

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

23 Aug 2022



Factory Information

FLA Affiliates	Hugo Boss AG
Country	Turkey
Number of Workers	3996

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

FLA Code Element	Number of Violations
Compensation (C)	1
Employment Relationship (ER)	5
Forced Labor (F)	1
Freedom Of Association And Collective Bargaining (FOA)	1
Health, Safety And Environment (HSE)	12

Assessment Information

Assessor	Sinan Doven
Assessment Date	23 Aug 2022

Assessment Purpose	
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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	The factory pays its production workers in the local currency while paying the management's salaries in Euros, in violation of the local laws governing the free trade zone where the factory is located.
Recommendation for Immediate Action	Pay all workers in Euros, in keeping with the local law on trade zone operations.
Compliance Classifications	Immediate Action Required
Local Law	Free Zones Law (3218), Article 9; FLA Workplace Code (Employment Relationship Benchmark ER.19; FLA Code C.1 and C.6

Employment Relationship (ER)

Benchmark ID	ER.17.5
Benchmark Details	Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.

Finding Details	The assessment found evidence that the factory's grievance mechanisms are ineffective. Factory managers do not process complaints lodged through the suggestion boxes by sharing the complaints with workers, developing an action plan, or seeking worker feedback. Managers forward grievances to the Human Resources department and the relevant production departments, but the assessment found that there is no follow-up once the grievance is forwarded. Managers do not keep a record of grievances lodged verbally.
Recommendation for Immediate Action	Improve the effectiveness of the factory's grievance mechanism by recording all grievances and responding to each grievance with a specific action plan to address it. Action plans should include communication with worker who filed the grievance.
Compliance Classifications	Immediate Action Required
Local Law	FLA Code ER.17..5
Benchmark ID	ER.2
Benchmark Details	Employers shall ensure that all legally mandated requirements for the protection or management of special categories of workers, including migrant, juvenile, contract/contingent/temporary, probationary workers, home workers, and pregnant or disabled workers, are implemented. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The factory has not assigned buddies to all workers that need special protection. At the time of the assessment, there were 142 disabled workers, 59 pregnant workers, and 124 breastfeeding workers present at the factory.
Recommendation for Immediate Action	Assign buddies to all workers that needs special protection, in keeping with local laws on evacuation safety. Train both the assigned buddies and the workers in special categories on their roles in an emergency.
Compliance Classifications	Immediate Action Required

Local Law	In accordance with Emergency Action Regulation, 18.06.2013, No: 28681, Art 10/2 and FLA Code ER 2
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	<p>1. The assessment included a sampling and review of employee files from terminated workers. In one such file, a sewing operator was asked to transfer to the cutting section on January 26, 2021. The worker did not agree to this change and did not sign the new work assignment. This worker received a verbal warning on January 28, 2021 and was ultimately transferred to the cutting section. According to local law, workers' written consent must be taken for a job description change.</p> <p>2. After the workers' transfer, the worker received low performance scores and warnings for mistakes on February 12, February 17, and March 10, 2021. In response to these warnings, the worker explained despite his expertise in sewing, he was reassigned to cutting and was not trained properly. His third warning was for cutting 2932 cm rather than the 2900 cm target, which was within his quality target of 95% and the error was a very minor mistake. There was no training record showing that this worker has been trained for cutting process.</p>
Recommendation for Immediate Action	1. Do not change workers' working conditions or reassign them without their consent. 2. Should a worker agree to a new assignment, provide 6 days' notice of the change period and all proper trainings for the worker's new task.
Compliance Classifications	Immediate Action Required
Local Law	In accordance with Labor Law, 2003, No: 4857, Art 22 and FLA Code ER 8
Benchmark ID	ER.4

Benchmark Details	Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.
Finding Details	The assessment observed that workers in the factory were not aware of the FLA Code. The FLA Code was not posted on the work floors.
Recommendation for Immediate Action	Post the FLA Code prominently on the factory floor in the language(s) understood by the workforce. Communicate the FLA Code elements to workers.
Compliance Classifications	Immediate Action Required
Local Law	FLA Code ER 4
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	1-The factory's contract with employees contain clauses that violate local law and the FLA Code. They include the following: - Article 9 states that workers agree in advance to work overtime when directed and to work on general and national holidays. -Article 21 states that workers can be penalized one year's gross wage for violations of Articles 17 (damaging factory-provided tools), 18 (confidentiality), 19 (know-how of technical information), 20 (notifying the company of any relatives also working for the company). 2- During the recruitment process, certain health reports are required according to local laws. Workers pay their own fees for these reports to provide to the factory at a cost of 70 TL.(Around 4 USD)

