



COMPANY: The s.Oliver Group
COUNTRY: Turkey
ASSESSMENT DATE: 07/18/2017
MONITOR: FLA Assessor Team (Turkey)
PRODUCTS: Apparel
**PROCESSES: Full [= full package], Embroidery, Screen
Printing/Printing**
NUMBER OF WORKERS: 289

FLA Comments

FLA Comment: This report was submitted to the FLA and the FLA affiliated company by the assessor. Despite deadline reminders and extensions for submission of a corrective action plan, the FLA has not received a plan to address the risks and noncompliances raised in the report. Therefore, the report is posted in its current state and will be updated once a corrective action plan has been submitted to and reviewed by the FLA.

What's Included in this Report

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Understanding this Assessment Report

This is a report of a workplace assessment conducted by Fair Labor Association assessors following FLA's Sustainable Compliance methodology (SCI), which evaluates a facility's performance in upholding fair labor standards through effective management practices throughout the entire employment life cycle.

This report identifies violations and risks of noncompliance with the Fair Labor Association Workplace Code of Conduct in its assessment of the employment functions, and includes a description of the root causes of violations, recommendations for sustainable and immediate improvement, and the corrective action plan for each risk or violation as submitted by the company. This document is not a static report; rather, it reflects the most recent progress updates on remediation in the "Progress Update" section for each finding.

Glossary

Fair labor standards: the minimum requirement for how workers should be treated in a workplace, as outlined in the [FLA Workplace Code of Conduct](#).

Employment life cycle: all aspects of an employee's relationship with the employer, from date of hire to termination or end of employment.

Code violation: failure to meet standards outlined in the FLA Workplace Code of Conduct in the workplace implementation of employment or management functions.

Employment Functions: The different components of the relationship between management and employees in a factory. An employment function is a process regulating an aspect of the employment relationship, such as the recruitment of workers. All employment functions together constitute the employment relationship between an employer and an employee.

1. Recruitment, Hiring & Personnel Development (e.g., performance reviews)
2. Compensation (e.g., wages, health care)
3. Hours of Work (e.g., overtime, documentation of working hours)
4. Industrial Relations (e.g., collective bargaining agreements)
5. Grievance System (e.g., worker communication with management)
6. Workplace Conduct & Discipline (e.g., discrimination, harassment)
7. Termination & Worker Retrenchment (e.g., downsizing, resignation)
8. Health & Safety (e.g., exposure to chemicals)
9. Environmental Protection (e.g., energy saving)

Management functions: violations or risks related to an employment function could be caused by the absence – or a problem in the operation – of any one of the management functions or in more than one.

1. Policy
2. Procedure
3. Responsibility & Accountability
4. Review Process
5. Training
6. Implementation
7. Communication & Worker Involvement
8. Support & Resources (only for the in-depth level)

Finding: indicators of potential gaps between desired and actual performance of the workplace on different employment functions.

Finding type

- *Immediate action required:* discoveries or findings at the workplace that need immediate action because they not only constitute an imminent danger, risk the workers' basic rights, threaten their safety and well-being or pose a clear hazard to

the environment, but also are clear non-compliances with the FLA Workplace Code of Conduct and local laws. Examples include a finding by the assessor that crucial fire safety elements are not in place or that there is underpayment of wages and/or worker entitlements or that there is direct discharge of waste water, etc.

- *Sustainable improvement required*: findings that require sustainable and systematic actions. The factory will be asked to tackle the underlying root causes and to do so in a long-term and systematic manner to bridge the gap between actual and desired performance. Examples include a finding by the assessor that there is lack of termination policies and procedures in the workplace, lack of grievance system, etc.
- *Notable feature*: indicates a remarkable feature or best practice at a workplace. Examples might include workers' wages and benefits that are significantly above the industry average, or community benefits such as free daycare.

Local law or Code Requirement: applicable regulations and standards in a workplace, which serve as the basis for an assessment, as per local law or FLA Workplace Code of Conduct. When these two do not concur, the stricter of the two standards applies.

Root causes: a systemic failure within an employment function, resulting in a "finding." Findings are symptoms of underlying problems or "root causes." Consider, for example, the case of workers not wearing hearing protection equipment in a high noise area. The most expedient conclusion might be that the worker did not use the hearing protection equipment because such equipment was not provided by management. However, upon a more thorough evaluation of available information, the assessor might find that the worker was indeed supplied with hearing protection equipment and with written information about the importance of wearing hearing protection, but was not trained on how to use the equipment and that use of the equipment was not enforced in a consistent manner by management.

Company action plan: a detailed set of activities outlined by the sourcing company and/or direct employer to address FLA Findings.

Findings and Action Plans

FINDING NO.1

WORKPLACE CONDUCT & DISCIPLINE

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The factory took a full day off (7/16/2015) instead of just a half-day public holiday for the Eve of the Ramadan Feast and asked the workers to work the previous Sunday (7/12/15) to make up for it. Worker interviews revealed that five workers were not willing to come to work since Sunday is the rest day and that those five workers were terminated on Monday (07/13/15) when they came to work. However, the minutes recorded by the factory for this incident stated that the workers left their job on their own accord on Monday at 9:30 am. Additionally, the factory kept absenteeism records for three days after Monday, July 13th, 2015 to show valid reason for termination by the factory. The interviewed workers stated that those five workers are suing the factory for wrongful termination. However, when the assessor asked for these 5 workers' case files, management stated that all files are kept at the factory lawyer's office, not at the factory. **ER.27**
2. Employees' signatures are missing on written records of disciplinary actions. **ER.27**
3. The factory does not have gender sensitive security practices. A male warden is searching female workers' bags. **H/A.10**
4. The factory does not have policies or procedures on Workplace Conduct & Discipline. **ER.27**
5. The factory does not have procedures to record all warnings and disciplinary actions, or procedures on filing requirements and appeal process for the employees. **ER.2, ER.27**
6. The workers do not receive a copy of the workplace rules during orientation. **ER.15**
7. Disciplinary actions are not witnessed by a third party during imposition. **ER.27**

Local Law or Code Requirement

Turkish Labour Law 4857, Articles 18 and 64; FLA Workplace Code (Employment Relationship Benchmarks ER.15 and ER.27; Harassment and Abuse Benchmark and H/A.10)

Recommendations for Immediate Action

1. Ensure that compensatory working days are consensual in the factory, and that workers are not forced to come to work and can refuse overtime without retaliation.
2. Ensure that termination processes regarding disciplinary actions are conducted fairly, are not fabricated, and are in compliance with local law and FLA benchmarks.
3. Factory is recommended to reinstate the five dismissed workers without waiting to for the resolution of the law suit.
4. Create a disciplinary system/committee that includes workers and worker representatives to maintain disciplinary actions in a fair way.
5. Keep disciplinary records with statements and signatures from workers and provide disciplinary records to assessors.
6. Cease the gender-inappropriate bag searches.

Verification Result:

1. Finding Status: Partially Remediated

Explanation: The court process continues and meanwhile, the management has not hired back those workers. Since there are different claims related the issue and the lawsuit is still in court, there is no solution related the finding. However, according to documentation review, worker interviews and management, compensatory working days are not arranged on rest days anymore and are consensual. **ER.27**

Root Causes: Factory management thinks it would be disruptive for the workplace to reinstate these workers. Also, the court case is still pending.

2. Finding Status: Remediated.

Explanation: The factory has started to obtain workers' signatures for written disciplinary actions.

3. Finding Status: Not Remediated

Explanation: Based on worker interviews it was found that the bag searches of the female workers are still done by male security personnel. **H/A.10**

Root Causes: There is no female security personnel in the factory. Additionally, according to management since there only bag searches, and no body searches, the management does not need to solve the issue.

4. Finding Status: Remediated

Explanation The factory has created a 'Workplace Internal Regulations' document covering workplace rules and explanation on how the disciplinary system is implemented in the factory.

5. Finding Status: Remediated

Explanation: The factory has started to record all disciplinary warnings and obtaining workers' signatures with their defense in the event that any disciplinary action follows.

6. Finding Status: Not Remediated

Explanation: The factory does not provide workers a copy of the workplace rules during orientation and therefore, o not provided to workers at all. **ER.15**

Root Causes: The factory has included some of the workplace rules in the labor contract under 'Special Conditions', and a copy of the labor contract is provided to the workers. However, these terms do not cover all workplace rules in the factory. Since factory management does not know English, a brand representative translated the original FLA SCI report. However, the translation was made only for recommendations, and not for all findings in the report. Therefore, the factory representative was not aware of this violation.

Finding Status: Not Remediated

Disciplinary actions are still not witnessed a third party during imposition. **ER.27**

Root Causes: The third-party system is not very common in Turkey and factory managers are not familiar with this procedure. Moreover, since disciplinary actions are imposed by the Committee which includes worker representative, the management thinks the process is fair enough as it is. No serious disciplinary action has been taken that would have required a third party witness so for.

