

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	INDIA
Factory Name	08003296D
IEM	T-GROUP SOLUTIONS PVT. LTD.
Date(s) in Facility	NOVEMBER 24 & 25, 2005
PC(s)	Norstrom, Inc.
Number of Workers	733
Product(s)	WOVEN TOPS
Production Processes	CUTTING, SEWING, WASHING, FINISHING & PACKING

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Non-Compliance	IEM Findings				Remediation				Updates (3/8/2006)		Third-Party Verification (Contracted)		Company Verification Follow up		
				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 (Cite date of follow up)	Documentation	Company Follow up (3/8/2006)	Documentation	External Verification (1/18/2007)	Documentation	Company Follow up (7/11/06 and 3/6/2007)	Documentation
1. Code Awareness																		
Code Posting/Information	Industrial Employment (Standing Orders) Act, 1946	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.	The only Nordstrom Code of Conduct poster posted on the inside of the boundary wall near the main gate is in English and an Oriental language, perhaps, Mandarin and not in the local language of this region				Visual inspection & Interview with Management		Nordstrom will send a code of conduct poster for the workers in their native language	11/24/2005	4/1/2006	Mailed Poster to Factory	3/8/2006	photos of Nordstrom Partnership Guidelines posted in factory in local language				
Worker/Management Awareness of Code	The factories Act, 1948	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 Elements have not been communicated to the Management and Workers. The Management have also not communicated the Code elements to workers.				Interview with Management & workers		Factory must educate the workers about Code elements, factory policies and procedures and Nordstrom's Code of Conduct. Post the Code elements and Nordstrom Conduct poster in a prominent location in the factory. Conduct a training to review codes and with all workers in the factory. Document the date and time of this training and keep a participant list of who attended. Workers must be informed 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.	4/1/2006	4/1/2006	Interview with	3/8/2006	Received photos of training. Will schedule 3rd party to interview workers and confirm understanding of Code elements, and factory policy and procedures	1/18/2007 Third Party Reaudit found issue still pending.			7/11/06 Nordstrom staff visited factory to determine progress. 3/6/2007 Nordstrom staff visited factory to determine progress. Factory has developed pocket-size handbook of code elements and factory guidelines. All workers receive the handbook upon employment at the factory. Management has been trained on code guidelines and is responsible for training the workers they support.
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.	Though a contact number and mailing address of PC's head office has been provided on the Code Poster, none of the employees are aware of this. In fact none of the workers are aware of this Code posting and name of the PC. Management was also not aware of the reason for providing the contact number/address.				Visual inspection, Interview with Management & workers		In order to ensure there is a secure communications channel, please ensure workers are aware of name and address of Nordstrom as listed on the Code Poster in the factory. Please also ensure they are aware of "Nordstrom's agent" and have a contact name. Please make sure this is provided in a manner appropriate to the culture and situation, to enable employees to report to Nordstrom or "Nordstrom's agent" on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.	4/1/2006	4/1/2006	photo of contact info posted for workers	3/8/2006		1/18/2007 Third Party Reaudit: Complete.			3/6/2007 Nordstrom staff visit confirmed contact name and phone number provided.
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 Records	Factories Act 1948 & Industrial Employment (Standing Orders) Act 1956	Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision	1. Job application is missing from personal files. 2. Employment records are not maintained for casual workers out-sourced through agents for short duration work like hand-embroidery, alteration, mending etc.				Interview with Management & workers / Review of Records		1. Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision. 2. Factory must maintain sufficient hiring and employment records for casual workers to demonstrate and verify compliance with this Code provision.	4/1/2006	4/1/2006	1) Copies of job applications and factory procedures for maintaining employee records.	3/8/2006	1) copies of job applications now on file.	1/18/2007 Third Party Reaudit found issue still pending.			7/11/06 Nordstrom staff visited factory to determine progress. 3/6/2007 Company has requested that factory research and explore options to address issues surrounding casual workers.
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.																		
Age Documentation	The Factories Act, 1948	Employers will maintain proof of age documentation for all workers, such as a birth certificate, which verifies date of birth.	No proof of age documents maintained for casual workers out-sourced through agents for short duration work like hand-embroidery, alteration, mending etc.				Interview with management		Employers will maintain proof of age documentation for all workers, such as a birth certificate, which verifies date of birth. Copies should be kept in each worker file.	4/1/2006					1/18/2007 Third Party Reaudit found issue still pending.			7/11/06 Nordstrom staff visited factory to determine progress. 3/6/2007 Company has requested that factory research and explore options to address issues surrounding casual workers.