Recommendation for Immediate Action	1-Ensure that workers' contracts are fully aligned with local law and relevant Codes of Conduct. 2-Cover all the fees and other costs associated with recruitment and hiring, including health reports
Compliance Classifications	Immediate Action Required
Local Law	Labor Law, 2003, No: 4857, Art 9 and FLA Code 9

Forced Labor (F)

Benchmark ID	F.2.2
Benchmark Details	Employment terms shall be those to which the worker has voluntarily agreed, in as far as those terms do not fall below provisions of national laws, freely negotiated and valid collective bargaining agreements, or the FLA Workplace Code.
Finding Details	The assessment examined 93 samples of workers' employment documentation. In 3 of these 93 example, the worker's employment contracts were missing.
Recommendation for Immediate Action	Issue employment contracts for all workers, secure proper signatures, and keep them on file at all times.
Compliance Classifications	
Local Law	In accordance with Labor Law, 2003, No: 4857, Art 8 and FLA Code ER.11

Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.5.1
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Benchmark Details	Employers shall not engage in any acts of anti-union discrimination or retaliation, i.e. shall not make any employment decisions which negatively affect workers based wholly or in part on a workers' union membership or participation in union activity, including the formation of a union, previous employment in a unionized facility, participation in collective bargaining efforts or participation in a legal strike.
Finding Details	After a worker was asked to transfer to the cutting section in January 2021, the worker received low performance scores and warnings for mistakes on February 12, February 17, and March 10, 2021. On March 19, the worker disputed the disciplinary warning. The disciplinary committee reviewed and found that the warning had valid grounds. The worker received another warning on April 14, to which he filed a response disputing the warning and alleging that he was being targeted with warnings over minor errors due to his union affiliation. He kept receiving warnings for mistakes at work and performance level. In July, he responded to these warnings alleging that he was being pressured due to his union affiliation, emphasizing the involuntary department change, and stating that only 6 operations had mistakes out of 30,000 pieces he had completed. At this point, the factory terminated the worker and issued severance. The assessors reviewed 15 more terminated workers' files and 17 court filings related to termination, noting that this was the only sampled worker who had experienced a reassignment and been terminated due to performance. According to worker and worker representative interviews, assessors have not observed any other termination case which might be related to union affiliation or received concerns related to restrictions for being a union member.
Recommendation for Immediate Action	
Compliance Classifications	Uncorroborated Risk of Non-Compliance
Local Law	
Health, Safety And Environment (HSE)	
Benchmark ID	HSE.6.2

Benchmark Details	A sufficient number of workers shall be trained in first aid and firefighting techniques. Training shall be upon hire and with periodic refresher training.
Finding Details	The factory has 196 first aid certified workers, which is less than the local legal requirement of 5% of the workforce.
Recommendation for Immediate Action	Ensure that at least 5% of the workforce (215 workers) is certified in first aid.
Compliance Classifications	Immediate Action Required
Local Law	First Aid Regulation (2002), No.24762, Art.16 and FLA Code HSE 6.1
Benchmark ID	HSE.5.1
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.
Finding Details	Three of the printed floor plans showing evacuation routes do not properly reflect the layout of the factory. These plans need to be rotated 90 or 180 degrees in order to communicate the layout and route properly.
Recommendation for Immediate Action	Evacuation plot plans should show the layout of the factory properly.
Compliance Classifications	Immediate Action Required
Local Law	Regulation Regarding the Emergency Cases at Workplaces (June 18, 2013), No: 28681, Art. 10 and FLA Code HSE 5
Benchmark ID	HSE.5.1.2

Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of fire alarms;
Finding Details	During all four days of the assessment, assessors observed that the fire alarm panel at the security stand was showing an error message.
Recommendation for Immediate Action	Repair the fire alarm panel at the security stand and ensure it receives proper regular checks and maintenance.
Compliance Classifications	Immediate Action Required
Local Law	Regulation Regarding the Prevention of Fire in the Buidings, (November 27, 2007), No: 26735, Article 81 and FLA Code HSE 5
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	The storage for some chemicals in the stain removal sections, maintenance rooms, and dye warehouse lacked secondary containment
Recommendation for Immediate Action	Implement secondary containment for all chemicals.
Compliance Classifications	Immediate Action Required
Local Law	Regulation Regarding Health & Safety Precautions in Work with Chemical Substances (August 12, 2013), No. 28733, Article 7 and FLA Code HSE 9
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	1. The factory has conducted an internal assessment of workplace conditions. However, the layout of the factory has been changed since that assessment. Furthermore, the assessment of the factory's lighting was conducted only during daylight hours. 2. The SCI assessment noted that, apart from Factory 4, the temperature was noticeably high in all workfloors. Interviewed workers complained of excessive temperatures during interviews.
Recommendation for Immediate Action	1. Conduct a new workplace assessment to account for the new factory layout, making sure to conduct a lighting assessment outside of daylight hours. 2. Lower the temperature of the workfloors to a safe and comfortable level.
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 (1), Appendix 1: Minimum Health and Safety Requirements in the Buildings and Built on Connections, Article 22, FLA Code HSE 13
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	The assessment observed four lower pulley guards missing from sewing machines and one grinding machine without a protective cover.
Recommendation for Immediate Action	Implement all necessary protective guards on machines, communicate their importance to the workers, and supervise their use.
Compliance Classifications	Immediate Action Required

