

FLA Audit Profile		Independent External Verification		Independent External Verification																			
Country	Bangladesh	Bangladesh	Bangladesh																				
Factory name	38020586DV	38020586DV	38020586DV																				
Item	LIFT Standards Ltd.	Phuik	Level Works Limited																				
Date(s) in facility	July 30-31 & August 2 and 4, 2006	September 12, 2007	June 15-16, 2009																				
PC(s)	Top of the World and Outdoor Cap Company	Top of the World	Top of the World																				
Number of workers	948																						
Product(s)	Caps and Hats																						
Production processes	Cutting, sewing and finishing																						
FLA Code/Compliance Issue	Country/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (unsubstantiated)	If not corroborated, explain why	Source/Documentation used for corroborating	Notable Features Implemented by Factory Management or Company	PC Remediation plan	Target Completion Date	Remediation	Factory Response (Optional)	Company follow up (the date of follow up)	Documentation	Issues (Site Visit or Follow up)	Documentation	Third Party Verification (EV: September 12, 2007)	Third Party Verification (EV: June 15-16, 2009)	Company Verification Follow up	Documentation	Third Party Verification (EV: June 15-16, 2009)	Company Verification Follow up	Documentation
<b>II. Code Awareness</b>																							
Worker management awareness of Code		FLA Principle of Monitoring, <b>Obligation of Companies:</b> Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards only and through the posting of posters in prominent places (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	Workers are unaware of the code of conduct and its purpose. No formal training system exists.				Workers and management interview about the training and records reviewed	Outdoor Cap and Top of the World (OCC/TOW) request factory to send your records of workers being trained in every work station. OCC/TOW requires detailed notes of this training and signed documentation of workers that attended the training. OCC/TOW request factory to send pictures of supervisor that trained workers and his signed documentation of training for our records. * Send us pictures of suggestion/grievance boxes for workers in the factories and advise how many boxes are available and the location of these boxes. * Advise who is in charge of collecting the suggestion/grievances from these boxes and how often are they collected. * Send us procedures of how the suggestion/grievances are handled so that they can be resolved for the worker.	1st week of August 2006	Factory will send photos of the training of Code of Conduct. They will also send notes of the training and signed documentation from workers that took the training by the first week of August 2006.	The factory sent photos of workers completing training.			Factory sent photos of OCC meetings held for employees and signature sheets from all employees that attended. Received 9/23/06 on file at OCC and TOW.	Compliance officer produced schedules for trainings conducted during the last 12 months with the signature of workers on them. But workers and trainers in-charge informed the monitors that only the education and fire fighting training were conducted on a regular basis. Workers are still not aware of the factory rules and Code of Conduct.	Review of training schedule, interview with compliance and welfare officer, worker interviews.	Factory does periodic training-sign in sheets for training to be submitted to TOW 5/05.	Complete. Regular monthly training is conducted and workers (especially old workers) found aware of the code provision and factory rules like leave entitlement, OT calculation, disciplinary systems etc.	Training document review and workers and management interview				
Confidential non-compliance reporting channel		FLA Principle of Monitoring, <b>Obligation of Companies:</b> 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.	There is no confidential non-compliance reporting channel that exists in the factory.				workers and management interview and recording system reviewed	* OCC/TOW requests factory to send us pictures of suggestion/grievance boxes for workers in the factories and advise how many boxes are available and the location of these boxes. * OCC/TOW requests factory to advise who is in charge of collecting the suggestion/grievances from these boxes and how often are they collected. * OCC/TOW requests factory to send us procedures of how the suggestion/grievances are handled so that they can be resolved for the worker.	1st week of August 2006	Factory will send pictures of suggestion/grievance boxes, quantity of boxes, location of boxes along with documents of procedures of how suggestion/grievances are collected and handled.	The factory sent photos of suggestion boxes.			Factory sent photos of suggestion/grievance boxes in place and procedures for how suggestion/grievances are collected and handled. These items are on file at the PC.	The workers are not accustomed to dropping complaints/suggestions in the designated boxes because they think the complaint boxes placed in the plant do not resolve the workers' problems. Monitors also noted that no complaint was recorded in the complaint register for the last few months. Complaint and suggestion boxes were opened by the welfare officer on a fortnightly basis, although as per remediation plan they have to be opened by Worker Welfare Committee (WWC). The confidential non-compliance reporting channel was not functional.	Interviews with the workers and welfare officer, review of complaint register and complaint file.	Workers can contact our local auditor for complaints. His telephone number and email are posted at the factory.	Incomplete. A secure reporting channel to contact the company was not found. Workers were found unaware of the communication channel i.e. contact number and email of the company representative.	Visual inspection and workers interview.	COMPLETE. 09/24/09 WWC posters placed in various locations in worker areas.	Examples of the poster and a photo of this displayed in the factory are updated at the FFC site.		
<b>II. Forced Labor</b>																							
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	Workers are not provided with appointment letter and confirmation letter. The letters are signed by the workers and only kept in the personnel files. Some documents are not consistent. 8 - No appointment letter, 1 person - no confirmation letter, 1 appointment letter without sign of management. Employment contract does not contain signature from management. No settlement paper for the terminated workers. Moreover it takes at least 3 months' time to complete one personnel file.				Workers interview and management interview and records of personnel file reviewed	1. The factory must give each employee an appointment letter and confirmation letter as required by local law. A copy of the letters will be kept in the employee's personnel files at all times. Management must sign both the appointment letter and confirmation letter. The original appointment and/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 appointments and new hires. The factory is to send at least 5 copies of the newly signed confirmation/appointment letters to TOW/OCC by Nov 1, 2005.	11/1/2005	The factory has already started to give each employee an appointment letter and confirmation letter as required by local law. The factory is also keeping a copy of the letters in the employee's personnel files at all times. Will send requested items by 11/1/05.	1. The factory sent 5 copies of employee appointment/confirmation letters on 10/31/05, showing management signatures and employee signatures.		1. The factory sent 5 copies of employee appointment/confirmation letters on 10/31/05, showing management signatures and employee signatures.	All the personnel files contain appointment and confirmation letters (if production period is completed) duly signed by the authorized personnel and the workers. At present it takes almost one month to complete one personnel file. No workers were terminated within the last 12 months.	Review of worker personnel files, management interview, interview with several newly recruited workers and review of workers' attendance register.	Complete. Personnel files are complete and it takes one week to complete the new personnel files.	Personnel files review and interview new workers.						
Employment Records		Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision	It takes 3 months' time to open and complete a personnel file.				Personnel file review and worker interview	The factory shall immediately have the service book, appointment letter including breakdown of wages, an age and fitness certificate completed upon hiring an employee. Send Top of the World/Outdoor Cap 5 copies of new employee service books, appointment letters including breakdown of wages, an age and fitness certificate by November 1, 2005.	11/7/2005 & 11/15/2005	The factory is now giving the service book, appointment letter including breakdown of wages, an age and fitness certificate completed upon hiring an employee. Will send requested items by 11/1/05.	Factory has sent copies of services books, appointment letters, etc. to satisfy this request. Dec. 05.		Copy of service book and appointment letters kept in files.	At present it takes almost one month to complete one personnel file.	Review of worker personnel files, management interview, interview with several newly recruited workers and review of workers' attendance register.	Verification of length of time to complete personnel file-factory to supply copies of recent personnel flesby 5/05.	Complete. It takes one week to complete the new workers' personnel files.	Personnel files review and interview new workers.					
