

FLA Audit Profile	
Country	USA
Factory code	10028201C
IEM	Cotecna
Date of audit	August 26 - 27, 2004
Days in the facility	2
PC(s)	Nordstrom; Phillips-Van Heusen
Number of workers	203
Product(s)	Socks
Production processes	Knitting, Sewing, Dyeing, Boarding, Inspection, Folding, Packing

FLA Code/Compliance Issue	Legal Reference	FLA Benchmark	Findings				Remediation					
			Monitor's Findings	Documentation	Best Practice	PC Internal Audit Findings	PC Remediation Plan	Target Completion Date	Factory Response	PC Follow Up	Documentation	Best Practice
1. Code Awareness												
Code Posting/Information		Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.	No code of conduct (COC) from PVH was posted anywhere in the factory.	Manager interview and Visual inspection			Post the PVH Code of Conduct poster on bulletin board in a common area where is accessible to all employees.	1-Oct	The PVH Code of Conduct poster has been posted in an area accessible to all employees.	During the follow up conducted on 2/15/05, this issue had been corrected.	This correction had been made through observation and photos of the improvement have been maintained on file at PC's regional office.	
Worker/Management Awareness of Code		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.	Workers are not aware of Company Policies on Forced Labor, Child Labor and Freedom of Association.	Workers interviews			Post the code of conduct posters on bulletin boards in common areas where accessible to all employees. In addition, factory needs to provide employees with trainings to ensure their knowledge and understanding of code of conduct.	25-Mar	The code of conduct poster has been posted in an area accessible to all employees. Management will conduct trainings to ensure employees' understanding of the policies.	During the follow up conducted on 5/12/05, this issue had been corrected. On March 23 - 26, factory conducted training classes on the codes of conduct. As part of the orientation, this training is given to all workers. Specific attention is brought to the confidential complaint number and e-mail address on the code of conduct posters.	Documentation and photos of this correction are maintained on file at the PC regional office.	
Confidential Noncompliance Reporting Channel		Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so. (POM)	Neither PVH nor Nordstrom have put in place a confidential noncompliance mechanism for use of the workers.	Manager interview.			Implement a confidential noncompliance mechanism to allow workers to address grievances with the PC.	12/20/2004		PC has placed a confidential complaint number/e-mail address on the code of conduct poster. This allows workers access to the PC to address grievances. This was confirmed during the follow up performed on February 15, 2005. In addition, auditor has distributed cards to the workers with the number/e-mail address on it.	This correction had been made through observation and photos of the improvement have been maintained on file.	
Other		Legal Compliance	a) No copies of contracts were found in personnel files. b) [Number] of [Number] workers did not complete the I-9 form. c) No job application forms were found in the personnel files.	Workers interviews and records review.		During a past audit, it was found that there was no proof of age documentation kept on file for all employees.	Obtain and ensure all I-9 forms, application forms and other legally required documents are kept on file at the factory for all employees.	12/20/2004	On 10/20/04, there will be training classes on personnel record keeping including, but not limited to, proper completion of I-9 forms, proof of age documentation, applications and other legally required documents. This training will be conducted by an outside party who is experienced in this field. Upon completion of the training, the factory management will rework the employee files.	The human relations classes were conducted on November 11 and November 17, 2004, in which personnel were trained to maintain accurate records of employee files. This was confirmed during the follow up performed on February 15, 2005.	Documentation and photos of this correction are maintained on file at the PC regional office.	
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												
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.												
4. Harassment or Abuse												
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.												
Verbal Abuse		Employers will prohibit screaming, threatening, or demeaning verbal language.	[W]orkers of [different sections] mentioned that [some] supervisors...use verbal abuse.	Workers interviews			Factory must discontinue the use and practice of verbal abuse. A written policy that prohibits verbal abuse needs to be established, distributed and posted, with disciplinary ramifications for anyone committing such an abuse.	11/11/2004	All Managers have been made aware that verbal abuse will not be tolerated and any such practice is to stop immediately. The appropriate management will be touring the plant and conducting confidential interviews with employees. There will be a meeting with the owners to discuss the findings, make recommendations and finalize the written verbal abuse policy. This will be posted no later than 11/8/04. On 11/11/04, there will be a Human Relations class conducted for supervisors and managers. Photos and written documentation will be provided to PC.	The human relations classes were conducted on November 11 and November 17, 2004. Another class was held on February 22, 2005 to cover the employee handbook. These trainings also focused on the verbal abuse policies that have been included in the employee handbook. These meetings were required to be attended by managers and supervisors. This was confirmed during the follow ups performed on February 15, 2005 and on May 12, 2005.	Documentation and photos of this correction are maintained on file at the PC regional office.	
5. Nondiscrimination												

