

The factual information set forth on the Tracking Charts was submitted to the FLA by each Independent External Monitor and Participating Company and reviewed by FLA staff. It is being made available to the public pursuant to the FLA Charter in order to strengthen the monitoring process. The FLA Charter provides for regular public disclosure of the factual results of independent monitoring and the resulting specific actions taken by Participating Companies.

What is a Tracking Chart?

Compliance is a process, not an event. A Tracking Chart outlines the process involved in FLA independent external monitoring and remediation. It is used by the accredited independent external monitor, the participating company and the FLA staff to do the following:

- **Record Findings:** The independent external monitor uses the Tracking Chart to report noncompliance with FLA Code standards. The monitor should also cite the specific Code benchmark or national/local law that was used to measure compliance.
- **Report on Remediation:** The FLA participating company uses the Tracking Chart to report on the remediation program that was implemented in order to resolve the noncompliance and prevent any future violations.
- **Evaluate Progress:** The FLA uses the Tracking Chart for purposes of collecting and analyzing information on the compliance situation of a particular factory and for publication on our website. This information is updated on an ongoing basis.

What a Tracking Chart is NOT -

- An exhaustive assessment of factory conditions

Working conditions - in any type of workplace - are dynamic. Each Tracking Chart represents a survey of the factory's conditions on a specific day. Over time, a fuller picture emerges as we compile information from various sources to track the compliance progress of a factory.

- A pass or fail evaluation

The Tracking Charts do not certify whether or not factories are in compliance with the FLA Code. Monitoring is a measurement tool. The discovery of noncompliance issues is therefore not an indication that the participating company should withdraw from a factory. Instead, the results of monitoring visits are used to prioritize capacity building activities that will lead to sustainable improvements in the factory's working conditions.

- A one-time event

Each monitoring visit is followed by a remediation program, further monitoring and remediation in an ongoing process. The Tracking Charts are updated accordingly.

Note on Language

Please be advised that because FLA independent external monitors are locally-based and English is generally not their native language, the language presented may at times appear unclear to a reader who is a native English speaker. In order to preserve the integrity of the transparency process and the information we receive, our policy is to publish the original text from the monitor and participating company. However, the reader will note that we have taken the precaution to remove any identifying information about the factory that was monitored or the workers interviewed.

For example, in cases where monitors and/or participating companies have cited the actual number of workers in reference to a noncompliance issue, in order to protect the workers' identities, we have replaced the numbers with generic wording in brackets (i.e. "[some]", "[worker interviews revealed that]", etc.).

We do not disclose the name of the factory that was monitored in order to ensure that the FLA's efforts to encourage and reward transparency do not have detrimental consequences for the factory and the workers.

Instructions for Printing

The information contained in the Tracking Charts is organized by columns and rows in a table format. Due to the number and width of the columns, the charts have been formatted for legal size (8.5 x 14in.) paper. To print the charts, please make sure to select "legal" size paper from Print properties.

FLA Audit Profile	
Country	Bangladesh
Factory name	1500569C
IEM	LIFT Standards Ltd.
Date(s) in facility	29 November to 5th December 2004.
PC(s)	Outdoor Cap Company Inc.
Number of workers	1354 as of 29 November 2004.
Product(s)	Caps
Production	Cutting, sewing, embroidery, finishing, washing,

