

FLA Audit Profile					IEV 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 non-compliance 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 IEV visit. Yet, in March 2008 the factory 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	IEV	010075317EV	Company Name	Fair Wear Foundation - Tunisia	IEV date	November 4, 2008	Factory Location	adidas AG	Number of workers	302	Product(s)	Apparel	Production processes	Sewing, Knitting, Packaging					
FLA Code/Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (Uncorroborated)	If Not Corroborated, Explain Why	Sources/ Documentation Used For Corroborating	Notable Features	PC Internal Audit Findings (Optional) (November 16, 2005)	PC Remediation Plan	Target Completion Date	Factory Response (Optional)	Company Follow Up (September 13, 2006)	Documentation	Company Follow Up (May 6, 2007)	Documentation	Company Follow Up (November 20, 2007)	Documentation	(Status)	Third-Party Verification (November 4, 2008)	Company Verification Follow Up (Date of Planned or Follow-up Visit, if Appropriate)	
<b>1. Code Awareness</b>																						
Worker/Management Awareness of Code		FLA Principle of Monitoring, Obligation of Companies: Ensure that all company facilities 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 the adidas and FLA Codes of Conduct (COC) contents.				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 COC.	1) 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 ongoing.	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 the end of the year. 2) First adidas COC training conducted for small group of workers in March 2006 already. 3) Brief introduction on adidas COC will be held in week 38 for all workers. Detailed information about code will be given in training session for staff handbook.	Worker and management 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 September 18. List of workers who attended is available on file.	Updated worker handbook containing factory policies is available and was distributed to workers in French and Arabic. Trainings given in small groups (about 20 workers) regularly. Trainings regarding adidas Group's "Open Letter to Workers" provided April 21 and 27. Open Letter to Workers provides information to workers regarding factory's requirement to provide workers training on policies and adidas COC. "Open Letter to Workers" provides contact information should workers have need to adidas compliance staff.	Worker interviews, documents		Completed	adidas COC posted and awareness sessions were done. Employees who used to work on adidas line have better knowledge of COC than others. <b>COMPLETED</b>	Worker interviews, visual observation			
Confidential Non-compliance Reporting Channel		FLA Principle of Monitoring, Obligation of Companies: Develop secure communication channel, in a manner appropriate to culture and situation, to enable company employees and employees of contractors and suppliers to report to company on non-compliance with workplace standards, with security that they shall not be punished or prejudiced for doing so.	No confidential reporting channel within factory.				Worker and management interviews	FLA monitors provided contact information to workers during worker interviews. Workers may contact SEA Team by phone, e-mail, and street address in case they must file grievances.											Completed	adidas "Open Letter to Workers" containing phone number, e-mail and postal address posted on notice board and known by workers. <b>Completed</b>	Worker interviews, visual observation	
<b>2. Forced Labor</b>																						
Employment Terms		Employment terms shall be those to which the worker has voluntarily agreed.	Contracts contain only stamps of factory and are not signed by management.				Record review	Contract's content must be clearly explained to applicant and they must be given time to review contract before signing. Every worker must sign and be given a copy of individual labor contract. Factory management representative must also sign all contracts.		From today onward.		Management has changed practice and all contracts signed by HR department.	Worker and management interviews, documents. 8.11. Copy of contract in Arabic with stamp and signature.	Worker interviews, documents					Completed	Contracts signed by HR manager and have company stamps on them. Copies given to employees, but copies are not always given on time to workers; delays depend on HR planning. <b>Ongoing</b>	Worker interviews, record review	
<b>3. Child Labor</b>																						
Employment of Young Workers		Employers shall comply with all relevant laws that apply to young workers (i.e., those between minimum working age and age of 18) including regulations relating to hiring, working conditions, types of work, hours of work, proof of age documentation, and overtime.	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 or abuse.																						
<b>5. Non-discrimination</b>																						
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.																						
