FLA Audit Profile	
Country	Bangladesh
Factory name	1000035SEE
IEM	PHULKI
Date(s) in facility	September 6-7, 2006
PC(s)	Phillips-Van Heusen Corp.
Number of workers	715
Product(s)	Apparel
Production processes	Cutting, Sewing, Finishing

FLA Audit Profile	
Country	Bangladesh
Factory name	1000035SEV
IEM	Level Works Limited/ Nurul
Date(s) in facility	July 27-29, 2010
PC(s)	Phillips-Van Heusen Corp.
Number of workers	3200 (including extended part)
Product(s)	Apparel
Production processes	Cutting, Sewing, Finishing

			IEM Factory					Remediation	
FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Noncompliance	Risk of Noncompliance	Evidence of Noncompliance (Uncontrovertible)	If Not Corroborated, Explain Why	Source(s) Documentation	Notable Features	PC Remediation Plan	Target Completion Date
1. Code Awareness										
Code Posting/Information		**FLA Principle of Monitoring, Obligation of Companies:** Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.		The factory's code of conduct (COC) was posted on the notice board, but it was partially covered by the other notices.			Visual inspection		We will onscreen the COC poster immediately. Welfare Officer will constantly monitor the compliance of the above. Responsible Person(s): [Plant-in-charge name], [Welfare Officer name]	September 2006
Worker/Management Awareness of Code		**FLA Principle of Monitoring, Obligation of Companies:** Ensure that all Company factories as well as contractors and suppliers inform their employees about the Company's commitment to workplace standards and the standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	Code awareness orientation/training was not conducted for the workers.				Worker interviews, record review		Factory will hire appropriate personnel to provide training. Factory will make training schedule and continue to provide refresher trainings to all staff and workers about the different issues, including SAC elements, and its continuous process. Responsible Person(s): [Manager (HRD) name], [General Manager name]	April-2007
Confidential Noncompliance Reporting Channel		**FLA Principle of Monitoring, Obligation of Companies:** Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.		Management did not show the original copies of workers complaints and commented that workers were not interested to drop any complaints or suggestions in the complaint box. Management did not fix any time/day to open the complaint box. So, workers do not have any opportunity to comment regarding opening the complaint box.			Management interview, record review, visual inspection		For the better effectiveness of grievance procedure, factory will make employees aware and educate workers on grievance procedure that how they could share their grievances with management through complaint/suggestion box and what is its procedure. Responsible Person(s): [Plant-in-charge name], [Welfare Officer name], [Manager, (HRD) name]	June 2007
Others - Establish Clear Standards	Obtain written agreement of company factories and contractors and suppliers to submit to periodic inspection and audits, including by accredited external monitors, for		PVH did not share any information about FLA with their vendor/factory. Factory did not know anything about FLA unannounced independent external monitoring visits.				Management interview		Factory was not aware that the PHULKI is the nominated agent of FLA. They were just confused as PC does notify all factories regarding FLA.	
2. Forced Labor										
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.										
Employment Records		Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision.	Management could not provide any personnel file for security guards.				Worker interviews, record review		Factory will make sure that in future that all staff and workers', including security guards, personnel files will be present at the factory for all future audits. Responsible Person(s): [HR Executive name], [Manager, HR name]	January 2007
Employment Records		Employers shall maintain sufficient hiring and employment records to demonstrate and verify compliance with this code provision.		Personnel files of long term absent workers (officially those who were terminated and had resigned job) were not completed/closed. For resigned workers, resignation letters should be kept in their personnel files. For workers who leave the without notice, a notice should be sent to the workers' mailing address and a copy of the notice must be attached up the			Management interview, record review		Factory will take necessary disciplinary action for long time absent, as per labor law and will keep records as usual. Responsible Person(s): [Plant-In-charge name], [Personnel Officer name], [Manager HR name]	June 2007
Recruitment Contracts		There can be no employment terms (including contracts, recruitment arrangements, or any other instruments) which specify that employees can be confined or be subjected to restrictions on freedom of movement; allow employers to hold wages already earned; provide for penalties resulting in employees receiving wages that are less than those owed workers for terminating employment. (It is acceptable to provide bonuses to workers who stay for a term of contract and meet reasonable conditions, such as regular attendance, punctuality, good quality, etc.	Management summarized the policy to print on the "workers guide book," which they use for worker code awareness and training. Please note that workers opportunity to reply, challenge or make disputable appeals against termination is limited to workers' guide book. For this reason, workers are not clear to take any initiative against the termination.				Worker and management interviews; record review		Factory will provide trainings and ensure workers are aware that they have the ability to reply, challenge or make appeals against termination. This will be reflected in the handbook as well.	July 2007
Copy of the Contract										
3. Child Labor										
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.										