Employment Records		Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision	Contract papers are not complete. Reviewed and found 5 contract papers and 1 contract collected where management signature does not exist. Documents are not consistent. 8 - No appointment letter, 1 person - no confirmation letter, 5 appointment letter without signature of management. Employment contract does not contain signature from management. No settlement paper for the terminated workers.				Attendance record review and management interview and personnel files reviewed, worker interview	The factory management must sign all employee contracts; the employee must also sign the contract. Keep a copy of the contract in the employee's files and give a copy of the contract to the employee's files and giving 5 copies of employee contracts with employee and management signatures by November 1, 2005.	11/1/2005 & 11/15/2005	Both the factory management and the employees are signing all employee contracts. The factory is keeping a copy of the contract in the employee's files and giving 5 copies of the contract to the employee. Will send requested items by 11/1/05.	Factory has sent copies of services books, appointment letters, etc. to satisfy this request. Dec. 05.		Copy of service book and appointment letters kept in files.	At present factory does not employ any persons on contractual basis. The monitors found that no workers were employed on a contractual basis during the last 12 months.	Review of worker personnel files, interview with management and workers.	Complete. All the contract papers and personnel files found complete.	Personnel files review.						
<b>III. Child Labor</b>																							
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.	Workers' age certificates are issued after the job application date and joining date.				Personnel files and age documentation reviewed and interviewed the certification process with management and nurse	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 new hires. Send Top of the World/Outdoor Cap 5 copies of age determination of newly hired employees by November 1, 2005.	11/1/2005	Factory Response: In our factory, child labor is strictly prohibited. Normally the factory bases age determination certificate prior to the employees joining date. This age determination must be made prior to an employee's start date. Please send by December 15, 2005. We will send all requested items by 11/1/05.	The factory sent 5 copies of age determination certificates. We are requesting a policy and procedure from the factory stating that age determination must be made prior to an employee's start date. Please send by December 15, 2005.		The factory sent 5 copies of age determination certificates by 11/05, stating that it did give to TOW on December 05. Factory is no longer using room for storage, but not utilizing as child care room at this time either, Dec. 05	OCC to discuss child care issue with factory management at Feb. 06 visit. OCC found child care facility which is located in the production facility, no children are enrolled in child care facility at this time. No updates have been made as of 10/17/06.	Monitors found that up until December 2005 all the age verification certificates from doctors were issued after the worker started working. During the period January to December 2006 some age verification certificates were issued upon hire and some 2-3 days later. But since January 2007 the age certificate of newly recruited workers has been issued on or before the joining date of the respective workers.	Interview with workers & nurse; review of workers' personnel files.	Complete. Age and fitness certificates are issued on or before the joining of the new workers.	Personnel files review.					
Childcare facilities	Childcare facility need to be in a separate building/area other than the production floor.	Childcare facilities will be physically separated from production areas, and children will not have access to production areas.	There is a childcare facility inside the factory premises on 4th floor. The childcare facility is not functional and used as a casual storage for dresses/uniforms of the workers. No children were found in the center and workers are unaware about the facility and its advantages.				Visual inspection and workers interview and training system query with management	The factory must ensure that the childcare facility is clearly away from any production area. The childcare facility must be kept clear of all obstacles that are not related to childcare. The factory must not promote the use of the child care facility to the employees. We recommend the factory contract with Lifs- Standards to complete a consultancy training to help bring many different areas of the factory into compliance, by doing this the female workers will be asked what would make the child care accessible for them and then this information would be brought to management for further discussion. Send Top of the World/Outdoor Cap the training date that is confirmed with Lifs- Standards for the consultancy training by November 1, 2005, see attached information regarding this program.	11/1/2005	Factory Response: Now it is impossible to us for shifting the childcare center from the production floor. But in the future, we shall try to shift child care from the production floor. Now the factory promotes the use of the child care facility to the employees. We are taking the necessary actions to make day care center functional. We shall send information about the day care center by 11/1/2005.	The factory did not send remediation items by 11/1/05, stating that it did give to TOW on December 05. Factory is no longer using room for storage, but not utilizing as child care room at this time either, Dec. 05		OCC to discuss child care issue with factory management at Feb. 06 visit. OCC found child care facility which is located in the production facility, no children are enrolled in child care facility at this time. No updates have been made as of 10/17/06.	Welfare officer has not provided any information on childcare facility to workers. Some workers know there is a room for childcare but it is not used for the purpose. Childcare facility was still not moved to a different location.	Workers interview, Management interview and Visual inspection.	Childcare center has been cleared but is still not in use. Target completion date: 11/09	Incomplete. Childcare facility is not functional and still in the main factory building on 4th floor. The childcare center was found empty without any one responsible (custodian) for the room. Moreover one child was found inside the factory building ground floor who was a nephew of a worker who works on the 5th floor of the building, which is a sister concern of the factory (same owner). With the intervention of the auditor the child was placed in the child care room for the time being.	Visual observation and workers interview.	COMPLETE. Immediate discussion of the child-care facility with factory management implemented as soon as the audit findings were given to the PC. A new room was created and equipped for the facility and child-care was resumed formally in November 2005. Certified staff were hired to work in the facility and it is operating now.	Photos are sent to FLA for review.			
Children on the Premises (New findings)																							

FLA Code/Compliance Issue	Country/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	EEM Findings			Remediation			Updates Case Use of Follow up			Third Party Verification			Company Follow up				
					Evidence of Non-compliance (re-observed)	If not corroborated, explain why	Sources/Documentation used for corroborating	Noticeable Features Implemented by Factory Management or Company	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Site date of follow up)	Documentation	Company Follow up	Documentation	Third Party Verification (EV: September 12, 2007)	Documentation	Company Follow up	Documentation	Third Party Verification (EV: June 15-16, 2009)	Sources/Documentation used for corroborating
<b>Harassment or Abuse</b>																					
Every employee will be treated with respect and dignity. No employees will be subject to any physical, sexual, psychological or verbal harassment or abuse.																					
Progressive Discipline		Employers will utilize progressive discipline, e.g., escalating discipline using steps such as verbal warning, written warning, suspension, termination. Any exceptions to this rule, e.g., immediate termination for theft or assault, shall be in writing and clearly communicated to the workers.	No formal disciplinary system, policy and procedure exist.			Management interview and workers interview		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIT-Standards and we, Top of the World/Outdoor Cap, fully recommend that [factory] contract with LIT-Standards Ltd. to complete this training program which consists of 2 days disciplinary and CoC training and a consultancy 4 months program. See attached list of disciplinary procedures as a reference of what your system should resemble. Please send Top of the World/Outdoor Cap the factory's revised policies and procedures relating to discipline by and a set date for the training November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training programs for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIT-Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. Factory has established and posted disciplinary policy and procedures. Training has occurred for management. Training will be provided to the workers the month of July 2006.	Copies of the policy and procedures are kept in files in ODC and TOW.	ODC to discuss when training will be given to workers.	Factory will send signed documentation from workers by August 1, 2006.	The factory has developed a policy and procedure on disciplinary action. However, the factory has not hired any outside consultant to provide training on treatment of employees and disciplinary action as per PC remediation plan. Compliance officer informed that they conducted training for supervisors/management on said issues but monitors could not find training schedule on this specific issue.	Review of policies and training schedule, management and workers interview.	Factory does periodic training-sign in sheets for training to be submitted to TOW 5/09.	Complete: Disciplinary policy and procedure has been established and worker training is conducted on the above mentioned issues.	Documents review and workers interview.		