<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 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 (posting of evacuation plans, unobstructed aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.	No appropriate plan for evacuation of workers posted in local language.				Visual inspection	Make proper floor maps for all buildings (including office and warehouses). Floor maps must be of reasonable size and should be prominently displayed. Amend existing floor maps to adding information in local language.		End of September 2006		Floor maps available in French. To ensure all non-French speaking workers know what to do in case of emergency, regular evacuation trainings are being provided. SEA Team has required factory to translate all evacuation maps into Arabic as well.	Worker and management interviews, documents. Floor maps 1.4.a, last evacuation drill 1.4.b	Information on evacuation plan has been translated to Arabic.	Visit, photos			Completed	Evacuation plans exist for each floor (total of 3 floors) written in Arabic and French, but they are not posted in prominent locations and not in appropriate formats to make them usable for both employees and visitors. <b>Ongoing</b>	Worker interviews, visual observation		
Safety Equipment		All safety and medical equipment (fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to employees.						First aid boxes are not regularly restocked or appropriately equipped.	First aid boxes must be immediately restocked after use. A responsible person must be appointed to check first aid kits regularly.	11/1/2006	Immediately done	Done. This is a part of regular internal inspections.	Visual inspection						Completed	First aid kits exist on each floor, but are not properly stocked. Fire extinguishers are internally controlled on a monthly basis, in addition to periodic professional control. <b>Ongoing</b>	Visual observation	
Personal Protective Equipment (PPE)		Workers shall wear appropriate protective equipment (gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (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 2006		PPE (finger guards, eye protection) is now available and will be installed during week 38 before workers come back from vacation.	Visual inspection. Now all installed, verified by photo.	All PPE is installed and regularly inspected, including finger guards and eye protection.	Visit, documents (maintenance plan), photos			Completed	Some machines are missing finger guards and eye protection. Employees in spot cleaning are provided with gloves and adequate masks. <b>Ongoing</b>	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 responsibilities, in the safe use of chemicals and other hazardous substances.	In maintenance workshop, there is a liquid for scouring the machine that is not disposed of in a proper container.				Visual inspection	Establish suitable waste management program for all operations and dangerous chemicals. This must be properly documented and executed.		9/6/2006	In process since March 2006, ongoing.	Completed/Ongoing. Mechanics advised to keep used chemicals in a separate waste container, which will be collected weekly by a licensed operator.	Visual inspection						Completed	Most chemicals properly labeled and under second containment, but spot cleaning product was stored in a drinking water bottle. <b>Ongoing</b>	Visual observation	
Verification/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 or maintained in a serviceable manner. Found taped/patched cables.	Fix all damaged cables and provide regular inspections.	End of 2006	In process since end of February 2006 (external company responsible for electrical connection).	1 cable found which needs to be replaced on the iron. Will be fixed immediately.	Visual inspection, photo	All damaged cables have been replaced and regularly inspected to ensure proper installation.	Visit, documents (maintenance plan), photos				Completed	Conformity certificates from legally mandated control organizations (electrical and pressure machines). Electrical cables seem to be safe. <b>Completed</b>	Visual observation, record review	
