

FLA Audit Profile		Independent External Verification		Independent External Verification	
Country	Bangladesh	Bangladesh	Bangladesh	Country	Bangladesh
Factory name	38020586D	Factory Name: 38020586DV	38020586DV	Factory name	LIFT Standards Ltd.
Item	LIFT Standards Ltd.	Phulki	Level Works Limited	Item	June 15- 16, 2009
Date(s) in facility	July 30-31 & August 2 and 4, 2005	September 12, 2007	Top of the World	Date(s) in facility	July 30-31 & August 2 and 4, 2005
PC(s)	Top of the World and Outdoor Cap Company	Top of the World	Top of the World	PC(s)	Top of the World and Outdoor Cap Company
Number of workers	848	Top of the World	Top of the World	Number of workers	848
Production processes	Caps and Hats	Cutting, sewing and finishing	Cutting, sewing and finishing	Production processes	Caps and Hats

FLA Code/Compliance Issue	Country/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	EM Findings	Evidence of Non-compliance (non-observance)	If not corroborated, explain why	Sources/Documentation used for corroborating	Notable Features by Factory Management or Company	PC Remediation plan	Target Completion Date	Remediation		Updates (Date of Follow up)		Third Party Verification		Company Verification Follow up		Third Party Verification		Company Verification Follow up			
												Factory Response (Optional)	Company follow up (Date date of follow up)	Documentation	Company follow up	Documentation	Third Party Verification	Documentation	Company Follow up	Documentation	Third Party Verification	Documentation	Company Follow up	Documentation	
1. Code Awareness		FLA Principle of Monitoring, Obligation of Companies: Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of posters in prominent places (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 unaware of the code of conduct and its purposes. No formal training system exists.					Workers and management interview about the training and records reviewed.		Outdoor Cap and Top of the World (OCC/TOW) request factory to send photos of the training and signed documentation of workers that attended the training. OCC/TOW request factory to send picture of superior that trained workers and his signed documentation of training for our records. - Send us pictures of suggestion/grievance boxes for workers in the factories and advise how many boxes are available and the location of these boxes. - Advise who is in charge of collecting the suggestion/grievances from these boxes and how often are they collected. - Send us procedures of how the suggestion/grievances are handled so that they can be resolved for the worker.	1st week of August 2006	Factory will send photos of the training of Code of Conduct. They will also send notes of the training and signed documentation from workers that took the training in the first week of August 2006.	Factory sent photos of workers completing training.	Factory sent photos of CQC meetings held for employees and signature sheets from employees that attended. Received 8/23/06 on file at OCC and TOW.	Compliance officer produced schedules for training conducted during the last 12 months by the signature of workers on them. But workers and trainers in charge informed the monitors that only one evaluation and fire fighting training were conducted on a regular basis. Workers are still not aware of the factory rules and Code of Conduct.	Review of training schedule, interview with compliance and welfare officer, worker interview.	Factory does periodic training - sign in sheets for training to be submitted to TOW 5/06.	Complete. Regular monthly training is conducted and workers (especially old workers) found aware of the code provisions and factory rules like leave entitlement, OT calculation, disciplinary systems etc.	Training document review and worker interview						
Confidential non-compliance reporting channel		FLA Principle of Monitoring, Obligation of Companies: Develop a secure communication channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on non-compliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.	There is no confidential non-compliance reporting channel that exists in the factory.					workers and management interview and recording system reviewed.		OCC/TOW requests factory to send us pictures of suggestion/grievance boxes for workers in the factories and advise how many boxes are available and the location of these boxes. - Advise who is in charge of collecting the suggestion/grievances from these boxes and how often are they collected. - Send us procedures of how the suggestion/grievances are handled so that they can be resolved for the worker.	1st week of August 2006	Factory will send pictures of suggestion/grievance boxes, quantity of boxes, location of boxes along with documents of procedure of how suggestion/grievances are collected and handled.	The factory sent photos of suggestion boxes.	Factory sent photos of suggestion/grievance boxes in place and procedure for how suggestion/grievances are collected and handled. These items are on file at the PCs.	The workers are not accustomed to dropping complaints/suggestions in the designated boxes because they think the complaint boxes placed in the locker do not resolve the workers' problems. Monitors also noted that no complaints were recorded in the complaint register for the last 12 months. Complaint and suggestion boxes were opened by the welfare officer on a fortnightly basis, although no remediation plan they have to be opened by Worker Welfare Committee (WWC). The confidential non-compliance reporting channel was not functional.	Interview with the workers and welfare officer, review of complaint register and complaint file.	Workers can contact our local auditor for complaints. His telephone number and email are posted at the factory.	Incomplete. A secure reporting channel to contact the company was not found. Workers were found unaware of the communication channel i.e. contact number and email of the company representative.	Visual inspection and workers interview.	COMPLETE. 00924/09 WWC posters placed in various locations in worker areas.	Examples of the poster and a photo of this displayed in the factory are updated at the FFC site.				
