

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**13 Sep 2021**



## Factory Information

FLA Affiliates	Esprit Europe Services GmbH
Country	Turkey
Number of Workers	495

## Understanding this Report

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

## FLA Code Element

## Number of Violations

Compensation (C)	1
Employment Relationship (ER)	9
Health, Safety And Environment (HSE)	6
Hours Of Work (HOW)	5

## Assessment Information

Assessor	Sinan Doven
Assessment Date	13 Sep 2021
Assessment Purpose	Factory Assessment (Virtual Compliance Check)



## ASSESSMENT RESULTS

### Compensation (C)

Benchmark ID	C.9.3
Benchmark Details	Employees shall be compensated for overtime hours at such premium rate as is legally required in the producing country
Finding Details	One worker worked until 19:29 (the scheduled out time is 18:30 on Fridays) on August 20, 2021. However, no overtime was paid to him for the additional 59 minutes. Management explained that there was an error in the time recording system. Assessors did not identify this issue with any other worker.
Recommendation for Immediate Action	Make the payment for overtime hours worked to this worker. Implement a system to check the time recording system frequently to ensure it is working properly without any error.
Compliance Classifications	Immediate Action Required
Local Law	Labor Law, 2003, No: 4857, Art 41

### Employment Relationship (ER)

Benchmark ID	ER.1.2
Benchmark Details	Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.

Finding Details	1. The factory does not provide on-going training system on FLA's Code elements and Employment Functions. 2. The factory has a child care center agreement, as legally required, however generally workers are not aware of this benefit. Communication needs be more effective to increase worker's awareness of the childcare center. According to the management team, workers prefer not to send their children to the childcare area due to cultural habits.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	Worker representatives are defined as one of the grievance channels in the factory, and they join meetings with management regularly. However, generally workers (especially new workers) are not aware of who the worker representatives are and what their duties are. The factory needs to improve communication on the worker representative system to be more effective for all workers, including providing feedback on raised concerns by the workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.1

Benchmark Details	Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.
Finding Details	The factory has policy and procedures on termination. However, there are no policy and procedures on retrenchment or guidance on how the retrenchment process is maintained, including consulting with worker representatives.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.1
Benchmark Details	Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).
Finding Details	The disciplinary rules and procedures are defined in the handbook. This includes processes for verbal and written warnings, and the responsible personnel assigned to maintain the system. However, the handbook does not outline the rights the workers have to obtain defense for disciplinary actions, to include a third-party witness if requested, or the appeal process workers can use against the warning.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	ER.7.1
Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.
Finding Details	The factory conducts performance reviews and have policies and procedures. However, the performance review procedures do not include a nondiscrimination criteria or a space for written feedback.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.8
Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.
Finding Details	The factory does not have policies and procedures on promotion, demotion, or job reassignment.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	ER.19.1
Benchmark Details	Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.
Finding Details	Working permission is missing for the new building (6,800 m2) which started operations around 1.5 months ago. The printing, cutting, raw material warehouse, shipment warehouse and sorting sections are located in that section.
Recommendation for Immediate Action	Ensure that working permission is obtained for the new building.
Compliance Classifications	Immediate Action Required
Local Law	Working Permission Regulation (2005), Art. 6&10
Benchmark ID	ER.3.1
Benchmark Details	Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.
Finding Details	The factory gets signature of the workers for orientation training and provides an employee handbook. However, workers do not remember what was included in the orientation training and lack information on social compliance rules that are mentioned in the training content. Factory needs to ensure that a more comprehensive and effective orientation training is provided to the workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required



Local Law	
Benchmark ID	ER.18.6
Benchmark Details	The workplace shall commit to non-retaliation for all steps of the disciplinary process, including for a worker requesting a witness and filing an appeal of disciplinary action.
Finding Details	The employee handbook does not include the commitment to non-retaliation for disciplinary actions and the ability for workers to request a witness or request an appeal process, as related to the disciplinary process.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

## Health, Safety And Environment (HSE)

Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Finding Details	Secondary containment is missing for oils in the maintenance room and diesel in the compressor room.
Recommendation for Immediate Action	Ensure that secondary containments are implemented for oils in the maintenance room and diesel in the compressor room.
Compliance Classifications	Immediate Action Required

Local Law	Regulation Regarding Health & Safety Precautions in Work with Chemical Substances (August 12, 2013), No. 28733, Article 7
Benchmark ID	HSE.13
Benchmark Details	All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and to prevent or minimize hazardous conditions to workers in the facility.
Finding Details	Workplace internal assessment has not been conducted after the new section was established. Previous internal workplace assessment for lighting was dated 12.12.2018 and was only conducted during the day time. The management team stated that an internal workplace assessment was conducted on 10.9.2021, however the reports have not been received yet. Therefore, it was not possible to verify if the current internal conditions are acceptable or not.
Recommendation for Immediate Action	Once the report is received, ensure that the internal workplace assessment for lighting is also conducted at night time.
Compliance Classifications	Immediate Action Required
Local Law	Regulation Regarding the Health and Safety Precautions at the Buildings and the Built on Connections (July 17, 2013), No: 28710, Article 5; Regulation Regarding the Health and Safety Precautions at the Buildings and the Built on Connections (July 17, 2013), No: 28710 - Appendix 1: Minimum Health and Safety Requirements in the Buildings and Built on Connections, Article 22
Benchmark ID	HSE.6.1
Benchmark Details	All safety and medical equipment (e.g. fire fighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.

