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.
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or other form of forced labor. This factory as of 2005.

Honduras

Country

January 12-13, 2004

2 days

Gear for Sports, Inc.

IEM

Reviewed sheet (02/24/04) and T-Shirts

Product(s)

Production processes

Sew, pack, ship

Voluntary nature of OT

Overtime over code limit should be voluntary. A written log of employees who have expressed willingness to work overtime. It is recommended that management have the column of signatures always completed and that all employees be included in this system.

FLA Code/Compliance Issue

Legal Reference

FLA Benchmark

Monitor’s Findings

Documentation

Best Practice

PC Internal audit

Findings

Pending; On-going

Records Review

Daily OT log will be completed. It is recommended to install and maintain a system to log employees who have expressed willingness to work overtime. It is recommended that management have the column of signatures always completed and that all employees be included in this system.

PC remediation plan

Target Completion

Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment or abuse.

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, national origin, political opinion, or social or ethnic origin.

The factory has a hiring policy limiting the age of being hired as 45. Employment decisions should be based on the applicant’s ability to perform the job.

Hiring ILO convention, 1958 (number 111) regarding discrimination of employment and occupation, ratified by Honduras in 06/20/60

The cafeteria area needs a exit sign on the exit leading to the production area. A fire extinguisher should be located in the entrance of the production area.

Observations

The cafeteria doors should be swinging in both directions. Completed by 02/20/04

A fire extinguisher is needed in the chemicals storage room.

Fire extinguisher has been installed. Completed 01/30/04

A fire extinguisher by the exit leading to the production area. 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.

The cafeteria doors should be swinging in both directions. Completed 02/20/04

The cafeteria doors should be swinging in both directions. Completed by 02/20/04

The cafeteria doors should be swinging in both directions. Completed by 02/20/04

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 a requirement exists.

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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.

Letter from social security department. Letter indicates that factory has reported employees but the department's system has not accounted for them. Letter also states that problem will be resolved by March 2004.

Factory does not provide:
- Interviews,
- Observations

Due to the nature of the business it has become the custom, accepted by the workers, to take a 30 minute break between shifts. This allows the employees to return to their homes much earlier in the evening. The labor minister recognizes this, and accepts this break schedule.

Although Art. 326 mandates a rest period of a minimum of 30 minutes between shifts.

It was observed that 3 mechanics worked on a Sunday. On October 2003 a few employees from the packing department and a quality control dept worked on a Sunday (paid at 100% over the regular).

On November 2003, three mechanics worked on a Sunday. Art 338 states that employees must rest 24 hours in a work week.

A labor suspension was allowed to work during the vacation or during some days allocated to vacation.

FLA Code/Compliance issue: Legal Reference FLA Benchmark Monitor's Findings Documentation Best Practice

Interference with union in formation: Honduran Labor Code Chapt II Art. 469. Prohibiting any person from interfering in the formation of a union.

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 (whichever is higher) and (ii) be entitled to at least one day off in every seven day period.

On occasion, employees in the packing department have worked over 4 days (up to 6 times during the month of Dec) of overtime during the same week.

Ranges Limits: Overtime Compensation
- The range for overtime compensation is a rate at least equal to the regular hourly compensation rate,
- The range for overtime compensation is a rate at least equal to 1.5 times the regular hourly compensation rate when the employee is paid at the regular pay.
- The range for overtime compensation is a rate at least equal to 2 times the regular hourly compensation rate when the employee is paid at the regular pay.

Now employees have their week by sections and all lights and machinery are turned off as of 02/24/04.

A) Interviews
B) Records Review
C) Management list of employees whose work contracts were suspended in Sept 2003 in which list, union affiliated employees are identified.

Status Verification
Factory Response
PC follow up
Documentation
External Verification

Completed; On-going

Interference with union in formation: Honduran Labor Code Chapt II Art. 469. Prohibiting any person from interfering in the formation of a union.

It was observed on the November Social Security registry that 89 employee were missing the Social Security registration number. This document is needed in order for them to receive medical attention and should be promptly processed.

Some employees were observed working during 10 to 15 minutes of their lunch break

Art. 326 mandates a rest period of a minimum of 30 minutes between shifts.
### Factory Remuneration

<table>
<thead>
<tr>
<th>Factory Remuneration</th>
<th>FLA Code/ Compliance issue</th>
<th>FLA Benchmark</th>
<th>PC Internal Audit</th>
<th>FLA Benchmark Monitor's Findings</th>
<th>Documentation</th>
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**Factory Response**

- **PC follow up**: PC follow up
- **Documentation**: Documentation
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**Updates**

- **Remediation Findings**: Remediation Findings

**Records Review**

- **We currently pay overtime hours, that are reported manually. We are implementing a clock system to ensure the proper recording of hours worked for each employee. To ensure accuracy of calculated hours worked. Complete 03/26/04**