translate all evacuation maps into Arabic as well.	Documentation: Floor maps 1.4.a, last evacuation drill 1.4.b; Management interview and worker interviews.	Information on the evacuation plan has been translated to Arabic.	Verified by visit and picture "Pic 2 Evacuation Plan"	Completed	Evacuation plans exist for each floor (total of three floors) written in Arabic and French - but these plans are not posted in prominent locations and are not in appropriate formats to make them useful both for the employees and the visitors - On-going	Visual observation and workers interviews			
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.							First aid boxes are not regularly re-stocked and not appropriately equipped.	First aid boxes must be immediately re-stocked after use. A responsible person must be appointed to check the first aid kits regularly.	11/1/2008	Immediately done	09/13/2006 Done, this is a part of the regular internal inspections.	Visual inspection		Completed	First aid kits exist in each floor but are not properly stocked. Fire extinguishers are internally controlled on a monthly basis, in addition to the periodic professional control - On-going	Visual observation			
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.	Special glasses are not used by button makers.				Visual inspection		Provide suitable eye protection to reduce the risk of eye injuries.		End of September 06	09/13/2006 PPE (finger guards and eye protection) is now available and will be installed during week 38 before workers come back from vacation.	Picture Eye protection 1.5, visual inspection. Now all installed, verified by photo.	All PPE are installed and regularly inspected, including finger guards and eye protection.	Verified by visit, documentation (Maintenance Plan) and Picture (Pic 4 Inspection Schedule, Pic 3 Eye protection)	Completed	Some machines are missing finger guards and/or eye protection - Employees in spot cleaning are provided with gloves and adequate masks - On-going	Visual observation			
Chemical Management		All chemicals and hazardous substances should be properly labeled and stored in accordance with applicable laws. Workers should receive training, appropriate to their job responsibilities, in the safe use of chemicals and other hazardous substances.	In the workshop of maintenance there is a liquid for scouring machine disposed in no proper container.				Visual inspection		Establish suitable waste management program for all operations and dangerous chemicals - must be properly documented and executed.		9/6/2006	In process since March 2006, on-going.	09/13/2006 Completed/On-going: Mechanics are advised to keep used chemicals in a separate waste container which will be collected weekly by a licensed operator.	Visual inspection		Completed	Most chemicals are properly labeled and under second containment but spot cleaning product was stored in a drinking water bottle - On-going	Visual observation			
Ventilation/Electrical/facility maintenance		All ventilation, plumbing, electrical, and lighting services shall be provided and maintained to conform to applicable laws and prevent hazardous conditions to employees in the facility.							Cables are not suitably insulated, protected and not maintained in a serviceable manner. Found taped/patched cables.	Fix all damaged cables and provide proper protection, conduct regular inspections.	End of 2006	In process since end of February 06 (external company is responsible for electrical connection).	09/13/2006 One cable found which needs to be replaced on the iron. Will be fixed immediately.	Visual inspection, now replaced, verified by photo	All damaged cables have been replaced and regularly inspected to ensure proper installation.	Verified by visit, documentation (Maintenance Plan) and Picture (Pic 5 Iron Cable).	Completed	Conformity certificates from legally mandated control organism exist (electrical and pressure machines). Electrical cables seem to be safe - Completed	Records review and visual observation		
Record Maintenance		All safety and accident reports shall be maintained for at least one year, or longer if required by law.							No records of electrical maintenance activities available, safety devices are not inspected regularly and no records available. Factory does not have an accident log which is reviewed by the management on a regular basis.	Set up a regular maintenance program and keep records on file; all safety devices on machinery and equipment must be inspected regularly; records must be kept on file. Use an accident log to record all accidents and injuries with names and reasons.	End of 2006	In process since Feb-March 2006, on-going.	09/13/2006 Completed: maintenance records are available on each machine. The factory started to record all accidents in November 05. Records for December are available as well but since January 06 recording stopped. The factory was urged to continue in the same way like it was in November and December.	Visual inspection, documents and management interview.	Safety devices are being checked as part of the ongoing maintenance inspections. Factory has begun to record all accidents in the factory; verified through documentation review.	Verified by visit and documents (Pic 8 acc de travail).	Completed	Work accidents log exist and maintained - Completed	Records review		