FLA Code/ Compliance Issue		Country Law/Legal Reference	FLA Benchmark	Monitor's Findings: Non-compliance, Indicator or Risk	Documentation	Best Practice	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up)	Documentation	Company Follow up (Cite date of follow up visit)	Updates	Documentation	Company Follow up (Cite date of follow up visit)	Updates
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. CoC [code of conduct] needs to be posted at the factory floor in local language.	Insufficient number of 3 CoC (2 Outdoor Caps one FLA and one (non FLA Company)), one set of company policy and BEPZA Instruction was found in the production floor which is insufficient in number for 1350 workers factory of 3 buildings – 7854 sq. meter.	Documentation check & visual inspection			Outdoor Cap (ODC) will send several new CoC posters to ""Factory"" to be posted in the canteen, in the production area of each building, in each entrance and all areas that employees gather. The factory will post the new posters and take photos of each and send back to Outdoor Cap by April 1, 2005.	4/1/2005			Outdoor Cap sent additional posters in English, Korean and Bengali languages to the factory on 3/25/05. The factory confirmed receipt on 3/28/05. We have photos of the new CoC posters posted at the factory.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	Pictures of posted CoC are on file at ODC along with training schedules.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Training schedule and topics on file at ODC.	
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 workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	No formal training conducted by the management on the awareness of code standards. Record of training was not found	Documentation check and worker interview			The factory management/floor supervisors will attend a Code of Conduct to be scheduled by Outdoor Cap within next 60 days. Then management will conduct CoC trainings with all employees twice per year and meeting notes must be sent to ODC as evidence and also kept for the factory's records. Outdoor Cap has recommended ""Local Group"" to conduct a Code of Conduct basic training, the factory is to contact them to set a date.	7/1/2005			Training set for July 13th & July 14th with ""Local Group"". The factory completed the training by ""Local Group"".	Asked factory to train remaining supervisors and employees on CoC, based on the training received by ""Local Group"".	The factory attended the training and has scheduled supervisor and employee training of CoC on 8/14 and 8/24 respectively. They will send meeting notes and photos from both trainings. CoC training notes and photos of training are on file at ODC.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Training schedule and topics on file at ODC. Annual trainings are done for all workers and dates and subject matter is on file at ODC.	
Confidential non-compliance 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 non-compliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.	HR relation department of EPZ but not sure about the effectiveness				Outdoor Cap is introducing a new confidential non-compliance reporting channel at the factory. We are sending new CoC posters with a local contact name, address and phone number that the employees can contact to report any incidence of non-compliance with our code. The factory is to sign the new CoC posters, and post them in the canteen, in the production area of each building, in each entrance and all areas that employees gather. This is to be completed by March 15, 2004.	4/1/2005			Outdoor Cap sent 24 posters, 8 in Bengali, 8 in Korean and 8 in English to the factory to be posted. Departments will hold training with their workers to review. Posters sent on 4/14/2005. Waiting on meeting notes and posters.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	The factory has sent us photos of the new confidential reporting channel posters that have been posted in English, Korean and Bengali. Also, management advise employees of the purpose of the posters.	Phulki audit in December 2007 confirmed posting of posters in several common areas.		
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	None of the workers received approval by local law and confirmation letter. The letters are only kept in the personnel files.	Documents collected			The factory must give each employee an appointment letter and confirmation letter as required by local law. A copy of the letter will be kept in the employee's personnel files at all times. The original appointment and/or confirmation letters should include the statement, "I, employee name, have read and received a copy of this letter." Have the employee sign and date the letter. Give a copy to the employee for their records. This is to be implemented immediately for all 2005 appointments and new hires. The factory is to send at least 5 copies of the newly signed confirmation/appointment letters to Outdoor Cap by April 15, 2005.	4/15/2005			The factory added the statement "I Employee name, have read and received a copy of the letter". This went into effect immediately for all 2005 appointments (New hires).	The factory has sent ODC, 5 copies of appointment letters and confirmation letters. The new statement is on the letters, stating the employee has read the letter, signed and has a copy for themselves. 4/15/05	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Training schedule and topics on file at ODC.	
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.	Doctors certificate shows age 18 years or more at the time of joining but employees service book and academic certificate shows less than 18 years at the time of joining.	Docs collected			The factory must keep accurate employee records; a doctor's certificate for age, and cross check this information against the birth certificate, employee service book and academic certificate to determine actual age of worker. This evidence should be kept in the employee files. This is to be implemented immediately for all 2005 new hires and all current employees under the age of 20. The factory is to send 10 copies of proof of age to Outdoor Cap by April 1, 2005.	4/1/2005			The factory has been very cautious about the authentic age of the employees. And the related documents submitted in this respect. The anomaly found was of clerical error. However, the factory management would be more serious in cross checking these documents and maintaining these as well in the employee file. This has been immediately implemented.	The factory sent 10 copies of proof of age for new hires of 2005 and that of employees under age of 20. Doctor's certificate of age and personal record of 10 employees.	Outdoor Cap to check on next factory visit in 2005. No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.	
Age Documentation			Employers will maintain proof of age documentation for all workers, such as a birth certificate, which verifies date of birth.	Workers age certificate is issued after the job application date and joining date	Docs collected			The factory must make age determination prior to the employees joining date with the factory. This age determination must be documented in the employee files. This is to be implemented immediately for all 2005 new hires. Send Outdoor Cap 5 copies of age determination of newly hired employees by April 1, 2005.	4/1/2005			The factory has been very cautious about the authentic age of the employees. And the related documents submitted in this respect. The anomaly found was of clerical error. However, the factory management would be more serious in cross checking these documents and maintaining these as well in the employee file. This has been immediately implemented.	The factory sent 5 copies of age determination documents. A doctor's certificate was checked against the physical growth of the applicant.	Outdoor Cap to check on next factory visit in 2005. No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.	
Childcare facilities			Childcare facilities will not physically overlap with production areas, and children will not have access to production areas.	No functional childcare facility provided by the factory management prior to the audit.	Visual inspection and Interview			The factory installed a child care facility in 2003, the factory must now promote the use of the child care facility to the employees. The factory will conduct information sessions to all employees on the availability of the child care center, the benefits it will bring to the employees and the factory by the employees taking advantage of this service. This will be done by March 15, 2005. Please send us meeting notes from the meeting and a list of employees that will be using the facility.	3/15/2005			We are still away from being successful to convince our mother workers to avail this facility as mentioned earlier. It would take more time to convince them as they still prefer their own arrangements. However, we would take more vigorous efforts to convince them. 4/28/05.	The factory held a information session on 3/12/2005 relating to the childcare center, yet workers are still not motivated to use the facility. Copy of letter in out files. ODC asked them to give each female worker a copy of the letter, the factory agreed to this on 3/28/2005. Asking the factory to continue to promote the child care center with the workers on 7/26/05.	Outdoor Cap to check on next factory visit in 2005. No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06.	This non-compliance was not found during 2006 audit.	Phulki audit December 2007 found that a daycare was not available at the factory.	
Legal compliance for juvenile workers			Local Law: According to the Employment of Children Act No XXVI, 1938 (As modified by Act LIII of 1974) Section 3D. Maintenance of register There shall be maintained by every employer, in respect of children employed or permitted to work in pursuance of sub-section (2) of section 3 in any occupation referred to in sub-section (1) of that section, a register to be available for inspection by an Inspector at all times during working hours or when working is being carried on in any such occupation showing: (a) the name and date of birth of every child who has not completed his seventeenth year, so employed or permitted to work; (b) the periods of work of any such child and the intervals of rest to which he is entitled; (c) the nature of work of any such child; and (d) such other particulars as may be prescribed.	Doctors certificate shows age 18 years or more at the time of joining but employees service book and academic certificate shows less than 18 years at the time of joining - 8 personnel files collected - No such register for young workers is maintained	Docs collected			The factory is required to abide by local law as described above and maintain a child register for employees under the age of 18. Age certificates must be verified by a doctor and accurate records must be kept in the employee's files. The factory is to send us copies of the Child Register by April 1, 2005.	4/1/2005			We re-affirm that we don't have workers under the age of 18 years. There was some documents processing lapse which arose suspicion. An authentic age certificate from qualified doctor or school certificate is to be produced for scrutiny and cross-check by our HRD Personnel. The lapse on our part was: that some personal files of some long working employees have not submitted age certificate. There was no previous system to submit age certificate mandatory for worker. Vigilance team consisting of UNICEF, ILO and Ministry of Labor closely monitors about non-adult workers in our factory. There was so far no report of any such category worker existing in our factory.	Asking the factory to maintain a Child Register on site, even if no employees are under the age of 18? The factory's policy that no worker is to be hired under the age of 18? The factory has sent a copy of this child register and policy.	The factory sent us a copy of the child register and policy for no workers under the age of 18.	Outdoor Cap to check on next factory visit in 2005. No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06.	The factory has sent us a copy of the Child Register and also a copy of their policy to not hire anyone under the age of 18 years.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.
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 or abuse.																	
Disciplinary Practices			Employers will utilize consistent written disciplinary practices that are applied fairly among all workers	No complete disciplinary system is observed (only showcause notice is issued but workers reply is not recorded). At the same time no inquiry procedure is followed	Documents collected			The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. This training to be scheduled by Outdoor Cap within next 60 days. Outdoor Cap has recommended ""Local Group"" to conduct a training for disciplinary procedures, the factory is to contact them to set a date.	7/1/2005			Training on Treatment of Employees and Disciplinary action - ODC sent the factory a guideline for a "complete discipline system", the factory states that they will follow the recommended discipline system we sent, which is very similar to the BEPZA system. The factory has also contacted ""Local Group"" and set a date for training. CoC and Disciplinary training management is scheduled for July 13th & July 14th.	The factory sent us the "non-harassment policy", which has been implemented in April, 2005. Training set for July 13th & July 14th with ""Local Group"".	Asking ""Factory"" to train the remaining supervisors and workers. ""Factory"" has set training dates.	The factory has completed training 2007 and training conducted by Phulki in March 2008. This was completed in August 13, 14 and 15th, 2005.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Training of Supervisors and management was conducted in March by Phulki on CoC and emphasised H&A issues found during audit in December. All workers were trained by the supervisors who were trained by Phulki in August of 2008 on H&A issues. Verification audit in September 2008 found great improvement in this area.

