

FLA Code/Compliance Issue	Country/Legal Reference	FLA Benchmark	Findings		Documentation	Was Finding Corroborated? Yes or No	If Not Corroborated, Explain Why	Best Practice	PC Internal Audit Findings (Optional)	Remediation			Documentation	(Status) Completed, Pending, Ongoing	Updates		Third-Party Verification		Company Verification Follow Up	
			Monitor's Findings	Documentation						PC Remediation Plan	Target Completion Date	Factory Response (Optional)			Company Follow Up (May 2005)	Documentation	Company Follow Up (September 2005, January 2006)	Documentation	External Verification (June 12 - 13, 2006)	Documentation
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (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. Pressing iron wire was seen running across the passage in the fusing section.	Visual Inspection	No	Finding was incriminating			8. Factory should ensure that all pressing iron wires are installed properly in fusing section.	Factory confirmed that the corrective action had been taken by January 30, 2005.	9. Factory agreed to install pressing iron wires properly in the fusing section.	PC visited factory May 5, 2005 and confirmed that pressing iron wires were properly installed in the fusing section.	Photos	Pending			Wire has been removed and the passage is now maintained clear.	Physical Observation	December 18, 2008: Electric wires connecting sewing machines to mains seen lying loose close to workers' feet. Also, electric wires connecting fusing machines to mains seen hanging low close to workers' head and also obstructing passage. May 25, 2009: Electric wires connecting fusing machines to mains seen hung freely in place; these wires were no more obstructing passages in fusing section. However, electric wires connecting few sewing machines to mains seen lying loose close to workers' feet. Further checking is necessary.	Visual inspection
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (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.	10. An aisle was blocked with polybags containing fabric panels and another was partially blocked in the cutting section.	Visual Inspection	No	Finding was incriminating			10. Factory should ensure that all aisles be kept free from polybags containing fabric panels.	Factory confirmed that corrective action had been taken by January 30, 2005.	10. Factory agreed to ensure that aisles are free from obstacles, and person in charge of Health and Safety issues is responsible for checking aisles on a daily basis.	PC visited factory May 5, 2005 and confirmed that all aisles were free from obstacles.	Photos	Completed			An aisle was partially blocked with bags containing assorted cut panels meant for fusing in the cutting section.	Physical Observation	December 18, 2008: Most aisles in cutting and finishing sections seen blocked with bins, garment bundles and finished garments. Also, in some work areas in sewing section, workers seen sitting on aisles and working. May 25, 2009: Aisles in cutting and finishing sections now well maintained without any obstruction and obstacles for quick evacuation.	Visual inspection
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (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.	11. Are no high-beam type emergency lights with battery backup installed above exits. Emergency lights installed elsewhere in work areas do not, in most cases, adequately illuminate evacuation routes. Many lights have a weak beam when measured with lux meter at distance of 1 foot, readings ranged between 300 to 500 lux. Tube lights installed for emergency lighting in some areas may not be effective in thick smoke.	Visual Inspection	No	Finding was incriminating			11. Factory is required to install high-beam type emergency lights. They should be placed above exits, and they could well illuminate evacuation routes. Factory has to perform periodical evaluation to check if emergency lights are properly functioning, and if they have adequate illumination.	Factory confirmed that corrective action would be taken by June 30, 2005.	Factory agreed to install high-beam type emergency lights so that fire exits and evacuation routes are adequately illuminated. Factory will hire an Electrical Engineer to oversee and coordinate this assignment.	PC visited factory May 5, 2005, and noted that emergency lights were not adequately illuminated. PC will conduct another audit in August/September 2005 to confirm that corrective actions have been taken.	Photos	Completed	PC visited factory January 11, 2006, and noted that emergency lights were not adequately illuminated. PC plans to visit factory again in March 2006 to confirm that corrective actions have been taken.		High-beam emergency lights with battery backup have now been installed above most exits. Elsewhere, in some places tube lights are still installed for emergency lighting and these may not be effective in thick smoke.	Physical Observation	December 18, 2008: There have been installed above all exits except above 2nd exit from pleating section. Exit signage is also not illuminated. May 25, 2009: High beam lights have been installed above all exits including 2nd exit from pleating section along with illuminated exit signage.	Visual inspection
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (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.	12. An evacuation plan in cutting/sewing section did not match floor layout. Evacuation plans in canteen and embroidery section have markings in English and not in local language. One evacuation plan in canteen does not match with floor layout. There is no evacuation plan posted in packed goods store.	Visual Inspection	No	Finding was incriminating			12. All evacuation plans must match with floor layout. They should be written in local language, and they should be placed in every section of the production facility.	Factory confirmed that corrective action had been taken by February 15, 2005.	Factory agreed to make the following changes. Evacuation plan in cutting, sewing and canteen will be matched with floor layout. Evacuation plan in canteen and embroidery section will be in local language, and an evacuation plan will be posted in the packed goods store.	PC visited factory May 5, 2005, and confirmed that evacuation plan in the cutting/sewing section and canteen matched with floor layout. The evacuation plans in canteen and embroidery section were in local language, and an evacuation plan was posted in the packed goods store.	Photos	Completed			Evacuation plans posted in cutting section and main dining area of canteen are in English, while those posted at entrance of finishing section from sewing section, in embroidery section and staff dining area in canteen are incorrect and do not match the floor layout.	Physical Observation	December 18, 2008: Evacuation plans seen in the cutting, sewing and finishing sections are in English. 1 of 2 evacuation plans posted in canteen and 1 posted in executive/supervisor dining area in local language. May 25, 2009: All evacuation plans posted in cutting, sewing, finishing sections, canteen and executive/supervisor dining areas are now in local language along with English.	Visual inspection
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (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.	13. Training section located in ST1 (Separate building outside factory compound) has 1 exit only.	Visual Inspection	No	Finding was incriminating			13. There should be 2 exits opposite to each other in the training section.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory confirmed that a new exit will be added at the opposite end of training section.	PC visited factory May 5, 2005, and confirmed that exit was added; there were 2 exits in the training section.	Photos	Completed			Second exit has been provided.	Physical Observation	December 18, 2008: Second exit has been provided.	Visual inspection
