LIZ CLAIBORNE, INC.
ASSESSMENT FOR ACCREDITATION

May 2005
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INTRODUCTION

FLA-accredited Participating Companies have demonstrated that they have the systems and procedures in place to successfully uphold fair labor standards throughout their supply chains. The complexity and ever-evolving nature of global supply chains make it impossible to guarantee that a product is made in conditions free of labor rights violations. For this reason, FLA does not certify brands. Instead, FLA evaluates companies at the headquarter level – in addition to standard factory-level due diligence activities that are conducted annually – to determine whether they have social compliance systems in place to proactively identify and address risks or instances of noncompliance. Accreditation is the highest level of recognition for FLA-affiliated companies, and is reevaluated every three years.

The FLA Board of Directors voted to approve the accreditation of Liz Claiborne Inc.’s compliance program on May 12, 2005, based on proven adherence to FLA’s Workplace Code of Conduct and the Obligations of Companies. Details on FLA’s accreditation methodology can be found at www.fairlabor.org/accreditation. Liz Claiborne, Inc. was discontinued as the corporate identification in 2012, and the company is currently affiliated with the FLA as Fifth & Pacific Companies.

LIZ CLAIBORNE INC.’S LABOR COMPLIANCE PROGRAM

History with FLA

Liz Claiborne, Inc. (LCI) was a founding Company and Co-Chair of the Apparel Industry Partnership and has been an active participant in the FLA since its inception. In 2001, the LCI Senior Vice President of Manufacturing, Sourcing, Distribution and Logistics was elected a member of the FLA Board of Directors, representing the Industry Caucus. LCI has been represented at FLA Board and Monitoring Committee meetings throughout its implementation period and an LCI representative has served as a member of the Audit Committee.

Program Overview

The LCI Human Rights Compliance Program began in 1993 and is headed by the Vice President of Human Rights, who reports directly to the Senior Vice President/General Counsel of Corporate Affairs. LCI established its first code of conduct (Standards of Engagement) in 1994.

In 2004, LCI’s Annual Consolidated revenue was $4.633 billion.

Monitoring Team

LCI has a full-time Vice President at its headquarters, managing the Global Human Rights Compliance Program. The LCI compliance team encompasses six full-time auditors in Asia headed by the Asia Compliance Director. In addition, LCI contracts both agents and third-parties for compliance support, particularly in countries where there is no LCI staff.

LCI relies on staff from its administration and quality teams or agents to take on partial responsibilities for compliance oversight for either pre-sourcing audits, audit follow-ups and/or for health and safety checks in its suppliers.
Profile of LCI’s FLA applicable facilities during the implementation period:

In Year 1 of FLA monitoring, the IEM quota was 10% and was reduced to 5% from Year 2 onwards.

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ANALYSIS OF LIZ CLAIBORNE INC.’S LABOR COMPLIANCE PROGRAM USING THE FLA OBLIGATIONS OF COMPANIES AND EVALUATION WORKING GROUP BENCHMARKS

This section presents a detailed report of the efforts LCI has made to meet FLA commitments as outlined in the FLA Charter and approved by the Board on the recommendation of the Evaluation Working Group. The obligations and corresponding benchmarks are listed below. Each benchmark is followed by examples of the actions LCI has taken to fulfill each obligation and examples of the due diligence the FLA staff and core consultants have undertaken to verify that this commitment has been met.

I. ADOPTS AND COMMUNICATES A CODE

1.1 Formally adopts a code that meets or exceeds FLA standards

**Actions Taken:**
LCI adopted its workplace code of conduct, also called “Standards of Engagement” in 1994, and in 1997 adopted the standards created by the Apparel Industry Partnership.

**Verification by FLA:**
The LCI Standards of Engagement document is on file at FLA headquarters.

1.2 Informs all suppliers in writing

**Actions Taken:**
LCI distributes the Standards of Engagement to all contractors through a contractor package. The company also includes the code in business agreements with purchasing agents. The code and explanations of code standards are posted on the contractor website.

**Verification by FLA:**
FLA reviewed the contractor package in the LCI Hong Kong office and a copy of the code of conduct was included. The FLA reviewed the business agreements and the contractor website.

1.3 Posts the code in a prominent place in supplier facilities in the local languages of workers and managers

**Actions Taken:**
LCI has translated the code into the languages of the workers and requests suppliers to post it in their facilities.