2. Forced Labor		FLA Principle of Monitoring, Obligation of Companies: Do not use any form of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.	Workers are not provided with appointment letter and confirmation letter. The letters are signed by the workers and kept in the personnel files. Some documents are not consistent. 8 - No appointment letter, 1 person - no confirmation letter, 5 appointment letter without sign of management, Employment contract does not contain signature from management. No settlement paper for the terminated workers. Interview at least 3 months' time to complete one personnel file.					Workers interview and management interview and records of personnel file reviewed.		1. The factory must give each employee an appointment letter and confirmation letter as required by local law. A copy of the letters will be kept in the employee's personnel files at all times. Management must sign both the appointment letter and confirmation letter. The original appointment and confirmation letters should include the statement: "I, employee name, have read and received a copy of this letter." Employee sign and date the letter. Give a copy to the employee for their records. This is to be implemented immediately for all appointments and new hires. The factory is to send at least 5 copies of the newly signed confirmation/appointment letters to TOW/OCC by Nov. 1, 2005.	11/1/2005	The factory has already started to give each employee an appointment letter and confirmation letter as required by local law. The factory is also keeping a copy of the letters in the employee's personnel files at all times. Will send requested items by 11/1/05.	1. The factory sent 5 copies of employee appointment/confirmation letters on 10/10/05, showing management signatures and employee signatures.	1. The factory sent 5 copies of employee appointment/confirmation letters on 10/10/05, showing management signatures and employee signatures.	Review of worker personnel files, management interview, interview with several newly recruited workers and review of workers' attendance register.	Complete. Personnel files are complete and latest one week to complete the new personnel files.	Personnel files review and interview new workers.								
Employment Records		Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision	It takes 3 months' time to open and complete a personnel file.					Personnel file review and worker interview.		The factory shall immediately have the service book, appointment letter including break-down of wages, age and fitness certificate completed upon hiring an employee. Send Top of the World/Occ Cap 5 copies of new employee service books, appointment letters including break-down of wages, on age and fitness certificates by November 1, 2005.	11/1/2005 & 11/1/2005	The factory is now giving the service book, appointment letter and fitness certificate to all new employees as well as existing employees. Will send requested items by 11/1/05.	Factory has sent copies of services books, appointment letters, etc. to satisfy this request. Dec. 05.	Copy of service book and appointment letters kept in files.	All present takes almost one month to complete one personnel file.	Review of worker personnel files, management interview, interview with several newly recruited workers and review of workers' attendance register.	Verification of length of time to complete personnel files - factory to supply copies of recent personnel files by 5/09.	Complete. It takes one week to complete the new workers' personnel files.	Personnel files review and interview new workers.						
Employment Records		Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision	Contract papers are not complete. Reviewed and found 5 contract papers and 1 contract collected where management signatures does not exist. Documents are not consistent. 8 - No appointment letter, 1 person - no confirmation letter, 5 appointment letter without signature of management. Employment contract does not contain signature from management. No settlement paper for the terminated workers. No settlement paper for the terminated workers.					Absence record review and management interview and personnel files reviewed, worker interview.		Both the factory management and the employees are signing all appointment letters and contracts in the presence of the employee. This is to go into effect immediately. Please send Top of the World/Occ Cap 5 copies of employee contract with employee and management signatures by November 1, 2005.	11/1/2005 & 11/1/2005	Both the factory management and the employees are signing all appointment letters and contracts in the presence of the employee. This is to go into effect immediately. Please send Top of the World/Occ Cap 5 copies of employee contract with employee and management signatures by November 1, 2005.	Factory has sent copies of services books, appointment letters, etc. to satisfy this request. Dec. 05.	Copy of service book and appointment letters kept in files.	All present factory does not employ any persons on contractual basis. The monitors found that no workers were employed on a contractual basis during the last 12 months.	Review of worker personnel files, interview with management and workers.	Complete. All the contract papers and personnel files found complete.	Personnel files review.							