Local Law or Code Requirement

Turkish Labour Law 4857, Articles 18 and 64; FLA Workplace Code (Employment Relationship Benchmarks ER.15 and ER.27; Harassment & Abuse Benchmark H/A.10)

Recommendations for Immediate Action

1. Ensure that compensatory working days are consensual in the factory, and that workers are not forced to come.
2. Reinstate the five dismissed workers before completion of the law suit.
3. Include a statement in the factory procedures that compensatory workings will not be conducted on rest days.
4. Cease gender-inappropriate bag searches.
5. Provide a copy of the workplace rules and disciplinary procedures to all workers during orientation as well as all current workers.

FINDING NO.2

MISSING FACILITIES

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The factory does not have any childcare facilities, although local law requires factories to provide childcare facilities in workplaces with 150 or more female workers. At the time of the assessment, there were 170 female workers working at the factory.
2. The factory does not have a breast-feeding room, although local law requires factories to provide this facility in workplaces with 100 or more female workers.

Local Law or Code Requirement

Regulation about Working Conditions of Pregnant and Nursing Workers, Articles 13/2 and 15; FLA Workplace Code (Non- Discrimination Benchmark ND.8.1)

Recommendations for Immediate Action

1. Provide an adequately furnished/equipped private breastfeeding room.

Verification Result:

1. Finding Status; Not Remediated

Explanation: The total number of female workers is more than 150; however, the factory does not provide a childcare facility for workers. **ND.8**

Root Causes: There are three independent companies in the factory owned by the same legal entity; however, all workers work in the same facility with the same conditions. Since the number of female workers working in each unit is fewer than 150, the management does not think the factory is in violation of the legal requirement.

Finding Status; Not Remediated

Explanation: The required breastfeeding room is still not provided. **ND.8**

Root Causes: Since the factory provides lactating workers with the legally-required 1.5 weekly hours of breastfeeding time (in the form of early leave), the management thinks that there is no need for breastfeeding room.

Local Law or Code Requirement

Regulation about Working Conditions of Pregnant and Nursing Workers, Articles 13/2 and 15; FLA Workplace Code (Non- Discrimination Benchmark ND.8)

Recommendations for Immediate Action (if applicable)

1. Provide an adequately furnished/equipped private breastfeeding room.

FINDING NO.3

TRAINING (MACRO)

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. Human Resources provides verbal orientation training to new workers. Workers sign Personnel Regulation forms after hearing them read aloud by Human Resources. These forms are then stored in personnel files so workers do not retain information about working standards and do not receive written documentation regarding the training content. Additionally, the verbal orientation training does not include training on Freedom of Association and Grievance Systems. **ER.15**
2. The factory does not provide on-going training regarding practices on Recruitment, Hiring & Personnel Development, Compensation, Hours of Work, Industrial Relations, Grievance System, Workplace Conduct & Discipline, Termination & Retrenchment, and Environmental Protection. **ER.1**
3. The factory does not provide supervisors with training on any of the Employment Functions, with the exception of the legally required Health & Safety training. **ER.17**
4. The factory's orientation training to workers on social rights, which includes working hours, compensation, and leave, does not include the pregnant worker's right of one day of paid leave per month during their pregnancy as legally required. **ER.14**

Local Law or Code Requirement

Regulation about Working Conditions for Pregnant and Lactating Women, Article 11; FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.14, ER.15, and ER.17)

Verification Result:

1. Finding Status: Not Remediated

Explanation: It was found that the factory provides verbal orientation training to the workers. Although a document is prepared that shows what is explained in the orientation trainings with the basic content and headings, such as 'rules of hours of work rules are explained', there is no information related to Grievance System or Freedom of Association. Moreover, although the workers sign that they have read the Personal Regulation forms during orientation, copies of the training content are not provided to the workers. **ER.15**

Root Causes: The management thinks that if workers need any information related to factory procedures and their implementation, they are free to inquire with the Human Resources or ask to read the Personal Regulations. Therefore, the factory did not need to provide a copy of the material covered in orientation.

2. Finding Status: Not Remediated

Explanation: The factory does not provide ongoing training to workers except the legally required ones, such as Health & Safety trainings. **ER.1**

Root Causes: The management's point of view on trainings is that all workers have adequate information related to factory procedures. If workers have any questions, the HR department is always open to help. Since it is not an immediate action, the factory has not taken further action to improve. Additionally the factory lacks information on FLA Benchmarks.

3. Finding Status Not Remediated

Explanation: The factory does not provide specific training to supervisors on any of the Employment Functions.

ER.17

Root Causes: The management's point of view on training is that all workers, including supervisors, have adequate information on factory procedures and the HR department is always open to help if workers have any questions or problem. Since it is not an immediate action, the factory has not taken further action to improve. Additionally the factory lacks information on FLA Benchmarks.

4. Finding Status Not Remediated

Explanation: The factory still does not inform workers during orientation that pregnant workers are legally entitled to one day of paid leave per month during their pregnancy. **ER.14**

Root Causes: Since there is not a detailed orientation training, this information is overlooked. The Personal Regulation document is not updated, either. And while the management has prepared a new document as orientation training content, that document does not cover this information, either.

Local Law or Code Requirement

Regulation about Working Conditions for Pregnant and Lactating Women, Article 11; FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.14, ER.15, and ER.17)

FINDING NO.4

RECRUITMENT, HIRING & PERSONNEL DEVELOPMENT FINDING

TYPE: Immediate Action Required

Finding Explanation

1. There are no job descriptions for factory floor workers available when new personnel are hired. **ER.1**
2. The number of disabled workers (1.2% of the total workforce) is below the local legal requirement (3% of the total workforce). However, the factory, with the support of the Turkey Employment Agency, is in the process of increasing the number of disabled workers according to local requirements. **ND.1, ND.2**
3. The factory does not have overtime consent letters as legally required. **ER.2**
4. The factory does not have parental permission forms for the 12 young workers between the ages of 16 and 18. **ER.2, CL.3**
5. The factory does not maintain pregnancy notification reports in workers' personnel files, as legally required. **ER.2**
6. The factory has not provided workers with copies of their employment contracts, although this is stipulated in the contracts themselves. **ER.5**

Local Law or Code Requirement

Turkish Labour Law (4857), Articles 30 and 71; Regulation on Working on Extended Hours and Overtime According to Labour Law, Article 9; Regulation about Working Conditions for Young Workers and Children, Article 12; FLA Workplace Code (Employment Relationship Benchmarks ER.1.1, ER.4, ER.5.7, and ER.14; Non-Discrimination Benchmarks ND.1 and ND.2; Child Labor Benchmark CL.3)

Recommendations for Immediate Action

1. Obtain parental permission forms for the 12 young workers.
2. Maintain pregnancy notification reports in workers' personnel files to ensure that the legally required working hours, periodic health checks, and working conditions are followed.
3. Provide copies of employment contracts to all workers.

Verification Result:

1. Finding Status: Not Remediated

Explanation: There are currently no job descriptions available for factory floor workers when new personnel need to be hired. **ER.1**

Root Causes: Since factory management does not know English, a brand representative translated the FLA report. However, the translation was only for recommendations for immediate action findings, and not for all findings. Therefore, the factory representative was not aware of this finding.

2. Finding Status: Partially Remediated

Explanation: The factory currently employs seven disabled workers. According to labor law there should be eight workers due to number of workers in the factory. However, there is an application in process for hiring one more disabled worker; management declared that this worker would be starting work the week after the audit. **ND.1, ND.2**

Root Causes: In Turkey, employment of disabled workers is managed by the Employment Agency (ISKUR), and the process takes some time depending on the application of the disabled candidates.

3. Finding Status: Remediated

Explanation: According to documentation review, overtime consent letters are now received from workers and kept in personnel files.

4. Finding Status: Remediated

Explanation: According to documentation review, all juvenile workers' consent letter are now received and kept in personnel files.

5. Finding Status: Remediated

Explanation: According to documentation review of pregnant workers, notification documents of pregnant workers is now maintained in personnel files

6. Finding Status: Remediated

Explanation: The factory has started to provide workers with a copy of employment contracts.

Local Law or Code Requirement

Turkish Labour Law (4857), Articles 30; FLA Workplace Code (Employment Relationship Benchmarks ER.1.1)

FINDING NO.5

POLICIES & PROCEDURES (MACRO)

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. The factory does not have detailed policies and procedures for all Employment Functions: Recruitment, Hiring & Personnel Development, Compensation, Hours of Work, Termination & Retrenchment, Grievance System, Industrial Relations, Environmental Protection, and Health & Safety. **ER.1, ER.19, ER.23, ER.25, ER.28, ER.29, ER.30, ER.31, ER.32**
2. The factory does not have a performance review system that describes steps and processes for personnel development, demonstrates linkages to job grading, prohibits discrimination, provides written feedback, and complies with legal requirements. **ER.29**
3. The factory does not have a review system for the existing policies and procedures for all Employment Functions. **ER.1, ER.29, ER.30, ER.31**

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.1, ER.1.3, ER.19, ER.23, ER.25, ER.28, ER.29, ER.30, ER.31 and ER.32)

Verification Result:

1. Finding Status: Partially Remediated

Explanation: The factory has Personnel Regulations, Workplace Internal Rules and Human Resources Policies to regulate factory policy and procedures. The 'Human Resources Policies' document was recently prepared (01.07.17) and not yet communicated to the workers. None of those documents include Hours of Work and Compensation procedures in detail, Grievance System, Industrial Relations and Environmental Protection and procedures. [ER.23](#), [ER.25](#), [ER.31](#)

Root Causes: The factory management lacks information on FLA benchmarks and employment functions. The factory has tried to improve its management system; however, required information for the workers are separated in three documents and with different point of views. The management needs to clarify which procedure is required for which employment function and understand the importance of procedures, including absent ones. Moreover, 'Human Resources Policies' document is not specific to the factory, rather it is prepared by another company and downloaded from the Internet.