**Verification by FLA:**
FLA has reviewed documentation outlining over 15 languages in which the code is posted. FLA representatives have seen LCI codes translated and posted in Chinese, Hindi, Tamil and Kannada during factory audits or visits to the offices of LCI agents.

1.4 Ensures that workers are informed orally and educated at regular intervals (to take account of labor turnover)

**Actions Taken:**
LCI sends a contractor package to each supplier, which includes the Standards of Engagement. The package also includes an acknowledgement form that must be signed by each supplier to confirm understanding and acceptance of the LCI code and auditing requirements.
**Verification by FLA:**
FLA reviewed training documentation given to vendors requesting that code of conduct awareness training be provided to workers. LCI tracked the level of worker awareness of the code. This was supported by observations during factory visits and documentation of audit findings.

Power point presentations of workshops were reviewed by FLA and documentation is available at FLA headquarters.

1.5 **Obtain written agreement of suppliers to submit to periodic inspections/audits, including by accredited external monitors, to remediate instances of noncompliance with FLA Workplace Standards that arise, and to inform employees about those standards**

**Actions Taken:**
LCI sends a contractor package to each supplier, which includes the Standards of Engagement. The package also includes an acknowledgement form that must be signed by each supplier to confirm understanding and acceptance of LCI code and auditing requirements.

**Verification by FLA:**
FLA reviewed the contract package and vendor acknowledgement forms during visits to LCI headquarters and LCI’s Hong Kong office.

2. **TRAINS INTERNAL COMPLIANCE STAFF**

2.1 **Identifies the staff or service provider responsible for implementing their compliance program**

**Actions Taken:**
Besides the VP based in the US, LCI has a team of six full-time staff in Hong Kong and China headed by an Asia Director.

LCI also contracts third-party monitors, agents and its internal quality team for compliance support. LCI requests that its agents provide support with pre-production audits, follow-up audits and/or health and safety checks in the factories.

**Verification by FLA:**
A copy of the LCI organizational chart is on file at FLA headquarters. FLA has met with and interviewed LCI compliance and quality staff.

FLA has met with at least two of the agents and has confirmed their monitoring activities on behalf of LCI.

2.2 **Ensures that they had training in all the areas under their responsibility, including, as appropriate, international and national labor standards, local languages, occupational and production risk factors, and techniques for monitoring, interviewing and remediating**

**Actions Taken:**
LCI utilizes the LCI Compliance Document as the primary reference for all auditors.

LCI provides on-the-job training for new auditors and agents through a system of pairing up new auditors with more experienced auditors for two months prior to the new staff conducting audits independently.

LCI has developed a series of resources related to local labor laws used for trainings, including access to a labor law website and participation in external trainings on labor laws and labor practices.
Verification by FLA:
A copy of LCI’s Compliance Document is available at FLA headquarters.

FLA interviews with an LCI auditor confirmed that the Senior Auditor based in one region provided on-the-job training to new auditors.

The FLA viewed the labor law website while at LCI headquarters and reviewed a series of Asian and Chinese labor practice Internet resources at the LCI Hong Kong office. LCI monitors in Asia provided FLA with a file containing labor policies and relevant newspaper clippings. The FLA also reviewed participation lists of workshops on labor policies and practices in Hong Kong and China and confirmed that LCI auditors attended such trainings.

2.3 Updates that training at regular intervals

Actions Taken:
Regional and global meetings are conducted to improve the skills of LCI’s compliance team. On-going trainings cover topics such as labor laws, auditing techniques, negotiation skills, worker interviews and environment, safety and health.

Verification by FLA:
The FLA is aware of LCI global meetings. Compliance staff in three countries confirmed attendance at on-going training sessions during these meetings.

The FLA reviewed documentation from a team meeting in Thailand in December 2004 where attendees received training on Effective Communication and Environment, Safety and Health.

3. PROVIDES EMPLOYEES WITH CONFIDENTIAL REPORTING CHANNELS

3.1 Encourages the establishment of grievance procedures at supplier facilities

Actions Taken:
LCI auditors verify grievance procedures and provide advice to factory management on proper policies and procedures as necessary during factory audits.

LCI conducted training for vendors on the LCI grievance policy and the difference between a grievance and disciplinary policy, highlighting how a discipline policy is geared to management while a grievance policy serves workers.

A study was done in South Asia on worker management communication channels, including the effectiveness of grievance procedures in factories. The study was conducted by a third-party monitor working with LCI.