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (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.	14. Evacuation plan is missing in training section in ST1. There are no passages provided between 1st and 2nd and 4th and 5th sewing lines in the training section in ST1.	Visual Inspection	No	Finding was incriminating			14. Factory should post an evacuation plan in training section in ST1. Factory should keep all aisles and passageways free of obstacles, debris, refuse and materials, and aisles and walkways should be accurately and clearly marked to ensure safe passage.	The factory confirmed that the corrective action would be taken by the June 30, 2005.	Factory agreed to post evacuation plan in training section in ST1. In addition, factory should keep all aisles and passageways free of obstacles, debris, refuse and materials, aisles and walkways should be accurately and clearly marked to ensure safe passage. Passages will be provided between 1st and 2nd and 4th and 5th sewing lines in training section in ST1.	PC visited factory May 5, 2005, and noted that factory had not taken corrective actions. PC will conduct a follow-up audit in August/September 2005.	Photos	Completed	PC visited factory January 11, 2006, and noted that factory had not taken corrective actions. PCs will closely monitor factory to take corrective action and visit to plant factory in March 2006.		Evacuation plan has been installed. Passages have now been appropriately provided.	Physical Observation	December 18, 2008: Evacuation plan has now been posted. Adequate aisles have now been provided between the sewing lines.	Visual inspection
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (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.	15. Only 10% of employees are trained in fire fighting.	Visual Inspection	No	Finding was incriminating			15. Factory should ensure that there are a sufficient number of trained fire fighters in factory. Factory should also provide fire fighting equipment training to employees and such training should be conducted on a regular basis.	The factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to train more employees on fire fighting equipment at least once in every 3 months.	PC visited factory May 5, 2005, and noted that fire fighting training had been provided to around 20% of factory's total workforce. Such training is to be conducted once in every 3 months.	A list of workers who have attended the training	Ongoing			20% of the employees are now trained in fire fighting measures.	Physical Observation	N/A	Visual inspection
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (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.	16. Aisles between racks in fabric and general store were blocked with trolleys and cartons.	Visual Inspection	No	Finding was incriminating			16. Factory should ensure that aisles between racks in fabric and general store free from obstacles, especially trolleys and cartons. A person, who is in charge of Health and Safety, is responsible for monitoring this task and ensure aisles are clear.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to ensure that aisles between racks in fabric and general store are free from trolleys and cartons, and a person is designated to perform periodical checking.	PC visited factory May 5, 2005, and confirmed that aisles between racks in fabric and general store were free from obstacles.	Photos	Completed			These aisles are now maintained clear.	Physical Observation	December 18, 2008: These are now being maintained clear.	Visual inspection
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (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.	17. Hanger stands placed on either side of pressing stations for hanging hanger-packed garments are obstructing free access to aisles for workers in pressing operations.	Visual Inspection	No	Finding was incriminating			17. Factory should keep all aisles and passageways free of obstacles, debris, refuse, and materials.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to place fire extinguishers near aisles and to provide a safe working environment to workers. Factory will put hangers in an area where they will not obstruct the aisles.	PC visited factory on May 5, 2005, and noted that aisles were being blocked by hanger stands. PC will conduct a follow-up audit in August/September 2005 to confirm that corrective actions will be taken.	Photos	Completed	PC visited factory January 11, 2006, and noted that all aisles and passageways were free from obstacles.		No Improvement - Same status	Physical Observation	December 18, 2008: Same status. Hanger rods placed on both sides of pressing/checking stations restrict workers free access to aisles and passages. Some workers need to duck down to reach aisles/passages. May 25, 2009: Hanger rods are placed on both sides of fire pressing/checking stations, but these have now been shortened in length in order to leave adequate space between 2 hanger rods in alignment with workstations. There is now unobstructed access to aisles and passages; hence, workers do not need to duck while moving out.	Visual inspection
Safety Equipment		All safety and medical equipment (fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees.	1. No fire extinguisher is installed near industrial type LPG cylinders installed outside pleating hall for steam oven. 2. Fire extinguisher in one of dining halls in canteen was blocked with furniture.	Visual Inspection	No	Finding was incriminating	Factory has tied with a local medical clinic to provide medical assistance to workers 24 hours a day free of cost.		1 & 2. Factory should ensure that fire extinguishers are sufficient in number, extinguishers need to evenly scatter around production floor and be free from obstacles.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to place fire extinguishers near industrial type LPG cylinders in pleating hall. 2. Factory agreed to make sure all fire extinguishers are free from obstacles.	PC visited factory on May 5, 2005, and confirmed that fire extinguishers were placed near industrial type LPG cylinders installed outside pleating hall for steam oven. And, all fire extinguishers are free from obstacles.	Photos	Completed			Fire extinguishers have been installed near LPG cylinders. Fire extinguisher in dining hall in canteen is now maintained clear.	Physical Observation	December 18, 2008: These are now installed.	Visual inspection
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.	Some operators on overlook operations and some on other sewing operations with lint on their hair/caps not using their masks appropriately. They are exposed to inhalation of flapping fabric dust.	Visual Inspection	No	Finding was incriminating			Factory must ensure that operators in overlook and sewing operations are educated on how to properly wear face masks.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory will conduct training programs to educate workers on how to properly wear face masks. Induction programs for new workers will include this topic. In addition, mask wearing instructions posted to enhance workers' awareness. Training to be held once in 3 months; all attendance records are maintained.	PC visited factory on May 5, 2005, and confirmed that workers were wearing masks in a proper manner.	Photos, a list of worker who attended training	Ongoing			Few operators on overlook machines were not using protective masks provided to them.	Physical Observation	December 18, 2008: No improvement being made. May 25, 2009: Dust masks have been provided to all overlook operators. However, few operators were not using them appropriately. These operators were seen covering their mouth instead of nose. Further checking is necessary.	Visual inspection
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.	1. A 205 liter barrel containing perchloroethylene (marked toxic) found stored in cleaning section near workstations. 2. A barrel containing oil was placed under Electric Panel marked "Danger" in Generator Room.	Visual Inspection	No	Finding was incriminating			1. Factory should store barrel containing perchloroethylene (marked toxic) in a safe place that could lessen the chance of leaks, spills or fires. It should not be placed near workstations in cleaning area. 2. Factory should store barrel of oil in a safe place that does not generate any hazards.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to place barrel containing perchloroethylene (marked toxic) in a safe place that could lessen chance of leaks, spills or fires. It would not be placed near workstations in cleaning area. 2. Factory should store barrel of oil in a safe place that does not generate any hazards.	PC visited factory on May 5, 2005, and confirmed that these 2 barrels were properly locked in a safe area.	Photos	Completed			Both these barrels have been removed.	Physical Observation	December 18, 2008: No unsafe storage seen.	Visual inspection