FLA Code/ Compliance issue	Findings					Remediation					Updates				
	Country/Law/Legal Reference	FLA Benchmark	Monitor's Findings: Noncompliance, Indicator or Risk	Documentation	Best Practice	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up)	Documentation	Company Follow up (Cite date of follow up visit)	Documentation	Company Follow up (Cite date of follow up visit)	Documentation
Training of Management in Disciplinary Practices		Employers will provide training to managers and supervisors in appropriate disciplinary practices	No formal training is provided to workers by the management on the disciplinary practice and procedure / steps	Interview			The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. This training to be scheduled by Outdoor Cap within next 60 days. See attached list of disciplinary procedures as a reference of what your system should resemble. Please send Outdoor Cap the factory's revised policies and procedures relating to discipline by July 15, 2005. Outdoor Cap has recommended "Local Group" to conduct a training for disciplinary procedures, the factory is to contact them to set a date.	7/1/2005 Training: 7/15/2005 policies and procedures	The factory has created a written policy, "Non-harassment policy", the policy has been widely circulated among all, and the key persons responsible for this have been made aware of serious behavior. The factory has contacted "Local Group" and set a date for training. CoC and Disciplinary training for management is scheduled for July 13th & July 14th.		The factory sent us the "non-harassment policy", which has been implemented in April, 2005. Training set for July 13th & July 14th with "Local Group"	Asking "Factory" to train the remaining supervisors and workers. "Factory" has set training dates.	The factory has completed training their of the supervisors and the supervisors have trained their staff. This was completed in August 13, 14 and 15th, 2005.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Training of Supervisors and management was conducted in March by Phulki on CoC and emphasized H&A issues found during audit in December. All workers were trained by the supervisors who were trained by Phulki in August of 2008 on H&A issues. Verification audit in September 2008 found great improvement in this area.
Disciplinary Action Punishment of Abusive Supervisors/Manager		Management will discipline (could include combinations of counseling, warnings, demotions, and termination) anyone (including managers or fellow workers) who engages in any physical, sexual, psychological or verbal harassment or abuse	Only the practice of show cause notice / warning letter is issued	Docs collected			The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. This training to be scheduled by Outdoor Cap within next 60 days. Outdoor Cap has recommended "Local Group" to conduct a training for disciplinary procedures, the factory is to contact them to set a date.	7/1/2005	The factory has contacted "Local Group" and set a date for training. CoC and Disciplinary training for management is scheduled for July 13th & July 14th.		Training set for July 13th & July 14th with "Local Group"	Asking "Factory" to train the remaining supervisors and workers. "Factory" has set training dates.	The factory has completed training their of the supervisors and the supervisors have trained their staff. This was completed in August 13, 14 and 15th, 2005.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Training of Supervisors and management was conducted in March by Phulki on CoC and emphasized H&A issues found during audit in December. All workers were trained by the supervisors who were trained by Phulki in August of 2008 on H&A issues. Verification audit in September 2008 found great improvement in this area.
Record Maintenance		Employers will maintain written records of disciplinary actions taken.	Full disciplinary procedure is not maintained by the factory	Docs collected			The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. This training to be scheduled by Outdoor Cap within next 60 days. Outdoor Cap has recommended "Local Group" to conduct a training for disciplinary procedures, the factory is to contact them to set a date.	7/1/2005	The factory has contacted "Local Group" and set a date for training. CoC and Disciplinary training for management is scheduled for July 13th and 14th.		Training set for July 13th - 14th with "Local Group"	Asking "Factory" to train the remaining supervisors and workers. "Factory" has set training dates.	The factory has completed training their of the supervisors and the supervisors have trained their staff. This was completed in August 13, 14 and 15th, 2005.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Training of Supervisors and management was conducted in March by Phulki on CoC and emphasized H&A issues found during audit in December. All workers were trained by the supervisors who were trained by Phulki in August of 2008 on H&A issues. Verification audit in September 2008 found great improvement in this area.
Verbal abuse		Employers will prohibit screaming, threatening, or demeaning verbal language	Verbal abuse occurs in case of fail to achieve the production target, unauthorized absent and using the toilet other than the 2 times/10 minutes break during the production period and lunch time	Interview			The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. This training to be scheduled by Outdoor Cap within next 60 days. Outdoor Cap has recommended "Local Group" to conduct a training for disciplinary procedures, the factory is to contact them to set a date.	7/1/2005	The factory has created a written policy, "Non-harassment policy", the policy has been widely circulated among all, and the key persons responsible for this have been made aware of serious behavior. The factory has contacted "Local Group" and set a date for training. CoC and Disciplinary training for management is scheduled for July 13th & July 14th.		The factory sent us the "non-harassment policy", which has been implemented in April, 2005. Training set for July 13th & July 14th with "Local Group"	Asking "Factory" to train the remaining supervisors and workers. "Factory" has set training dates.	The factory has completed training their of the supervisors and the supervisors have trained their staff. This was completed in August 13, 14 and 15th, 2005.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Training of Supervisors and management was conducted in March by Phulki on CoC and emphasized H&A issues found during audit in December. All workers were trained by the supervisors who were trained by Phulki in August of 2008 on H&A issues. Verification audit in September 2008 found great improvement in this area.
Freedom of Movement		Employers will not unreasonably restrain freedom of movement of workers, including movement in canteen, during breaks, using toilets, accessing water, or to access necessary medical attention	Toilet use is encouraged only during the 2 times/10 minutes tiffin breaks & lunch break.	Visual inspection and interview			Workers will have freedom of movement at all times within the factory, including movement in canteen, during breaks, using toilets at any time not just during break times, accessing water or access necessary medical attention. The factory will start immediately by allowing their employees to have freedom of movement to take restroom breaks as needed, not just at the time of assigned breaks.	3/15/2005	The factory has withdrawn the "control system" they had in place to monitor overcrowding in the toilet areas, and now the employees have complete freedom of movement as needed. The factory has contacted "Local Group" and set a date for training. CoC and Disciplinary training for management is scheduled for July 13th & July 14th.		The factory send us a copy of the policy of freedom of movement. Training set for July 13th & July 14th with "Local Group"	Asking "Factory" to train the remaining supervisors and workers. "Factory" has set training dates.	The factory has completed training their of the supervisors and the supervisors have trained their staff. This was completed in August 13, 14 and 15th, 2005.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This was not observed or noted during 2006 or 2007 audit.