Verification by FLA:
A review of the LCI monitoring plan provided to the FLA reveals that questions about factory internal grievance procedures are asked during the audit. The FLA did not review completed audit reports for this issue. However, the FLA observed an LCI auditor gauging workers’ awareness and understanding of grievance procedures during worker interviews.

FLA reviewed the presentation for vendors, which included an explanation of the need for a grievance policy in order to protect workers from unfair treatment. Documentation is available at FLA headquarters.

FLA reviewed the South Asia study but noted that the findings were primarily based on information received from managers. Workers’ opinions were not incorporated into this study.
3.2 Provides channels for Company employees and workers at those facilities to contact the Company directly and confidentially if warranted

**Actions Taken:**
Contact information for LCI monitors is listed on the LCI code of conduct.

LCI auditors pass out business cards to workers and verbally inform workers of the company reporting channel during worker interviews.

LCI tracks all grievances raised by workers. LCI keeps data on worker complaints received.

**Verification by FLA:**
FLA confirmed seeing the LCI contact information written on a code during a factory audit in India. The number was for a location in the US; no local number was provided.

During a LCI headquarter visit, FLA reviewed a list of contact information to be provided on LCI codes of conduct for each country. FLA also reviewed correspondence regarding a worker grievance that was reported to LCI monitors in Asia.

In one region, FLA observed monitors handing out business cards to the workers and ensuring them of confidentiality. The number on the business cards was not a local number.

FLA observed workers contacting an LCI agent in Guatemala.

LCI does not require third-party auditors to hand out business cards.

The FLA reviewed documentation in which LCI tracked reports from workers, including which factory the complaint came from, how the complaint was received, the nature of the complaint and actions taken. Documentation of this summary is on file at FLA headquarters.

3.3 Ensures the channel is secure, so workers are not punished or prejudiced for using it

**Actions Taken:**
The number provided on the code of conduct is a direct line to the US LCI headquarters or a hotline number to local offices in other countries.

**Verification by FLA:**
The FLA observed auditors explaining the confidential treatment of information to the workers. Based on visits conducted by the FLA, the FLA cannot confirm that a local number is systematically provided.

4. CONDUCTS INTERNAL MONITORING

4.1 Internally monitors an appropriate sampling of suppliers to assess compliance, which includes worker interviews, records review, occupational safety and health review, practices of suppliers in relation to the FLA Workplace Standards

**Actions Taken:**
Internal audits conducted each year are prioritized based on risk, supplier ranking, and date of last audit. Fifty percent of active factories are audited each year. The decision to audit is based on an assessment of volume and risk. The other 50% will be audited the following year.

The auditing process includes interviews with management and workers, document review and a factory walkthrough.
Verification by FLA:
FLA reviewed and confirmed the LCI monitoring selection methodology, which is characterized by an analysis of production volume and country risk. In at least one region, FLA confirmed with LCI’s third-party monitor that they audited all LCI factories in that country in 2004.

FLA observed internal audits conducted by LCI auditors in two countries and verified that the auditors followed each process.

4.2 Collects, verifies and quantifies compliance with workplace standards

Actions Taken:
LCI audit instruments address each area of the code and compliance to local laws. The auditing process includes interviews with management and workers, document review and a factory walkthrough.

Verification by FLA:
FLA reviewed files of LCI internal audits at both headquarters and the Hong Kong office and confirmed this process through the reports.

4.3 Analyzes the monitoring results and implements remediation plans to address noncompliance issues

Actions Taken:
Audit reports are analyzed to identify trends and common noncompliances by region. Analysis is done to create remediation strategies appropriate to the type of noncompliance found. Based on analysis of audit reports, issues for remediation are identified for each factory.

Verification by FLA:
Summaries of the analysis of audit findings by code element helped to identify the key issues. These summaries are on file at FLA headquarters. FLA reviewed some remediation plans which appropriately addressed the noncompliances during the LCI headquarters visit.

4.4 Tracks the progress of remediation

Actions Taken:
Upon receiving remediation plans from the factory, the audit team schedules follow-up factory visits. LCI compliance auditors conduct the follow-up and progress visits.

The Quality Control department may also be involved in tracking the progress of remediation. If there is a serious violation (payroll violation, excessive overtime), LCI compliance auditors will be the ones responsible for the follow up given the complex nature of confirming progress. In addition, Quality Control, administrative or merchandising staff submits quarterly updates to compliance regarding remediation progress.