3. Child Labor		FLA Principle of Monitoring, Obligation of Companies: Do not employ any child or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.	Workers' age certificates are issued after the job application date and joining date.					Personnel files and age document review.		The factory must make age determination prior to the employees joining date with the factory. This age determination must be documented in the employee's personnel files immediately for all new hires. Send Top of the World/Occ Cap 5 copies of age determination of newly hired employees by November 1, 2005.	11/1/2005	Factory Response: In our factory, child labor is strictly prohibited. We are currently reviewing the factory's age determination process prior to the employees joining date. This age determination also documented in the employee files. We will send all requested items by 11/1/05.	The factory sent 5 copies of age determination certificates. We are currently reviewing the factory's age determination process prior to the employees joining date. This age determination also documented in the employee files. We will send all requested items by 11/1/05.	The factory sent 5 copies of age determination certificates. We are currently reviewing the factory's age determination process prior to the employees joining date. This age determination also documented in the employee files. We will send all requested items by 11/1/05.	Monitors found that up until December 2005 all the age verification certificates from doctors were issued after the worker started working. During the period January to December 2006 some age verification certificates were issued. The factory gave TOW copies of policy and procedures on December 05.	Interview with workers & review of workers' personnel files.	Complete. Age and fitness certificates are issued on or before the joining of the new workers.	Personnel files review.							
Childcare facilities		Childcare facilities need to be in a separate building/area other than the production floor.	There is a childcare facility inside the factory premises on 4th floor. The childcare facility is not functional and used as a casual storage for dressmakers of the workers. No children were found in the center and workers are unaware about the facility and its advantages.					Visual inspection and training system management.		The factory must ensure that the childcare facility is clearly away from any production area. The childcare facility must be clear of all obstacles that are not related to childcare. The factory must make provision for the use of the childcare facility. We recommend the factory contract with LIFT- Standards to complete a consultancy training to help bring many different areas of the factory to the employees. We are taking the necessary actions to make this center functional. We shall send information about the day care center by 11/1/2005.	11/1/2005	Factory Response: It is impossible to us for shifting the childcare center from production floor. But in the future, we shall try to shift the childcare center from the production floor. No children are enrolled in childcare facility at this time. No updates have been made as of 10/17/06.	The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December 05.	OCC to discuss child care issue with factory management at Feb. 06 visit. OCC found child care facility which is located in the production floor, no children are enrolled in child care facility at this time. No updates have been made as of 10/17/06.	Workers interview, Management interview and Visual inspection.	Childcare center has been cleared but is still not in use. Target completion date: 11/09	Incomplete. Childcare facility is not functional and still in the main factory building on 4th floor. The childcare center was found empty without any one responsible (caretaker) for the facility and childcare was regularly found inside the factory building ground floor who was a nephew of a worker who works on the 4th floor of the building which is a sister concern of the factory (same owner). With the intention of the auditor the child was placed in the child care room for the time being.	Visual observation and workers interview.	COMPLETE. Immediate discussion of the child-care facility with factory management implemented as soon as the audit findings were given in the PC. A new room was created and equipped for the facility and childcare was regularly found inside the factory building ground floor who was a nephew of a worker who works on the 4th floor of the building which is a sister concern of the factory (same owner).	Photos are sent to FLA for review.					
Children on the Premises (New findings)		Children on the premises (New findings)																							
4. Harassment or Abuse		FLA Principle of Monitoring, Obligation of Companies: 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 formal disciplinary system, policy and procedure.					Management interview and workers interview.		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIFT- Standards and Top of the World/Occ Cap. Fully recommend that factory contract with LIFT- Standards Ltd. to complete this training program which consists of 2 days disciplinary and CQC training and a consultancy 4 months program. See attached list of disciplinary procedures as a reference of what your system should resemble. Please send Top of the World/Occ Cap the factory's related policies and procedures relating to discipline by and a set date for the training November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training program for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIFT- Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December 05. Factory has established and posted disciplinary policy and procedures. Training has occurred for management. Training to be provided to the workers the month of July 2006.	Copies of the policy and procedures are kept in files at OCC and TOW.	OCC to discuss when training will be given to workers.	Factory will send signed documentation from workers by August 1, 2006.	The factory has developed a policy and procedure on disciplinary action. However, the factory has not hired any outside consultant to provide training on per PC remediation plan. Compliance officer informed that they conducted training for supervisors/management on issues mentioned above. Factory has established and posted disciplinary policy and procedures. Training has occurred for management. Training to be provided to the workers the month of July 2006.	Review of policies and training schedule, interview with management and workers interview.	Factory does periodic training - sign in sheets for training to be submitted to TOW 5/06.	Complete. Disciplinary policy and procedure has been established and worker training is conducted on the above mentioned issues.	Documents review and workers interview.				