Progressive Discipline		Employers will utilize progressive discipline, e.g., escalating discipline using steps such as verbal warning, written warning, suspension, termination. Any exceptions to this rule, e.g., immediate termination for theft or assault, shall be in writing and clearly communicated to workers.	Workers are terminated for continuous absence from work for 3 - 4 days.			Personnel files and warning letters		According to the law "The Employment of Labor (Standing Orders) Act, 1957", the employer is authorized to terminate a worker if he is absent from work for more than 15 days without prior permission or information to the management provided that upon the return the workers is not able to give a justified explanation. In this case a registered letter will be sent to the temporary and permanent address of the worker with the information of loss of lien and request to report with a given date. If a report is submitted as outlined in a registered letter, she can be lawfully terminated. The factory shall immediately start complying with local law and shall amend the worker handbook to issue as such. Please send Top of the World/Outdoor Cap a copy of the revised employee handbook translated into English and in local language highlighting this change.	11/1/2005	We shall immediately start complying with local law and shall amend our employee handbook. We shall send all requested items by 11/1/2005.	The factory has chosen not to hire LIT-Standards Ltd. for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. Factory has established and posted disciplinary policy and procedures. Training will be provided to the workers the month of July 2006.	Copies of the policy and procedures are kept in files in ODC and TOW.	ODC to discuss when training will be given to workers.	Factory will send signed documentation from workers by August 1, 2006.	The factory did not update the worker handbook by including "The Employment of Labor (Standing Orders) Act, 1957" as per PC remediation plan. Management continues to distribute the old handbook to workers. Records show that during the last 12 months no workers were terminated for 3 or more days of continuous absence from work. But from the worker interview it was found that the management still verbally communicated that the workers should be terminated in case of 3 or more days of continuous absence from work.	Interview with workers and management, review of workers personnel files, legal and worker handbook.	Factory does periodic training-sign in sheets for training to be submitted to TOW 5/09.	Complete: No such termination case due to absence could be identified and workers informed that factory has stopped internally communicating the policy. Factory issue warning letter or follow disciplinary system in case of such absence.	Documents review and workers interview.		
Disciplinary Practices		Employers will utilize consistent written disciplinary practices that are applied fairly among all workers.	No disciplinary policies and procedures are found in effect in the factory. Only document mentioned on disciplinary action is the warning letter. Some warning letter found where the reason of issuing the warning letter is not mentioned or ticked. In one letter there were 3 warnings issued at the same time, ending in termination without any justification.			Workers interview and personnel warning letters		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIT-Standards Ltd. and we, Top of the World/Outdoor Cap, fully recommend that [factory] contract with LIT-Standards Ltd. to complete this training program which consists of 2 day disciplinary and CoC training and a consultancy 4 months program. See attached list of disciplinary procedures as a reference of what your system should resemble. Please send Top of the World/Outdoor Cap the factory's revised policies and procedures relating to discipline by and a set date for the training November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training programs for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIT-Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. Factory has established and posted disciplinary policy and procedures. Training will be provided to the workers by the Social Compliance manager the month of July.	Copies of the policy and procedures are kept in files in ODC and TOW.	ODC to discuss when training will be given to workers.	Factory will send signed documentation from workers by August 1, 2006.	The factory has developed a policy and procedure on disciplinary action. However, the factory has not hired any outside consultant to provide training on treatment of employees and disciplinary action as per PC remediation plan. Compliance officer informed that they conducted training for supervisors/management on said issues but monitors could not find training schedule on this specific issue. The monitors did not find evidence of three times warning policy either, but found some warning letters with workers' responses on them. No worker was terminated during the last 12 months as a result of disciplinary action.	Review of policies and training schedule, interview with management and workers, review of workers' personnel files.	Factory does periodic training-sign in sheets for training to be submitted to TOW 5/09.	Complete: Disciplinary policy and procedure has been established and worker training is conducted on the above mentioned issues. Reason for disciplinary action is indicated on the warning letters.	Documents review and workers interview.		
Training of Management in Disciplinary Practices		Employers will provide training to managers and supervisors in appropriate disciplinary practices.	No formal training is provided on disciplinary procedures.			management and workers interview		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIT-Standards Ltd. and we, Top of the World/Outdoor Cap, fully recommend that [factory] contract with LIT-Standards Ltd. to complete this training program which consists of 2 day disciplinary and CoC training and a consultancy 4 month program. See attached list of disciplinary procedures as a reference of what your system should resemble. Please send Top of the World/Outdoor Cap the factory's revised policies and procedures relating to discipline by and a set date for the training November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training programs for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIT-Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. Factory has established and posted disciplinary policy and procedures. Training will be provided to the workers by the Social Compliance manager the month of July.	Copies of the policy and procedures are kept in files in ODC and TOW.	ODC to discuss when training will be given to workers.	Factory will send signed documentation from workers by August 1, 2006.	As per PC remediation plan the factory did not hire any outside consultant to provide training on treatment of employees and disciplinary action as per PC remediation plan. Compliance officer informed that they conducted training for supervisors/management on said issues but monitors did not find evidence of three times warning policy either, but found some warning letters with workers' responses on them. No worker was terminated during the last 12 months as a result of disciplinary action.	Review training schedule, interview management supervisor and workers.	Factory does periodic training-sign in sheets for training to be submitted to TOW 5/09.	Complete: Factory arranges internal training for the workers on disciplinary system (policy and procedure) on a monthly basis.	Documents review and workers interview.		
Records Maintenance		Employers will maintain written records of disciplinary actions taken.	No written records maintained for the number of disciplined workers or separated or fined workers on a monthly basis or for the steps and procedures of disciplinary actions. Only warning letter is issued and maintained properly with respective files. Warning/termination letter was found but no personnel file/documents for the person in question were available.			Management interview and personnel file check		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIT-Standards Ltd. and we, Top of the World/Outdoor Cap, fully recommend that [factory] contract with LIT-Standards Ltd. to complete this training program which consists of 2 day disciplinary and CoC training and a consultancy 4 months program. We are also sending you a list of disciplinary procedures as a reference of what your system should resemble. Please send Top of the World/Outdoor Cap the factory's revised policies and procedures relating to discipline and a confirmed training date by November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training programs for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIT-Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. Factory has established and posted disciplinary policy and procedures. Training will be provided to the workers by the Social Compliance manager the month of July.	Copies of the policy and procedures are kept in files in ODC and TOW.	ODC has requested signed documentation of training by the manager.	Factory will send signed documentation from workers by August 1, 2006.	Records were maintained for the disciplined or migrant workers on a monthly basis. Warning letter was issued and also maintained properly in respective files. Reviewing the worker's personnel files did not find any evidence of termination resulting from warning.	Review workers personal files, management and workers.	Factory does periodic training-sign in sheets for training to be submitted to TOW 5/09.	Complete: Records are maintained for disciplined and migrant workers on a monthly basis.	Documents review.		