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.																		

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings					Remediation				Updates (3/8/2006)		Third-Party Verification (Contracted)		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	Company follow up (Cite date of follow up)	Documentation	Company Follow up (3/8/2006)	Documentation	External Verification (1/18/2007)	Documentation	Company Follow up (7/11/06 and 3/6/2007)	Documentation	
Other: Legal Compliance	Per Supreme Court Judgment No.666-70 of 1992		Factory does not have a "SEXUAL HARASSMENT - COMPLAINTS COMMITTEE" as required by Law.					Interview with management	Please create and establish this Sexual Harassment Committee. Please ensure your Sexual Harassment Policy is posted in the factory for worker review and all workers are aware. This policy and committee should cover such facts as: Employers shall not offer preferential work assignments or other preferential treatment of any kind in actual or implied exchange for a sexual relationship, nor subject employees to prejudicial treatment of any kind in retaliation for refused sexual advances	4/1/2006	4/1/2006	Committee meeting schedule, participant list, and meeting notes.	3/8/2006	Received photos of Committee postings. Requested more information.	1/18/2007 Third Party Reaudit found issue still pending.		7/11/06 Nordstrom staff visited factory to determine progress.3/6/2007 Nordstrom staff visited factory to determine progress. Factory has developed pocket-size handbook of code elements and factory guidelines. All workers receive the handbook upon employment at the factory. Management has been trained on code guidelines and is responsible for training the workers they support.		
Training of Management in Disciplinary Practices		Employers will provide training to managers and supervisors in appropriate disciplinary practices	Employer does not provide training to managers and supervisors in appropriate disciplinary practices					Interview with management	Please provide training to managers and supervisors in appropriate disciplinary practices. Document this training.	4/1/2006							7/11/06 Nordstrom staff visited factory to determine progress. 3/6/2007 Nordstrom staff visited factory to determine progress. Factory has developed pocket-size handbook of code elements and factory guidelines. All workers receive the handbook upon employment at the factory. Management has been trained on code guidelines and is responsible for training the workers they support.		
Freedom of Movement		Employers will not unreasonably restrain freedom of movement of workers, including movement in canteen, during breaks, using toilets, accessing water, or to access necessary medical attention	Workers interviewed stated that they have to obtain a gate pass to exit the factory during lunch break					Interview with workers and Management	Factory should not unreasonably restrain freedom of movement of workers, including movement in canteen, during breaks, using toilets, accessing water, or to access necessary medical attention. Please advise why workers need to obtain a gate pass to exit for lunch.	4/1/2006					1/18/2007 Third Party Reaudit found issue still pending.		7/11/06 Nordstrom staff visited factory and expressed importance of Freedom of Movement. Factory's intentions are to protect women workers from the dangerous area around the factory. Factory agreed to change policy to allow all workers free movement and will conduct trainings to women workers on safety.		
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	Factories Act 1948	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.Evacuation signs and aisles are either missing or have got erased owing to wear and tear in most work areas.2.Evacuation plans in work areas have discrepancies. Do not entirely match with the floor layout.3 Sewing halls are congested. Space between two work stations in some places was as little as 12 to 15 inches. Instances of two workers working together at the same work-station noticed. This is also causing congestion.4.Rear horizontal aisle in the sewing hall in the basement is narrow. Standing workers on work-stations were seen on the passage. Side aisle in production hall in the basement and on ground floor and another in the training section on the terrace are narrow – 16 to 24 inches width.5.Some sewing operators had blocked their access to passage with bins & An aisle in the cutting section on the ground-floor was blocked with fabric bundles. 7.Trims Store has only one exit &8.The passage at the fabric laying table near the wall in the cutting section in the basement is narrow and restricts free movement. One side was partially blocked with fabric.					Visual Inspection	1. Exit signs must be marked and visible up to 100 feet. Work floors must be clearly marked with emergency lines. 2. An evacuation plan must be posted in a prominent location that is accessible to workers indicating the best means of exiting in an emergency situation and locations of fire extinguishers. 3-6. Workers must have enough space between work stations to allow for free body movement that provides adequate room for emergency evacuation. Secondary aisle ways must allow for 1 worker to comfortably walk (36 inches or 1 meter). 7. There must be at least two unlocked and accessible emergency exits on each floor and in each facility.	4/1/2006						1/18/2007 Third Party Reaudit found issue still pending.		3/6/2007 Nordstrom staff visit found that factory intends to include a new factory to address issues of congestion.	