Verification by FLA:
FLA reviewed the documentation of the follow-up done by auditors in the Hong Kong office, along with email exchanges with factories regarding the status of remediation. The FLA also confirmed that the Quality Control team monitors the remediation progress at the factories. The Quality Control team submits quarterly updates to the compliance team. The FLA reviewed documentation at the Hong Kong office. The FLA reviewed an email correspondence with an agent following up on the process of remediation encouraging the agent to work with the factory to reach 100% enrollment in benefits.
5. SUBMITS TO INDEPENDENT EXTERNAL MONITORING

5.1 Provides the FLA with an accurate, up-to-date factory list, factory profile, access letters, etc.

**Actions Taken:**
LCI submits factory lists and all other information necessary for the IEM process.

**Verification by FLA:**
The FLA confirmed the timely submission of supplier lists, access letters and any other necessary information. FLA noted the significant improvement in the lists submitted by LCI during the implementation period.

5.2 Ensures that the suppliers selected for IEMs cooperate with the FLA monitors

**Actions Taken:**
LCI sends copies of the FLA access letter to factories to inform them of a potential IEM and alerts them to the identification and access letter the monitor will carry.

**Verification by FLA:**
The FLA reviewed an access letter sent to the factory asking for cooperation with FLA IEMs and confirms LCI’s cooperation in IEM audits.

The FLA confirms that there were no instances of aborted IEMs in which factory management refused to cooperate with FLA accredited monitors.

5.3 Cooperates with FLA requests for information, clarification and follow-up in the IEM process

**Actions Taken:**
LCI submits information, clarification and updates to the FLA.

**Verification by FLA:**
LCI has submitted information and clarification to the FLA upon request and has provided updates to some of the IEMs as requested.

6. COLLECTS AND MANAGES COMPLIANCE INFORMATION

6.1 Maintains a database

**Actions Taken:**
The LCI Hong Kong office staff developed and uses a compliance database. It contains basic information such as factory names, location, business status with LCI (active or inactive), dates of each audit and major issues disclosed by the audits. It contains an electronic link to factory audit reports. The database is functional but is still under development.

**Verification by FLA:**
FLA met with the IT team in Hong Kong and discussed the function and evolution of the database. FLA reviewed the database and was given a demonstration of the database by a LCI Senior Auditor.

Currently the database is only used in Asia.

6.2 Generates up-to-date lists of suppliers when required

**Actions Taken:**
LCI has provided up-to-date factory lists to the FLA when required.
Verification by FLA:
FLA confirms that the accuracy and quantity of data in the factory lists submitted by LCI improved significantly over the course of the implementation period.

6.3 Analyzes compliance findings

Actions Taken:
LCI analyzes compliance findings manually by factory and country to determine serious issues.

Verification by FLA:
The summaries were reviewed by the FLA and are on file at FLA headquarters. Review of the IT system showed that the database does not generate a report tracking overall trends.

6.4 Reports to the FLA on those activities

Actions Taken:
LCI reports to the FLA on an annual basis on compliance activities and results.

Verification by FLA:
Documentation of LCI annual reports is available at FLA headquarters.

7. REMEDIATES IN A TIMELY MANNER

7.1 Upon receiving the internal and independent external monitoring reports, contacts the supplier concerned (within a reasonable timeframe) to agree to a remediation plan that addresses all compliance issues identified by the monitor

Actions Taken:
Within two weeks of an audit, the LCI Compliance team sends each factory a corrective action plan requesting a remediation plan that includes a timeline and a person designated to oversee remediation. The VP of Human Rights Compliance signs the cover letter. LCI asks the factory to submit a plan within 30 days. The auditor or the senior auditor reviews the plan and schedules an announced follow-up visit or an unannounced audit (depending on the seriousness of the issue) to the factory.

Verification by FLA:
The FLA verified this by reviewing correspondence letters with the factories filed in factory audit folders at the Hong Kong office. Review of the correspondence confirmed that LCI sends remediation plans to suppliers, discusses appropriate remediation and agrees on timelines.

7.2 Implements a remediation plan regarding the noncompliances and the actions taken to prevent the recurrence of such noncompliances.

Actions Taken:
The LCI Senior Auditor and the Asia Director read and analyze all audit reports in the region to determine issues and offer guidance for remediation in the region. LCI auditors review remediation plans submitted by the factory and provide policy and technical support when necessary. LCI pays special attention to key noncompliance issues and supports the factory to address them.