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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													
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.													
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, 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.	a) Passage ways were found obstructed with boxes in the seaming and knitting section. b) Workers have not had proper training in evacuation procedures.	Visual inspection and Worker interview			Ensure all aisles/passageways in the factory are kept clear at all times, i.e., seaming and knitting sections. In addition, train all employees in the appropriate evacuation procedures, in the case of an emergency.	11/25/2004	Management has instructed supervisors to keep all aisles in the factory clear of obstruction. In addition, employees will be trained and instructed in the evacuation procedures of the factory.	Aisles are now kept clear at all times. There have been periodic trainings performed with all workers to inform/educate them on health and safety, including evacuation procedures, etc. This was confirmed during the follow ups performed on February 15, 2005 and on May 12, 2005.	Documentation and photos of this correction are maintained on file at the PC regional office.		
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.	In the [Section name] section the level of dust is high and workers did not wear masks. The level of noise in the [Section name] section seemed to be too high and workers do not wear earplugs.	Visual inspection			Evaluate the sound levels in the knitting section to ensure that employees are not exposed to a noise level above 85dB over an 8 hour period and implement a hearing conservation program as required by OSHA. In addition, provide masks for all employees exposed to high dust intake, i.e., the knitting section.	12/20/2004	Recent recorded data has shown noise levels have decreased to an appropriate level (81 to 83 dB) Factory has also planned to install new equipment to ensure noise levels kept low. [External company] will conduct a safety audit to ensure this is handled appropriately. Earplugs and protective masks are given to all employees and their use is encouraged. Trainings will be conducted to ensure employees are aware of PPE benefits and uses, i.e., earplugs and protective masks.	Factory has installed new equipment to ensure noise levels are kept low. Earplugs and protective masks have been given to all workers and their use is encouraged. There have been periodic trainings performed with all workers to inform/educate them on health and safety, including benefits on the use of protective equipment, etc. This was confirmed during the follow ups performed on February 15, 2005 and on May 12, 2005.	Documentation and photos of this correction are maintained on file at the PC regional office.		
Other			Management did not produce any assessment to identify ESH hazards in the work place.	Management interview			Conduct an environmental health and safety evaluation on this factory.	12/20/2004	Management will conduct this evaluation in conjunction with the safety audit conducted by ***.	Safety audits have been conducted by an outside source. Water test conducted and factory passed on 1/28/05. Backup has been maintained. Underground storage tank test passed on 11/15/04, air monitoring test on 11/9/04, no overexposure, will retest annually, and safety inspection by *** on 11/4/04. In addition, as mentioned above, there have been periodic trainings performed with all workers to inform/educate them on health and safety, i.e., evacuation procedures, fire extinguisher use, protective equipment use, floor markings, etc. This was confirmed during the follow ups performed on February 15, 2005 and on May 12, 2005.	Documentation and photos of this correction are maintained on file at the PC regional office.		
7. Freedom of Association and Collective Bargaining													
Employers will recognize and respect the right of employees to freedom of association and collective bargaining													
8. Wages and Benefits													
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits													
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													
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.													
Miscellaneous													