Verbal Abuse		Employers will prohibit screaming, threatening, or demanding verbal language.	Verbal abuse occurs in cases of failure to achieve the production target, unauthorized absence and mistake in work. Workers are to make to stand in front of the sewing line for half an hour as punishment for absence.			workers and supervisors interview and group discussion		The factory will attend a training of supervisors/management on treatment of employees and disciplinary actions. We are sending the training outline from LIT-Standards Ltd. and we, Top of the World/Outdoor Cap, fully recommend that [factory] contract with LIT-Standards Ltd. to complete this training program. Please send Top of the World/Outdoor Cap the factory's revised policies and procedures relating to discipline and a confirmed training date by November 1, 2005.	11/1/2005	Factory Response: The factory is arranging training programs for supervisors/management on treatment of employees and disciplinary actions. We will send revised policies and procedures and a confirmed training date by 11/1/05.	The factory has chosen not to hire LIT-Standards for the training. They have hired a person to help the factory become compliant. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. Factory has established and posted disciplinary policy and procedures. Training has occurred for management. This worker interview, no evidence of continued verbal abuse.	Copies of the policy and procedures are kept in files in ODC and TOW and employees interview.	ODC has requested signed documentation of training by the manager.	Factory will send signed documentation from workers by August 1, 2006.	The factory has developed a policy and procedure on disciplinary action. However, the factory has not hired any outside consultant to provide training on treatment of employees and disciplinary action as per PC remediation plan. Compliance officer informed that they conducted training for supervisors/management on said issues but monitors could not find a record of this specific issue on the training schedule. Verbal abuse persists. One of the supervisors was observed to be yelling at a worker during the factory visit.	Focus group discussion, workers and management interview and factory tour.	Factory does periodic training-sign in sheets for training to be submitted to TOW 5/09.	Complete: Verbal abuse and informal punishment system has stopped. Training for the workers and supervisors has been conducted. But training needs to continue on a regular basis.	Workers interview & document review.		
Monetary Fines and Penalties		Employers will not use monetary fines and penalties for poor performance.	Worker's attendance was deliberately omitted from the attendance register resulting in salary deduction for wrongdoing/mistake in the work.			worker and supervisor interview and attendance and payment record reviewed		The factory will immediately STOP the practice of omitting workers attendance from the attendance register. This is a form of informal punishment. Please send Top of the World/Outdoor Cap a copy of the attendance record for the embryology section for the months of September and October 2005 and a letter from management that this practice has immediately been corrected by November 15, 2005.	11/15/2005	Factory Response: The factory will immediately STOP the practice of omitting workers attendance from the attendance register. The factory shall send a copy of the attendance register record for the embryology section as requested for the months of Sept. and Oct. 2005 and a letter from management stating as such by 11/15/2005.	The factory has stopped the practice of omitting workers attendance from attendance register.	Copy of attendance register kept in files.		There was no evidence of omissions with the attendance book keeping and there were no salary deduction for doing a mistake with the job.	Workers and management interview, time records and payroll sheets review.	Complete: No case of salary deduction has been identified.	Workers interview & document review.				
Monetary Fines and Penalties		Employers will not use monetary fines and penalties for poor performance.	Worker's attendance was deliberately omitted from the attendance register resulting in salary deduction for wrongdoing/mistake in the work. Approved leave is also deducted from the salary if social permission for leave with pay is given by the supervisor in charge.			Attendance record review and management interview and personnel files reviewed, worker interview and WWC member interview		The factory will immediately STOP the practice of omitting workers attendance from the attendance register. This is a form of informal punishment. Please send Top of the World/Outdoor Cap a copy of the attendance record for the embryology section for the months of September and October 2005 and a letter from management that this practice has immediately been corrected by November 15, 2005.	11/15/2005	Factory Response: The factory will immediately STOP the practice of omitting workers attendance from the attendance register. The factory shall send a copy of the attendance register record for the embryology section as requested for the months of Sept. and Oct. 2005 and a letter from management stating as such by 11/15/2005.	The factory has stopped the practice of omitting workers attendance from attendance register.	Copy of attendance register kept in files.		From record review of last 12 months as well as worker interview we did not find any evidence of heard any complaints from workers regarding the recording of working hours or salary deductions due to mistakes with the job. Nor did we find any evidence of salary deductions for approved leave.	Workers and management interview, time records, leave register, workers personal files and payroll sheets review.	Complete: No case of salary deduction has been identified.	Workers interview & document review.				
Other (Grievance Procedure)			Worker handbook is not provided to all the worker. Workers are not aware of the grievance and disciplinary system and procedures. Some of the workers only know about the existence of suggestion box but they are not clear and confident about the credibility and effectiveness of it.			Attendance record review and management interview and personnel files reviewed, worker interview and WWC member interview		The factory shall immediately give all workers a worker handbook, also the factory shall post their grievance and disciplinary policies on notice boards through out the factory and we recommend that you have the WWC start collecting the suggestion box comments, review the complaints/suggestions, and give to management. Management should respond back to the WWC within a specified period of time and the WWC can post the resolutions to the problems or comment on a notice board so that employees can see the effectiveness of this communication system. Send Top of the World/Outdoor Cap photos of the posted grievance and disciplinary policies and a new procedure for the involvement of the WWC in this process by November 1, 2005.	11/1/2005 & 11/15/2005	Factory Response: The factory shall immediately give all workers a worker handbook, also the factory shall post their grievance and disciplinary policies on notice boards through out the factory. The factory will send that to the WWC. Management should respond back to the WWC within a specified period of time and the WWC can post the resolutions to the problems or comment on a notice board so that employees can see the effectiveness of this communication system. Send Top of the World/Outdoor Cap photos of the posted grievance and disciplinary policies and a new procedure for the involvement of the WWC in this process by November 1, 2005.	The factory provided copy of handbook. Currently the factory is in the process of updating their handbook and will submit a new handbook by Feb. 15, 2006. Outdoor Cap to check for new handbook on Feb. 08 visit.	Copy of handbook kept in files.	ODC reviewing and working with factory on revised handbook and training of workers.		Workers handbook has been distributed to workers as per remediation plan but it was the old version. The workers are not accustomed to dropping complaints/suggestions in the designated boxes as they think the complaint boxes placed in the tables do not resolve the workers' problems. Monitors also found that no complaints were recorded in the complaint register for the last few months. Complaint and suggestion boxes were opened by the Welfare Officer on a fortnightly basis, although the per remediation plan they have to be opened by WWC.	Worker interviews, focus group discussion, interview with compliance and welfare officer, review of the complaint register and complaint file.	Factory to provide copy of new handbook 5/09.	Complete: Workers are aware of the disciplinary and grievance system. They are aware of the existence of suggestion box but do not use them actively. Factory has a new Workers Participation Committee elected on May 20, 2009 which is still functional. Suggestion boxes only receive minor complaints or problems like kiosk repair, non-functional lights or fans, etc. Only 3 such complaints submitted in the last few months.	Workers interview and WWC members interview and Documents review.		