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. Most presses located on moving stations in sewing batches had taped joints on live electric cables. In few instances, cables found to be burnt. Wiring of a cutting machine in cutting section had a taped joint.	Visual Inspection	No	Finding was incriminating			Factory should ensure that there are no taped joints on live electric cables. All burnt cables must be replaced to prevent fire hazards.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to ensure that all electric cables be examined, and all taped joints will be removed and a single cable will be installed for each iron press.	PC visited factory on May 5, 2005, and confirmed that all taped joints had been removed, and a single cable had been installed for each iron press.	Photos	Completed			All equipment wiring in these areas is now appropriately maintained.	Physical Observation	December 18, 2008: Maintained well.	Visual inspection
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.	2. An electric panel in finishing section with "Danger" marked on it had a garment hanger and a workstation placed next to it.	Visual Inspection	No	Finding was incriminating			Factory should remove workstation, and ensure that electric panel in finishing section with "Danger" mark is free from obstacles.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to remove workstation, and ensure that electric panel in finishing section with "Danger" mark is free from obstacles.	PC visited factory on May 5, 2005, and confirmed that workstation had been removed, and that electric panel in finishing section with "Danger" mark was free from obstacles.	Photos	Completed			The electric panel is now maintained clear.	Physical Observation	December 18, 2008: Maintained clear.	Visual inspection
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.	3. Lint accumulation was seen on overhead pipes and electrical in some areas on the production floor and on exhaust fans in stain removing section.	Visual Inspection	No	Finding was incriminating			Factory should provide a decent working environment to employees, and lint should not be allowed to accumulate on pipes and electrical on production floor, and on exhaust fans in stain removing section.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to have pipe, electrical and exhaust fans cleaned on a periodical basis.	PC visited factory on May 5, 2005, and confirmed that the lint accumulation on pipes, electrical, and exhaust fans was removed.	Photos	Completed			Relatively free of lint now, however, lint accumulation and cobwebs were seen on exhaust fans and pipes in staining removing section and on some of the emergency lights.	Physical Observation	December 18, 2008: Some lint seen on electrical installations (overhead light, emergency lights in sewing and cutting sections). May 25, 2009: Electrical installations, including overhead lights and emergency lights in sewing and cutting sections, now maintained well and free from lint accumulation.	Visual inspection
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.	4. Lighting in fusing section ranged from 250 to 350 lux, at needle point on many sewing machines between 200 to 400 lux and in "Finishing 1" recording area was found to be 25 lux.	Visual Inspection	No	Finding was incriminating			The workplace should be adequately illuminated.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to provide a well lit and comfortable working environment to employees. Factory will increase light level to 600 lux. Additional light bulbs will be added in the "Finishing 1" recording area.	PC visited factory on May 5, 2005, and confirmed that lighting in fusing section and in "Finishing 1" recording area had been adjusted to an acceptable level.	Photos	Pending			While lighting in fusing section has improved, lighting in some of the production areas/workstations was inconsistent ranging from 85 lux to 400 lux.	Physical Observation with light meter	December 18, 2008: Lighting at needle points on some sewing machines inconsistent ranging between 160 to 284 lux. May 25, 2009: Improvement of lighting has taken place. However, lighting at needle points on few sewing machines still inconsistent ranging between 197 to 282 lux. Further checking is necessary.	Physical Observation with light meter
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.	5. Loose electric wires/cables were noticed near sewing operators' feet and under their chairs in fusing section and in sewing batches.	Visual Inspection	No	Finding was incriminating			The factory should ensure that the electrical wiring is securely taped to the floor.	Factory confirmed that corrective action had been taken by January 30, 2005.	Factory agreed to ensure that electrical wires are securely taped to floor.	PC visited factory on May 5, 2005, and noted that electric wires/cables near sewing operators' feet and under their chairs in fusing section were securely taped to floor.	Photos	Pending			No change in status. Loose wires were noticed in most places in production areas and could cause accidents.	Physical Observation	December 18, 2008: No improvement being made. May 25, 2009: Noticeable improvements have taken place. However, loose wires were still noticed in few places in production areas. Further checking is necessary.	Visual inspection
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.	6. Floor in loading and unloading area at store is damaged.	Visual Inspection	No	Finding was incriminating			Factory should provide a safe workplace to employees. Floor in loading and unloading area will be fixed.	Factory confirmed that corrective action would be taken by May 31, 2005.	Factory agreed to repair floor in loading and unloading area.	PC visited factory on May 5, 2005, and noted that floor in loading and unloading area had not been fixed. PC will conduct a follow-up audit in August/September 2005.	Photos	Completed	PC visited factory January 11, 2006, and noted that floor in the loading and unloading area had already been fixed.		Floor has since been repaired.	Physical Observation	December 18, 2008: No damaged floors seen.	Visual inspection
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.	7. Lighting at needle points on sewing machines is inadequate in central training section located in ST1.	Visual Inspection	No	Finding was incriminating			The workplace should be adequately illuminated.	The factory confirmed that the corrective action would be taken by February 15, 2005.	The factory agreed to provide a well lit workplace to employees, and planned to move central training section to another location where lighting level is adequate.	PC visited factory May 5, 2005, and noted that central training section had been moved to another location. PC will conduct a follow-up audit in August/September 2005.	Photos	Pending	PC visited factory January 11, 2006, and noted that central training section had already been moved to a better location where lighting level is adequate.		Lighting is still inadequate ranging from 150 to 400 lux.	Physical Observation with light meter	December 18, 2008: Lighting at needle points on some sewing machines inconsistent ranging between 160 to 284 lux. May 25, 2009: Improvement of lighting has taken place. However, lighting at needle points on few sewing machines still inconsistent ranging between 197 to 282 lux. Further checking is necessary.	Visual inspection
Machinery Maintenance		All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner.	1. Pedal mats were found missing from some sewing machines. 2. Most needle guards on sewing machines had been tampered with rendering them ineffective. 3. Belt guards had been removed from some sewing machines exposing transmission belts in motion.	Visual Inspection	No	Finding was incriminating			1. Factory should provide pedal mats for all sewing machines. 2. Factory should ensure that sewing machine operators use needle guards properly. 3. Factory should ensure that belt guards must be attached to all sewing machines.	Factory confirmed that corrective actions had been taken by January 15, 2005.	Factory agreed to provide all sewing machines with pedal mats. 2. Factory agreed to educate sewing operators to use needle guards properly. 3. Factory agreed to ensure that all sewing machines must have belt guards.	PC visited factory May 5, 2005, and confirmed that 1. All sewing machines were equipped with pedal mats. 2. Needle guards were properly used by sewing operators. 3. Belt guards were well attached to all sewing machines.	Photos	Completed			Pedal mats and belt guards have been installed on sewing machines. However, most needle guards on sewing machines were still seen to be tampered rendering them ineffective.	Physical Observation	December 18, 2008: While needle guards were missing from some sewing machines, those installed were tampered, rendering them ineffective. Pedal mats are missing from few sewing machines. May 25, 2009: Needle guards have been installed on those sewing machines where they were missing.	Visual inspection