Progressive Discipline		Employees will utilize progressive discipline, i.e., escalating discipline using steps such as verbal warning, written warning, suspension, termination. Any exceptions to this rule, e.g., immediate termination for theft or assault, shall be in writing and clearly communicated to the workers.	Workers are terminated for continuous absence from work for 3 - 4 days.					Personnel files and termination cases.		According to the law "The Employment of Labor (Standing Order) Act, 1957", the employer is authorized to terminate a worker if she is absent from work for more than 10 days without prior permission or information to the management provided that upon the return the worker is not able to give a just explanation. In this case a registered letter will be sent to the temporary and permanent address of the worker with the information of loss of lien and request to report with a given date. If a report is submitted as outlined in a registered letter, she can be lawfully terminated. The factory shall immediately start complying with local law and shall amend the worker handbook to state as such. Please send Top of the World/Occ Cap a copy of the revised employee handbook translated into English and in local language highlighting this change.	11/1/2005	We shall immediately start complying with local law and shall amend the worker handbook. We shall send all requested items by 11/1/2005.	The factory has chosen not to hire LIFT- Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December 05. Factory has established and posted disciplinary policy and procedures. Training has occurred for management. Training to be provided to the workers the month of July 2006.	Copies of the policy and procedures are kept in files at OCC and TOW.	OCC to discuss when training will be given to workers.	Factory will send signed documentation from workers by August 1, 2006.	Interview with workers and management, review of workers' personnel files, worker register and worker handbook.	Factory does periodic training - sign in sheets for training to be submitted to TOW 5/09.	Complete. No such termination policy and procedure has been identified and workers informed of the policy. Factory has stopped informing of the policy. Factory issue warning letter or follow disciplinary system in case of such absence.	Documents review and workers interview.					
Disciplinary Practices		Employees will utilize consistent written disciplinary practices that are applied fairly among all workers	No disciplinary policies and procedures are found in effect in the factory. Only document maintained on disciplinary action is the warning letter. Some warning letter found where the reason of issuing the warning letter is not mentioned or ticked. In one letter there were 3 warnings issued at the same time, ending in termination without any justification.					Workers interview and personnel warning letters.		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIFT- Standards and Top of the World/Occ Cap. Fully recommend that factory contract with LIFT- Standards Ltd. to complete this training program which consists of 2 days disciplinary and CQC training and a consultancy 4 months program. See attached list of disciplinary procedures as a reference of what your system should resemble. Please send Top of the World/Occ Cap the factory's related policies and procedures relating to discipline by and a set date for the training November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training program for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIFT- Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December 05. Factory has established and posted disciplinary policy and procedures. Training has occurred for management. Training to be provided to the workers the month of July 2006.	Copies of the policy and procedures are kept in files at OCC and TOW.	OCC to discuss when training will be given to workers.	Factory will send signed documentation from workers by August 1, 2006.	Review of the policies and training schedule, interview with management and workers, review of workers' personnel files.	Factory does periodic training - sign in sheets for training to be submitted to TOW 5/06.	Complete. Disciplinary policy and procedure has been established and worker training is conducted on the above mentioned issues. Reason for disciplinary action is indicated on the warning letters.	Documents review and workers interview.					