FLA Code/ Compliance Issue	Country/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	EEM Findings			Remediation				Updates/Close Date of Follow up		Third Party Verification		Company Verification Follow up		Third Party Verification		Company Verification Follow up		
					Evidence of Non-compliance (non-corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating	Notable Features Implemented by Factory Management or Company	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Site date of follow up)	Documentation	Company Follow up	Documentation	Third Party Verification (EV: September 12, 2007)	Documentation	Company Follow up	Documentation	Third Party Verification (EV: June 15-16, 2009)	Sources/Documentation used for corroborating	Company Follow up (August/November 2009)
<b>Non-discrimination</b>																						
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.																						
<b>Health and Safety</b>																						
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 codes of conduct are contradictory, the higher standards will apply. The factory will possess all legally required permits	There is no fire fighting team trained. Only 3 names are given as fire fighters for the whole factory. None of these persons are trained, nor do the workers recognize these persons to be fire fighters.  No first aid policy/team or doctor found, only one nurse (without professional training and certificate) available.			Management interview and workers reviewed. Personnel files reviewed	1. The factory shall contact the local fire marshal and have a training conducted with the current fire fighting team. Also, have the local fire fighting team meet meeting notes from this training on file. Training should be done quarterly. The factory will train all employees on who the fire fighting team members are on a quarterly basis. Meeting notes are to be kept. Photos on the fire fighting team need to be posted in the canteen, production area, at all entrances and any place employees gather. The training will be completed by November 1, 2005 and meeting notes sent to Top of the World/Outdoor Cap. Send photos of the fire fighting team photos as they are posted in all areas of the factory by November 1, 2005. 2. Per the Bangladesh Factories Rules, 1979: The ambulance room or dispensary shall be in charge of a qualified medical practitioner assisted by at least one qualified compounder and nurse and such subordinate staff as the Chief Inspector may direct. The medical practitioner shall always be available on call during working hours. The factory shall create a first aid policy	11/1/2005	Factory Response: 1. The factory shall contact the local fire marshal and have a training conducted with the current fire fighting team. Also, have the local fire fighting team meet meeting notes from this training on file. Training should be done quarterly. The factory will train all employees on who the fire fighting team members are on a quarterly basis. Meeting notes are to be kept. Photos on the fire fighting team need to be posted in the canteen, production area, at all entrances and any place employees gather. The training will be completed by November 1, 2005 and meeting notes sent to Top of the World/Outdoor Cap. Send photos of the fire fighting team photos as they are posted in all areas of the factory by November 1, 2005. 2. The factory has already created a first aid policy. The factory will hire a qualified medical practitioner and at least one qualified compounder and nurse as soon as possible. The factory will send us evidence this has been completed as soon as possible.	1. The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. 2. The factory sent a copy of their first aid policy on 10/31/05. We are requesting a procedure from the factory stating who is responsible for maintaining the first aid boxes by December 15, 2005. The factory did not send evidence of an appointed medical practitioner that is letters from hospital personnel for Mrs. **** (*) from **** Hospital, as evidence she has been certified.		Factory sent copy of The Letter of Appointment of a part time doctor that started on 4/18/06 that will be in the factory 2 days a week and on call. Advised factory by law that a doctor should be on the factory stating who is responsible for maintaining the first aid boxes by December 15, 2005. The factory sent a copy of their first aid policy on 10/31/05. The factory sent 2 letters from hospital personnel for Mrs. **** (*) from **** Hospital, as evidence she has been certified.		The factory has posted the names of fire fighting team members on the notice board of the production floor, but some of these team members had already left the factory. Fire fighting team is not known to the workers. Photos of the fire fighting team were not posted in the canteen and production area. The factory has a first aid policy and it was posted. There is no full time qualified medical staff. The factory doctor comes in twice a week (Wednesday & Saturday) for 2-3 hours.	Communication with Compliance Officer, interview with fire fighting team and workers. Inspection of the fire fighting equipment and the notice board on the production floor.	Updated fire team notice boards posted-factory to copy photos of notice boards 5/05.	Completed. Fire fighters have been trained. 1st with pictures is posted on each floor. 2 doctors (one male and one female) come in on times, for half the day. A full time nurse is also available in the factory.	Visual inspecting & workers interview and documents review.				
Fire Safety Health and Safety legal compliance																						
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unobstructed aisles/ways, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	Fire safety policy is not in local language and not posted for workers. Fire drill is not arranged every month as mentioned in the factory internal policy. Workers are not trained on fire safety and first aid policy.			Management interview and visual inspection. Records and register reviewed	In accordance with Section 22 of the Factories Act, 1965, and Instruction Number D.F.S.O. CD-44094/120 issued in 1997 of the Fire Service, each factory shall conduct at least 1 fire escape drill every month, and maintain proper details of the drill. The factory shall send immediately adhering to local law by conducting a monthly fire drill. These fire drills should be kept in a log. Please send Top of the World/Outdoor Cap a copy of the fire drill log and photos of the drill for the month of September and October 2005 by November 1, 2005.	11/1/2005	Factory Response: Fire safety policy already been made and posted in the noticeboard. Fire drills are now kept in a log. Will send copy of log and photos of monthly drill for the month of Sept and Oct. 2005 by 11/1/2005.	The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. Factory has now posted the fire safety policy in the local language. Factory conducts monthly fire drill interviews, Dec. 05.		Confirmed thru worker interviews, copies of notes kept in files.		Fire safety policy written in local language and posted on the notice board. The factory arranges fire drills on a monthly basis and keeps a log. Workers corroborated this information.	Communication with Compliance Officer, interview with fire fighting team and workers. Inspection of the fire fighting equipment and the notice board on the production floor.		Completed. Fire drill is conducted every month and documented in register.	Documents review and workers interview.				
HSS 9: Evacuation requirements and procedure																						
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	First aid kits are not well stocked and no one responsible for supervising their maintenance.			Visual inspection and management interview	According to the Factories Act 1965, Section 44, and Factories Rules 1979, Section 55 every factory shall provide and maintain at least 1 first aid box with its prescribed contents for every 100 workers, in the charge of a person trained in the use of first aid. The factory shall comply with local law and properly stock all first aid kits at the factory as stated above and create a policy and procedure for the kits to be checked weekly for re-stocking. Please send Top of the World/Outdoor Cap photos of the completely stocked first aid kits and a copy of the new policy and procedures for re-stocking of the first aid kits by November 1, 2005.  The factory shall immediately supply all PPE to necessary employees and train the employees on the use of the protective equipment. Please send photos of employees wearing required PPE by November 1, 2005.	11/1/2005	Factory Response: The factory has already created a policy and procedure for the kits to be checked weekly for re-stocking. The factory will send photos of the completely stocked kits and a copy of the new policy and procedures for re-stocking by 11/1/05. Outdoor Cap to check on February 19 factory follow-up visit.	The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. TOW found that first aid kits still not well stocked in Dec. 05. TOW will send a fully stocked first aid kit as an example by 2-15-06. Outdoor Cap to check on February 19 factory follow-up visit.		ODC to check all first aid kits at factory during Feb. visit. ODC found first aid kits to be stocked well. Also was told that the factory will monitor their first aid kits as per the TOW sends.		The monitors randomly checked 4 first aid boxes during walk-through and found two boxes empty. There were only Naispa tab - 2 nos., Abnorme 10-ros, and a piece of dry cotton in the first aid boxes of the 3rd floor. Supervisor informed that a requisition was prepared by nurse to buy the medicine. Nurse showed the requisition paper to the monitors during the medical center visit. First-aid kits were not well-stocked. Monitors also did not find any evidence of weekly checking for re-stocking.	Interview with the nurse, compliance officer and 2 general workers, inspection of the first aid boxes.	First aid boxes are now locked to prevent theft. All floor supervisors have keys to boxes.	Incomplete. First aid boxes were found mostly empty / not sufficiently stocked in many places. Even the doctor's (convalescence room) is not well stocked with medicine.	Visual observation and interview the first aiders and nurse.	COMPLETE 08/18/09 The entrance and aisles were cleared of all items blocking access to/room for all workers. Aug 09 - Oct 09 Policies on adequate safety equipment have been updated and training with all staff has been implemented to ensure that there is no empty or missing equipment at the factory.	Photos are sent to FLA for review.		