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings						Remediation				Updates (3/8/2006)		Third-Party Verification (Contracted)		Company Verification Follow up			
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Evacuation Procedure	Factories Act 1948	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	9.Aisles were seen blocked with heaps of garments in production areas. 10.Canteen does not have an Emergency exit at the opposite end.11.Emergency lights on stair-case landing are not high-beam type with battery back-up. There are no emergency lights installed on exits at the production hall on first floor.12.Keep clear yellow boxes are not marked in front of exits at the production hall on first floor.13.Fusing machine area in the cutting section in the basement is congested with little room for movement.14.A sewing station in the finishing section in the basement had the operator blocked on both sides with cartons. Wire of the machine was running across the passage.15.New cartons and hanger storage shed on the ground floor is disorganized. Also scrapings from wood work in progress (carpenters making furniture) are lying in this area in poly-bags.					Visual Inspection		9. Aisle ways must be clear at all times in order to create a safe evacuation path. 10. Exit signs must be marked and visible up to 100 feet. 11. Work floors must be clearly marked with emergency lines. 12. There must be at least two unlocked and accessible emergency exits on each floor and in each facility. An evacuation plan must be posted in a prominent location that is accessible to workers indicating the best means of exiting in an emergency situation and locations of fire extinguishers. 13-14. Workers must have enough space between work stations to allow for free body movement that provides adequate room for emergency evacuation. Secondary aisle ways must allow for 1 worker to comfortably walk (36 inches or 1 meter). 15. Please organize storage areas so no scraps are laying on the floor, obstructing walk ways. Ensure cover of drain is repaired to avoid injury.	4/1/2006	4/1/2006	photos requested	3/8/2006	(9&11) Photos of marked clear aisles provided.	01/19/2007 Third Party reaudit: 9) Pending 10) Pending 11) Complete 12) Pending 13) Complete 14) Complete 15) Pending				
Safety Equipment	Factories Act 1948	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	1.First-aid boxes have eye-wash cups but no eye-wash/distilled water (Floating fabric dust particles were seen in work areas.) 2.A Fire extinguisher was found blocked in the cutting section in the basement and another in the new cartons/hanger storage shed on the ground floor. 3.No fire extinguisher is installed in the area near the laundry where boilers and diesel storage tank are installed. 4 Kitchen area on the first floor has 4 LPG cylinders for cooking. There is no fire extinguisher installed in this area.					Visual Inspection		1. Please ensure distilled water is available along with eye-wash cups in first aid kits at all times. 2. Fire extinguishers must be clear or obstruction within 3x3 foot (1x1 meter) radius. 3-4. Fire equipment must be within 75 feet (23 meters) of each employee. All rooms with combustible materials must have fire equipment. This includes laundry and kitchen areas.	4/1/2006				01/19/2007 Third Party reaudit: 1) Complete 2) Complete 3) Pending 4) Complete					
PPE	Factories Act 1948	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.	1.Some operators on over-lock operations where fabric dust was observed and some with fabric dust on their hair are not using appropriate protective masks. 2. Personal Protective gear and Material Safety Data Sheets were not available at the stain removing areas in the finishing section in the basement and on first floor. 3.Band knife operator in the cutting section uses protective glove on one hand instead of both hands. 4.No ear muffs were available for use by the generator operator in the Generator area inside which the decibel level is in excess of 100 dbs.					Visual Inspection		1-4. 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.	4/1/2006				Nordstrom is contracting with 3rd Party to engage in a dialogue with the management to understand the pending issues and problems the factory is facing. Consulting activities to launch in September 2006.		7/11/06 Nordstrom staff visited factory to determine progress. Contracting with 3rd Party was decided to ensure root causes are addressed.			