2. Finding Status: Not Remediated

Explanation: The factory does not have a performance review system. Although the Personnel Regulations include a clause that performance reviews are conducted annually, and promotion of a worker is possible in case the worker reaches required performance evaluation, there is no other explanation describing the steps and processes for performance reviews that relate to personnel development, demonstrate linkages to job grading, prohibits discrimination, provides written feedback, and complies with legal requirements. [ER.29](#)

Root Causes: Since it is not an immediate action finding, the factory has not taken any action to improve. Moreover, for a fair performance evaluation system, there should be objective data linked to the production system, in the absence of which evaluation is left to the discretion of the supervisors.

3. Finding Status: Not remediated

Explanation: The factory does not have a systematic review system for its policies and procedures. However, based on previous audit results, management tries to review and improve its management system. [ER.1](#), [ER.29](#), [ER.30](#), [ER.31](#)

Root Causes: The factory does not have detailed management systems including policies and procedures for each Employment Function. Therefore, a review system has not been established yet. Additionally the factory lacks information on FLA Benchmarks.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.1, ER.1.3, ER.23, ER.29, ER.30, and ER.32)

FINDING NO.6

COMPENSATION

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The factory practices double bookkeeping. One set of records is official and reported to social security for taxes, indicating the amount of workers' gross earnings and includes salaries based on the legal minimum wage. The other set is unofficial and includes actual salaries that exceed the legal minimum wage, including overtime premiums.

Local Law or Code Requirement

Tax Procedure Law, Article 359; Turkish Labour Law, Article 32; FLA Workplace Code (Compensation Benchmarks C.1, C.15, and C.16)

Recommendations for Immediate Action

1. Cease the practice of double bookkeeping. Ensure only one set of accurate records are maintained, reflecting actual time worked and compensation paid.

Verification Result:

1. Finding Status; Not Remediated

Explanation: Based on documentation review the factory does still has a practice of double bookkeeping.

Root Causes: Double bookkeeping practice is very common in the industry. Also, most of the workers receive more than minimum wage due to seniority and the overtime work is very high in the factory. The management is of the opinion that maintaining a single set of books would be very costly unless the factory underwent radical transformation aimed at reducing overtime.

Local Law or Code Requirement

Tax Procedure Law, Article 359; Turkish Labour Law, Article 32; FLA Workplace Code (Compensation Benchmarks C.1, C.15, and C.16)

Recommendations for Immediate Action (if applicable)

1. Cease the practice of double bookkeeping. Ensure only one set of accurate records is maintained, reflecting the actual time worked and compensation paid.

FINDING NO.7

TERMINATION & RETRENCHMENT FINDING TYPE:

Immediate Action Required

Finding Explanation

1. The calculation of severance and notification payments does not include the meal and transportation allowances. **ER.19, C.5**
2. Termination payouts are not based on workers' actual salaries. Instead, they are calculated based on the official minimum wage salaries reported to social security. Therefore, termination payouts are less than what is legally required. **ER.19, C.5**

Local Law or Code Requirement

Turkish Labour Law (1475), Article 14; Supreme Court 9th Civil Chamber Verdicts 2008/1635E, 2009/14798K, 2007/38244E, 2009/3712K, 2007/24490E, 2008/20203K, 2007/24005E, and 2008/20203K; Supreme Court 9th Civil Chamber Verdicts E.1992/15138, K. 1993/5687, and T. 13.4.1993; Turkish Labour Law, 4857, Article 32; FLA Workplace Code (Employment Relationship Benchmark ER.19; Compensation Benchmarks C.1 and C.5)

Recommendations for Immediate Action

1. Ensure that the severance and notification payments calculations include transportation and meal allowances.
2. Ensure that the termination payouts are paid based on the actual salary that workers receive.

Verification Result:

1. Finding Status; Remediated

Explanation: The factory includes meal and transportation allowances in the calculation of severance payments.

2. Finding Status: Not Remediated

Explanation: The factory does not pay termination payouts based on actual salaries of the workers. Termination payments are calculated based on official salaries of the worker. **ER.19, C.5**

Root Causes: Since the factory still practices double bookkeeping in the factory, termination pay-outs are calculated on official salaries of the workers.

Local Law or Code Requirement

Turkish Labour Law, 4857, Article 32; FLA Workplace Code (Employment Relationship Benchmark ER.19; Compensation Benchmark C.5)

Recommendations for Immediate Action (if applicable)

1. Ensure that the termination payouts are paid based on workers' actual salaries.

FINDING NO.8

COMPENSATION

FINDING TYPE: Immediate Action Required

Finding Explanation

1. There is no Annual Leave Committee as legally required. **HOW.1**
2. Regardless of the workers' seniority, management designates all workers' annual leave as a fixed duration of 12 days/year; whereas, local law provides 14 days for workers who have been working between 1-5 years at the factory, 20 days for those who have been working between 5-15 years, and 26 days for workers who have been working more than 15 years at the factory. **HOW.11**
3. The factory provides elderly and young workers with only 12 days of annual leave, instead of the legally required 20 days. At the time of the assessment, there were 12 young workers and 8 elderly workers at the factory. **HOW.11**
4. The factory deducts 1.5 days of wages from workers' salaries that miss one day of work, even when they complete a 45-hour workweek. The worker will have half of the rest day's wages (Sundays) and the full day of the missed day's wages deducted from their salary. While the deduction for missed day is legal, the worker should not receive deductions of their rest day when missing a day of work if they have completed a 45-hour workweek with overtime hours according to law. **H/A.2**

Local Law or Code Requirement

Turkish Labour Law, 4857, Articles 46, 53, and 63; Annual Paid Leave Regulation, Articles 9 and 15; FLA Workplace Code (Hours of Work Benchmarks HOW.11, HOW.13, and HOW.14; Harassment & Abuse Benchmark H/A.2; Compensation Benchmark C.11)

Recommendations for Immediate Action

1. Ensure workers receive the annual leave they're legally entitled to.
2. Ensure young and elderly workers receive 20 days of annual leave as legally mandated.
3. Cease fining workers for not coming to work; allow workers to use paid or unpaid time off to miss work without being fined.
4. Rest day payment shall not be deducted when the worker completes a 45-hour workweek.

Verification Result:

1. Finding Status: Partially Remediated

Explanation: Although Annual Leave Committee has been established, it is not functional. There is no worker representative in the committee (a supervisor is assigned) and no meetings are held. Moreover, the legally required decision book is not kept. The committee is only in place on paper. **HOW.1**

Root Causes: Since the annual leave are used by workers and leave requests are kept in personnel files, the factory has not needed to actively use the committee. Moreover, since factory management does not know English, a brand representative translated the FLA report. However, the translation was only for recommendations of immediate action findings, and not for all findings. Therefore, the factory representative was not aware of this finding.

2. Finding Status: Not Remediated

Explanation: The factory still provides only 12 days of annual leave for all workers. **HOW.11, ER.22**

Root Causes: Production plan of the factory is incompatible with the legally mandated annual leaves. According to management interviews, annual leave policy was established by top management. The management expressed that the factory will start to provide at least 14 days of annual leave to all workers in the near future, but has no plans to follow legal requirements for workers with more than 5 year of seniority.

3. Finding Status: Not Remediated

Explanation: The factory still does not provide the required number of annual leave days to young and elderly workers. All workers have 12 days of annual leaves. However, management expressed that the factory will start to provide at least 14 days for all workers soon. However, this implementation will still not be in compliance with legal requirements. **HOW.11, ER.22**

Root Causes: As per production plan of the factory, providing required leaves which is more than 14 days cause time and work loss. According to management's declaration this policy is established by top management.

4. Finding Status: Remediated

Explanation: The factory has ceased implementing this policy. According to documentation review and worker interviews, there is no deduction from the salaries of 1.5 day's payment instead of 1 day's anymore.

Local Law or Code Requirement

Turkish Labour Law, 4857, Articles 46, 53, and 63; Annual Paid Leave Regulation, Articles 9 and 15; FLA Workplace Code (Employment Relationship Benchmark ER.22, Hours of Work Benchmarks HOW.1, and HOW.11)

Recommendations for Immediate Action (if applicable)

1. Ensure workers receive the annual leave they're legally entitled to as follows:
 - At least 14 days for up to 5 working years
 - At least 20 days for more than 5 working years, less than 15 working years
 - At least 26 days for more than 15 working years in the factory.
2. Ensure young and elderly workers receive 20 days of annual leave as legally mandated.