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 wastes.	PPE are not provided to the workers (hand gloves- iron section, mask -overlock machine, ear plug - Kanasa special and bank machine) and no training on the use of PPE is provided to workers.			Visual inspection and management interview and workers interview	The factory shall immediately supply all PPE to necessary employees and train the employees on the use of the protective equipment. Please send photos of employees wearing required PPE by November 1, 2005.	11/1/2005	Factory Response: The factory shall supply all PPE to necessary employees as soon as possible and train the employees on the use of the protective equipment. The factory will send photos as soon as possible	The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. TOW found again that PPE was not provided to workers Dec. 05. Outdoor Cap to check again on Feb. 19th visit.		ODC to check for PPE used by workers on factory tour. ODC found the factory and saw workers using PPE. Several photos were taken and on file.		Factory management supplied sufficient PPE (hand gloves in iron section, mask for the over lock machine and hand gloves to protect thimble machine). But hand gloves were not used in the iron section. Monitors found that enough hand gloves were stocked in a room very close to the ironing section. Masks were not used for the over-lock machine. Thinner was not used during the audit process.	Interview with the section personnel in charge, workers and management interview, floor visit.	On location auditor to confirm use of PPE, 009	Incomplete. PPE was not sufficiently provided for the printing section, Embroidery (Subcontract factory) section and iron section.	Visual observation.	COMPLETE Aug 09 - Nov 09 The importance of all PPE devices and the implementation of a plan to ensure that all are used by workers was devised. Inventory on what was needed was done in early November, and by 11/30/09 all PPE missing was posted out to anyone who needed more protection.			
Chemical Management		All chemicals and hazardous substances should be properly labeled and stored in accordance with applicable laws. Workers should receive training, appropriate to their job responsibilities, in the safe use of chemicals and other hazardous substances	Thinner is used without labeling and taking any safe measure			Visual inspection	The factory shall immediately label all chemical in the local language and English and post Material Safety Data Sheets (MSDS) for all chemicals. Send Top of the World/Outdoor Cap photos of the labeled chemical containers and copies of the MSDS sheets by October 1, 2005.	11/1/2005	Factory Response: The factory has already labeled all chemicals in the local language and English. They have posted MSDS sheets for all chemicals. The factory will send photos of the labeled containers and copies of the MSDS sheets within short time.	The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. Follow-up audit in Dec. 05 showed thinner marked and MSDS checks being followed.	Four of factory.		The monitoring team found that thinner was appropriately marked and labeled. MSDS was properly posted in the spot remover section and thinner storage room.	Floor visit, review of the MSDS of thinner, worker and management interview.		Incomplete. Thinner was used inside the floor which needs a separate room with exhaust fan sucking out the air outside. The thinner spray gun was not labeled.	Visual observation.	COMPLETE Aug 09 We implemented a plan and arranged for immediate construction of the ventilation needed in this storage area. Sep 09 - Oct 09 Inventory was done on all chemicals being used and new labels were placed where necessary. Training was implemented on the procedure for inspecting and correcting any chemical labeling or storage matters.				
Chemical Management																						

FLA Code/Compliance Issue	Country/Legal Reference	FLA Benchmark	Non-compliance	EIM Findings			Remediation			Updates Due Date of Follow up			Third Party Verification (EV: September 12, 2007)			Company Verification Follow up			Third Party Verification (EV: June 15-16, 2009)			Company Verification Follow up		
				Risk of Non-compliance	Evidence of Non-compliance (non-observed)	If not corroborated explain why	Sources/Documentation used for corroborating	Notable Features Implemented by Factory Management or Company	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Site date of follow up)	Documentation	Company Follow up	Documentation	Third Party Verification (EV: September 12, 2007)	Documentation	Company Follow up	Documentation	Third Party Verification (EV: June 15-16, 2009)	Sources/Documentation used for corroborating	Company Follow up (August-November 2009)	Documentation	
Machinery Maintenance		All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner	Eye guard with the overlock and bank machine is not used and in some cases the guard were not found installed on the machines.			Visual inspection	The factory shall immediately supply all PPE to necessary employees and train the employees on the use of the protective equipment. Please send photos of employees wearing required PPE by November 1, 2005.	11/1/2005	Factory Response: The factory shall supply all PPE to necessary employees as soon as possible and train the employees on the Use of the protective equipment. The factory will send photos as soon as possible	The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. ODC found again that PPE was not provided to workers Dec. 05. ODC will check again on Feb. 08th visit.	ODC to check for PPE used by workers on factory tour. ODC found the factory and saw workers using PPE. Several photos were taken and on file.		The eye guard was not fixed for the overlock and bank machine. When the monitor asked about the eye guard the worker showed it under the table. Workers and supervisors did not receive any training on the importance of machine guard and the necessity of its use. <b>New Findings:</b> No need guard on the sewing machine.	Floor visit, worker and management interview.	Proper guards are installed on all machines. To be reconfirmed by on location auditor 5/09.		Completed: machine guards and eye guards were found available.	Visual observation.						
Machinery Maintenance		All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner.																<b>New Finding:</b> Automatic switch (by hand) for cutting machines is not functional. They are modified by factory and run by top.	Visual observation and interview with machine operators.	COMPLETE Aug 09 In discussing this with the factory staff, we were told that the workers often remove the switches to allow for faster operation of the machines. We advised that this is an unacceptable practice and implemented a plan to correct all machines that needed to be fixed. Inspectors were done and all of the machines were fixed in November 09.				