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.	1. Those serving food in canteen are not using polythene gloves. 2. Ceiling fans in canteen are inadequate. Many dining areas do have ceiling fans. 3. Toilet ratio for male employees is 1:38. 4. Some of toilet closets in ladies toilet blocks do not have dustbins with lids.	Visual Inspection	No	Finding was incriminating			1. Persons who serve food in canteen should use polythene gloves properly. 2. Factory should provide adequate ceiling fans in canteens. 3. Factory must ensure that there is a sufficient number of toilets for male employees. 4. Factory should provide dustbins with lids for dustbins in ladies toilet blocks.	Factory confirmed that corrective actions had been taken by February 15, 2005.	Factory agreed to provide canteen staff with polythene gloves to serve food. 2. Extra ceiling fans will be installed to ensure better ventilation in canteen. 3. Factory agreed to add at least 4 more urinals at male toilets so as to comply with legal requirement. 4. Factory agreed to provide all toilets with dustbins with lids.	PC visited factory May 5, 2005 and confirmed that 1. Canteen staff provided with polythene gloves to serve food. 2. Ceiling fans added in canteen areas. 3. 4 additional urinals at male toilets have not yet been installed. Further checking is required. 4. Dustbins with lid provided in all toilets.	Photos	Completed	PC visited factory January 11, 2006, and noted that 4 additional urinals at male toilets had not been installed. Further checking is required on March 2006.		Those serving food in canteen still not using appropriate gloves for hygiene. Additional ceiling fans have been installed in dining area in canteen. Toilet ratio for male workers now meets legal standard; however, bins with lids still missing from few toilet closets in ladies' toilet blocks.	Physical Observation	December 18, 2008: Gloves are now being used. Individual bins with lids are missing in some closets in ladies toilet blocks. May 25, 2009: Individual bins with lids have now been provided in all closets in ladies' toilet blocks.	Visual inspection

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											Factory Responses (Optional)	Company Follow Up (September 2005, January 2006)				Documentation	External Verification (June 12 - 13, 2008)	Documentation	Company Follow Up (December 18, 2008; May 25, 2009)	Documentation		
Sanitation in Dormitories	Per the Board of Investment Health & Safety Norms each worker must have an area of at least 40 sq. ft. to her/his. Toilet Ratio to be maintained at 1 per 25 and at least 1 first-aid trained person per 100 occupants.	All dormitories shall be kept secure, clean and have safety provisions (such as fire extinguishers, first aid kits, unobstructed emergency exits, emergency lighting etc.). Emergency evacuation drills should also be conducted at least annually.	Temporary accommodation provided for new workers until they are able to make alternate arrangements. Presently, 40 workers staying in accommodation provided by company. (During interview, management stated did not provide any worker accommodations) Observations: a) No cots and closets provided to girls for sleeping and storing personal belongings; b) Very poor ventilation and lighting, no fans; c) Vegetables and kerosene stoves for cooking seen in sleeping area; d) No fire extinguishers, no emergency lights, no evacuation plans and signs; e) Toilets and bathing area poorly maintained; f) Hole noticed in roof of 1 toilet block, most flushes not functional; g) No hand washes installed in toilet blocks; h) Bathing area with showers located outside of toilets provide no privacy; i) Cobwebs noticed on ceiling in many places; j) No provision for security.	Visual Inspection, Review of Lease Agreement.	Yes	Finding was corroborated by management during closing meeting.			Factory should ensure that all dormitories, if provided, kept secure, clean and have safety provisions (fire extinguishers, first aid kits, unobstructed emergency exits, emergency lighting etc.). Emergency evacuation drills should also be conducted at least annually.	N/A	Factory management stated it was a short-term solution to arrange newly hired workers to stay in temporary accommodation. Temporary accommodation demolished in April 2005. Going forward, all new workers will have to find accommodations by themselves.	N/A	N/A	N/A	N/A			Factory no longer provides temporary accommodation to new female recruits.	Interview with management and workers	December 18, 2008: Factory no longer provides temporary accommodation to new female recruits.	Interview with management and workers	
H&S.9 (Evacuation Requirements & Procedure)																			* 3 workers in fusing section caged in from all sides with no access to passage * In fusing section a workstation and some workers seen working on aisle. * Lockers placed at far end in canteen on passage have resulted in passage becoming very narrow. * Passage in training section located at (Factory named) is 2 levels and could result in people tripping.	Physical Observation	December 18, 2008: Most workers in fusing and finishing and few workers in sewing section are completely caged in no access to passages. Some workstations in finishing and cutting sections are placed on aisles. These lockers have now been removed and relocated. May 25, 2009: There is an improvement in fusing and finishing sections and access to passages are kept free from any obstruction at most workstations. However, few workers in finishing section are still completely caged with no access to passages. Further checking is necessary.	Visual inspection
H&S.10 (Safety Equipment & First Aid Training)																			First aid box in cutting section was blocked with bag containing fusing material.	Physical Observation	December 18, 2008: Approach to all first aid kits are being maintained clear.	Visual inspection
H&S.22 (Sanitation in Factory Facilities)																			Floors at toilet/hand wash areas are wet and could result in people slipping and falling.	Physical Observation	December 18, 2008: Rubber mats have been provided in areas in front of toilets and hand wash.	Visual inspection
H&S. Others																			Sharp needles protruding upwards seen on fabric lays and could cause injury to workers working here in cutting section.	Physical Observation	December 18, 2008: Empty thread cones now being placed over these needles to prevent injury.	Visual inspection
Other			1. A tag gun in production hall on 1st floor did not have operator's name marked on it. 2. Many female standing workers seen sporting high-heeled sandals with a hard base. Some seen to be working barefoot.	Visual Inspection	No	Finding was corroborated.			1. Factory should mark operator's name on tag gun in production hall on 1st floor. 2. Female workers who need to stand during production should wear shoes.	Factory confirmed that corrective action had been taken by January 15, 2005.	1. Individual tag guns will be marked with an identification number and operator's name. 2. All female workers who are required to stand during production are required to wear shoes.	PC visited factory May 5, 2005 and confirmed that 1. Tag guns clearly marked with both identification number and operator's name. 2. All female workers who are required to stand during production wearing comfortable sandals.	Photos	Complete					There is no activity on 1st floor now. [Elsewhere, tag guns marked with users' names]. Few female workers on standing jobs seen sporting high-heeled sandals or working barefoot.	Physical Observation	December 18, 2008: Tag guns were marked. While few female workers seen using high-heeled footwear, some seen working barefoot. May 25, 2009: Rubber mats have now been provided for workers on standing jobs. While most workers seen using rubber mats, few female workers seen using soft-soled footwear.	Visual inspection
7. Freedom of Association and Collective Bargaining Employers will recognize and respect the right of employees to freedom of association and collective bargaining.																						