Record Maintenance		All safety and accident reports shall be maintained for at least 1 year, or longer if required by law.						No records of electrical maintenance activities available. Safety devices not inspected regularly, no records available. Factory does not have an accident log that is reviewed by management on a regular basis.	Set up regular maintenance program, keep records on file. All safety devices on machinery and equipment must be inspected regularly; records must be kept on file. Use accident log to record all accidents and injuries with names and reasons.	End of 2006	In process since February - March 2006, ongoing.	Completed. Maintenance records available for each machine. Factory started to record all accidents in November 2005. Records for December are available as well, but since January 2006 recording stopped. Factory urged to continue in some way in November and December.	Visual inspection, documents, management interview	Safety devices being checked as part of ongoing maintenance inspections. Factory has begun to record all accidents in factory, verified through documentation review.	Visit, documents			Completed	Work accident log exists and is maintained. <b>Completed</b>	Record review		
Sanitation in Facilities		All facilities, including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and in compliance with applicable laws.	1st floor area of factory is too small for number of machines and workers. Passages in 1st floor are not free and blocked with boxes and some machines. Aisles clearly marked, but always covered by brick and machines.				Visual inspection	Clear aisles of obstruction. Conduct daily/regular inspections to ensure all aisles free from obstruction at all times; train workers accordingly. Factory management must remove some machines/workstations for areas as designated space not big enough for number of people and machines found in area.		End of September 2006		Situation will improve significantly after move of adidas lines into newly built floor at the end of September.	Visual inspection	adidas production has been moved to newly built floor. This additional space improved the situations on all floors. Aisles between machines marked and now free of any obstruction.	Visit, photos			Completed	Several emergency alleys on 1st floor blocked and/or not easily accessible due to high work in process. <b>Pending</b>	Visual observation		
Other			Chairs have backrests, but are not ergonomic.				Visual inspection	Replace all unsafe and un-ergonomic chairs to avoid serious long-term back problems for workers.		End of September 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.	Visit, photos				Completed	Ergonomic chairs provided to employees. <b>Completed</b>	Visual observation	
Other			Simplified HSE management system not implemented.					Simplified HSE management system must be implemented.		End of 2006	Project starts in February 2006.	Some basic procedures are implemented.	Documents, management interview	Some basic procedures regarding HSE are implemented: now risk evaluation, regular safety checks on machines, regular trainings regarding fire safety and chemical handling, etc.	Basic procedures implemented and effectively communicated to workforce. Management system with internal audits and management review on yearly basis have been created to improve system sustainably.	Strategic compliance plan set up with principles and timelines for management system.		Completed and ongoing	Basic written procedures for emergency preparedness, safety checks on machines, chemicals use, first aid trainings, machine protection. But, procedures not always effectively implemented. Some machines missing protection, mainly meet machines; chemicals kept in improper containers (drinking bottle). <b>Ongoing</b>	Visual observation, document review		
<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.																						
Other	Section 157 and next article of labor code		Many workers not aware of Consultative Committee functions. Consultative Committee decisions communicated verbally to workers and not always posted.				Worker interviews, visual inspection	Provide training to workers, explain function of Consultative Committee. Meeting minutes must be published on notice boards.		End of September 2006		Announcement on function of Consultative Committee placed on notice board in French and Arabic. This notice will be verbally to workers and published on notice board in future. Furthermore, names of committee members and meeting results will be published on notice board and kept on file.	Worker and management interviews, documents	Updated version of staff handbook information on role and function of Consultative Committee. Names of committee members, as well as meeting results, published on notice board and kept on file.				Completed	Page 3 of facility Internal rules and regulations (given to all employees with follow-up log) contains role of consultative committee. Consultative Committee election held in 2006; most employees participated in the election. Names of Consultative Committee members posted on notice board. <b>Completed</b>	Worker interviews, record reviews		
<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 minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.																						