Training of Management in Disciplinary Practices		Employers will provide training to managers and supervisors in appropriate disciplinary practices	No formal training is provided on disciplinary procedures.					management and workers interview.		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIFT- Standards and Top of the World/Occ Cap. Fully recommend that factory contract with LIFT- Standards Ltd. to complete this training program which consists of 2 days disciplinary and CQC training and a consultancy 4 months program. See attached list of disciplinary procedures as a reference of what your system should resemble. Please send Top of the World/Occ Cap the factory's related policies and procedures relating to discipline by and a set date for the training November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training program for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIFT- Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December 05. Factory has established and posted disciplinary policy and procedures. Training has occurred for management. Training to be provided to the workers the month of July 2006.	Copies of the policy and procedures are kept in files at OCC and TOW.	OCC to discuss when training will be given to workers.	Factory will send signed documentation from workers by August 1, 2006.	Review the training schedule, interview management, supervisors and workers.	Factory does periodic training - sign in sheets for training to be submitted to TOW 5/06.	Complete. Factory arranges internal training for the workers on the disciplinary system (policy and procedure) on a monthly basis.	Documents review and workers interview.					
Records Maintenance		Employers will maintain written records of disciplinary actions taken.	No written records maintained for the number of disciplined workers or suspended or fired workers on a monthly basis for the steps and procedures of disciplinary actions. Only warning letters issued and maintained properly with respective files. Warning/termination letter was found but no personnel handbooks for the number in question were available.					Management interview and personnel file check.		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIFT- Standards and Top of the World/Occ Cap. Fully recommend that factory contract with LIFT- Standards Ltd. to complete this training program which consists of 2 days disciplinary and CQC training and a consultancy 4 months program. See attached list of disciplinary procedures as a reference of what your system should resemble. Please send Top of the World/Occ Cap the factory's related policies and procedures relating to discipline by and a set date for the training November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training program for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIFT- Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December 05. Factory has established and posted disciplinary policy and procedures. Training has occurred for management. Training to be provided to the workers the month of July 2006.	Copies of the policy and procedures are kept in files at OCC and TOW.	OCC has requested signed documentation of training to be managed.	Factory will send signed documentation from workers by August 1, 2006.	Review workers personnel files, interview management and workers.	Complete. Records are maintained for disciplined and migrant workers on a monthly basis.	Documents review.						
Verbal Abuse		Employers will prohibit screaming, swearing, or demeaning worker language, absence and mistake in work. Workers are to make to stand in front of the sewing line for not an hour as punishment for absence.	Verbal abuse occurs in cases of failure to achieve the production target. Unauthorized absence and mistake in work. Workers are to make to stand in front of the sewing line for not an hour as punishment for absence.					workers and supervisors interview and group discussion.		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIFT- Standards and Top of the World/Occ Cap. Fully recommend that factory contract with LIFT- Standards Ltd. to complete this training program which consists of 2 days disciplinary and CQC training and a consultancy 4 months program. See attached list of disciplinary procedures as a reference of what your system should resemble. Please send Top of the World/Occ Cap the factory's related policies and procedures relating to discipline by and a set date for the training November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training program for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIFT- Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December 05. Factory has established and posted disciplinary policy and procedures. Training has occurred for management. Training to be provided to the workers the month of July 2006.	Copies of the policy and procedures are kept in files at OCC and TOW.	OCC has requested signed documentation of training to be managed.	Factory will send signed documentation from workers by August 1, 2006.	Focus group discussion, workers and management interview and factory tour.	Factory does periodic training - sign in sheets for training to be submitted to TOW 5/09.	Complete. Verbal abuse and informal punishment system has been identified and worker training is conducted. Training for the workers and supervisors has been conducted. But training needs to continue on a regular basis.	Workers interview & document review.					
Monetary Fines and Penalties		Employers will not use monetary fines and penalties for poor performance	Worker's attendance was deliberately omitted from the attendance register resulting in salary deduction for wrong/mistake in the work.					worker and supervisor interview and attendance and payment record reviewed.		The factory will immediately STOP the practice of omitting workers' attendance from the attendance register. Please send Top of the World/Occ Cap a copy of the attendance record for the months of September and October 2005 and a letter from top management that this practice has immediately been corrected by November 15, 2005.	11/15/2005	The factory has stopped the practice of omitting workers' attendance from the attendance register. The factory shall send a copy of the attendance register for the months of Sep. and Oct. 2005 and a letter from management stating as such by 11/15/2005.	The factory has stopped the practice of omitting workers' attendance register in files in the attendance register.	Copy of attendance register kept in files in the attendance register.	There was no evidence of omission with the factory's bookkeeping and there were no salary deduction due to doing a mistake with the job.	Workers and management interview, time records and payroll sheets review.	Complete. No case of salary deduction has been identified.	Workers interview & document review.							