8. Wages and Benefits Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a bonus, at least the minimum wage required by local law of the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.																						
Payroll Reporting	Board of Investments (BOI) labor standards and employment relations section 10, 11, 12 & 15, factories Ordinance no. 14 of 1935 and 3 of 1946, Act no. 15 of 1948, 16 of 1958 & 24 of 1970 Wage Board Ordinance of Sri Lanka no. 27 of 1941, 40 of 1943, 19 of 1945, 22 of 1945.	Accurate and reliable payroll reporting, including pay stubs, will be provided.	1. In absence of pay records, accurate compensation for canteen workers, toilet workers and security guards cannot be verified.	Interview with management, canteen and security guard	No	Finding was corroborated.			Regarding outsourced services (canteen, housekeeping workers, security guards), factory should have an agreement with each outsourced party. Agreement stipulates outsourced parties to treat their workers pursuant to local regulations (i.e., working hours, minimum wages, OT compensations, legally mandated benefits). Outsourced parties are required to keep track of working hours and to maintain time cards and payroll records. Factory is required to monitor outsourced parties to verify if they treat workers properly.	Factory confirmed that corrective action would be taken by June 30, 2005.	Factory agreed to sign agreement with each of the outsourced parties which employ security guards, canteen and housekeeping workers. This will ensure that those employees working for them will be entitled to all legally mandated benefits.	PC visited factory May 5, 2005 and noted that factory had been discussing terms with outsourced parties including security guards, canteen and housekeeping for signing agreement. PC will conduct follow-up audit in August/September 2005 and will select some workers of outsourced parties and conduct interviews to ensure that they are paid properly.	Records of Interview	Completed				Pay records are now available for security guards only. Still not available for canteen and housekeeping workers.	Review of Records and Interview with management	December 18, 2008: Wage records not available for canteen workers. Review of wage slips revealed that these workers are being paid Rs 5400 per month, which is below minimum wage of Rs 5750 per month, as per wage notification effective September 2005. May 25, 2009: Wage records for canteen workers are now being maintained at facility. Review of wage records reveal that these workers are being paid at Rs 5750 per month with effect from January 2008, which is a per with existing wage notification.	Review of records	
Time Recording System		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.	1. Since time records are not maintained for canteen and toilet workers, their total hours of work cannot be confirmed.	Interview with management, canteen and toilet workers	No	Finding was corroborated.			Regarding outsourced services (canteen, housekeeping workers, security guards), factory should have an agreement with each outsourced party. Agreement stipulates outsourced parties to treat their workers pursuant to local regulations (i.e., working hours, minimum wages, OT compensations, legally mandated benefits). Outsourced parties are required to keep track of working hours and to maintain time cards and payroll records. Factory is required to monitor outsourced parties to verify if they treat workers properly.	Factory confirmed that corrective action would be taken by June 30, 2005.	Factory agreed to sign an agreement with each of the outsourced parties which employ security guards, canteen and housekeeping workers. This will ensure that those employees working for them will be entitled to all legally mandated benefits.	PC visited factory May 5, 2005 and noted that factory had been discussing terms with outsourced parties including security guards, canteen, housekeeping for signing agreement. PC will conduct follow-up audit in August/September 2005 and will select some workers of outsourced parties and conduct interviews to ensure that they do not work more than 60 hours in a week under normal circumstances.	Records of Interview	Completed				No change in status, time records for canteen and housekeeping workers are still not maintained.	Interview with management	December 18, 2008: Time records for all are now available. Review of time records for canteen and housekeeping workers reveal that these workers were working within 60 hours a week.	Review of records	
Record Maintenance		All compensation records will be maintained accurately and should be acknowledged by the employee as accurate.	No compensation records are maintained for security guards, canteen and toilet workers.	Interview with management, canteen and toilet workers.	No	Finding was corroborated.			Regarding outsourced services (canteen, housekeeping workers, security guards), factory should have an agreement with each outsourced party. Agreement stipulates outsourced parties to treat their workers pursuant to local regulations (i.e., working hours, minimum wages, OT compensations, legally mandated benefits). Outsourced parties are required to keep track of working hours and to maintain time cards and payroll records. Factory is required to monitor outsourced parties to verify if they treat workers properly.	Factory confirmed that corrective action would be taken by June 30, 2005.	Factory agreed to sign an agreement with each of the outsourced parties which employ security guards, canteen and housekeeping workers. This will ensure that those employees working for them will be entitled to all legally mandated benefits.	PC visited factory May 5, 2005 and noted that factory had been discussing terms with outsourced parties including security guards, canteen and housekeeping for signing agreement. PC will conduct follow-up audit in August/September 2005 and will select some workers of outsourced parties and conduct interviews to ensure that all compensations will be acknowledged by employees and these records are accurately maintained.	Records of Interview	Completed				Compensation records are now maintained for security guards; however, still not maintained for canteen and housekeeping workers.	Review of records and interview with management	December 18, 2008: These are still not maintained. Only wage slips were seen filed in individual workers files. May 25, 2009: Compensation records are now being maintained for canteen and housekeeping workers.	Review of records and interview with management	
Legal Benefits		Employers will provide all legally mandated benefits to all eligible workers.	In the absence of records, cannot be verified.	Interview with management, canteen and toilet workers.	No	Finding was corroborated.			Regarding outsourced services (canteen, housekeeping workers, security guards), factory should have an agreement with each outsourced party. Agreement stipulates outsourced parties to treat their workers pursuant to local regulations (i.e., working hours, minimum wages, OT compensations, legally mandated benefits). Outsourced parties are required to keep track of working hours and to maintain time cards and payroll records. Factory is required to monitor outsourced parties to verify if they treat workers properly.	Factory confirmed that corrective action would be taken by June 30, 2005.	Factory agreed to sign an agreement with each of the outsourced parties which employ security guards, canteen and housekeeping workers. This will ensure that those employees working for them will be entitled to all legally mandated benefits.	PC visited factory May 5, 2005 and noted that factory had been discussing terms with outsourced parties including security guards, canteen and housekeeping for signing agreement. PC will conduct follow-up audit in August/September 2005 and will select some workers of outsourced parties and conduct interviews to ensure that workers are entitled to all legally mandated benefits.	Records of Interview	Completed				Records are now maintained for security guards; however, still not maintained for canteen and housekeeping workers.	Review of records and interview with management	December 18, 2008: Legally mandated benefits and benefits of Employee Trust Fund and Employee Provident Fund not given to canteen workers. Management stated that catering firm applied to concerned department for registration in October 2008 and expect to receive it this month. In case of outsourced workers (security, housekeeping) contribution calculation to EPF and ETF based only on basic wages. Sunday/holiday wages not being included as per BOI guidelines. Security guards work 12 hour shifts 5 days/week to maintain work week of 60 hours. They are then given 2 days off by rotation. With this, some guards end up working Sunday, the declared rest day, and paid normal wages. Per BOI guidelines, any work done on rest days is to be compensated at premium rates. May 25, 2009: Legally mandated benefits now extended to canteen workers. But, contribution calculation to EPF and ETF still based only on basic wages. Regarding shift arrangement for security guards, confirmed factory has obtained approval letter from BOI, stating that wages currently being paid to outsourced security guards who work on shift/rotator basis are in alignment with BOI Labour Standard and Employment Relations Manual. Further checking is necessary.	Review of records and interview with management	