FINDING NO.9

COMPENSATION

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Workers are not paid the legally defined premium rate of overtime when working on public holidays. On October 28th, 2015, workers were not paid the overtime rate for working half a day during the public holiday. **C.7**
2. Interviews with the workers revealed that they worked on May 19th and April 23rd (public holidays) without receiving any overtime payment. **C.5, C.7**
3. Interviews with the workers revealed that they worked on July 12th (Sunday) instead of Ramadan Eve (July 16th). It was agreed upon by the factory and workers that July 12th would be half day work day so they could have all of Ramadan Eve off; however, workers stated that they worked until 4 pm on July 12th. This information could not be verified since the time records did not show any check in-outs, including payments, for any worker for July 12th. **ER.23, C.15**
4. The hourly pay rate for overtime payments is calculated by dividing the base pay by 280, instead of 225, as required by law. As a result, workers are not receiving the premium rate for all overtime hours worked. **C.7**

Local Law or Code Requirement

Turkish Labour Law, Articles 41 and 47; Regulation on Working on Extended Hours and Overtime According to Labour Law (06.04.2004), Article 4; FLA Workplace Code (Compensation Benchmarks C.1, C.5, and C.7)

Recommendations for Immediate Action

1. Ensure that if workers work on public holidays, they are paid as legally required, and that time records are available for these days.
2. Retroactively pay the correct overtime compensation for April 23, May 19, and July 12 to the workers.
3. When calculating overtime hourly rate, divide the base salary by 225, instead of 280.

Verification Result:

1. Finding Status: Not Remediated

Explanation: According to documentation review, the workers were not paid the legally defined rate of overtime for October 28, 2016. Management declared that the factory will be making required payments this year for public holidays days; however, rate will be 150% of the regular rate instead of the legally mandated rate of 200%. C.5, C.7

Root Causes: The factory budget and production plan is including overtime, and payment of overtime work is fixed and is the same rate regardless of public holidays. Management thinks that overtime is a standard for textile industry.

2. Finding Status: Partially Remediated

Explanation: In 2016, April 23, the public holiday fell on a rest day and the factory was closed. On May 19, also a public holiday, workers worked and received payment; however, the payment was 150% of the regular rate instead of 200%, which is the legal rate for work on public holidays. C.5, C.7

Root Causes: The factory budget and production plan are inclusive of overtime with overtime pay at the same rate (150% of the regular rate) regardless of public holidays. Management thinks that overtime is a standard for the textile industry. The factory has fixed all overtime payments at the same premium rates except for work on rest days, which are paid at the legally mandated rate of 200%.

3. Finding Status: Remediated

Explanation: According to document review and worker interviews, workers did not perform any compensatory work on July 12, 2017. In 2016, workers did work half day on June 11 (Saturday) instead of half day of Ramadan Eve so as to be able to take the whole day off on July 4. Additionally, they worked on June 18 instead of July 8 and therefore all week from 4 -8 July was holiday for the workers. None of the compensatory days fell on rest days, workers did not work more than they would have otherwise and consent letters were taken from the workers. In sum, implementation of the compensatory work was in compliance with law.

4. Finding Status: Not Remediated

Explanation: The factory still calculates the hourly pay rate for overtime payment by dividing the base pay by 280, instead of 225, as required by law. C.7

Root Causes: The factory budget and production plan hinge on calculation of overtime pay based on 280 hours.

Local Law or Code Requirement

Turkish Labour Law, Articles 41 and 47; Regulation on Working on Extended Hours and Overtime According to Labour Law (06.04.2004), Article 4; FLA Workplace Code (Compensation Benchmarks C.5, and C.7)

Recommendations for Immediate Action (if applicable)

1. Ensure that if workers work on public holidays, they are paid as legally required, and that time records are available for these days.
2. Retroactively pay the correct overtime compensation to workers for April 23, May 19, and July 12.
3. When calculating overtime hourly rate, divide the base salary by that 225, instead of 280.

FINDING NO.10

HOURS OF WORK

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The factory regularly includes overtime work in its production planning. Although the weekly workdays are Monday to Friday, the factory arranges for more than 45 working hours a week, including 6.5 hours on Saturday. Typically, the factory works 51.5 hours on a weekly basis.
2. The factory's total daily working hours (regular + overtime hours) exceeded the legal daily limit of 11 hours in October 2014, July 2015, and August 2015. From a sample of 22 workers, 20 worked hours exceeding the legal limit in all three months, with maximum working hours of 13 hours.
3. The factory's total weekly working hours (regular + overtime hours) exceeded the 60 hours limit in October 2014, July 2015, and August 2015. From a sample of 22 workers, 17 worked hours exceeding the legal limit with a maximum of 63 hours.
4. The yearly overtime hours exceeded the 270 hours limit by 230 hours, totalling 500 hours of overtime in a year. 15 out of 22 sampled workers have worked more than 200 hours of overtime for just the five months selected for review in 2015.
5. Pregnant workers and young workers work nine hours daily and additionally 1-2 hours of overtime daily. However, the legal daily limit including overtime hours is 7.5 hours for pregnant workers and 8 hours for young workers.
6. In October 2014, 7 out of 22 sampled workers worked without a 24-hour rest period in a 7-day period, resulting in 13 consecutive days of work.
7. There are two security staff in the factory. One of security staff works the night shift, with a total of 11 hours daily, which exceeds the legal night work limit of 7.5 hours.
8. ISKUR (a government employment agency) trainees work 51.5 hours a week, which includes 8 hours of overtime, violating the legal requirement of a 45-hour workweek for trainees.
9. During the assessment, the assessors determined workers are not able to refuse overtime, due to the factory's long- standing practice of firing workers that refuse overtime.

Local Law or Code Requirement

Turkish Labour Law (4857), Articles 41, 46, 63, 69, and 71; Regulation about Working Conditions of Pregnant and Nursing Workers, Article 9; Regulation on Working on Extended Hours and Overtime According to Labour Law, Articles 5, 8, and 9; Regulation of Active Workforce Services, 06.11.2014, Article 29/3; FLA Workplace Code (Employment Relationship Benchmark ER.24; Hours of Work Benchmarks HOW.1, HOW.2, HOW.4, HOW.5, HOW.6, HOW.7, and HOW.8; Child Labour Benchmark CL.4; Forced Labor Benchmark F.8)

Recommendations for Immediate Action

1. Ensure that regular working hours do not exceed 45 hours a week as a regular practice.
2. Ensure that daily (regular + overtime) working hours do not exceed 11 hours a day.
3. Ensure that weekly working hours do not exceed 60 hours a week.
4. Ensure that the yearly overtime hours do not exceed 270 hours.
5. Ensure that young workers and (Employment Agency) ISKUR Trainees do not work overtime.
6. Ensure that pregnant workers work no more than 7.5 hours daily.
7. Ensure that the workers have at least 24-hour rest in every 7-day period.
8. Ensure that the working hours not exceed 7.5 hours for night security staff.
9. Ensure that overtime is not mandatory, and that workers can refuse overtime without any retaliation.
10. FLA affiliate Company's Sourcing and Social Compliance teams should: a) implement FLA Principles of Fair Labor and Responsible Sourcing and b) coordinate on the topics mentioned below to help the factory address its excessive hours issue:
 - a. How to provide better order forecasts to the factories;
 - b. Possible workshops/consultancy for the factory on how to improve productivity/quality;
 - c. Clear guidelines on how to extend shipment deadlines in case of contingencies;
 - d. Steps that factory management must follow if overtime is inevitable (steps for how to communicate with the brand's Sourcing and Social Compliance teams);
 - e. Clear guidelines on the calculation and setting of reasonable production targets that will not demand work beyond regular working hours or during breaks.
 - f. Clear guidelines on how and when the factory can use subcontractors and/or

Verification Result:

1. Finding Status: Not Remediated

Explanation: According to documentation review and worker interviews, it was observed that workers still work overtime on Saturdays in addition to 45 hours work during the weekdays. Therefore, overtime work is included in production plan. **ER.24**

Root Causes: The factory believes that overtime is a requirement for the textile industry therefore production plan is prepared including overtime work.

2. Finding Status: Not Remediated

Explanation: According to documentation review and worker interviews, it was observed that the factory's total daily working hours (regular + overtime hours) exceeded the legal daily limit of 11 hours for the last six months. At least 10 workers out of sampled 20 workers worked more than 11 hours with a maximum of 12 hours. **HOW.7**

Root Causes: The factory believes that overtime is a requirement for the textile industry therefore production plan is prepared including overtime work.

3. Finding Status: Not Remediated

Explanation: According to documentation review it was observed that eight workers out of 20 sampled workers worked more than 60 hours weekly in July 2017. In June 2017 three out of 20 workers exceeded the legal limit. Maximum working hours was 65 hours. **HOW.8**

Root Causes: The factory believes that overtime is a requirement for the textile industry therefore production plan is prepared including overtime work.

4. Finding Status: Not Remediated

Explanation: According to documentation review of records from the last six months, 13 workers out of 20 sampled workers worked approximately more than 150 hours. **HOW.7**

Root Causes: The factory believes that overtime is a requirement for the textile industry therefore production plan is prepared including overtime work.

The yearly overtime hours exceeded the 270 hours limit by 230 hours, totalling 500 hours of overtime in a year. 15 out of 22 sampled workers have worked more than 200 hours of overtime for just the five months selected for review in 2015.