Verification by FLA:
The FLA has reviewed some remediation plans that prevent the recurrence of noncompliances while other remediation plans are more corrective than preventative. For example, the remediation for excessive hours in many corrective action plans often stated simply that factory must reduce hours of work.
One example, however, of a remediation plan that demonstrated a proactive approach to a sensitive finding was identified during a review of LCI audit reports. The LCI auditor held several investigations in this factory as a result of an allegation of sexual harassment during an audit. The auditor took detailed notes of each investigation visit. The allegation could not be verified so LCI asked the factory to do general awareness training for its managers. They also asked a Hong Kong civil society organization (CSO) to provide some information on sexual harassment at the workplace in the factory.

7.3 Within sixty (60) days, supplies the FLA with the remediation plan citing all progress made and a timeline for outstanding items

**Actions Taken:**
LCI aims to provide the FLA with a remediation plan within 60 days of finalizing the report.

**Verification by FLA:**
The FLA confirmed the timely submission of remediation plans during LCI’s three year implementation period.

7.4 Confirms the completion of remediation

**Actions Taken:**
LCI auditors and Quality Control staff confirm the completion of factory remediation plan (internal or IEM) through follow-up visits for more serious violations such as excessive hours. For safety and health remediation, LCI accepts a photograph of the remediation.

For outstanding issues on IEMs, LCI sends an email update to the FLA stating the status of the remediation.

**Verification by FLA:**
The FLA reviewed corrective action plans confirming completion of remediation. The FLA also reviewed photographs of remediated health and safety issues.

FLA has received updates on the remediation of a sexual harassment case in China.

7.5 Conditions future business with contractors and suppliers upon compliance standards

**Actions Taken:**
LCI has a system to condition future business depending on progress of remediation. If a factory is found to be in serious violation of a LCI standard, its orders may be reduced or cancelled and it will not be able to receive future orders.

The VP participates in quarterly collaboration meetings with production. In these meetings, compliance and business concerns are raised.

**Verification by FLA:**
FLA confirmed that LCI required one of its vendors to participate in the FLA Hours of Work Project given its repeated violations of keeping double books. Continuation as a LCI vendor was contingent on this participation. FLA verified this action through conversations with LCI and observation of the participation of this vendor in the Hours of Work Project.

The FLA reviewed minutes from the collaboration meetings during the headquarter visit. One of the minutes documented a case in which the Human Rights department informed sourcing that a factory needed to be put on probation and that product development must be put on hold until compliance issues are resolved. Email correspondence regarding this issue between LCI headquarters and the field office was also reviewed. The meeting minutes and emails are on file at FLA headquarters.
8. TAKES ALL STEPS NECESSARY TO PREVENT PERSISTENT FORMS OF NONCOMPLIANCE

8.1 Analyzes compliance information to identify persistent and/or serious forms of noncompliance

**Actions Taken:**
Country summaries of noncompliance items are prepared by the local offices annually from factory corrective action plans and are reviewed and maintained at the LCI headquarters. This information is used to identify serious violations.

**Verification by FLA:**
Audit result summaries identifying serious noncompliances are on file at FLA headquarters.

8.2 Establishes and implements programs designed to prevent the major forms of such noncompliance

**Actions Taken:**
LCI utilizes training programs for vendors as a means to prevent and address serious noncompliances.

LCI also partnered with a local CSO to provide sexual harassment training to vendors in China to prevent recurrence after an incident was reported during an audit.

LCI required one of its vendors to participate in the FLA Hours of Work Project given its repeated violations of keeping double books.

**Verification by FLA:**
A list of invited vendors and a copy of power point presentations covering various topics such as Freedom of Association, Effective Employee Relations and Hours of Work are on file at FLA headquarters.

Interview with LCI Compliance staff and file review in the Hong Kong office by FLA confirmed this action.

FLA can confirm LCI’s participation in the FLA Hours of Work Project, which is designed to understand, reduce and ultimately prevent the excessive hours in China. FLA verified this information through email correspondences and FLA meeting notes.

8.3 Takes steps to prevent recurrence in other applicable facilities where such noncompliances may occur

**Actions Taken:**
The VP participates in quarterly production meetings at which time issues regarding compliance are raised. With all departments present, the meeting serves as an opportunity to address an issue and try to prevent it in other areas.

LCI training programs for vendors mentioned above also aim to prevent recurrence of serious noncompliances in facilities where the issue may occur.