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.	The first floor area of the factory is too small for the number of machine and workers. Passages in the first floor are not free and blocked with boxes and some machines. Aisles are clearly marked but always covered by brick and machines.				Visual inspection		Clear the aisles of obstruction. Conduct daily/regular inspections to ensure all aisles are free from obstruction at all times, and train workers accordingly. In addition, factory management must remove some machines/workstation for the areas as designated space is not big enough for number of people/machines found in the area.		End of September 06	09/13/2006 The situation will improve significantly after the move of the Addis lines into the newly built floor end of September.	Visual inspection	Addis production has been moved to the newly built floor. This additional space improved the situation in all floors. Aisles between the machines are marked and now free of any obstruction.	Verified by visit and Picture (Pic 6 new floor).	Completed	Several emergency aisles in the first floor were blocked and/or not easily accessible due to a high work in process - Pending	Visual observation			

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			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 Internal audit findings (Optional) Nov. 16th, 2005	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (September 2006)	Documentation	Company Follow up	Documentation		Company Follow up	Documentation	External Verification (Date)	Documentation	Company Follow up (Date of planned or follow up visit, if appropriate)	Documentation	
Other			Chairs are with backrest but not ergonomic.				Visual inspection				Replace all unsafe and un-ergonomic chairs to avoid serious long term back problems for the workers.	End of September 06		09/13/2006 An investment program will start to replace all un-ergonomic and unsafe chairs one by one.	Management interview	All chairs have been replaced with ergonomic chairs.	Verified by visit and Picture (Pic 7 new chairs).		Completed	Ergonomic chairs provided to the employees - Completed	Visual observation			
Other										A simplified HSE management system is not implemented.	A simplified management system must be implemented.	End of 2005	The project starts in February 2006.	09/13/2006 Some basic procedures are implemented.	Documents, management interview	Some basic procedures regarding HSE are implemented now: e.g. risk evaluation, regular safety checks on the machines, regular trainings regarding fire safety and chemical handling.		Basic procedures are implemented and effectively communicated to the workforce. A Management system with internal audits and a management review on a yearly basis has been created to improve the system sustainably.	A Strategic compliance Plan is set up with the principles and timelines for the Management system	Completed and on-going	Have basic written procedures regarding emergency preparedness, safety checks on machines, chemicals use, first aid trainings, protection on machines. - But procedure are not always effectively implemented for example: some machines are missing the protection mainly the rivet machines, and chemicals are kept in non proper container (drinking bottle). - On going	Visual observation and documents review		
7. Freedom of Association and Collective Bargaining																								
Employers will recognize and respect the right of employees to freedom of association and collective bargaining.																								
Other	Section 157 and next art. of the labor code			Many of workers are not aware about the function of the consultative committee. The decisions of the consultative committee are communicated verbally to the workers and are not always posted.			Worker Interviews and visual inspection			Provide training to the workers and explain the function of the consultative committee. Minutes of meetings must be published on the notice boards.	End of September 06		09/13/2006 An announcement about the function of the consultative committee is placed on the notice board in French and in Arabic. This notice will be added to the staff handbook as well. Furthermore, the names of the committee members and meeting results will be published on the notice board in future.	Management interview, worker interviews and documents: Announcement of Function of CC 8.7.a in Arabic 5.7.b in French	The updated version of the staff handbook was communicated to the workforce and it now contains information on the role and the function of the consultative committee. The names of committee members, as well as the meeting results are published on the notice board and kept on file.			Completed	Page 3 of the facility Internal rules and regulations (handed to all employees with a follow up log) contains the role of the consultative committee. The consultative committee election was held on 2006 and most employee participated in this election. - The names of the consultative committee members are posted on the notice boards - Completed	Records review and workers interviews				
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.																								