Legal Benefits		Factory doesn't yet allow arrears of wages for 2005 related to wage increase decided by new collective bargaining agreement published in official gazette #7, January 24, 2006.					Records review	Salary raises must be provided to workers according to local law, and in accordance with 2006 Collective Bargaining Agreement.		From next pay period onwards.		Factory started already with back payments in June 2006. After September wages, all outstanding wage increase payments will be completed.	Management interviews, documents. Back payments completed. Pay slips and list where workers confirmed receipt of payments available on file.						Completed	Work clothes benefits due in May 2008 still not paid (given to employees. Legally-required working hour (breastfeeding) not given to employees who gave birth. <b>Ongoing</b>	Worker interviews, record review	
Payment of Wages		Legally mandated bonuses (i.e., 13th month payments, severance payments) will be paid in full and in a timely manner.	Wages paid with delay between 7th and 12th of the next month.				Worker interviews, record review	Workers must receive wages at least monthly and within 7-10 days of the next month.		From next pay period onwards.		Wages will be paid latest on the 10th of the month like requested in adidas labor guidelines.	Management interview	Worker interviews, documents					Completed	Wages being paid between the 10th and 15th of each month; end of year bonus now is 13th month. Bonus of 2007 only paid in July 2008, while it was due in December 2007. <b>Pending</b>	Worker interviews, document review	
Payment of Legal Benefits		Legally mandated benefits will be provided or paid in full within legally defined time periods.	Calculation of transport, assiduity and presence bonuses made on hourly basis. This doesn't allow employees to get full bonus when number of monthly hours is below number used for bonus on hourly basis.				Record review	Incentive, attendance or other productivity bonuses and policy in relation to salary increases must be documented in worker handbook so all workers are aware of bonuses they are entitled to. Calculation must be based on local laws.		From today onwards.		Beginning in September 2006 and onwards, calculation will be according to law. Incentive bonuses will be based monthly by worker present for all work days. If worker was absent some days, bonuses will be based on daily worker, present at work.	Management interview	Worker interviews, documents	Visit, documents				Completed	Payment of transport bonus done on monthly basis until June 2008; from July 2008 calculated on hourly basis. No explanations given by management, except that it is FT error. Payment of 2007 annual review still not done. <b>Pending</b>	Worker interview and management interviews; document review	
<b>9. Hours of Work</b>																						

FLA Code/Compliance Issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings					Remediation					Updates		Updates		[Status]	Third-Party Verification		Company Verification Follow Up			
			Noncompliance	Risk of Noncompliance	Evidence of Noncompliance (Uncorroborated)	If Not Corroborated, Explain Why	Sources/ Documentation Used For Corroborating	Notable Features	PC Internal Audit Findings (Optional) (November 16, 2005)	PC Remediation Plan	Target Completion Date	Factory Response (Optional)	Company Follow Up (September 13, 2006)	Documentation	Company Follow Up (May 8, 2007)	Documentation	Company Follow Up (November 20, 2007)	Documentation	Completed, Pending, Ongoing	External Verification (November 4, 2008)	Documentation	Company Follow Up (Give Date of Planned or Follow-up Visit, if Appropriate)	Documentation
<p>Except in extraordinary business circumstances, employees will (i) not be required to work more than lesser of (a) 48 hours per week and 12 hours overtime or (b) limits on regular and overtime hours allowed by law of country of manufacture or, where laws of such country will not limit hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least 1 day off in every 7-day period.</p>																							
<p><b>III. Overtime Compensation</b>  In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at the premium rate that is legally required in country of manufacture or, countries where such laws will not exist, at rate at least equal to their regular hourly compensation rate.</p>																							
OT Compensation		Factory shall comply with applicable law for premium rates for overtime compensation.	Overtime needed to attend quotas for production not paid or raised.						Worker interviews, visual inspection		Workers must not do OT or work during breaks to fulfill quotas. OT policy must be documented (e.g., in worker handbook) together with a procedure by which worker can advise supervisor they are not available or not willing to do OT. Train supervisors in relevant labor law provisions and address requirements in relation to 60 hour work week. If management asks for OT to reach production targets, OT + compensation will be paid.	From today onwards.		Staff handbook will be revised: it will be mentioned that OT is always voluntary and that no one will be forced to work longer hours to reach quotas. All OT will be announced at least 48 hours in advance. Working during breaks will be forbidden.	Management interview	Visual inspection, documents (new version of staff handbook) Staff handbook contains chapter regarding OT. It states: a) OT is voluntary; b) OT will be announced at least 48 hours in advance; c) all OT being paid according to local law. All workers have been verbally trained on new version of staff handbook; a copy was given.			Completed	All hours marked in time records being paid, but several employees observed working during break, either to meet hourly quota or to do repair jobs. Employees and management interviews reveal it is a voluntarily action from employees. <b>Pending</b>	Worker and management interviews, visual observation		
<p><b>Miscellaneous</b></p>																							