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 origin.															
6. Health and Safety															
Occupational Safety and Health is to be maintained as per The Factories Act, 1965															
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															
Fire Safety, Health and Safety legal compliance		Employer will comply with applicable health and safety laws and regulations. In any case where laws and code of conduct are contradictory, the higher standards will apply. The factory will possess all legally required permits	Workers do not know the fire fighting team members' fire fighters	Interview			"Factory" responded -Fire fighting members. There are designated fire fighting members. These members' photographs are posted inside factory and they wear arm band indicating "fire fighters".	4/1/2005	The factory has held the 1st quarterly meeting on training all workers on March 20, 2005. Sending meeting notes and photos of the fire fighting team members that are posted.		The factory has sent meeting notes from the 1st quarterly meeting (training) for the employees on fire fighting. The factory sent photos of the fire fighting team members that are now posted through the factory.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.
Machinery Maintenance		All applicable legally required or recommended elements of safe evacuation (such as 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	The evacuation plan is not clear enough & no marking "I am Here" is mentioned in it.	Visual inspection			The factory will update/revise the current evacuation plan, adding the "I am Here" location to each map at all designated locations through out the factory. This will be completed by March 15, 2005. Send photos of the new poster as posted in the factory by March 15, 2005.	3/15/2005	The factory will update/revise the current evacuation plan, adding the "I am Here" location to each map at all designated locations through out the factory. This will be completed by March 15, 2005. Send photos of the new poster as posted in the factory by March 15, 2005.		The factory sent photos of revised evacuation plans, showing the exact location "I am Here" on each plan.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	The factory was cited for this noncompliance in Phulki audit 2007.
Machinery Maintenance		All applicable legally required or recommended elements of safe evacuation (such as 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	Fire alarm is only one and controlled centrally from the main office	Visual inspection			The factory will need to have fire alarm pulls added in the production and canteen areas, please contact local fire marshal to determine the correct number and location needed. This is to be completed or a plan of when this can be completed be sent to Outdoor Cap by April 15, 2005. Once completed, send photos of newly installed fire pulls in the factory area.	4/15/2005	manually controlled Gong bells has been fixed inside different locations of the factory in addition to centrally controlled fire alarm.	ODC questioned the Gong bells, but factory states that the BGM&A and local fire marshal list these as	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	No doctor onsite	Visual inspection & documentation check			Per BEPZA Instruction, Each company shall contribute a sum of money to BEPZA per year as prescribed by the Authority for the maintenance of EPZ Medical Centre/Hospital established for providing First Aid medical services to the employees of the companies within EPZ. The factory is to send Outdoor Cap proof of payment to the BEPZA for this service for January, February, March and April of 2005 by 4/15/2005.	4/15/2005	The factory pays US \$420 per month to the BEPZA medical center for medical care of the employees, as per BEPZA law, no need to have a on-site doctor.		The factory sent us 3 months of invoices and payments to the BEPZA for this service. 4/15/05.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	No prayer room for male & female	Visual inspection & documentation check			A prayer room is not required specifically by local law but it is written that every employee should be given the opportunity to perform their religious activity. The lunch break is given during the middle of the day both for lunch and Johor prayer. As a Muslim country and culture of the society and practiced in the sector such place for prayer is encouraged to be provided in the premises. The factory should consider creating a prayer room for the workers to use as needed, one for male and one for female. This is to be completed by April 15, 2005. Send photos of the newly completed prayer rooms to Outdoor Cap by April 15, 2005.	4/15/2005	Two separate prayer places have been made for male and female.		The factory has installed a prayer room for men and women, sent photos as evidence. 4/15/05	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	In the entire factory floor, only 8 first aid box for 1350 workers. (Requirement by local law = 1 equipped first aid box for every 150 workers)	Visual inspection & documentation check			The factory must install one more first aid kit to comply with the legal number of first aid boxes required by local law. Outdoor Cap suggests that 3 First Aid Kits be installed. This is to be completed by April 1, 2005. Send a map of the factory showing all first aid boxes, also including the newly installed first aid box. Also send photos to Outdoor Cap of the newly installed first aid kit by April 1, 2005.	4/1/2005	3 more first aid kits have been installed.		The factory has sent a diagram of the factory floor showing where the 8 old first aid kits were located and where they have installed 3 new first aid kits. Also sent photos of the new first aid kits.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	Fire equipment like smoke detector, fire blanket, hook, stretcher etc. is required.	Visual inspection & documentation check			The factory must be equipped with fire equipment like smoke detectors, fire blankets, hooks, stretchers etc. Consult with the local fire marshal to determine the placement and number of each that is required. This is to be completed by April 1, 2005. Send photos to Outdoor Cap of all newly installed fire equipment by April 1, 2005.	4/1/2005	Fire blanket, fire proof overall and hook have been procured. Also smoke doctor and stretcher.		The factory has sent photos of the required fire fighting items that are needed.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	Fire extinguishers do not contain the regular checkup card	Visual inspection & documentation check			All fire extinguishers must be inspected regularly and a check-up card attached to each fire extinguisher. The factory is to have all fire extinguishers inspected by March 15, 2005. Send Outdoor Cap photos of the newly inspected fire extinguishers with current cards attached to each.	3/15/2005	The factory sent photos of newly inspected fire extinguishers with check-up cards attached to all fire extinguishers. 3/15/2005		No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	The factory was cited for a similar noncompliance in Phulki audit 2005.	
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	Isles are not everywhere clearly marked	Visual inspection & documentation check			In building - X and X the main aisles and the side or lane aisles are not clearly marked and the paints are wiped out in some places because of dragging the machines, tools and finished products. The factory must re-paint the aisle lines so they are clearly marked everywhere. This must be completed by March 15, 2005. Send photos to Outdoor Cap of building X & X where you have re-painted the aisle markings by March 15, 2005.	3/15/2005	The factory sent photos of the re-painted aisles in BLDG X & X. 3/15/2005		No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	