Payment of Wages		Legally mandated bonuses (e.g., 13th month payments and severance payments) will be paid in full and in a timely manner.	In the absence of records, cannot be verified.	Interview with management, security canteen and toilet workers.	No	Finding was corroborated.			Regarding outsourced services (canteen, housekeeping workers, security guards), factory should have an agreement with each outsourced party. Agreement stipulates outsourced parties to treat their workers pursuant to local regulations (i.e., working hours, minimum wages, OT compensations, legally mandated benefits). Outsourced parties are required to keep track of working hours and to maintain time cards and payroll records. Factory is required to monitor outsourced parties to verify if they treat workers properly.	Factory confirmed that corrective action would be taken by June 30, 2005.	Factory agreed to sign agreement with outsourced party which employs security guards, canteen and housekeeping workers. This will ensure that those employees working for them will be entitled to all legally mandated benefits.	PC visited factory May 5, 2005 and noted that factory had been discussing terms with outsourced parties including security guards, canteen and housekeeping for signing agreement. PC will conduct follow-up audit in August/September 2005 and will select some workers of outsourced parties and conduct interviews to ensure that employees are entitled to legally mandated bonuses.	Records of Interview	Completed				Records now maintained for security guards; however, still not maintained for canteen and housekeeping workers.	Review of records and interview with management	December 18, 2008: No records available for canteen workers. May 25, 2009: Employment records now being maintained for canteen workers and were made available by review.	Interview with management	
Payment of Legal Benefits		Legally mandated benefits will be provided or paid in full within legally defined time periods.	In the absence of records, cannot be verified.	Interview with management, security canteen and toilet workers.	No	Finding was corroborated.			Regarding outsourced services (canteen, housekeeping workers, security guards), factory should have an agreement with each outsourced party. Agreement stipulates outsourced parties to treat their workers pursuant to local regulations (i.e., working hours, minimum wages, OT compensations, legally mandated benefits). Outsourced parties are required to keep track of working hours and to maintain time cards and payroll records. Factory is required to monitor outsourced parties to verify if they treat workers properly.	Factory confirmed that corrective action would be taken by June 30, 2005.	Factory agreed to sign an agreement with each of the outsourced parties which employ security guards, canteen and housekeeping workers. This will ensure that those employees working for them will be entitled to all legally mandated benefits.	PC visited factory May 5, 2005 and noted that factory had been discussing terms with outsourced parties including security guards, canteen and housekeeping for signing agreement. PC will conduct follow-up audit in August/September 2005 and will select some workers of outsourced parties and conduct interviews to ensure that workers are entitled to all legally mandated benefits, and they are paid in full within legally defined period.	Records of Interview	Pending				Records are now maintained for security guards; however, still not maintained for canteen and housekeeping workers.	Review of records and interview with management	December 12, 2008: Not provided to canteen workers. Legally mandated benefits of Employee Trust Fund and Employee Provident Fund extended to these workers. Management stated that catering firm has applied to concerned department for registration in October 2008 and expect to receive it this month. In case of outsourced workers (security, housekeeping) calculation of contribution to EPF and ETF based only on basic wages. Sunday and holiday wages not being included as per BOI guidelines. Security guards work on 12 hour shifts 5 days/week to maintain work week of 60 hours. They are then given 2 days off by rotation. With this, some guards end up working on Sunday, the declared rest day, and are paid normal wages. Per BOI guidelines, any work done on rest days is to be compensated at premium rates. May 25, 2009: Legally mandated benefits now extended to canteen workers. But, calculation of contribution to EPF and ETF still based only on basic wages. Regarding shift arrangement for security guards, confirmed that factory has obtained an approval letter from BOI, stating that wages currently being paid to outsourced security guards, who work on shift/rotator basis are in alignment with BOI Labour Standard and Employment Relations Manual. Further checking is necessary.	Review of records and interview with management	
Timely Payment of Benefits		All legally mandated deductions for taxes, social insurance, or other purposes will be deposited each pay period in the legally defined account or transmitted to the legally defined agency. This includes any lawful contributions for back taxes, etc. The employer will not hold any of these funds over from one pay period to the other unless the law specifies that deposits are to be made less frequently than pay periods (e.g., monthly deposits, weekly pay). If the law does not specify, then deposits will be made before the next pay period in all cases.	In the absence of records, cannot be verified.	Interview with management, security, canteen and toilet workers	No	Finding was corroborated.			Regarding outsourced services (canteen, housekeeping workers, security guards), factory should have an agreement with each outsourced party. Agreement stipulates outsourced parties to treat their workers pursuant to local regulations (i.e., working hours, minimum wages, OT compensations, legally mandated benefits). Outsourced parties are required to keep track of working hours and to maintain time cards and payroll records. Factory is required to monitor outsourced parties to verify if they treat workers properly.	Factory confirmed that corrective action would be taken by June 30, 2005.	Factory agreed to sign an agreement with each of the outsourced parties which employ security guards, canteen and housekeeping workers. This will ensure that those employees working for them will be entitled to all legally mandated benefits.	PC visited factory May 5, 2005 and noted that factory had been discussing terms with outsourced parties including security guards, canteen and housekeeping for signing agreement. PC will conduct follow-up audit in August/September 2005 and will select some workers of outsourced parties and conduct interviews to ensure that all legally mandated deductions such as taxes, social insurance, or other deductions will not be held for more than one pay period, unless legally allowed.	Records of Interview	Completed				Records are now maintained for security guards; however, still not maintained for canteen and housekeeping workers.	Review of records and interview with management	December 18, 2008: Records still not maintained for canteen workers. May 25, 2009: Employment records now being maintained for canteen workers and were made available for review.	Interview with management and review of records.	