5. Finding Status: Not Remediated

Explanation: According to documentation review and worker interviews, pregnant workers work regular working hours with 9 hours instead of 7,5 hours daily. Also. they do perform overtime with the other workers when it is needed. **HOW.5**

Root Causes: The factory does not have any policy for special category of workers' working hours. Pregnant workers work regular hours and overtime when needed, until they take legal pregnancy leave.

6. Finding Status: Not Remediated

Explanation: According to documentation review there are eight workers in July and three workers in June 2017 out of sampled 20 workers who worked 13 days consecutively without a rest day. **HOW.2**

Root Causes: Factory provides at least one day off in general. However, in peak season, such as June and July, workers are required to stay work overtime in rest days due to orders and workload. The factory's point of view is that overtime is a requirement for textile industry.

7. Finding Status: Not Remediated

Explanation: Security personnel still work the same working hours which is 11 hours daily. Therefore, working hours for the night shift exceeds the 7.5 hours legal limit. **HOW.1, HOW.6, HOW.7**

Root Causes: The number of security personnel is not sufficient.

8. Finding Status: Partially Remediated

Explanation: According to management interview, in 2015, ISKUR trainees are employed as part of a six-month project and most of those workers were employed permanently after the process ended. There is currently no trainee working in the factory. According to management two vocational high school trainees will be employed in September, and those trainees will be working within legal working hours limits indicated in their legal trainee contract. There is no policy or procedure that regulates the trainees' working hours in the factory. **HOW.4**

Root Causes: The factory does not have any policy for special category of workers' working hours.

9. Finding Status: Partially Remediated

Explanation: According to documentation review and worker interviews the workers are still obligated to work overtime. However, during the worker interviews, it was reported that in cases where workers have an emergency situation, disease or valid reason to leave early or not come to the factory, they can get permission not to work overtime. The factory does not have any procedures or written statement that indicates overtime is voluntary. **F.8**

Root Causes: The factory believes that overtime is a requirement for the textile industry therefore production plan is including overtime work.

Since the factory usually operates on Saturdays, the workers are not comfortable refusing overtime work on Saturdays..

Local Law or Code Requirement

Turkish Labour Law (4857), Articles 41, 46, 63, 69, and 71; Regulation about Working Conditions of Pregnant and Nursing Workers, Article 9; Regulation on Working on Extended Hours and Overtime According to Labour Law, Articles 5, 8, and 9; Regulation of Active Workforce Services, 06.11.2014, Article 29/3; FLA Workplace Code (Hours of Work Benchmarks HOW.1, HOW.2, HOW.4, HOW.5, HOW.6, HOW.7, and HOW.8; Forced Labor Benchmark F.8)

Recommendations for Immediate Action (if applicable)

1. Ensure that regular working hours do not exceed 45 hours a week as a regular practice.
2. Ensure that daily (regular + overtime) working hours do not exceed 11 hours a day.
3. Ensure that weekly working hours do not exceed 60 hours a week.
4. Ensure that the yearly overtime hours do not exceed 270 hours.
5. Ensure that young workers trainees do not work overtime and working hours of young workers and trainees are specifically indicated in factory procedures.
6. Ensure that pregnant workers work no more than 7.5 hours daily.
7. Ensure that the workers have at least 24-hour rest in every 7-day period.
8. Ensure that the working hours not exceed 7.5 hours for night security staff.
9. Ensure that overtime is not mandatory, and that workers can refuse overtime without any retaliation.
10. FLA affiliate Company's Sourcing and Social Compliance teams should: a) implement FLA Principles of Fair Labor and Responsible Sourcing and b) coordinate on the topics mentioned below to help the factory address its excessive hours issue:
 - a. How to provide better order forecasts to the factories;
 - b. Possible workshops/consultancy for the factory on how to improve productivity/quality;
 - c. Clear guidelines on how to extend shipment deadlines in case of contingencies;
 - d. Steps that factory management must follow if overtime is inevitable (steps for how to communicate with the brand's Sourcing and Social Compliance teams);
 - e. Clear guidelines on the calculation and setting of reasonable production targets that will not demand work beyond regular working hours or during breaks.
 - f. Clear guidelines on how and when the factory can use subcontractors and/or

FINDING NO.11

HOURS OF WORK

FINDING TYPE: Immediate Action Required

Finding Explanation

1. According to the statement of the management, the factory did not work on public holidays such as April 23rd and May 19th in 2015 and time records showed the same; however, based on 16 of 20 worker interviews they worked on these

days and did not receive overtime payment. In the remaining 4 interviews, the workers said they did not remember. It was not possible to verify if the time records were accurate since the personnel program allowed manipulation by manually deleting or adding hours in the electronic system.

- Interviews with the workers revealed that they worked on July 12th (Sunday) instead of Ramadan Eve (July 16th) as agreed by the factory and workers; it was agreed that July 12th should be a half day of work, ending at 1pm; however workers worked until 4 pm on July 12. This statement could not be verified since the time records showed no work at all on 12th of July.

Local Law or Code Requirement

Regulation of Working Hours Article 9; FLA Workplace Code (Compensation Benchmarks C.5; Hours of Work Benchmark HOW.10)

Recommendations for Immediate Action

- Ensure that all working hours recorded accurately in the time recording system including rest days, public holidays and that time records show the actual situation and are not tempered with.

Verification Result:

1. Finding Status: Partially Remediated

Explanation: In 2016, April 23, the public holiday fell on a rest day and the factory was closed. On May 19, also a public holiday, workers worked and received payment; however, the payment was 150% of the regular rate instead of 200%, which is the legal rate for work on public holidays. **C.5**

Root Causes: The factory budget and production plan are prepared to work overtime and payment of overtime work has been fixed for the same rate regardless of public holidays. The factory's point of view is that overtime is a requirement for textile industry.

2. Finding Status: Remediated

Explanation: According to document review and worker interviews, workers did not perform any compensatory work on July 12, 2017. In 2016, workers did work half day on June 11 (Saturday) instead of half day of Ramadan Eve so as to be able to take the whole day off on July 4. Additionally, they worked on June 18 instead of July 8 and therefore all week from 4 -8 July was holiday for the workers. None of the compensatory days fell on rest days, workers did not work more than they would have otherwise and consent letters were taken from the workers. In sum, implementation of the compensatory work was in compliance with law.

Local Law or Code Requirement

Turkish Labour Law (4857), Article 44; FLA Workplace Code (Compensation Benchmark C.5)

Recommendations for Immediate Action (if applicable)

Retrospectively compensate all workers with the correct premium rate.

FINDING NO.12

GRIEVANCE SYSTEM

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

- Suggestion boxes are placed at the entrances of the production areas, instead of in locations that would ensure confidentiality, such as dressing rooms, restrooms. Therefore, the suggestion boxes are not used effectively and there are no grievance records filed through this channel.
- The worker representatives were last elected in 2012, and the worker representative system is not effectively working as a way to convey grievances and communications.
- The factory does not maintain documentation for the grievance processes.
- There is no grievance mechanism through which workers can submit grievances regarding compensation.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.25; Compensation Benchmark C.19)

Verification Result:

1. Finding Status: Remediated

Explanation: The suggestion boxes have been moved to toilets which ensures confidentiality of the workers.

2. Finding Status: Partially Remediated

Explanation: The worker representatives were freely elected by the workers in 2015. However, one of the worker representatives was promoted to a supervisor position but still takes responsibility of worker representative duties. Moreover, worker representatives are not very active as a dialogue system, workers do not have adequate information related to worker representative functions. Representatives only attend Health & Safety Committee meetings which has members from management team as legally required and there is no meeting held except these meetings. **ER.25**

Root Causes: Most of the workers prefer to communicate with their supervisors or Human Resources department. According to law, worker representatives are required to be members of Health & Safety Committee, and this requirement is implemented in the factory. Management does not see the worker representative system as a part of Industrial Relations.

3. Finding Status: Partially Remediated

Explanation: The factory started in July 2017 to keep a form to record the suggestions and grievances from suggestion boxes and also keeps records of the original suggestions. However, there is no other record regarding grievances or suggestions in place, such as grievances conveyed directly to supervisors or Human Resources Department. **ER.2**

Root Causes: Since the factory has an open-door policy and workers are in dialogue with management verbally, the factory is not aware of every record for every suggestion or grievance. Grievance system is perceived as only outputs of suggestion boxes. The factory lacks information on FLA Benchmarks.

4. Finding Status: Not Remediated

Explanation: There is no system, written procedures or provided training on grievances related compensation issues. **C.19**

Root Causes: In case any worker has a problem with their compensation, they can communicate with the management directly. Since this implementation is already in process, the factory has overlooked the necessity of creating a system or to make a declaration on this issue.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.25; Compensation Benchmark C.19)

FINDING NO.13

HEALTH & SAFETY

FINDING TYPE: Immediate Action Required

Finding Explanation

1. There were workers not using earplugs in the embroidery section, which has a noise level of more than 85 DB.
2. 50% of the lockstitch and overlock machines do not have proper finger and eye guards, and the workers move the eye guards for the remaining 50% machines.