Sanitation in Facilities		All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws	Number of male toilets is sufficient and in keeping with the local law. But the number of female toilets need to be 36 for 300 female workers whereas factory has 5 female toilets per floor with a total of 15 toilets.  The canteen are not spacious enough to accommodate all the workers, as a result some workers take their lunch sitting on the floor. Sometimes water supply and heating facility are not available/adequate during lunch hour.			Visual inspection and records review, group discussion with workers	1. We suggest that the factory re-allocated the number of restrooms between male and female, you have too many for the men and not enough for the females. The total number of female toilets required by law should be increased from 15 to 36 by November 1, 2005. If after re-allocation of the bathrooms, you still do not have enough for the women, then you will have to install new facilities for the women to bring your total to 36. Please send Top of the World/Outdoor Cap your plans to comply with local law by increasing the number of female toilets to 36 by November 1, 2005.  2. We recommend that the factory stagger the lunch times to accommodate all workers comfortable during lunch breaks if possible, otherwise you will need to enlarge the canteen to accommodate all the workers, and to supply water and heating.	11/1/2005	Factory Response: 1. We will take action for this and will send you our plans to comply with local law by 11/1/2005.  2. We have taken necessary action for this. We will send all information by 11/1/2005 as requested.	The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. December 05 follow-up audit found the factory still in the process of increasing the number of toilets to the required level. In an effort to fulfill this requirement the factory has opened the 4th floor toilets to the workers.  2. The factory is now staggering the lunch times to alleviate over full canteen area.	The factory has realigned the # of bathrooms for women and men to ensure enough for women giving the women 41 and the men 15.	Inspection of the toilets, group discussion and interview with workers, review of records/notice board.	Per [internal monitor] factory provides soap and sandals but both are often missing due to theft.	Completed: Sufficient toilets provided and canteen space was also sufficient observed during lunch hour. Sandals is provided for toilet use.	Visual observation and workers interview.									
Worker Participation		Workers should be involved in planning for safety, including through worker safety committees	No worker safety committee found			Workers and management interview	The factory shall create and appoint some employees to a worker safety committee by November 1, 2005. This committee shall meet at least quarterly and meeting notes must be kept. Please send Top of the World/Outdoor Cap a list of all members of the committee and a plan of upcoming meetings for this committee by November 1, 2005.	11/1/2005	Factory Response: The factory shall create a worker safety committee by 11/1/05. This committee shall meet at least quarterly and meeting notes must be kept. The factory will send a list of all members of the committee and a plan of upcoming meeting by 11/1/05.	The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. The factory has established a workers safety committee.	Photos of members sent and kept in file.	Review of fire drill register, worker interview, visual inspection and focus group discussion.	Current fire team posted.	Completed: Fire fighting team has been trained along with first aid team. The photos are posted on each floor. Workers are also familiar with team members.	Documents review and visual observation and workers interview.									
Sanitation in Facilities		All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws																<b>New Findings:</b> Generator and compressor room are not well maintained. Electric wires were crossing walkways and lying on the floor and overall maintenance is poor.	Visual observation	COMPLETE Aug 09 Maintenance was done in the Generator Room to ensure that it was safe and working properly. Training was implemented on the importance of safety; hence due to the extreme danger of this area if not kept safe.	Photos are sent to FLA for review.			
Other (Childcare facility)		Child care facility is not functional, workers are not aware of the facility. Childcare room is not in a separate building but in the main building where production is using place.				Visual inspection and worker interview	The factory must ensure that the childcare facility is clearly away from any production area. The childcare facility must be kept clear of all obstacles that are not related to childcare. The factory must promote the use of the child care facility to the employees. We recommend the factory contact with ILO-standards to complete a consultancy that will bring many different areas of the factory into compliance, by doing this the female workers will be asked what would make the child care acceptable for them and then this information would be brought to management for further discussion. Send Top of the World/Outdoor Cap the training sites that is confirmed with ILO-standards for the consultancy training for November 1, 2005, see attached information regarding this program.	11/1/2005	Factory Response: Now it is impossible to us for shifting the childcare center from the production floor. But in the future, we shall try to shift child care from the production floor. Now the factory promotes the use of the child care facility to the employees. We are taking the necessary action to make day care center functional. We shall send information about the daycare center by 11/1/2005.	The factory did not send remediation items by 11/1/05, asking that it be given to TOW on December visit. ODC found child care facility which is located in the production facility, no children are enrolled in child care facility at this time.	ODC to discuss child care issue with factory management at Feb. 08 visit. ODC found child care facility which is located in the production facility, no children are enrolled in child care facility at this time.	Worker and management interview, visual inspection.	Child care center has been closed but still not in use. Target completion by 11/09.	Incomplete: Childcare facility is not functional and still in the main factory building on 4th floor. The childcare center was found empty without any one (responsibility) in the room. Moreover, one child was found inside the factory building ground floor who was a nephew of a worker, who works on the 5th floor of the building, which is a sister concern of the factory (same owner). With the intervention of the auditor the child was placed in the child care room for the time being.	Visual observation & management interview and workers interview.	COMPLETE Immediate discussion of the child care facility with factory management implemented as soon as the audit findings were given to TOW. A new room was created and equipped for the facility and child-care was resumed formally in November 2009. Certified staff were hired to work in this facility and it is operating now. Photos are uploaded onto the FTP site for review.	Photos are sent to FLA for review.							
Other (Qualification of the Medical Practitioner)		Technical staff (nurse and electrician, in-charge of health and safety matters) do not have any academic and professional certificate and degree. They have only experience of working in their respective field but even those certificates are not maintained in the personnel files.				Personnel File review	The factory shall create a first aid policy immediately. The factory shall hire a qualified medical practitioner and at least one qualified compounder and nurse as required by local law by October 1, 2005. Send Top of the World/Outdoor Cap a copy of the first aid policy and copies of the medical staff's certificates and photos by November 1, 2005 as evidence.	11/1/2005	The factory has already created a first aid policy. The factory will hire a qualified medical practitioner and at least one qualified compounder and nurse as soon as possible. The factory will send us evidence this has been completed as soon as possible.	The factory sent a copy of their first aid policy on 10/31/05. We are requesting a procedure from the factory stating who is responsible for maintaining the first aid bases by December 15, 2005. The factory did not send evidence of an appointed medical practitioner that is to be on-call at all times during factory hours. Please send medical certificate and photos of the practitioner by 11/1/2005.	ODC to discuss with factory management about hiring a medical practitioner, factory has hired a medical practitioner part-time.	Interview with nurse and other technical persons, review of personnel file, management interview.	On location auditor to confirm personnel files for technical persons 5/09	Completed: Factory maintains complete personnel files for nurse and technical person electricians. Both the files were available and found complete with their certificates.	Documents review and relevant person interview.									
H.S.R. Permits and certificates																		<b>New Findings:</b> Environmental certificate was not available for printing section. No ETP was found for the water from the printing section seen to be going through the regular drainage system.	Documents review and management interview.	NOT COMPLETE Aug 09 A plan to correct the drainage system and obtain the approval visa certificate of the local authorities was discussed with the factory management. Oct 09 Pending verification of the corrections necessary to resolve this matter. Nov 09 - Dec 09 Analysis of the status of the drainage system is being done to determine a final course of action.				
Other																		<b>New finding:</b> Workers found working barefoot. The workers standing in the iron and finishing section were not given floor mat to stand on.	Visual observation.	COMPLETE Aug 09 - Oct 09 Training for workers on use of PPE and other materials such as shoes in a factory environment was implemented. Follow-up monitoring will be done to ensure worker compliance is ongoing.				