FLA Code/ Compliance Issue	Findings					Remediation					Updates				
	Country/Legal Reference	FLA Benchmark	Monitor's Findings: Non-compliance, Indicator or Risk	Documentation	Best Practice	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up)	Documentation	Company Follow up (Cite date of follow up visit)	Documentation		
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	During production time very often aisles are covered with finished production goods.	Visual inspection & documentation check			The factory must keep all pathways and aisles leading to exits cleared and ensure procedures that require someone to check the aisles through out the day to create they remain clear. Please send photos to Outdoor Cap of the aisles and a copy of the procedures by March 15, 2005.	3/15/2005	The factory instituted a new procedure for keeping the aisles clear. This was implemented 3/1/2005.		The factory sent photos and a copy of the procedure. Soon after completion of making caps in the sections, they are taken to a big checking table located in the front access of same section for trimming. After trimming they are taken to another table located on other side of the front access for inspection. A team comprising of 4 finishing section men moves around the section with trolley and bring the products to the finishing section. The frequency of their movement is hourly in each section. However, for full compliance of ODC-CoC, it will be on 30 minutes instead of one hour and 6 men instead of 4 men to make sure no lappers.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Aisles covered with finished product cited in Phulki 2007 audit. Not found during verification audit.
Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees	In building/Unit –X, at the back of each section / line one front press machine is installed which creates obstacles on the way to exit	Visual inspection & documentation check			The factory must keep all pathways and aisles leading to exits cleared and ensure procedures that require someone to check the aisles through out the day to create they remain clear. The front press machine in building X needs to be moved in such a way that it does not block the aisle way to the exit doors. Please send photos to Outdoor Cap of the area in building X after the front press machine has been moved to clear the aisles by April 1, 2005.	4/1/2005	All front press machines have been removed from being obstacles to exits and now relocated in another area, which do not make obstacles.		The factory has sent photos of the cleared exit way in building/unit -X.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.
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.	Scissors / thread cutter are not fixed with cord in the table or hands.	Visual inspection			The factory must adhere all scissors / thread cutters to tables with cords. This is to be completed by March 15, 2005. Send Outdoor Cap photos as evidence this was completed by March 15, 2005.	3/15/2005	The factory sent photos of scissors and thread cutters fixed with cords to the tables. 3/15/2005		The factory sent photos of the newly installed ventilation fans. 4/15/05	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.
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	Store area is not well ventilated.	Visual inspection			Per Outdoor Cap's Code of Conduct, 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. The factory must ventilate the store area by April 15, 2005 and send photos to Outdoor Cap as evidence this was completed.	4/15/2005	Store area in bldg. X has now been well ventilated. 4 large exhaust fans have been installed on each sidewall in addition to 1 meter height steel mesh net on all around the other two sides which has made it well ventilated (both airy & lighted).		The factory has sent photos of the newly constructed women's bathrooms. 4/15/05	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.
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	Number of female toilets is insufficient required 47 but at present exists 34 and without soap.	Visual inspection and records review			Per Outdoor Cap's Code of Conduct, all facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws. The factory must increase the total number of female toilets from 34 to 47 by April 15, 2005 or submit a plan of action to complete this issue.	4/15/2005	Factory has constructed 18 more female toilets to facilitate workers need as per legal requirement. These are located in the newly constructed factory building.		The factory has sent photos of the newly constructed women's bathrooms. 4/15/05	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.
Sanitation in Dining Area		All food preparation shall be prepared, stored, and served in a sanitary manner in accordance with applicable laws. Safe drinking water should be available in each building	Quality of food supplied during the lunch time need to improve	Interview and visual inspection			Per Outdoor Cap's Code of Conduct, all food preparation shall be prepared, stored, and served in a sanitary manner in accordance with applicable laws. Safe drinking water should be available in each building. The factory must ensure that the quality of food offered to all employees is the same, including management. This must be completed by April 1, 2005. Send a letter stating this has been corrected.	4/1/2005	The quality of food offered to all employees is the same, including management. This has been changed effective March 2, 2005.		The factory issued a statement that was posted, stating that as of March 2, 2005 the quality of food offered to the employees have been made to the same label standard for all employees.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.
7. Freedom of Association and Collective Bargaining															
Employers 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	Workers Welfare Committee is installed but could not gain the trust of the workers and at the same time the members are more a representative of management. The WWC members are also not aware about their roles, responsibility and working knowledge.	Interview			WWC is now replaced by WRWC (workers representative welfare committee) by act issued by ministry of law, justice and parliamentary affairs, Govt. of Bangladesh on September 4, 2004. Important features of this act: WRWC will be formed through ballot paper within 03 months from December 12, 2004. WRWC member will be minimum 5 and maximum 15. 7 members sub-committee has been formed to undertake all functions to conduct elections: 3 from BEPZA, 2 from company's Human Resource Department, 2 from workers of the company. The elections are now being conducted in some companies. And "Factory""-BD election will be held in early February 2005. WRWC will be governed by the clauses of the act.	4/15/2005	Election of WRWC was postponed by the BEPZA until May. The election was held on May 17, 2005 under the supervision of a 7 member BEPZA election sub-committee. A new 13 member committee was elected by the workers by direct ballot voting system. WRWC Member Training: BEPZA has started the training the WRWC member under direct supervision of the Chairman. The orientation session and the follow up session already completed on July 30 2005 and August 03 2005 respectively. BEPZA has employed special group called "Counselors" who will be responsible to check the implementation of BEPZA instruction 182 of 1989 and the EPZ workers association and industrial relations act 23 of 2004 (WRWC) and advise the management of each company on non-compliance if found. These Counselors will be frequently meeting the members of WRWC of all companies and train, clarify and explain all issues within the framework of BEPZA instruction.	