3. There was an area that directly opens to the outside from the 1st floor (one story above the ground floor) without any door or window in the embroidery section, which carries the risk of falling. The protection chain was not closed at the time of the assessment, and there were no warning signs near it.
4. There are no anti-fatigue mats for the standing workers, although they are needed to reduce fatigue caused by standing for long periods on a hard surface.
5. The factory does not provide rubber mats for the ironing section workers to prevent static electricity.
6. A worker was observed not using the designated ladders, but climbing on the shelves to reach a high rack.
7. The factory has fluorescent lights without protective covers.
8. The factory does not have an earthquake resistance test report.
9. The workers in the stain removal section were not using any personal protection equipment (PPE) for handling chemicals while working, such as Filtering Face-Piece masks (FFP) mask. . Additionally, the protective mask in the room was the FFP 1 mask (for dust), which is not the correct PPE for stain removal.
10. Workers from different sections occasionally stop by the stain removal section to remove stains without having received the proper training.

Local Law or Code Requirement

Health and Safety Law, 6331, Articles 4 and 10; Regulation about Using Protective Equipment in Workplaces, 02.07.2013, Articles 5, 6, 7, 8, and 9; Turkish Earthquake Code 2007 and the Content of Performance Reports under the Impacts of Earthquake; Regulation About Requirements of Using Workplace Equipment, 25.04.2013, Article 9; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, Addition 1- Article 40; FLA Workplace Code (Health, Safety & Environmental Protection Benchmarks HSE.1, HSE.4, HSE.7, HSE.8, HSE.14, HSE.17, and HSE.23)

Recommendations for Immediate Action

1. Ensure that all workers use protective earplugs where the noise level is more than 85 DB.
2. Ensure that all sewing machines have proper needle-guards, and that the workers use the guards effectively.
3. Ensure that the open area/door is closed with a protective chain at all times, and required warning signs are put up.
4. Provide anti-fatigue mats for the standing workers.
5. Provide rubber mats for the ironing section workers.
6. Provide protective covers for the fluorescent lights.
7. Ensure that required equipment for working at a height (such as a ladder) is provided to the workers, and that workers are trained on using ladders safely.
8. Provide the proper PPE (FFP 2 mask) for chemical use, and train the workers on PPE usage. Ensure that only the workers who receive training on chemical handling work in the stain removing section.

Verification Result:

1. Finding Status: Remediated

Explanation: During the factory tour, it was observed that the workers in embroidery section were using ear-plugs, and it is validated that workers receive ear-plugs free of charge.

2. Finding Status: Partially Remediated

Explanation: It was observed that overlock machines have been provided proper machine guards, however some of the stitching machines still do not have eye or finger guards. **HSE.14**

Root Causes: Dynamic production process, location and users of the machines are changing frequently. There is an ineffective monitoring process and lack of training.

3. Finding Status: Remediated

Explanation: Proper protective guard for the door in the embroidery section is provided to prevent any risk of falling.

4. Finding Status: Partially Remediated

Explanation: During the factory tour, it was observed that anti-fatigue mats are provided for standing workers, however not for all of them. Anti-fatigue mats are missing for 50% of the standing workers. **HSE.17**

Root Causes: Some brand auditors suggested the use of mats. However, some workers insisted on working without mats.

5. Finding Status: Remediated

Explanation: The factory has provided rubber mats for the ironing section workers.

6. Finding Status: Partially Remediated

Explanation: During both assessment days, it was observed that none of the workers were climbing to the shelves without using designated ladders. However, no training is provided related to the risks of this issue. **HSE.14**

Root Causes: Ongoing production schedule limits the time and resources to be allocated for training efforts.

7. Finding Status: Partially Remediated

Explanation: The factory has provided protective covers for fluorescent lights, however not for all departments. In printing department, fluorescent lights without protective covers are still in place. **HSE.7**

Root Causes: Renovation was not done in accordance to plan so some sections were skipped.

8. Finding Status: Not Remediated

Explanation: According to documentation review, the factory does not have an earthquake resistance report. **HSE.1**

Root Causes: Since factory management does not know English, affiliate representative translated the FLA report. However, translation is made only for recommendations for immediate action findings, and not for all findings. Therefore factory representatives were not aware of this finding.

9. Finding Status: Partially Remediated

Explanation: The protective mask in the stain removing room is still the FFP 1 mask (for dust), which is not the correct PPE for stain removal. **HSE.7**

Root Causes: There is not a system in place for reviewing MSDS forms for selection of PPEs.

10. Finding Status: Remediated

Explanation: The factory assigned specific workers to work in stain removing process and their names are posted at the stain removing room. No other workers were observed working on stain removing during the assessment.

Local Law or Code Requirement

Health and Safety Law, 6331, Articles 4 and 10; Turkish Earthquake Code 2007 and the Content of Performance Reports under the Impacts of Earthquake; Regulation About Requirements of Using Workplace Equipment, 25.04.2013, Article 9; Regulation about Using Protective Equipment in Workplaces, 02.07.2013, Article 7; FLA Workplace Code (Health, Safety & Environmental Protection Benchmarks HSE.1, HSE.7, HSE.14, and HSE.17)

Recommendations for Immediate Action (if applicable)

1. Ensure that all sewing machines have proper needle-guards, and that the workers use the guards effectively.
2. Provide anti-fatigue mats for the standing workers.
3. Provide rubber mats for the ironing section workers.
4. Provide protective covers for the fluorescent lights.
5. Provide training to the workers on using ladders.
6. Provide proper PPE to the workers who works in stain removing section.

HEALTH & SAFETY

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Some of the fire extinguishers are wrapped in nylon bags to protect the extinguishers from dust, which might compromise easy accessibility in case of an emergency. Additionally, one of the fire extinguishers is blocked by the gang saw in the cutting section.
2. One of the emergency exits is a sliding door that the loading vehicles use. It was locked at the time of the assessment.
3. Some of the emergency evacuation route markings were wiped away, and a big part of the print section does not have any route markings on the floor for emergency evacuation.
4. Two bottles and a machine spray can were found inside the fire-hose cabinets, which makes accessing the fire hose difficult in case of an emergency.
5. There are no non-slip welts on the emergency stairs.
6. The factory does not conduct regular maintenance for the emergency alarm and warning system.
7. The factory currently has 12 first-aid team members. This number is below legal requirement. Four more first aid team members are needed.

Local Law or Code Requirement

Health and Safety Law 6331, Articles: 11/c; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, Addition 1- Articles 10, 12, and 41; Regulation about Emergency in Workplaces, 18.06.2013, Article 5; Protection of Buildings from Fire Regulation, Articles 41, 47, 84, and Health & Safety Risk Assessment Regulation, Article: 9; First-Aid Regulation (07/29/2015), Article 19; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1 and HSE.5)

Recommendations for Immediate Action

1. Ensure that fire extinguishers are not in bags, and are easily accessible in case of an emergency.
2. Ensure that emergency exits are open at all times, and that emergency exits open in the direction of evacuation.
3. Ensure that all floors are clearly marked with emergency evacuation routes.
4. Cease the practice of storing bottles and spray cans inside the fire hose cabinets, and train the workers regarding this procedure.
5. Provide non-slip welts for the emergency stairs.
6. Ensure that the emergency alarm and warning system is periodically checked and maintained.
7. Ensure there are at least four more workers with first-aid training.

Verification Result:

1. Finding Status: Remediated

Explanation: During the factory tour, it was observed that there are no fire extinguishers wrapped with nylon bag.

2. Finding Status: Remediated

Explanation: The sliding door has been changed with an emergency exit door that opens outwards.

3. Finding Status: Partially Remediated

Explanation: Emergency evacuation route markings in print section are renewed properly. However, in other departments, some of the marking are wiped away and still not easily noticeable. **HSE.5**

Root Causes: The factory has only checked and renewed route markings in the print section. Since there is not a sustainable system to check the emergency route markings other departments are overlooked.

4. Finding Status: Remediated

Explanation: During the factory tour, it was observed that no material is stored in fire hose cabinets.

5. Finding Status: Remediated

Explanation: Non-slip welts are provided on the emergency stairs.

6. Finding Status: Partially Remediated

Explanation: According to documentation review, the factory conducts regular checks for emergency alarm and warning system. However, the factory still has functioning problems related to emergency alarm system although it is regularly checked according to documents. **HSE.5**

Root Causes: Problems on detector selection effect system's efficiency.

7. Finding Status: Remediated

Explanation: The factory currently has 20 first-aid members which reaches the legal requirements.

Local Law or Code Requirement

Protection of Buildings from Fire Regulation, Articles 75, 84; Regulation about Emergency in Workplaces, 18.06.2013, Article 5; FLA Workplace Code (Health, Safety & Environment Benchmark HSE.5)

Recommendations for Immediate Action (if applicable)

1. Ensure that all floors are clearly marked with emergency evacuation routes.
2. Ensure that the emergency alarm and warning system is periodically checked and maintained.

FINDING NO.15

HEALTH & SAFETY

FINDING TYPE: Sustainable Improvement Required

Finding Explanation

1. There is no Electrical Installation Report for the electrical system.
2. The factory has not conducted periodic inspections of the pallet truck.
3. Grounding measurements were only performed on electrical panels; there were no measurements made for production machines and equipment.
4. The factory does not make all legally required Health & Safety documents available to workers.