Chemical Management	Factories Act 1948	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	1.A container containing 'Hexine' used for stain removing was found lying on the floor in the Finishing hall in the basement. 2. Cans of machine oil were seen kept in the open on the terrace in the canteen area exposed to rain and sun-light. 3.High speed diesel barrels were seen lying outside in the open exposed to rain and sun near the cartons and hanger storage shed. There is no 'No Smoking' sign installed. 4.Stain Removing stations in finishing areas do not have exhaust pipes for discharging exhaust fumes outside the work area					Visual Inspection		1-4. 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	4/1/2006				1/19/2007 Third Party reaudit: 1) Pending 2) Pending 3) Complete 4) Pending					

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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	1.Damaged wiring with taped joints was noticed at some of the pressing stations in finishing areas, also at the stain removing station on first floor and on the exhaust fan wiring in the cutting section in the basement. 2. Lighting at needle point on some of the sewing machines ranged from 150 to 250 lux. 3. Loose machine wires were seen running near operators' feet at some work stations in sewing areas. 4. Water seepage on walls, some of them with electrical installations was noticed on most floors. 5. Electrical wiring junction boxes were seen without covers in pressing areas and on the wall at the stair-case landing on the terrace. 6. Lint accumulation was noticed on the cooling vent above the fusing machine in the cutting section in the basement, on the pedestal fan and exhaust fan in the same cutting section and on exposed wires on the wall in the ladies toilet blocks on ground and first floors. 7. Junk, including discarded tube lights were seen lying behind the electrical panels in the Distribution panel room.					Visual Inspection	1. 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. 2. Work stations must have adequate lighting. 3-5. 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. 6-7. Please keep work floors clean, discard trash in Distribution Panel Room. Keep areas clean in order to maintain safety, clean cooling vents in cutting sections in basement to ensure proper ventilation.	4/1/2006					01/19/2007 Third Party Reaudit: 1) Pending 2) Pending 3) Pending 4) Pending 5) Complete 6) Complete 7) Complete.		3/6/2007 Nordstrom staff visit revealed more action has been taken regarding loose wires and exposed wires.	
			8. The water down pipe from the terrace at the canteen to the drain on the ground floor was found to have developed a leak where connected to the man-hole on the ground floor outside the generator room. There was food waste from the washing area in the canteen lying in this area which is part of a passage.						8. Please repair the water down pipe leak. Please clean up all food waste in washing area of canteen. This ensure proper health and safety standards are maintained in the food preparation areas.	4/1/2006				1/19/07 Third Party Reaudit: Complete				
Machinery Maintenance	Factories Act 1948	All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner	1. Many sewing machines do not have pedal mats. 2. Boiler installed in the finishing area in the basement is not fenced. Steam-pipe lines in finishing sections are not insulated and could cause burn injuries. 3. Tag gun in use in the Finishing section on first floor does not have the name of the user to ensure personalized usage.					Visual Inspection	1. Please ensure all sewing machines have pedal mats. 2. All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner. Please fence in boiler, insulate steam pipe lines in finishing section to avoid injuries to workers. 3. Tagging guns should be individually labeled (in order to prevent infectious diseases) and should not be shared.	4/1/2006				1/19/2007 Third Party Reaudit: 1) Pending 2) Complete 3) Complete				
Sanitation in Facilities	Factories Act 1948 & Uttar Pradesh Factory Rules 1950	All facilities including factory buildings, toilets, canteens, kitchens, and clinics shall be kept clean and safe and be in compliance with applicable laws	1. Few broken floor tiles were noticed on the floor of the production hall on first floor. 2. Mens toilet blocks are in a very poor condition of maintenance. A urinal was seen choked while the toilet seats, sinks and urinals are completely stained with spit stains caused by chewing tobacco and betel. 'Bisi' (cheroot like cheap Indian cigarette) stubs and used match-sticks were seen lying on the floor. Some of the flushes were not functional while no soap and towels/hand-dryer are provided at the hand wash areas. Some of the flushes in ladies toilet blocks were not working while soap in some hand wash areas and towels at all hand wash areas were not provided. 3. Waste fabric room located near workers toilet blocks on the ground floor is completely disorganized with loose fabric bits and pieces dumped inside. At the entrance of this room a man-hole with a broken cover over a drain was noticed. 4. Packaging waste was dumped in a room at the canteen area in a disorganized manner. There is no 'No Smoking' sign installed.					Visual Inspection	1. Please replace floor tiles to ensure safety and compliance with applicable laws. 2. All facilities including factory buildings, toilets, canteens, kitchens, and clinics, must be kept clean and safe and be in compliance with applicable laws. Please provide a schedule showing dates and time all toilets are cleaned. This should occur at least 2 times per day with supplies restocked.	4/1/2006	4/1/2006	photos of improvements requested	3/8/2006	1) Photos received showing broken tiles have been repaired. 2) Digital copy of cleaning schedule provided. Cleaning schedule is both written and pictorial				