Asking the factory to send list of members and their work position.	The factory has sent the newly elected 13 member committee names and employment positions held at the factory. Mostly all members are in a management position. We have questioned this with the factory and since the factory did not hold the elections, but the BEPZA conducted the elections we believe they were conducted fairly. All employees had a chance to decide if they wanted to run for a seat on the committee, then the employees elected by ballot voting the 13 members. We have asked for meeting notes of the first meeting to be sent to us. BEPZA held orientation meeting on 7-30-05. A 2nd meeting was held on 8-3-05, they are currently in the process of formulation of the internal policies, then a formal meeting will be held at factory.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Similar non-compliance found during Phulki audit of 2007
Other			Non functional suggestion box (5) system installed in the toilets. But only one suggestion found so far. Some workers do not know about the existence of suggestion box, some know the existence but its purpose and procedure is not clear to them, some other worker do not have any faith and belief on suggestion box system but workers could not refer to any incident.	Interview and documentation check			Outdoor Cap is introducing a new confidential non-compliance reporting channel at the factory. We are sending new CoC posters with a local contact name, address and phone number that the employees can contact to report any incidence of non-compliance with our code. The factory is to sign the new CoC posters, and post them in the canteen, in the production area of each building, in each entrance and all areas that employees gather. This is to be completed by April 1, 2004.	4/1/2005	The confidential reporting channel posters that ODC has sent have been posted in the factory in areas that employees gather in various prominent places after a briefing with all employees about the purposes of these posters.		The factory sent photos of the newly posted Confidential Reporting Channel posters.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Similar non-compliance found during Phulki audit of 2007. Auditors commented at verification audit that workers are well known about the suggestion boxes and their procedures.
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															
Minimum Wage		Employers will pay workers the legal minimum wage or the prevailing industry wage, whichever is higher	Salary breakdown is not according the BEPZA instruction Basic is less than 60% of gross salary as a result workers are deprived in respect of OT calculation, Provident fund calculation	Docs collected			According to BEPZA instruction 2 of 1989, basic salary shall not be less than 60% of the gross salary. The factory must comply with local law and change this practice by 3/1/2005. Send Outdoor Cap the factory's salary sheet, showing all employees and employee numbers, salary, hours worked, etc. for the month of March, we will then select 10 employees to have the records pulled and sent to us for verification. Send the salary information of all employees by April 15, 2005 for the month of March.	4/15/2005	The factory has changed to comply with local law. Salary is composed of basic and allowance at the ratio of 60% and 40% respectively.		The factory held a general meeting with all employees concerning payment of wages, incentives, benefits and bonus on March 23, 2005. Outdoor Cap has reviewed the salary information for 10 randomly selected employees for verification.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.
Minimum Wage		Employers will pay workers the legal minimum wage or the prevailing industry wage, whichever is higher	Minimum wage level is not maintained, attendance allowance (100 taka) and transport allowance (100) is included in gross salary. If any one is absent 100 taka will be deducted from his salary – company policy.	Docs collected			According to BEPZA instruction, minimum wages should include basic pay, house rent, dearness allowance, conveyance "Factory" allowance, medical allowance, production bonus, if any. In addition to minimum wage, each company shall be liable to pay additional benefits such as, attendance bonus, if any, should be paid as per company rules. The factory should remove the attendance allowance from the minimum wage and it should be in addition to minimum wage. Send Outdoor Cap the factory's salary sheet, showing all employees and employee numbers, salary, hours worked, etc. for the month of March, we will then select 10 employees to have the records pulled and sent to us for verification. Send the salary information of all employees by April 15, 2005 for the month of March.	4/15/2005	The attendance bonus has been removed from the structure of minimum wage without removing the Taka 100.		The factory held a general meeting with all employees concerning payment of wages, incentives, benefits and bonus on March 23, 2005. Outdoor Cap has reviewed the salary information for 10 randomly selected employees for verification.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.
Training Wage		Where training wages are legally allowed, no worker will be paid a training wage for more than three months cumulatively	For the trainees all the training period is considered as probation period as 6 months and their total salary is not also mentioned in the temporary appointment letter Temporary appointment letter is found which are not showing the wages, breakdown and ratio, probation period mentioned is indiscriminately 6 months for all – copies collected.	Records and Interview			Per Outdoor Cap's and FLA's Workplace Code of Conduct Benchmarks, where training wages are legally allowed, no worker will be paid a training wage for more than three months cumulatively. The factory needs to adjust their trainee training period from 6 months, which is allowable by BEPZA law, to 3 months, effective by March 1, 2005. The factory will send us payroll evidence of completion for 10 employees and also the temporary appointment letters for 10 employees showing the wages, breakdown of salary and ratio, showing the training period is for only 3 months. Send all documents to Outdoor Cap by April 15, 2005.	4/15/2005	Training period has been changed from 6 months for all indiscriminately to 3 months with a clause that the training period may be extended up to 6 months depending on needed skill and proficiency in the trade. Temporary appointment letter has been revised to show the wages breakdown or salary and the ratio. Also shows the training period as minimum 3 months maximum 6 months.		The factory has sent copies of the new Temporary appointment letter as evidence in English, 5/5/05	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This non-compliance was not found during 2006 or 2007 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This non-compliance was not found during 2006 or 2007 audit.