Record Maintenance		All legally required payroll documents, journals and reports will be available complete, accurate and up-to-date. (In United States terms this would include W-4's, 9's, green cards, 941's and supporting materials.)	Date of payment not mentioned on the pay register.	Review of documents	No	Finding was corroborated.			The factory should ensure that the payment date is stated on the pay register.	Factory confirmed that corrective action had been taken January 30, 2005.	The factory agreed to mark the date of payment on the pay register.	PC visited factory May 5, 2005, and confirmed that payment date had been marked on the pay register.	Copy of the pay register	Completed					Date of payment is now recorded on the pay register/records.	Review of payroll records	December 18, 2008: Not provided. Only date and time of printing of pay record is available. May 25, 2009: Date of payment now recorded on pay register/records.	Review of records
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 each 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.																						

FLA Code/Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Monitor's Findings	Documentation Verified Via Multiple Interviews and review of documents	Was Finding Corroborated? Yes or No	If Not Corroborated, Explain Why	Best Practice	PC Internal Audit Findings (Optional)	Remediation				Documentation	Status Completed, Pending, Ongoing	Updates		Third-Party Verification		Company Verification Follow Up		
									PC Remediation Plan	Target Completion Date	Factory Response (Optional)	Company Follow Up (May 2005)			Company Follow Up (September 2005, January 2006)	Documentation	External Verification (June 12 - 13, 2006)	Documentation	Company Follow Up (December 18, 2006; May 25, 2009)	Documentation	
Forced Overtime	BOI (Board of Investments) standards on Hours of Work, Factories Ordinance Act 6 & 32 of 1964	Under extraordinary business circumstances, employers will make extensive efforts to secure voluntary overtime work prior to mandating involuntary overtime.	1. Most workers stated during interviews they have to request permission to leave factory after completing regular working hours should they not wish to work overtime. 2. Most workers interviewed stated they have to produce medical certificates if they do not wish to work night shifts. 3. Instances noticed where few workers have worked night shifts, though their signatures are missing from consent sheet. (Factory forwards an application to BOI every week for permission to work night shifts. Along with this application, a consent letter is enclosed signed by workers willing to work night shift.)	Interview with management	No	Finding was incurring.		1. Factory should ensure that employees are free to leave production floor after completing regular working hours. Set of policy and related procedures should be established so that overtime is on a voluntary basis. 2. Employees can have a right to refuse to work night shifts. Factory should introduce incentives to encourage workers to work night shift. Employees can have a right to refuse to work night shifts. Workers who agree to work night shifts have to sign off on consent sheet.	Factory confirmed that corrective actions would be taken by July 31, 2005.	1. Factory agreed to ensure that all employees are free to leave production floor after completing normal working hours. Set of policy and related procedures will be instituted so overtime will be on voluntary basis. 2. Factory agreed to provide incentives to encourage workers to work night shift. Employees can have a right to refuse to work night shifts. Employees are not required to present medical certificate if they do not wish to work night shifts. 3. Factory agreed to arrange employees to sign worksheet to obtain their consent to work night shift. There are night shifts only during unexpected business circumstances and those employees working night shifts are provided with food, transportation and incentive bonus.	PC visited factory May 5, 2005 and noted that factory was still working on corrective actions. PC will conduct follow-up audit in August/September 2005.	A copy of night shift policy and procedures, copy of consent sheet, records of interview	Completed	PC visited factory January 11, 2006, and noted that factory was still working on corrective actions. PC will conduct follow-up audit March 2006.	Workers are now not required to take permission if they do not wish to work overtime and leave after regular hours of work. Practice of requiring a medical certificate for not working night shifts has been discontinued. Factory has not been working night shifts.	Interview with workers and management and review of records	December 18, 2006: No exception noted.	Interview with management and review of records			
Reasonable Maintaining of Staff		Employer personnel practices will demonstrate an effort to maintain a level of staffing that is reasonable level of production or continuing fluctuations in business demand.	Factory production capacities are calculated on 61 hours of work per week.	Interview with management	No	Finding was incurring.		Factory should make sure that employees do not work over 60 hours a week in normal business circumstances. Factory should reevaluate production capacity, so as to arrange employees working less than 60 hours a week.	Factory confirmed that corrective action would be taken by June 30, 2005.	Factory agreed to control working hours, with a maximum of 60 hours a week.	PC visited factory May 5, 2005 and noted that factory was working on a plan to reduce the total working hours. PC will conduct follow-up audit in August/September 2005.	Time record, records of interview	Completed	PC visited factory January 11, 2006, and noted that factory was working on a plan to reduce total working hours. PC will conduct follow-up audit in March 2006.	Factory now works 60 hours per week as follows: 10.5 hours Monday, Tuesday, Thursday, Friday; 9 hours Wednesday, Saturday	Review of time records and interview with workers and management	December 18, 2006: Factory now works 60 hours per week as follows: 10.5 hours Monday, Tuesday, Thursday, Friday; 9 hours Wednesday, Saturday	Review of time records and interview with workers and management			
Overtime Limitations		Except in extraordinary business circumstances, employees will (i) not be required to work more than 48 hours/week and 12 hours overtime or (ii) 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, regular work week in such country plus 12 hours overtime; and (iii) be entitled to at least 1 day off in every 7 day period. An extraordinary business circumstance is temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	1. Factory's daily regular working hours planned for 9 hours and 45 minutes with break of 45 minutes. This means factory works 9 regular hours daily. As per BOI labor standards and employment relations, section 2.1.1 on Hours of Work, Factory can work 9 hours per day inclusive of an interval of 1 hour for meal or rest.	Interview with management and security guards and review of records	No	Finding was incurring.		Factory should follow local regulation and can work 9 hours per day, inclusive of an interval of 1 hour for meal or rest.	Factory confirmed that corrective action would be taken by July 31, 2005.	Factory agreed to adhere to local regulation, which stipulates total weekly working hours to be kept under 48 hours. Factory will obtain consent from local government so that factory can operate 9 hours during weekdays. All working hours during Saturdays are treated as overtime.	PC visited factory May 5, 2005 and noted that factory was still awaiting local government's approval. PC will conduct follow-up audit in August/September 2005.	Approval from local government	Completed	PC visited factory January 11, 2006 and noted that factory was still awaiting local government's approval. PC will conduct follow-up audit in March 2006 to ensure that working hours on Saturdays are regarded as overtime and workers are properly compensated.	Board of Investment (BOI) office in [Town name] to pursue these things and work schedules.	Interview with management and review of letter issued by Board of Investment, [Town name]	December 18, 2006: Factory now has written permission from Board of Investment office in [Town name] to pursue these things and work schedules.	Interview with management and review of letter issued by Board of Investment, [Town name]			