Local Law	Regulation regarding health and safety conditions of the work equipment (April 25, 2013), No: 28628 - Appendix -1, Minimum Requirements at Work Equipments and FLA Code HSE 14
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. One fire extinguisher was blocked and two fire extinguishers were not mounted. 2. The assessment observed chemicals and oils being used on the work floors without eyewash stations. In the maintenance department, one MSDS sheet indicates that the chemical should be washed out of eyes with running water for at least 15 minutes. The maintenance department, however, had only a store of eyewash solution, not a station to provide running water. The stain removal sections have eye wash stations, but the assessment observed that the water pressure in one of these stations was inadequate.
Recommendation for Immediate Action	1. Keep all fire fighting equipment unobstructed and mounted at the correct position and height. 2. Make all necessary arrangements for safety when working with chemicals, including running water with adequate pressure at eyewash stations in all departments where relevant.
Compliance Classifications	Immediate Action Required
Local Law	Regulation Regarding Health & Safety Precautions in Work with Chemical Substances (August 12, 2013), No. 28733, Article 7, Regulation Regarding the Health and Safety Precautions at the Buildings and the Built on Connections, (July 17, 2013), No: 28710, Article 12 and FLA Code HSE 9
Benchmark ID	HSE.22.2
Benchmark Details	All workers handling food must be trained and/or certified to work in the facility preparing or serving food.

Finding Details	The factory most recently conducted hygiene certification for workers handling food in November 2021. Seven workers that were hired after November 2021 did not have proper hygiene certificates.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	1. Two battery charging stations in the factory do not comply with the factory's own Explosion Prevention Document dated September 6-7, 2018. One of the stations was missing warning signs, while the other, located in the Warehouse, was surrounded and blocked by boxes. 2. The assessment observed that ergonomic mats were available for most standing workers; however, approx. four workers were standing without them. 3. The law requires that the factory provides a child care center for worker's children if the total number of female workers exceeds 150 at a factory, however the usual practice is to make an agreement with a nearby child care center to provide this service. The child care center agreement is missing in the factory.
Recommendation for Immediate Action	1. The precautions mentioned at the Explosion Prevention Document should be enforced to eliminate the risks of the work place. 2. Ergonomic mats should be provided for standing workers. 3. Child care center agreement should be provided for the workers.
Compliance Classifications	Immediate Action Required
Local Law	Health & Safety Law, 2012, No: 6331, Art 4 and FLA Code HSE 29
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	The assessment observed chemicals and oils on the work floors that did not have MSDS sheets.
Recommendation for Immediate Action	Make available MSDS sheets, in the language(s) understood by workers, in the areas where chemicals are used.
Compliance Classifications	Immediate Action Required
Local Law	Regulation Regarding Health & Safety Precautions in Work with Chemical Substances (August 12, 2013), No. 28733, Article 6 and FLA Code HSE 10
Benchmark ID	HSE.8
Benchmark Details	Workers shall be provided with training on the use and maintenance of personal protective equipment. Training shall be upon hire with periodic refresher training offered to all workers. Management will ensure use of PPE as necessary.
Finding Details	The assessment observed two operators using the cutting machines while wearing a metal mesh glove on only one of their hands.
Recommendation for Immediate Action	Provide proper PPE (two metal mesh gloves per worker) to the cutting operators, communicate their importance to the workers, and supervise their use.
Compliance Classifications	Immediate Action Required
Local Law	Occupational Health and Safety Law, (2012), No.6331, Art.4 and FLA Code HSE 8
Benchmark ID	HSE.5.2
Benchmark Details	Workers shall be trained in evacuation procedures.

Finding Details	Local law requires factories' emergency response teams to total 5% of the workforce, but the factory's Emergency Action Rescue Team consists of only 76 workers (Around 1.7%). Similarly, the Protection team has 57 workers, which is less than the 2% required.
Recommendation for Immediate Action	Assign sufficient numbers of workers to the Emergency Action Rescue Team and Protection team to meet the legally-required minimum size.
Compliance Classifications	Immediate Action Required
Local Law	Emergency Action Regulation, 18.06.2013, No: 28681, Art 5 and FLA Code HSE 5