Age Documentation		Employers will maintain proof of age documentation for all workers, such as a birth certificate, which verifies date of birth.	Factory has a policy for minimum age, which was written on workers' guide book. Factory has no written policy for age verification. Age is verified by factory medical officer and also verified through school certificates. The factory doctor does not verify age by any other means (bone age, i.e. physical development, teeth, educational background and date of first menstrual, but did not maintain any supporting documents (test results) with				Management and doctor interview; record review		Factory will recheck 100% of personnel files to identify such problems and correct them. A process will be placed so that there will be 2 people in the personnel, one will be responsible for checking that all documents are in the personnel files and the other person will be responsible to re-check to make double sure that age documents are in each file. Audition of the factory will conduct regular checks to identify irregularities and corrective action for irregularity. Responsible Person(s): [Personnel Officer name] will be the first checker, the re-checker will be [HR Executive name], Internal Auditor. Monitoring responsibility will be for [Manager HR name].	Nov-07
4. Harassment or Abuse										
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.										
Verbal Abuse		Employers will prohibit screaming, threatening, or demeaning verbal language.	Workers have experienced verbal harassment when they make mistakes in their work.				Worker and floor level management interviews		Though the factory has a non-harassment policy in its guidebook and COCs, factory will develop it for better effectiveness. Factory will conduct awareness program regarding non-harassment for management staff regarding these policies and procedures. As the question has come from the auditor, we will strictly screen and follow up the matter and will call special meeting with all supervisors and personnel staffs regarding the impact of the violation. Will identify reason and responsible person and will take necessary disciplinary action. Responsible Person(s): [GM name] will make sure that non-harassment policy and procedure is written; [Plant-In-charge name] and [Manager HR name] will be responsible to train all workers and management about the policy and procedure, [Personnel Officer name] will be responsible to keep proof of training and all other documentation regarding policy, procedure, notices, etc.	1-Jan
Disciplinary Practices		Employers will utilize consistent written disciplinary practices that are applied fairly among all workers.	The factory has no written policy and procedure on harassment and abuse.				Management interviews, record checking		Factory will conduct awareness program regarding non-harassment policy and will keep appropriate record. Responsible Person(s): [GM name], [Plant-In-charge name], [Manager (HRD) name]	Mar-07
5. Nondiscrimination										
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic										
6. Health and Safety										
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.										
Evacuation Procedure		All applicable legally-required or recommended elements of safe evacuation (such as posting of evacuation plans, emergency exits, periodic employee education, evacuation procedures, etc.) are complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.		Workers used to pile up the unfinished goods on aisles. Workers need training on how unblocked aisles are very important for evacuation procedures in case of emergency.			Visual inspection, photograph		Factory will follow up for effective implementation of safety policy and its procedure. Factory will monitor and implement the policy and procedure. Factory will train all related workers and staff about the safety policy and procedure. Responsible Person(s): [Plant-In-charge name], [GM name], [Manager HR name]	Oct-07
Personal Protective Equipment (PPE)		Workers shall wear appropriate protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements including medical waste.	Face masks to protect workers from fabric dust were not available and not in use in the sewing section.				Worker interviews, visual inspection, photograph		Factory's H&S policy and PPE use policy will be implemented. Workers and staff will be adequately trained about this policy and procedure. Responsible Person(s): [Plant In-charge name], [GM name], [Manager-HR name] will be responsible for monitoring.	October 2007
PPE		Workers shall wear appropriate protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements including medical waste.	There are no signs or diagrams in the language spoken by worker indicating need for PPE.				Visual inspection		Factory will check safety signs/diagrams to see if in local language indicating safety instruction. Responsible Person(s): [Plant In-charge name], [Welfare officer name], [Manager (HRD) name]	
Worker Participation		Workers should be involved in planning for safety, including through Worker Safety Committees.		Factory has policy and training content on machinery, and equipment and fire safety policy and procedure, but factory management could not provide us any documents/schedules regarding training on above policy and procedures for [Factory name].			Workers and management interviews, record review		Factory will hire appropriate personnel. The hired person will make training plan and conduct training. All document proof of training will be kept at the factory for all future audits. Responsible Person(s): [Manager-HR name], Personnel Officer, [Maintenance In-charge name].	October 2007
Drinking Water		Safe drinking water should be available in each building.	A place was marked for drinking water, but there was no water pot/jar. During the visual inspection, workers were drinking water from the tap which was placed for washing their eyes.				Visual inspection, photograph		We replaced the drinking water container at the end of the day. Please note there are 5 drinking water containers in this factory. So, if 1 filter is left for repair/cleaning, it will not be a big problem because other filter can fulfill drinking water requirements for all factory workers. Workers will be periodically trained to make sure that they know the drinking water stations. Responsible Person(s): [Welfare officer name], [Manager- HR name], [Personnel Officer name]	July 2007
Document Maintenance/Accessibility		All documents required to be available to workers and management by applicable laws (such as policies, MSDS, etc.) shall be made available in the prescribed manner and in the local language or language spoken by majority of the workers if different from the local language.	No assessment has been conducted in the factory to identify environment safety and hazards.				Record review, management interview		Factory will conduct assessment to identify environment safety and hazards. Responsible Person(s): [Plant In-charge name], [Manager (HRD) name]	June 2007
Document Maintenance/Accessibility		All documents required to be available to workers and management by applicable laws (such as policies, MSDS, etc.) shall be made available in the prescribed manner and in the local language or language spoken by majority of the workers if different from the local language.	Current boat fire permit was not posted in the factory.				Visual inspection, management interview		The fire permit already displayed at the workplace. Responsible Person(s): [Plant-In-charge name], [Manager (HRD) name]	Completed
Dining Facility										
7. Freedom of Association and Collective Bargaining										
Employees will recognize and respect the right of employees to freedom of association and collective bargaining.										