<b>F. Freedom of Association and Collective Bargaining</b>																								
Employers will recognize and respect the right of employees to freedom of association and collective bargaining																								
Other			A Worker Welfare Committee has been selected during Jan 2005. But the committee is ineffective and workers are not familiar with the members and their activities.			Attendance record review and management interview and personnel files reviewed, worker interview and WWC members interview	The factory shall request the WWC to have monthly meetings starting immediately, document the meetings and help to promote this committee with the workers. Post photos of the WWC members in all areas of the factory where employees may gather, so the general employees can identify who their WWC committee members are. Send Top of the World/Outdoor Cap meeting notes in the local language and translated into English for the October 2005 meeting and photos of the WWC members posted at the factories by November 15, 2005.	11/15/2005	The WWC is now arranging meetings and help to promote this committee with the workers. The factory shall send meeting notes for Oct. and photos of the WWC members posted at the factory by 11/15/2005.	TOW found evidence of increased maternity benefits and financial assistance for housing for workers during worker interview in Dec. 05.	ODC reviewing and working with factory on revised handbook and training of workers.		The Worker Welfare Committee (WWC) consisted of 17 members. Compliance officer is the Chairman of this committee. The factory posted the photo of WWC members on the notice board in the production floor. But most of the members had left the factory. Workers are not aware of the role and responsibilities of WWC. Factory did not arrange WWC meetings on a monthly basis and keep the WWC's meeting minutes as per the remediation plan of PC. Workers are still not familiar with this committee, but were aware that Compliance Officer and Welfare Officer were members of WWC.	Focus group discussion, management and worker interview, visual inspection.	On location auditor to confirm WWC meeting 5/09	Completed: New Workers Participation Committee of 16 members (workers 15 and management 1) has been elected on May 20, 2009. But the new committee needs to be made functional with sufficient training on roles and responsibilities.	Document review and workers interview and WWC members interview.	COMPLETE Nov 09 A new orientation program has been implemented and all staff will become familiar with the WWC and its responsibilities. We are excited about this committee as it will assist with the continued monitoring of new policies and procedures regarding health, safety and wages/benefits and the new systems being implemented at the factory.						



FLA Code/ Compliance Issue	Country/Legal Reference	FLA Benchmark	Non-compliance	EM Findings				Remediation				Updates Case Date of Follow up				Third Party Verification						
				Evidence of Non-compliance (non-collaborated)	If not collaborated explain why	Source/Documentation used for corroborating	Notable Features Implemented by Factory Management or Company	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Site date of follow up)	Documentation	Updates Case Date of Follow up	Documentation	Third Party Verification (EV: September 12, 2007)	Documentation	Company Verification Follow up	Documentation	Third Party Verification (EV: June 15-16, 2009)	Source/Documentation used for corroborating	Company Follow up (August-November 2009)	Documentation
Accurate recording of OT hours worked		Employees will be paid for all hours worked in a workweek. Calculation of hours worked must include all time that the employer allows or requires the worker to work.	As the time and overtime recording system is manual and maintained by supervisor there is evidence of manipulation of the OT data by the floor level management as a punishment for mistake in the work.			Management interview and attendance records review and payroll reviewed		Employees will be paid for all hours worked in a workweek. Calculation of hours worked must include all time that the employer allows or requires the worker to work. The factory shall immediately start using time cards for all record of time worked until the thumb reader electronic system is in place and operating correctly, so the supervisors will not have control of any documents that can be manipulated. Please send Top of the World/Outdoor Cap copies of time cards for 10 employees for the month of October 2005, by November 15th.	11/15/2005	Factory Response: The factory is now providing time cards for all records of time worked until the thumb reader electronic system is in place and operating correctly. The factory will send 10 time cards for Oct. by 11/15/05.	The factory did not send remediation items by 11/15/05, asking that it be given to TOW on December visit. The factory has installed and is currently using the finger print time recording system. TOW/ODC are monitoring this and will review records from the system. ODC to check on Feb. 06 visit.		ODC to get records from newly installed thumb reader. Records received and factory has now changed from thumb reader to card swipe because of accuracy. ODC addressed employees wage cards.		From the records review and worker interviews, we did not find any evidence of manipulation of the OT records by the floor level management as a punishment for mistake in the work.	Worker interview, visit floor interview time schedules and review time cards.			Completed: Recording is still manual but no case of deduction identified.	Documents review and workers interview.		
OT Compensation Awareness		Workers shall be informed about overtime compensation rates, by oral and printed means.	Workers are not aware of the overtime rate and calculation system.			Worker interview		The factory shall starting in October 2005, provide a pay statement that will show the employees earned wages, regular and overtime pay and hours, any bonuses and all deductions taken from their pay. Send Top of the World/Outdoor Cap 10 employees pay statements, time cards, salary sheets and attendance records for the month of October 2005, by November 15, 2005.	11/15/2005	Factory Response: The factory is now providing a pay statement that will show the employee wages, regular and overtime pay and hours, any bonuses and all deductions taken from their pay. The factory will send 10 employees pay statements, time cards, salary sheets and attendance records for Oct. by 11/15/05.	The factory did not send remediation items by 11/15/05, asking that it be given to TOW on December visit. How found no issues thru interviews with workers in Dec. 05. Outdoor Cap will check for pay statements showing employee wages, OT and reg. pay, etc. in Feb 06 visit.			Workers are aware of their overtime hours and overtime compensation.	Interview with workers, review of workers' hand books, orientation program and schedules.			Completed: Workers are aware about the overtime hours and compensation.	Workers interview.			
Miscellaneous																						
Other (new and fired workers)			Factory does not maintain the number and the list of fired and newly recruited workers on a monthly basis. On the request of auditor factory could only provide records for new recruits on a monthly basis but failed to provide the record for terminated workers.			Attendance record reviewed and management interview and personnel files reviewed, workers interview		The factory shall immediately have all new employees and fired workers listed on all attendance records starting from the date of hire. Send Top of the World/Outdoor Cap 5 complete sets of new employees & fired workers' records, showing their application, contract, and for the month of October 2005, their attendance records, time cards and salary sheets by November 15, 2005.	11/15/2005 & 11/15/2005	Factory Response: The factory now keeps all new employees and fired workers listed on all attendance records starting from the date of hire. The factory submitted records showing the immediate recording of new employees' attendance, time cards and salary sheets, Dec. 05 for Oct. their attendance records, time cards and salary sheets by 11/15/05.	The factory did not send remediation items by 11/15/05, asking that it be given to TOW on December visit. The factory submitted records showing the immediate recording of new employees' attendance, time cards and salary sheets, Dec. 05.	Records kept in factory files.		Records were maintained for the disciplined or migrant workers on a monthly basis.	Review of workers' personnel files, migrants/terminated/newly recruited workers list, interview with management and workers.			Completed: Records are maintained for all the new workers and resigned / separated workers.	Document review.			
Other (Workers Group insurance)																					<p><b>New finding:</b> Workers group insurance is not renewed (ended on June 8, 2008). The required amount was paid by the factory on June 16, 2008, the 2nd day of the audit but the certificate is not yet obtained.</p> <p>Document review and management interview.</p> <p>COMPLETE: June 09 Worker insurance payments were made on June 16, as noted in the audit findings. In discussing this matter with factory management, we expressed our concern over this expiring before the payment on the new term was in effect. Factory management assured TOW that this would not happen again in the future, and we are hopeful that this is correct. Copies of the new insurance certificates have been uploaded onto the FTC site for verification.</p> <p>Photos are sent to FLA for review.</p>	