FLA Code/ Compliance issue	Country/Law/Legal Reference	Findings				Remediation				Updates		Updates			
		FLA Benchmark	Monitor's Findings, Noncompliance, Indicator or Risk	Documentation	Best Practice	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up)	Documentation	Company Follow up (Cite date of follow up visit)	Documentation	Company Follow up (Cite date of follow up visit)	Documentation
Wage Benefits Awareness		Employers will communicate orally and in writing to all employees in the language of the worker the wages, incentive systems, benefits and bonuses to which all workers are entitled in that company and under the applicable law	No formal training conducted			Per Outdoor Cap's and FLA's Workplace Code of Conduct Benchmarks; employers will communicate orally and in writing to all employees in the language of the worker the wages, incentive systems, benefits and bonuses to which all workers are entitled in that company and under the applicable law. The factory will post in the workers language and conduct meetings with the employees annually to discuss wages, incentive systems, benefits and bonuses. Meeting notes are to be kept as records of such meetings. The factory will conduct these meetings with the employees by April 1, 2005 and send Outdoor Cap meeting notes by April 1, 2005.	4/1/2005	The factory held a meeting with the employees to discuss wages, incentive system, benefits, bonuses, etc. BEPZA Instruction 2, which contains wages and benefits etc. have been translated in Bengali and posted inside the factory.		The factory sent a copy of the meeting notes for the training with all employees.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
Deduction for Services		Deductions for services to employees will not exceed the cost of the services to the employer. If questioned, employers will demonstrate the reasonableness of these charges	Deduction twice in case of unauthorized leave - full attendance bonus 100 taka and based on deduction rate calculated on basic	Docs collected		The factory will make the attendance bonus a true bonus, not part of the workers minimum wage. Therefore, the employee will only be given the attendance bonus when they have worked all month with no days absent. Deduction rate against basic pay for absence is performed as local law allows. The factory will begin this by March 1, 2005. Send Outdoor Cap the factory's salary sheet, showing all employees and employee numbers, salary, hours worked, etc. for the month of March, we will then select 10 employees to have the records pulled and sent to us for verification. Send the salary information of all employees by April 15, 2005 for the month of March.	4/15/2005	The attendance bonus has been removed from the slip of minimum wage without removing the Taka 100. Deduction on unauthorized leave will be made from basic salary only. There will be no question of double deduction with this arrangement.		The factory held a general meeting with all employees concerning payment of wages, incentives, benefits and bonus on March 23, 2005. Outdoor Cap has reviewed the salary information for 10 randomly selected employee for verification.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
Pay statement		Employers will provide workers a pay statement each pay period, which will show earned wages, regular and overtime pay, bonuses and all deductions	Pay statement need to be more transparent (OT rate, Deduction rate, break down of other allowance etc.) Pay statement is not in local language			The workers payment statements must be in the language of the workers. The payment of wages on the pay statement must be broken down to show overtime rate, deduction rate, and all other allowances. The factory must start this by April 1, 2005. Please send Outdoor Cap 10 copies of the new payment statements by April 15, 2005.	4/15/2005	The pay statement has been made in Bengali language side by side with English, which also shows over time rate and other allowance.		The factory sent 10 copies of the new pay slip envelopes with all deductions listed and in English and Bengali languages.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
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	Workers do not have any authority on the time card. Time card is completely handled by the asst. supervisors. Time card is only a show and not at all functional. Only 5 punch machines are installed for 1350 workers. It takes 45 minutes in the morning for the asst. supervisor to punch all the punch time card. Actually time attendance register is the main source of time recording	Docs collected		The factory needs to install a new method of time keeping for the workers. An electronic swipe card system would be an example of a more efficient record keeping device. Having the assistant supervisor clocking in all employees, is not effective. The workers need to have the responsibility of clocking in and out. The factory will have a new time system in place or a plan for a new time system with 80 days by April 15, 2005. Please send Outdoor Cap photos of the new time system or the plan by April 15, 2005.	4/15/2005	The factory has started training their rank and file workers on the use of the time card punching machine individually. As the numbers of punching machines are 10 now (added 4 more sets) workers are now taking care of their own cards as punch their times (In and Out) individually. The factory is also looking into other systems such as a electronic swipe card system.		The factory has begun the process of having all employees clocking in and out for themselves and management is no longer doing the function for the employees.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06	This noncompliance was not found during 2006 audit.	Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	Time card system was cited in Phulki 2007 audit and confirmed in verification audit that electronic time recording systems are now in use.	
Record Maintenance		All compensation records will be maintained accurately and should be acknowledged by the employee as accurate.	Double record is maintained for the excessive OT and Friday work	Records and Interview		Per Outdoor Cap's Code of Conduct, all compensation records will be maintained accurately and should be acknowledged by the employee as accurate. The factory must not keep two separate records of hours worked and payment of these OT hours to the employees. Starting March 1, 2005, all overtime hours shall be kept with the normal records and paid with the employee's normal salary once per month. Send Outdoor Cap the factory's salary sheet, showing all employees and employee numbers, salary, hours worked, etc. for the month of March, we will then select 10 employees to have the records pulled and sent to us for verification. Send the salary information of all employees by April 15, 2005 for the month of March.	4/15/2005	Overtime hours are being kept with normal salary sheet and paid once per month with effect from March 2, 2005. No double record is mentioned any longer.		Asked factory to send 10 employee records for review. The factory sent 10 records for our review. Overtime was still found. We asked the factory to discontinue the overtime and that we would also help to schedule our PO's as to not create OT. Asking for June salary records for 10 different employees, 7/13/05. Received employee records, for June and OT is fine.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
Legal benefits		Employers will provide all legally mandated benefits to all eligible workers	Maternity benefit is paid but calculation is done on basic not on gross salary.	Records and Interview		Per Outdoor Cap's Code of Conduct, employers will provide all legally mandated benefits to all eligible workers. The factory will need to change their maternity benefits and pay the employee based on gross salary not basic salary. The factory must start this by March 1, 2005 and add this policy to their workers handbook. Send Outdoor Cap payroll information for 3 employees as evidence this has been changed and a copy of the amended handbook in English and Bengali by April 15, 2005.	4/15/2005	With effect from March 2005, Maternity benefit will be paid based on gross salary (basic + allowance) instead of basic salary.		The factory has sent 3 payroll information for 3 female employees going on maternity leave in April 2005.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
Payment of Legal Benefits		Legally mandated benefits will be provided or paid in full within legally defined time periods	Payment of excessive OT and Friday works is paid on weekly basis (happened only in two months during 2004)	Records and Interview		Per The Factories Act, 1965, Section 51. Weekly holidays (1) No adult worker shall be required or allowed to work in any factory on a Sunday or a Friday as the case may be, unless - (a) he has had, or will have a holiday for a whole day, on one of the three days immediately before or after that Sunday or Friday, as the case may be. Per the BEPZA instruction, Payment of Wages: (a) For employees paid on a monthly basis, salary shall be paid by the 7th day of the following month. Based on the above local law, the factory is required to make payment to the employee once per month, including all overtime due that employee. Also, employees that work on their weekly holiday should be given the day off within 3 days of that holiday, not paid overtime for that day. The factory must comply with local law and correct this violation by March 1, 2005. Send Outdoor Cap the factory's salary sheet, showing all employees and employee numbers, salary, hours worked, etc. for the month of March, we will then select 10 employees to have the records pulled and sent to us for verification. Send the salary information of all employees by April 15, 2005 for March.	4/15/2005	Friday is currently observed as weekly holiday, however if workers are required to work on Friday weekly holiday will be given within 03 days of that holiday. Local law in this respect will be fully complied. Overtime will not exceed the local limit in the normal circumstances.		The factory is now paying all salary one time per month, including OT payments. Outdoor Cap has reviewed the salary information for 10 randomly selected employee for verification for the months of March and April 2005.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
Other			Friday work is not compensated with another day off within three days rather it is considered as OT			Friday work not compensated with another day off in address above in the hours of work section.	4/15/2005	Addressed in above hours of work section.		Addressed in above hours of work section.					
Other			Earn leave is paid on basic pay.			Per The Factories Act, 1965, section 81; Wages during leave or holiday periods. - For the leave or holidays allowed to a worker under the provision of this Act, he shall be paid - (a) in case of leave with full wages, at the rate equal to the daily average of his full time earnings, including dearness allowance, if any, for the days on which he worked during the month immediately preceding his leave, but excluding any over-time earnings and bonus; and (b) in case of leave with half the average wages at the rate equal to half the daily average of his earnings calculated in the manner provided in clause (a). The factory will start immediately, 3/1/2005, paying all employees for leave, full wages or half average wages, as described by local law above. Send Outdoor Cap the factory's salary sheet, showing all employees and employee numbers, salary, hours worked, etc. for the month of March, we will then select 10 employees to have the records pulled and sent to us for verification. Send the salary information of all employees by April 15, 2005 for the month of March.	4/15/2005	Earn leave will be paid on gross salary as per local law with effect March 2005.		Outdoor Cap has reviewed the salary information for 10 randomly selected employees for verification for the month of March and April 2005.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
Other			Casual leave is restricted within (death and marriage) & CL is not allowed more than two days except own marriage.			Current Payment of Casual Leave Days by the Factory a) Eid-ul Fitr festival 02 days b) Eid-ul Azha festival 02 days As per BEPZA Regulation workers are allowed 10 (Ten) days festival holiday on different occasions. YA-BD allotted one day each for 2 (Two) Eid festivals which is not enough for going village home and celebrate the Eid. To facilitate the workers comfortable Eid celebration, 4 (Four) days from the allowable casual leave have been taken off and added with the Eid festival holidays. c) Own Marriage 03 days d) Brother's Marriage 01 day e) Sister's Marriage 01 day f) Son's Marriage 01 day g) Daughter's Marriage 01 day h) Father's Death 02 days i) Mother's Death 02 days j) Grand Father's Death 01 day k) Grand Mother's Death 01 day l) Brother's Death 01 day m) Sister's Death 01 day n) Son's Death 01 day o) Daughter's Death 01 day p) Husband's Death 02 days q) Wife's Death 02 days Total = 21 days Grand Total = 25 days	3/15/2005	The factory has re-arranged their system of casual leave to be more relaxing for the employee to use the days.		The factory has sent a letter of compliance regarding leave and holiday to ODC as evidence they have relayed their view on casual leave, allowing the workers to use casual leave for reasonable and appropriate grounds.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	