Sanitation in Facilities	Factories Act 1948 & Uttar Pradesh Factory Rules 1950	All facilities including factory buildings, toilets, canteens, kitchens, and clinics shall be kept clean and safe and be in compliance with applicable laws	5. Cooked food items lying uncovered were seen in the kitchen area					Visual Inspection	5. Please cover all foods and organize so insects or vermin do not tamper with food	4/1/2006				1/19/07 Third Party Reaudit: Complete				
Sanitation in Dining Area	Factories Act 1948	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.	1. The canteen on the terrace is open air without a roof. 2. A container of food was lying uncovered, without a lid, at the food sale counter. 3. Those serving food were not using appropriate gloves for hygiene					Visual Inspection	1. Please construct roof for canteen. 2. Please cover all foods and organize so insects or vermin do not tamper with food. 3. Please ensure workers serving or handling food wear proper masks and gloves for hygiene and health reasons	4/1/2006				1/19/07 Third Party Reaudit: 1) Complete. 2) Complete 3) Pending		3/6/07 Nordstrom staff visit confirmed 3) canteen workers using disposable gloves.		
7. Freedom of Association and Collective Bargaining																		

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Employers will recognize and respect the right of employees to freedom of association and collective bargaining																		
Other	Factories Act 1948 & Industrial Disputes Act - 1947		Workers in this committee are nominated by the Management and not elected as required by law					Interview with Workers & Management		1. Engage workers in health and safety committees and ensure workers are aware of committee's function and participants. 2. Ensure workers are selected by their peers. 3. Factory to workers and management are aware of the intended function of the committee. Post additional material about the committee around the factory.						01/19/2007 Third Party Reaudit did not confirm that this was addressed. Further follow up is required.		
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																		
Voluntary Use of Benefits		All workers have a right to use or not to use employer provided services, such as housing or meals	Workers interviewed stated that INR 225 is deducted from their wages towards cost of transportation being provided by the company. These workers stated that it was mandatory for them to avail of this facility and pay for it. Many workers complained that they reside within 5 kms from the factory, and it would take them 10 to 15 minutes to cycle/walk down to the work-place. Hence they suggested that availing of and paying for transportation provided by the company should be made optional.					Interview with Management and Workers.		Please explain more about the INR 225 transportation fees charged to all workers. Why is this mandatory? Workers who use the transportation should pay for it, but others that reside nearby should not have to pay for transportation they do not use. Please provide more detail regarding this issue for our full understanding.	4/1/2006	4/1/2006	wage records	3/8/2006	Received copies of wage records showing transportation fee is no longer deducted from all workers wages. Correction of this issue will be further followed up by 3rd party interviews of workers.	01/19/2007 Third Party Reaudit: Complete		
Pay Statement	Factories Act 1948	Employers will provide workers a pay statement each pay period, which will show earned wages, regular and overtime pay, bonuses and all deductions	1.No pay slip is provided for overtime hours worked. 2. Piece rated pressmen and casual workers, provided by agent *** do not receive a wage slip.					Review of records & interview with management & workers		Factory must provide workers a pay statement each pay period, which will show earned wages, regular and overtime pay, bonuses and all deductions	4/1/2006	4/1/2006	copies of wage slips	3/8/2006	Copies of wage slips provided for overtime and for casual workers which list earned wages, regular and overtime pay, bonuses and all deductions.	01/19/2007 Third Party Reaudit: Complete		
Time-Recording System	Factories Act 1948	Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards	Factory does not maintain time records for casual workers out-sourced through external agents. Factory maintains 2 sets of time records. The first set records the regular hours of work while the second set records overtime hours and rest days worked. The second set is an unofficial record. (All records were available for review)					Interview with management, workers & review of records		Time worked by all employees, regardless of compensation system, must be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards. This must be kept at the factory for review.	4/1/2006				01/19/2007 Third Party Reaudit: Complete			
Record Maintenance	The Factories Act, 1948	All compensation records will be maintained accurately and should be acknowledged by the employee as accurate.	Pay-records for casual workers out-sourced through an external agent - *** were not available for review.					Interview with management		All compensation records must be maintained accurately and must be acknowledged and verified by the workers as accurate.	4/1/2006				01/19/2007 Third Party Reaudit: Pending	3/6/2007 Company has requested that factory research and explore options to address issues surrounding casual workers. Factory to provide insight by June 2007.		