Local Law or Code Requirement

Regulation of Grounding in Electrical Installation; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, Addition 1, Article 6; Regulation about Requirements of Using Workplace Equipment, 25.04.2013, Article 6, and Addition 3- Article 2.2; FLA Workplace Code (Health, Safety & Environmental Benchmarks HSE.1, HSE.2, and HSE.13)

Verification Result:

1. Finding Status: Remediated

Explanation: The factory has obtained the Electrical Installation Report.

2. Finding Status: Remediated

Explanation: The factory conducts periodic inspections of pallet trucks.

3. Finding Status: Remediated

Explanation: Grounding measurements were performed for production machines and equipment.

4. Finding Status: Remediated

Explanation: The factory makes all legally required Health& Safety documents available to workers.

FINDING NO.16

HEALTH & SAFETY

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The factory does not have any proper material safety data sheet (MSDS) inventory for every chemical in the factory. There is a file that includes all information about the chemicals in the chemical room; however, in the case of an emergency, it is difficult to find the relevant document due to inappropriate filing. Additionally, the documents kept in the file were not MSDS but related explanatory documents about the chemicals. These documents were in English instead of the local language.
2. The factory does not have any chemical information on chemicals BETA and DOSE in the stain removing section. Moreover, existing chemical information forms are missing details such as contents and CAS number (Chemical Abstracts Service), since they are not the proper MSDS.
3. The factory has not posted MSDS in the dyeing section.
4. The chemical air suction systems in the stain removing machines are not powerful enough to prevent chemical hazards.
5. There were unlabelled chemical bottles that contained stain removing chemicals in the stain removing room.
6. There are no secondary containers for the chemicals in the chemical storage area.
7. There is no body wash station in the printing section.

Local Law or Code Requirement

Regulation about MSDS Forms of Harmful Substances, Articles 5, 6, and 7; Regulation about Health and Safety on Working with

Chemicals, 12.08.2013, Articles 5, 6, 7, 8, and 9; Regulation of Risk Assessment, Article 9; FLA Workplace Code (Health, Safety & Environmental Benchmarks HSE.1, HSE.9, and HSE.10)

Recommendations for Immediate Action

1. Create a proper MSDS inventory for every chemical, and ensure that all MSDS forms are obtained and prepared in line with the local law.
2. Ensure that MSDS forms are hung in the departments where the chemicals are used, such as the stain removing and dyeing sections.
3. Ensure that air suction systems of stain-removing machines are operating well to prevent chemical hazards for the workers.
4. Ensure that all chemicals are labelled as legally required.
5. Provide secondary containers for the chemicals in the chemical storage area.
6. Provide a body wash station for the printing section.

Verification Result:

1. Finding Status: Not Remediated

Explanation: According to documentation review, the factory does not have a chemical inventory. Material Safety Data Sheets are not posted to see easily. Only six out of 15 chemicals sampled have an MSDS form, the rest of them were missing. **HSE.9, HSE.10**

Root Causes: Absence of an effective internal monitoring program.

2. Finding Status: Remediated

Explanation: MSDS forms of those two chemicals were available to review.

3. Finding Status: Not Remediated

Explanation: The MSDS forms are not posted in the dyeing section. HSE.10

Root Causes: Absence of an effective internal monitoring program.

4. Finding Status: Not Remediated

Explanation: Exhaust pipes of stain removing machines were not connected to the outside environment. HSE.1

Root Causes: Absence of an effective internal monitoring program

5. Finding Status: Not Remediated

Explanation: It was observed that there are still unlabelled chemical bottles in stain removing room. HSE.9

Root Causes: Absence of an effective internal monitoring program

6. Finding Status: Not Remediated

Explanation: The factory has not provided secondary containers for all chemicals in chemical storage area. HSE.9

Root Causes: Absence of an effective internal monitoring program

7. Finding Status: Remediated

Explanation: The factory has provided a body wash station for the printing section.

Local Law or Code Requirement

Regulation about MSDS Forms of Harmful Substances, Articles 5, 6, and 7; Regulation about Health and Safety on Working with Chemicals, 12.08.2013, Articles 7 and 8; FLA Workplace Code (Health, Safety & Environmental Benchmarks HSE.1, HSE.9, and HSE.10)

Recommendations for Immediate Action (if applicable)

1. Create a proper MSDS inventory for every chemical, and ensure that all MSDS forms are obtained and prepared in line with the local law.
2. Ensure that MSDS forms are posted in the departments where the chemicals are used, such as the stain removing and dyeing sections.
3. Ensure that all chemicals are labeled as legally required.
4. Provide secondary containers for the chemicals in the chemical storage area.

FINDING NO.17

HEALTH & SAFETY

FINDING TYPE: Immediate Action Required

Finding Explanation

1. There are no mechanical flushes for the toilets.
2. The water dispensers are not adequately sanitized. Moreover, insects (small mosquitos) were observed on one of the water dispensers in printing section.
3. Food samples are not kept for 72 hours against the risk of food poisoning.
4. The factory does not conduct a root cause analysis or studies for occupational illnesses or work related injuries as legally required. Moreover, there is no record system for workplace injuries that are sent to the hospital.
5. The employer's and workplace doctor's signatures are missing in the Health & Safety Field Observations and Recommendations document.
6. Worker representatives' signatures are missing in the Health and Safety Committee document and risk analysis report.

7. Health & Safety procedures do not include protection against retaliation for workers who raise Health & Safety concerns.

Local Law or Code Requirement

Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, Addition 1- Article 55; Regulation about Responsibilities, Duties and Authorities of Facility Doctor and Other Health Personnel, 20.07.2013, Article 9; Health & Safety Law, 6331, Article 10; Regulation of Food Safety and Quality Control, Article 8/I; Workplace Health and Safety Services Regulation, Articles 5, 6, and 7; FLA Workplace Code (Employment Relationship Benchmark ER.31; Health, Safety & Environmental Benchmarks HSE.1, HSE.3, HSE.19, HSE.20, HSE. 22, and HSE.23)

Recommendations for Immediate Action

1. Provide mechanical flushes for all toilets in the factory.
2. Ensure that drinking water dispensers are sanitized periodically and that there is no health risk for the drinking water.
3. Ensure that food samples are kept for 72 hours against the risk of food poisoning.

Verification Result:

1. Finding Status: Partially Remediated

Explanation: During the factory tour, it was observed flushes are provided to the toilets. However, one out of six toilets was missing a mechanical flush. **HSE.20**

Root Causes: Type of the flushes selected are for private home use and are not suitable for heavy use.

2. Finding Status: Remediated

Explanation: Drinking water dispensers were clean and sanitized.

3. Finding Status: Remediated

Explanation: The factory keeps food samples for 72 hours.

4. Finding Status: Not Remediated

Explanation: According to management interview, no workplace accident has occurred in the factory which would be recorded legally. Therefore, no documentation review is conducted by the assessors. The factory does not record small or near miss workplace accidents and does not conduct a root cause analysis or studies for occupational illnesses or work-related injuries. **ER.31**

Root Causes: Since there has been no serious injury where workers are sent to the hospital, the factory did not make any study or create procedures that requires root cause analysis on workplace injuries.

5. Finding Status: Remediated

Explanation: Signatures are available on relevant documentation.

6. Finding Status: Remediated

Explanation: Signatures are available on relevant documentation.

7. Finding Status: Not Remediated

Explanation: There wasn't such a clause added into existing policy and procedures. **ER.31**

Root Causes: Factory management hasn't received full list of findings/absence of an effective internal monitoring procedure.

Local Law or Code Requirement

Recommendations for Immediate Action (if applicable)

1. Provide mechanical flushes for all toilets in the factory.

FINDING NO.18

ENVIRONMENTAL PROTECTION

FINDING TYPE: Immediate Action Required

Finding Explanation

1. There is no approved waste management plan in the factory.
2. Oil-contaminated water that comes out of the dryer and compressor is directly discharged to the outside environment without treatment.
3. The factory does not have an environmental permit .
4. The factory does not have the Liability Insurance for Hazardous Waste document.
5. The factory does not have a policy that includes a statement of the factory management's general support for energy and water efficiency and a commitment to minimize its waste, hazardous materials, and other applicable environmental risks. Additionally, there are no procedures on environmental protection.

Local Law or Code Requirement

Regulations for Permits and Licenses to be Obtained, required by the Environment Law; Waste Management Regulation, Articles: 9 and 14; Regulation Related General Principles of Waste Management, Article: 12; FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.31.3; Health, Safety & Environment Benchmarks HSE.1, HSE.4, and HSE.9)

Recommendations for Immediate Action

1. Stop discharging oil-contaminated water to the outside environment. Contract an authorized service provider for safe disposal.
2. Obtain the legally required environmental permit.
3. Obtain the Liability Insurance for Hazardous Waste document as legally required.

Verification Result:

1. Finding Status: Not Remediated

Explanation: The factory does not have a waste management plan. **HSE.1, ER.31**

Root Causes: Factory management hasn't received full list of findings. Environmental concerns are not priority for the management as they don't believe the factory's operations pose a risk for environment.