FLA Code/ Compliance issue	Findings					Remediation					Updates				
	Country/Law/Legal Reference	FLA Benchmark	Monitor's Findings: Non-compliance, Indicator or Risk	Documentation	Best Practice	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up)	Documentation	Company Follow up (Cite state of follow up visit)	Documentation	Company Follow up (Cite date of follow up visit)	Documentation
Other			Workers did not receive their payment of gratuity.				Per BEPZA law -An employee so dismissed as per clause (1) shall be entitled to receive the following wages & benefits: (a) unpaid wages, (b)self contributions to provident fund, (c) Unpaid earned leave, (d) compensation at the rate of 14 days per year or for any part thereof in excess of 6 months or gratuity, if any, which ever is higher. ***Factory***, practiced gratuity system, workers were given due benefit at the time of resignation but workers also found who did not get any gratuity benefit though they applied but was not paid – three workers. The factory is required to follow local law. Send Outdoor Cap a letter stating that management will follow this law. Send by March 15, 2005.	3/15/2005			The factory has sent a statement confirming the implementation of applicable law in the regard with some reservation. 3/15/2005. ODC is still asking questions relating to this issue to better determine the law suit that is pending regarding gratuity against the BEPZA. Asking factory if they could settle the claims with their employees prior to the lawsuit settlement. 7/26/05.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit. 090108: Requested backup information from the factory on the outcome of gratuity court settlement.
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.															
Voluntary OT		Overtime hours worked in excess of code standard will be voluntary	Voluntary OT is not recorded	Interviewed		All overtime should be voluntary and a sign up sheet should be posted for all overtime work. The factory will update its worker handbook to reflect this policy and start it by March 1, 2005. Send Outdoor Cap a copy of the updated handbook and a sign up sheet from March by April 15, 2005.	4/15/2005	Overtime work will not exceed the local limit in the normal circumstances. However, if workload drags working hours more than 10 (ten) hours in a day, but within 11 hours including overtime, sign up sheet will be posted after getting voluntary consent by the workers.		The factory sent a copy of their new template sign-up sheet for voluntary overtime. We are asking for a current filled out copy during any overtime worked in June, 7/13/05. Factory had set up voluntary OT sheet for all OT over 2 hours, we explained it should be for all OT, they are changing their policy starting in August. They will send us OT sign up sheets by middle /end of August.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
Other			Continuous work for a period of 15 days is carried out (18 Nov to 2 Dec 04 – two Friday work is carried out – 19 Nov was the compensation of Eid holiday but work on 26th November is considered as OT)	Interviewed and records review		Per Outdoor Cap's COC; 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. According to the Factories Act, 1965, Section 51, no adult worker shall be allowed to work on a weekly holiday unless he/she is provided with a whole day's holiday before or after the scheduled weekly holiday, and no substitute holiday shall be so scheduled that it would result in the worker's working more than 10 consecutive days without a whole day's holiday. The factory must comply with local law. Send Outdoor Cap the factory's salary sheet, showing all employees and employee numbers, salary, hours worked, etc. for the month of March, we will then select 10 employees to have the records pulled and sent to us for verification. Send the salary information of all employees by April 15, 2005 for the month of March.	4/15/2005	Friday is currently observed as weekly holiday, however if workers are required to work on Friday weekly holiday will be given within 03 days of that holiday. Local law in this respect will be fully complied. Overtime will not exceed the local limit in the normal circumstances.		Outdoor Cap has reviewed the salary information for 10 randomly selected employees for verification for the months of March and April 2005.	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki 9/20/08.	This noncompliance was not found during 2006 or 2007 audit.	
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.															
Other			Incase of 10 hrs work workers are not regularly provided with snacks as mentioned company policy – workers handbook.			Per ***Factory***Handbook of Service section V. Benefits, Company shall provide free tea and snack in the afternoon if the work continues for 10 hours in a day as incentive. This is to be corrected starting March 1, 2005. Please send Outdoor Cap a statement that this has been corrected by March 15, 2005.	3/15/2005			The factory has sent us a statement confirming the re-introduction of the tea snacks during 10 hours of work. 3/15/2005	No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki	This noncompliance was not found during 2006 or 2007 audit.	
Miscellaneous															
Other			Workers are demoted from (leader to operator, Sr. operator to operator, Supervisor to Sr. Operator) where as they have worked on the position for couple of year, sometimes workers are not aware about the reason. Management shows it only as a effect of internal transfer system.			The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. This training to be scheduled by Outdoor Cap within next 60 days. Outdoor Cap has recommended ***Local Group*** to conduct a training for disciplinary procedures, the factory is to contact them to set a date.	7/1/2005	The training workshop will be conducted by ***Local Group*** on Jul13th & July 14th, 2005 will cover training of Supervisor/Management on treatment of employees and disciplinary actions.		No follow up audit was done in 2005 by Outdoor Cap VP. Factory was audited by Intertek 10/07/06		Phulki audit in December 2007 and training conducted by Phulki in March 2008. Verification audit by Phulki	This noncompliance was not found during 2006 or 2007 audit.		