Legal benefits		Employers will provide all legally mandated benefits to all eligible workers.	The factory doesn't allow yet arrears of wages of the year 2005 related to the increase in wages decided by the new collective bargaining agreement published in the official gazette number 7 of 01/24/2006.				Records review			Salary raises must be provided to workers according to local law, and in accordance with 2006 Collective Bargaining Agreement.	From the next pay period onwards.		09/13/2006 Factory started already with back payments in June 2006. After September wages, all outstanding wage increase payment will be completed.	Management interview and documents 9.8.a for back payments in June 06. Back payments have been completed. Payslips and a list where workers confirmed the receipt of the payments is available on file.				Completed	The work clothes benefits due in May 2006 are still not paid (given) to the employees. The legally required lactating hour (breastfeeding) is not given to the employees who gave birth. - On-going	Workers interviews and records review				
Payment of wages		Legally mandated bonuses (e.g. 13th month payments and severance payments) will be paid in full and in a timely manner.	Wages are paid with a delay between 7th and 12th of the next month.				Workers interviews and records review			Workers must receive their wages at least monthly and within 7-10 days of the next month.	From the next pay period onwards		09/13/2006 Wages will be paid latest on the 10th of the month like requested in the addas labor guidelines.	Management interview	Verified by worker interviews and documents.			Completed	Wages are being paid between the 10th and the 15th of each month, and the end of year bonus know as the 13th month. Bonus of 2007 was only paid on July 2008, while it was due on December 2007 - Pending	Documents review and workers interviews				
Payment of Legal Benefits		Legally mandated benefits will be provided or paid in full within legally defined time periods.	The calculation of the transport bonus, the assiduity bonus and the presence bonus is made on hourly basis. This method doesn't allow the employee to get the full bonus when the number of monthly hours are below the one used for bonus on hourly basis.				Records review			Incentive, attendance or other productivity bonuses and the policy in relation to salary increases must be documented in the worker handbook so that all workers are aware of the bonuses which they are entitled to. The calculation must be based on local laws.	From today onwards		09/13/2006 Beginning in September 2006 and onwards, the calculation will be according to law; this means that bonuses will be based monthly for workers who were present at working days, and if a worker was absent on some days, the bonuses will be based on the days the worker was present at work.	Management interview	Verified by worker interviews and documents.	Verified by visit and documents (Pic 9 fiche de paie1).		Completed	Payment of transport bonus was done on a monthly basis until June 2008 and from July 2008 it is again calculated on an hourly basis - No explanations are given by the management except that it is a IT error - Payment of the 2007 annual leave is still not done. - Pending	Documents review, workers interviews and management interview				
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.																								
OT Compensation		The factory shall comply with applicable law for premium rates for overtime compensation.	Overtime needed to attend the quotas of production is not paid and not raised.				Worker interviews and visual inspection			Workers must not do overtime or work during breaks to fulfill their quotas. An OT policy must be documented (e.g. in worker handbook), together with a procedure by which a worker can advise a supervisor that the worker is not available or not willing to do overtime. Train supervisors in the relevant labor law provisions and the Addas requirements in relation to the 60 hour work week. If Management ask for OT to reach production targets OT plus compensation will be paid.	From today onwards		09/13/2006 The staff handbook will be revised: it will be mentioned that overtime is always voluntary and nobody will be forced to work longer hours to reach the quotas. All overtime will be announced at least 48 hours in advance. Working during the breaks will be forbidden.	Management interview	05/08/2007 Visual inspection, documents (new version of staff handbook) checked. The staff handbook contains a chapter regarding overtime. It states a) overtime is voluntary; b) will be announced at least 48 hours in advance; c) all OT is being paid according the local law. All workers have been verbally trained on the new version of the staff handbook and a copy was given.			Completed	All hours marked in the time records are being paid, but several employees were observed working during the break either to meet the hourly quota, or to do repair jobs - Interview of employees and management reveal that it is voluntarily action from the employees. - Pending	Visual observation + workers interviews + Management interview				
Miscellaneous																								