Finding Details	1. Two fire extinguishers in the new building are not marked. Management reported that they completed these issues during the assessment. 2. The list of first aid certified workers posted on the work floor is outdated and needs to be updated. 3. Although MSDS indicates that the eyes shall be washed with running water, only eye wash solution is provided at the stain removal section and there is no eye wash in the maintenance room.
Recommendation for Immediate Action	1. Ensure that the fire extinguishers are marked 2. Ensure that first aid certified worker is updated 3. Ensure that eye wash station is provided where needed in accordance with MSDS.
Compliance Classifications	Immediate Action Required
Local Law	Regulation Regarding the Health and Safety Precautions at the Buildings and the Built on Connections, (July 17, 2013), No: 28710, Article 12, Regulation Regarding the Emergency Cases at Workplaces (June 18, 2013), No: 28681, Art. 15, Regulation Regarding Health & Safety Precautions in Work with Chemical Substances (August 12, 2013), No. 28733, Article 7
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	Risk assessment has not been updated with the accidents that have occurred in the factory. According to the accident records, one worker was burnt from an iron but this risk has not been included in the risk assessment.
Recommendation for Immediate Action	Ensure that risk assessment is updated in accordance with the accidents that occur in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Risk assessment regulation, 29.12.2012, No: 28512, Art. 8.k
Benchmark ID	HSE.10.1

Benchmark Details	Material Safety Data Sheets (MSDS) for all chemicals and hazardous substances used in the workplace must be available at the usage and storage sites of the chemicals and hazardous substances, in the local language and the language spoken by workers, if different from the local language.
Finding Details	MSDSs (Material Safety Data Sheets) are missing for all oils in the maintenance room.
Recommendation for Immediate Action	Ensure that MSDS is available for each oil at the maintenance room.
Compliance Classifications	Immediate Action Required
Local Law	Regulation Regarding Health & Safety Precautions in Work with Chemical Substances (August 12, 2013), No. 28733, Article 7

Benchmark ID	HSE.14.2
Benchmark Details	Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.
Finding Details	One worker who had work accident on 30.1.2021 has not received additional health and safety training.
Recommendation for Immediate Action	Ensure that workers who have had accidents receive additional health and safety trainings to prevent future accidents.
Compliance Classifications	Immediate Action Required
Local Law	Health & Safety training regulation, 15.5.2013, 28648, Art. 6.5

## Hours Of Work (HOW)

Benchmark ID	HOW.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning hours of work, public holidays and leave.

Finding Details	Working hours exceeded 11 hours per day for one worker out of 20 workers three times in June 2021 (Max 17.5 hrs), twice in July 2021 (Max 14.5 hrs) and once in August 2021. (max 14.5 hrs)
Recommendation for Immediate Action	Ensure that working hours do not exceed 11 hours per day as per local law.
Compliance Classifications	Immediate Action Required
Local Law	Labor Law, 2003, No: 4857, Art 63
Benchmark ID	HOW.15
Benchmark Details	Employers shall not impose any sanction on workers for requesting or taking any type of leave, such as annual, sick, or maternity, in line with all applicable rules and procedures.
Finding Details	July 16, 2021 was a holiday that was merged with July 15, 2021 for the national holiday weekend. The workers worked on their rest day which was Saturday July 10, 2021 to compensate for the holiday on July 16, 2021.
Recommendation for Immediate Action	Ensure that re-compensation work is not conducted on a rest day or exceed 3 hours per working days.
Compliance Classifications	Immediate Action Required
Local Law	Working Hours Regulation, 06.04.2004, No: 25425, Art. 7
Benchmark ID	HOW.14
Benchmark Details	Employers shall provide workers taking annual leave their normal or average wages for the full period of annual leave in advance, unless specified differently under national laws, regulations and procedures.
Finding Details	There are a few workers who left the factory due to personal reasons and then re-hired. Total service years are not considered for annual leave rights for workers who re-started working in the factory.

Recommendation for Immediate Action	Ensure that total service years is considered while calculating the annual leave rights for the workers who started back working in the factory
Compliance Classifications	Immediate Action Required
Local Law	4857 Turkish Labor Law, Article 54
Benchmark ID	HOW.11.1
Benchmark Details	Employers shall provide workers with paid annual leave as required under national laws, regulations and procedures.
Finding Details	Annual leave days have not been used completely by 75 workers. One to 33 days are accumulated from previous years.
Recommendation for Immediate Action	Ensure that annual leave days are used on time by the workers.
Compliance Classifications	Immediate Action Required
Local Law	Labor Law (2003), No. 4857, Art. 53
Benchmark ID	HOW.12.2
Benchmark Details	The time at which annual leave is taken is determined by employers in consultation with workers, taking into account work requirements and the opportunities for rest and relaxation available to workers.
Finding Details	Legally required annual leave committee is missing in the factory.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Annual leave regulation : 03.03.2004, No: 25391, Art: 15