**Verification by FLA:**
The FLA reviewed meeting minutes of the collaboration meetings at LCI. Copies of the minutes are also on file at FLA headquarters.

Training documentation and a vendor participation list was reviewed by FLA and on file at FLA headquarters.
9. CONSULTS WITH CIVIL SOCIETY

9.1 Maintains links to organizations of civil society involved in labor rights and utilize, where companies deem necessary, such local institutions to facilitate communication with Company employees and employees of contractors and suppliers in the reporting of noncompliance with the workplace standards

Actions Taken:
LCI consults with civil society on a frequent basis, particularly in countries with challenging compliance issues.

LCI has regular dialogue with a European CSO regarding participation of a newly acquired brand in monitoring activities.

In its first year of implementation, LCI collaborated with a local CSO in Guatemala to help design a worker’s rights awareness booklet accessible to workers.

LCI is involved in an initiative in Sri Lanka involving buyers, local government, trade unions, ILO and other CSOs to discuss common noncompliances and common labor practices.

LCI is also working on increasing worker participation at factories in China with a Hong Kong-based organization.

Verification by FLA:
LCI has maintained links with civil society groups involved in labor rights. The FLA verification involved:

1) a review of records on consultations with CSOs,

2) a review of LCI annual reports,

3) on-site visits with LCI staff present, and

4) IEM reports and reviews of internal monitoring reports.

FLA has participated in these discussions and can verify this dialogue.

A copy of this booklet is on file at FLA headquarters.

The FLA President and the FLA Coordinator for South Asia participated in a meeting of the group at which the LCI representative was present.

FLA confirms discussions of the project focusing on a Worker Health and Safety Committee project in collaboration with a local Hong Kong organization. The discussions started in 2004 but will only be launched in 2005. FLA verified these interactions with civil society by reviewing files in the LCI Hong Kong office.

9.2 Consults periodically with the legally constituted unions representing employees at the worksite regarding the monitoring process and utilize the input of such unions where appropriate

Actions Taken:
LCI consults with local sources as part of its monitoring activities. In China, LCI contracted with a Chinese women’s organization to learn about common labor issues in South China and guidance in response to a sexual harassment incident revealed during an audit.
9.3 Analyzes compliance findings

**Actions Taken:**
LCI is in routine contact with trade unions in Guatemala. LCI also has consulted with a US trade union regarding a few factory specific issues.

**Verification by FLA:**
The FLA witnessed the LCI agent in Guatemala routinely interact with and consult the union. FLA can confirm contacts with unions in the US.

9.4 Assures the implementation of monitoring is consistent with applicable collective bargaining agreements

**Actions Taken:**
LCI requires auditors to investigate collective bargaining agreements in their audit reports.

**Verification by FLA:**
The LCI audit instrument attached to the LCI monitoring plan contains a question that asks if employees are covered by a collective bargaining agreement. It does not ask, however, if the collective bargaining agreement is being adhered to.

10. PAYS DUES AND MEETS ITS OTHER PROCEDURAL REQUIREMENTS

10.1 Pays annual dues

**Actions Taken:**
LCI has paid its annual dues during its implementation period.

**Verification by FLA:**
Documentation is on file at FLA headquarters.

10.2 Pays IEM administrative and monitoring fees

**Actions Taken:**
LCI has paid its IEM fees for its two years of participation.

**Verification by FLA:**
Documentation is on file at FLA headquarters.

10.3 Signs and honors required FLA contracts

**Actions Taken:**
LCI signs, submits and honors the FLA contract.

**Verification by FLA:**
The FLA confirms the LCI’s cooperation in signing the FLA Monitoring Services Agreement.
10.4 Submits factory lists, a standardized annual report and other information in complete form and on time

**Actions Taken:**
LCI submits factory lists, annual reports, and IEM invoice payments on time.

**Verification by FLA:**
The FLA confirmed LCI submits its factory lists and the annual report accurately and in a timely manner.

**CONCLUSION**

Accreditation of the Liz Claiborne, Inc. compliance program should not be interpreted as a guarantee against issues and risks in the supply chain. Rather, accreditation indicates that the company has the systems in place to proactively identify and remediate those risks. Accreditation is not granted automatically, and is only renewed every three years following a satisfactory FLA evaluation of labor compliance systems and activities during the timeframe. FLA will continue to conduct standard due diligence activities on Liz Claiborne, Inc. To check an affiliate's accreditation status, visit [www.fairlabor.org/accreditation](http://www.fairlabor.org/accreditation).