Legal Benefits	The Employee State Insurance Act, 1948 Employee Provident Fund & MP act, 1952 The Factories Act, 1948 Payment of bonus Act, 1956	Employers will provide all legally mandated benefits to all eligible workers	Casual workers provided by an external agent - *** reported that they work in this facility temporarily for short durations (1-2 months) as & when required & are not enrolled for legally mandated benefits of Employees State Insurance & Provident Fund					Interview with Management & workers		Factory must provide all legally mandated benefits to all eligible workers immediately. This includes permanent and casual workers.	4/1/2006				01/19/2007 Third Party Reaudit: Pending	3/6/2007 Company has requested that factory research and explore options to address issues surrounding casual workers. Factory to provide insight by June 2007.		
Legal Compliance for Holiday/Leave	The Factories Act,	Workers will be paid for holidays and leave as required by law	1.These benefits are not extended to casual workers provided by *** 2.Earned leave is being accumulated up to 45 days. By law, earned cannot be accumulated over 30 days					Interview with management & workers							01/19/2007 Third Party Reaudit: Pending	3/6/2007 Company has requested that factory research and explore options to address issues surrounding casual workers. Factory to provide insight by June 2007.		

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings					Remediation				Updates (3/8/2006)		Third-Party Verification (Contracted)		Company Verification Follow up					
			Non-Compliance	Risk of Non-Compliance	Evidence of Non-Compliance (uncorroborated)	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 (Cite date of follow up)	Documentation	Company Follow up (3/8/2006)	Documentation	External Verification (1/18/2007)	Documentation	Company Follow up (7/11/06 and 3/6/2007)	Documentation			
Timely Payment	Payment of Wages Act, 1936	All compensation shall be paid in a timely manner	Piece rated workers stated that they receive their wages between the 7th & 10th day of every month. By law, all payments are to be made within the 7th day of the month.					Interview with management & workers ; review of records		All compensation shall be paid in a timely manner. Why are wages being paid after the 7th day of each month? Please provide more detail and ensure all workers are provided their pay no later than the 7th day of the month.	4/1/2006					01/19/2007 Third Party Raudit: Complete		3/6/2007 Visit by Nordstrom staff witnessed payment of wages.			
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	Factories Act 1948	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	1.Review of time records reveal excessive working hours over the past 3 months ranging between 63 hours to 97 hours per week. 2.Numerous instances of continuous work noticed (up to 16 days) with no day of rest being provided. By law, a worker cannot work for more than 10 days continuously without a day of rest.3.Factory has worked on most rest days over the past 3 months 4.On most occasions , factory works overtime up till 7 pm. The period of work from 1pm (after lunch break) is continuous till 7 pm, without any break. By law , a break of 30 minutes is required to be given after every 5 hours of continuous work					Interview with management & workers and review of records		1-4. Except for peak production times and extraordinary the factory workers 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. Please advise why there has been excessive overtime hours and what the factory plans to do to reduce these to be within legal limits. Employees must be allowed one day off in seven. This means after 6 consecutive days worked all workers must be given 24 hours of uninterrupted time of rest (1 full day). All workers must receive this regardless of peak production periods.	4/1/2006							1/18/2007 Third Party Raudit found issues still pending.		3/6/2007 Nordstrom staff visited and was advised that factory plans to move some production to new factory to alleviate the strains on factory.	
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																					
Outsourced Workers	Contract Labor (Regulation and Abolition) Act , 1970		License to provide workers to this factory of an Agent - *** FINISHERS, has expired on Aug 31, 2004. The license has not been renewed though the agent continues to provide workers to this factory. This is a legal violation					Review of records and interview with Management.		Please obtain updated license and have it available for view at the factory.	4/1/2006						01/19/2007 Third Party Raudit revealed issue still pending.		3/6/2007 Nordstrom staff visited. Factory confirmed all licenses to be available for review by end of May 2007.		