Overtime Limitations		Except in extraordinary business circumstances, employees will (i) not be required to work more than 48 hours/week and 12 hours overtime or (ii) 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, regular work week in such country plus 12 hours overtime; and (iii) be entitled to at least 1 day off in every 7 day period. An extraordinary business circumstance is temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	2. Security guards work on 14 hours day shift (6am to 8pm)	Interview with management and security guards and review of records	No	Finding was incurring.		Regarding outsourced services (canteen, housekeeping workers, security guards), factory should have an agreement with each outsourced party. Agreement stipulates outsourced parties treat their workers pursuant to local regulations, (i.e., working hours, minimum wages, OT compensations, legally mandated benefits). Outsourced parties are required to keep track of working hours and to maintain time cards and payroll records. In addition, factory required to monitor the outsourced parties to ensure that outsourced parties treat workers fairly. Factory should ensure that security guards work 60 hours a week and have 1 day off in a week.	Factory confirms that corrective action would be taken by July 31, 2005.	Factory agreed to renegotiate terms with security company to ensure that security guards work 60 hours a week, and have 1 day off in a week.	PC visited factory May 5, 2005 and noted that factory was still under negotiation with security firm. PC will conduct follow-up audit in August/September 2005.	Record of interview (Security guard)	Completed	PC visited factory January 11, 2006 and noted that factory is still under negotiation with security firm. PC will conduct follow-up audit in March 2006.	Security guards now work on 12 hours shifts, 5 days a week.	Interview with security guards and management and review of security guards' time records	December 18, 2006: Security guards now work on 12 hours shifts, 5 days a week. Manual time records are maintained for outsourced services (security, canteen, housekeeping workers). Drivers do not use electronic time recording system. A manual time card is maintained, based on which manual entries are made in computerized time recording system. Based on manual entries made in computerized time recording system, wages are calculated. May 25, 2009: Time tracking for outsourced services (security, canteen) now being done through punch card system. Factory continues to maintain manual time recording system for housekeeping workers, which reflects only shift times instead of actual in and out times. In addition, drivers do not use electronic time recording system or punch card. A manual time card is maintained based on which manual entries are made in computerized time recording system. Based on manual entries made in computerized time recording system, wages are calculated.	Interview with security guards and management and review of time records			
Overtime Limitations		Except in extraordinary business circumstances, employees will (i) not be required to work more than 48 hours/week and 12 hours overtime or (ii) 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, regular work week in such country plus 12 hours overtime; and (iii) be entitled to at least 1 day off in every 7 day period. An extraordinary business circumstance is temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	3. Many workers work in excess of 60 hours per week.	Interview with management and security guards and review of records	No	Finding was incurring.		Factory should make sure that employees do not work over 60 hours in a week in normal business circumstances. Factory should reevaluate production capacity, so as to arrange employees working less than 60 hours a week.	Factory confirmed that corrective action would be taken by July 31, 2005.	Factory agreed to control working hours, with a maximum of 60 hours a week.	PC visited factory May 5, 2005 and noted that factory was working on plan to reduce total working hours. PC will conduct follow-up audit in August/September 2005.	Time record, records of interview	Completed	PC visited factory January 11, 2006 and noted that factory was working on a plan to reduce the total working hours. PC will conduct follow-up audit in March 2006.	Workers are now working within 60 hours/week.	Interview with workers and management and review of time records	December 18, 2006: Workers are now working within 60 hours/week.	Interview with workers and management and review of time records			
Overtime Limitations		Except in extraordinary business circumstances, employees will (i) not be required to work more than 48 hours/week and 12 hours overtime or (ii) 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, regular work week in such country plus 12 hours overtime; and (iii) be entitled to at least 1 day off in every 7 day period. An extraordinary business circumstance is temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	4. Instances of workers working continuously for 15 days without a weekly off noticed.	Interview with management and security guards and review of records	No	Finding was incurring.		Factory should ensure that employees entitled to 1 day off in a week.	Factory confirmed that corrective action would be taken by July 31, 2005.	Under normal business circumstances, factory should allow workers to have 1 day off in a week.	PC visited factory May 5, 2005 and noted that remedial action had not been taken. PC will conduct follow-up audit in August/September 2005.	Time record, records of interview	Completed	PC visited factory January 11, 2006 and noted that remedial action had not been taken. PC will conduct follow-up audit in March 2006.	Workers being provided 1 day off per week; however, occasional instances of Sunday work noticed, though in most cases, workers had been subsequently provided a compensatory off day.	Interview with workers and management and review of time records	December 18, 2006: Workers being provided 1 day off per week; however, occasional instances of Sunday work noticed, though in most cases, workers had been subsequently provided a compensatory off day.	Interview with workers and management and review of time records			
18. 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.																					
WEOI 10 (Premium/Overtime Compensation)																					
Housekeeping workers work 1 hour overtime on a daily basis, but are not compensated for it.																					
Interview with housekeeping workers																					
December 18, 2006: Effective August 2006, these workers are being compensated for all extra hours worked.																					
Interview with workers and management and review of time records																					
Miscellaneous																					
Illegal subcontracting			Review of documents collected from stores reveals that factory subcontracts to the following firms: [Firm names: 1, 2, 3, 4, 5, 6] (During interview with management they clearly denied using any subcontractors.)	Review of documents	Yes	Management had initially stated that apart from washing they do not subcontract any other process/operation; however, agreed to finding during closing meeting.		Unauthorized subcontracting is not allowed pursuant to PC's policy. Factory has to obtain PC's prior approval before engaging in any subcontracting activities. PCs will reiterate to factory that no unauthorized subcontractors are allowed, unless approval is obtained from PCs.	Effective immediately	Factory agreed to obtain consent of PCs before engaging in any subcontracting activities.	PCs have made it clear to factory that unauthorized subcontracting is strictly prohibited. QA department of PCs have been informed to stay alert.	N/A	Completed	PCs have made it clear to factory that unauthorized subcontracting is strictly prohibited. QA department of PCs have been informed to stay alert.	Factory subcontracts for printing to [Subcontractor name] in [Place name]	Interview with management	December 18, 2006: While printing is done in [Subcontractor facility name], washing is done at [Subcontractor facility name 2] (owned by same group). Factory subcontracts embroidery to a unit which is located within same complex as this factory, but managed by [Subcontractor facility name 2].	Interview with management and visual inspection of embroidery unit during factory tour.			
Other								1. Factory organizes annual get together for all employees with cultural shows. Gifts for employees who have worked with factory for over 10 years, best employee awards are given. 2. Factory provides free transport to workers to go to and return from their villages during festival holidays. 3. Factory sponsors an annual picnic for workers.													