Right to Freely Associate		Workers will have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization. The right to freedom of association begins at the time that a worker seeks employment, and continues through the course of employment.		The factory management acknowledged that they do not have any policy regarding worker's forum/freedom of association.			Worker and management interviews, record review		Factory will prepare a policy and procedure of worker's forum and freedom of association and implement it. Factory will conduct training on the policy and procedures. Responsible Person(s): [Manager (HRD) name], [GM name]	April-2008
8. Wages and Benefits										
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated										
Timely Payment		All compensation shall be paid in a timely manner.		Wage payment sheets indicated payments were made by the 7th of the following month. But management did not provide us relevant documents (cash book, wages vouchers, bank books, and bank statements) for our review to verify that the payments were made by the 7th of the following month.			Worker and management interviews, record review		Incase for any month the payday falls on a holiday, factory will ensure in advance that the salary is paid before the holiday. Factory will take all reasonable means to pay the salary as per legal limit. Responsible Person(s): [Plant In-charge name], [GM name], Monitoring and follow-up will be conducted by [Manager -HR name]	April-2007
9. Hours of Work										
Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period.										
Overtime Limitations		Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	Average weekly hours in 2006: finishing section workers: 71 hours (May); 70 hours (June); 71 hours (July) and 71 hours (August). cutting section workers: 70 hours (May); 69 hours (June); 73 hours (July); sewing section workers: 69 hours (May); 69 hours (June) 70 hours (July) and 70 hours (August); quality section workers: 70 hours (May), 70 hours (June) and 73 hours (July); cleaners May 72 hours (May), 72 hours (June) and 74 hours (July); security guards: 84 hours (May), 84 hours (June) and 84 hours (July and August). An individual guard maximum worked 232 hours OT in July 2006 and 216 hrs OT in June 2006.				Worker and management interviews; record review		Proper production planning. Production/attendance bonus. Conduct awareness program regarding benefits of the company, entitle leaves and holidays and its enjoying procedure. Responsible Person(s): [AGM name], [GM name]	March 2008
Voluntary OT		Overtime hours worked in excess of code standard will be voluntary.	Worker cannot refuse OT and during the shipment had to work. Management informed that in that situation, management declared to do work voluntarily. Every worker/employee has been asked to sign their OT hrs. But, management could not provide any copy of such notice.				Worker interviews, management interviews, record review		Factory will implement voluntary OT policy and procedure. Factory will train all workers and management about this policy and procedure. Factory will keep all documentation for training, and others in the factory for any future audit. Responsible Person(s): [Plant-In-charge name] will be responsible for the written policy and procedure; [Plant-In-charge name] and [Manager HR name] will be responsible for training and monitoring.	July 2007
Weekly Day off	Country Law: No worker shall be required to work for more than 10 consecutive days without a day off for whole day- Factories Act.	FLA Benchmark, Hours of Work: Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	Production workers have received 1 ay off in every 7 days of work, but security guards did not receive weekly off day regularly. In June 2006, out of 6 security guards, 3 guards consecutively worked 30 days. In July 2006, out of 6 security guards, 3 guards consecutively worked 30 days. Other security guards receive 1 day off weekly after 13-20 day interval.				Worker interviews, management interview, record review		We will recruit new security guards as we can ensure 1 day off in a week. Responsible Person(s): [Plant In-charge name], [GM name], Monitoring of implementation will be conducted by [Manager-HR name]	April-2007
10. Overtime Compensation										
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.										
Subcontracting										
Unauthorized Subcontracting				Security guard informed that subcontracting is done, but there are 5 factories in the same compound. It is unknown which factory is being done for this factory. [Factory name], or for the other			Worker and management interviews		Factory does not use unauthorized subcontracting on behalf of the PC. This has been verified through management interviews and relevant documentation. PC were immediately to investigate this matter.	