2. Finding Status: Not Remediated

Explanation: During the factory tour, it was observed that oil contaminated water is still discharged to the outside environment. **HSE.9**

Root Causes: Factory management hasn't received full list of findings. Environmental concerns are not priority for the management as they don't believe factory's operations posing a risk for environment.

3. Finding Status: Not Remediated

Explanation: According to documentation review the factory does not have environmental permit document which is legally required. **HSE.4**

Root Causes: Factory management hasn't received full list of findings. Environmental concerns are not priority for the management as they don't believe factory's operations posing a risk for environment.

4. Finding Status: Not Remediated

Explanation: According to documentation review the factory does not have Liability Insurance for Hazardous Waste document which is legally required. **HSE.4**

Root Causes: Factory management hasn't received full list of findings. Environmental concerns are not priority for the management as they don't believe factory's operations posing a risk for environment.

5. Finding Status: Not Remediated

Explanation: According to documentation review, there is no written statement of the factory management's general support for energy and water efficiency and a commitment to minimize its waste, hazardous materials, and other applicable environmental risks. **HSE.1, ER.31**

Root Causes: Factory management hasn't received full list of findings. Environmental concerns are not priority for the management as they don't believe factory's operations posing a risk for environment.

Local Law or Code Requirement

Regulations for Permits and Licenses to be Obtained, required by the Environment Law; Waste Management Regulation, Articles: 9 and 14; Regulation Related General Principles of Waste Management, Article: 12; FLA Workplace Code (Employment Relationship Benchmark ER.31; Health, Safety & Environment Benchmarks HSE.1, HSE.4, and HSE.9)

Recommendations for Immediate Action (if applicable)

1. Stop discharging oil-contaminated water to the outside environment. Contract an authorized service provider for safe disposal.
2. Obtain the legally required environmental permit.
3. Obtain the Liability Insurance for Hazardous Waste document as legally required.

FINDING NO.19

COMMUNICATION & WORKER INTEGRATION (MACRO) FINDING

TYPE: Sustainable Improvement Required

Finding Explanation

1. The worker integration component is missing across all Employment Functions. This indicates that the factory has not established procedures to request and/or receive workers' input/feedback regarding the creation, implementation, and updating of its policies and procedures. Workers are neither systematically integrated nor consulted in decision-making processes.
2. The factory does not communicate its policy and procedures to the workers

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, and ER.25.2; Compensation Benchmark C.17)

Verification Result:

1. Finding Status: Not Remediated

Explanation: The factory has not established current procedures to request and/or receive workers' input/feedback regarding the creation, implementation, and updating of its policies and procedures. Workers are neither

systematically integrated nor consulted in decision-making processes. The management systems are not well established in the factory. **ER.1, ER.16, and ER.25.2, C.17**

Root Causes: The factory does not aware of FLA benchmarks and since management system is not well established in the factory. Therefore involvement of the workers related to policy and procedures are not requested.

Verification Result:

1. Finding Status: Partially Remediated

Explanation: The factory only posted grievance and suggestion procedures and "Workplace Internal Regulations" on notice boards. Workplace Internal Regulations document does not cover Hours of Work, Compensation, Industrial Relations and Environmental Protection procedures.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, and ER.25.2; Compensation Benchmark C.17)

(NEW) FINDING NO. 20

RECRUITMENT, HIRING & PERSONNEL DEVELOPMENT

FINDING TYPE: Immediate Action Required

Finding Explanation

1. The factory does not register the workers to social security on the day of hiring. The factory has delayed social security registration for nine out of 18 workers. The average delay time is 7-10 days, with maximum of 1.5 months. **ER.22**

Local Law or Code Requirement

5510 Social Security Law, Articles 7 and 8, Turkish Labor Law, Articles 22 and 56, FLA Workplace Code (Employment Relationship Benchmark ER.22)

Recommendations for Immediate Action

1. Register all workers to social security at the time of hiring as legally required.

(NEW) FINDING NO. 21

COMPENSATION

FINDING TYPE: Immediate Action Required

Finding Explanation

In 2016, workers did work on 11th June (Saturday) instead of Ramadan Eve on 4th July. Ramadan Eve is a half-day public holiday, therefore the workers worked overtime for the other half of the days since it was Saturday. However, the half-day work is paid as regular hours and not paid based on legal amount which shall be 50% more than of hourly work. **C.7.1**

Local Law or Code Requirement

Turkish Labor Law, Article 42; FLA Workplace Code (Compensation Benchmarks C.7.1)

Recommendations for Immediate Action

Retrospectively compensate the 0.5-day overtime hours to all workers based on the legally required premium rate.

(NEW) FINDING NO. 22

HOURS OF WORK

FINDING TYPE: Immediate Action Required

Finding Explanation

Embroidery workers work with two shifts and night shift is scheduled 11 hours as a regular practice. This practice is not in compliance with law since night work is limited to 7.5 hours. **HOW.1**

Local Law or Code Requirement

Turkish Labor Law, Article 69, FLA Workplace Code (Hours of Benchmark HOW.1)

Recommendations for Immediate Action

Re-schedule the night shift to ensure that the working hours do not exceed 7.5 hours of embroidery section.

(NEW) FINDING NO. 23

POLICY AND PROCEDURES (MACRO)

FINDING TYPE: Immediate Action Required

Finding Explanation

1. There are inappropriate clauses in the employment contracts which may conflict with labor law. For example, **ER.1**
 - a) Article 7: Employer can assign the workers to a workplace within or out of town and workers are deemed to give their consent to any such change upon signing this contract. Employers accept that these changes shall not be of substance nature.
 - b) Article 8/a: Employer can change the working hours and start to implement shift system, workers are deemed to give their consent to any such change upon signing this contract. Employers accept that these changes shall not be of substance nature.
 - c) Article 8/b: Employees accept all changes related to this article (working hours) in advance and accept that they are not substantial alteration.
 - d) Article 9: Employees accept to work overtime in advance by signing his contract. **F.8**
 - e) Article 13/8: Employees accept to use their annual leaves in the time periods which determined by employer. According to labor law change workplace into a place out of town, change in working hours such as shift system are substantial alterations and written confirmation of workers are required. Additionally, annual leaves should be determined with the consultation of the workers as legally required.
2. Although there is no implementation, there are disciplinary rules in Workplace Internal Regulations documents that require monetary penalties. **ER.27, H/A.2**
3. There is not a procedure in place for properly decommissioning unused machinery and equipment within the factory. **ER.31**

Local Law or Code Requirement

Turkish Labor Law, Articles 22, 41 and 53; FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.27, and ER.31; Forced Labor Benchmark F.8; Harassment or Abuse Benchmark H/A.2)

Recommendations for Immediate Action

Revise or remove all the clauses in the employment contracts where are conflict with labor law. Ensure overtime working is on a voluntary basis.

(NEW) FINDING NO. 24

HEALTH & SAFETY

FINDING TYPE: Immediate Action Required

Finding Explanation

1. Emergency alarm panel was on pre-alarm condition due to false alarm signals coming from four different zones. **HSE.5**
2. Two of the emergency lights in the basement and first floor were not functioning. **HSE.5**
3. There were obstructed fire alarm buttons and fire extinguishers throughout the factory. One of the switchboards was also obstructed with goods. **HSE.5**
4. Although management representatives claimed that they are not in use, some high-risk machines like metal saw, winch and grinding machine was not marked with "decommissioned" label and their electrical connections were not cut

off. **HSE.14**

5. The stain removing machines' exhaust pipes are not connected to the outside environment. **HSE.14**
6. Drinking water analysis is conducted, however, the sample is not taken from the water dispensers. **HSE.23**

Local Law or Code Requirement

Health and Safety Law, 6331 Articles 4, 11 and 12, Protection of Buildings from Fire Regulation, Articles 70, 72 ,76 and 99, Regulation Related to Drinking Water for Human Use, Article 10' FLA Workplace Code (Health, Safety & Environmental Benchmarks HSE.5, HSE.14 and HSE.23)

Recommendations for Immediate Action

1. Ensure that emergency control panel is checked and maintained regularly.
2. Ensure that all emergency lights are functioning.
3. Remove all blockages and goods from the fire extinguishers, fire alarm buttons and electrical panels.
4. Ensure that unused workplace equipment has signs and electrical connection is cut off. In case they are in use ensure that these equipment are regularly maintained.
5. Ensure that the exhaust pipes of stain removing machines are tied to outside.
6. Ensure that sample of drinking water for analysis is taken from the water dispensers since the workers use these dispensers.

(NEW) FINDING NO. 25

ENVIRONMENTAL PROTECTION

FINDING TYPE: Immediate Action Required

Finding Explanation

1. There is no secondary containment for the generator tank in case of fuel oil spills. **HSE.9**
2. There is no emergency kit for the chemical spills. **HSE.5**

Local Law or Code Requirement

Control of Hazardous Waste Regulation Article: 9, Health and Safety Precautions on Working with Chemicals Regulation Article 8, (Health, Safety & Environmental Benchmarks HSE.5 and HSE.9)

Recommendations for Immediate Action

1. Provide secondary containment for the generator tank.
2. Provide emergency kit for the chemicals spillage.