



FAIR LABOR  
ASSOCIATION®

## INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: PUMA SE  
COUNTRY: Turkey  
ASSESSMENT DATE: 11/30/16  
ASSESSOR: FLA EMEA  
PRODUCTS: Apparel  
NUMBER OF WORKERS: 168

## Summary of Code Violations

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.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

## Findings and Action Plans

### FINDING NO.1

#### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Recruitment, Hiring & Personnel Development

##### Finding Explanation

1. The factory does not have any policies on Personnel Development.
2. There is no policy on performance reviews that includes steps and processes, demonstrates linkages to job grading, prohibits discrimination, provides written feedback, and complies with legal requirements.
3. Although there are procedures for a performance review system, the factory does not provide workers with sufficient information related to the system.
4. The factory established and implemented a performance review system in the factory in September 2016. However, the system is inconsistent and unsatisfactory. For example:
  - a. The calculation of the monthly average performance includes days that workers are absent.
  - b. One pregnant worker's daily productivity is calculated based on nine hours or 12 hours, whereas she normally works 7.5 hours, as legally required. The two people responsible for calculating daily productivity do not take into account that she does not work overtime and consequently calculated her productivity and performance lower. The responsible persons were not aware of special category of working hours. There is insufficient communication between workers, supervisors, and productivity staff.
  - c. In cases of low performance, there are no procedures to perform a root-cause analysis or plan to improve workers' skills.

##### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.29)

##### Recommendations for Immediate Action

1. Do not include days that workers are absent in performance evaluation calculations.
2. Only include workers' actual working hours, such as those of pregnant workers, in performance evaluation calculations.

#### COMPANY ACTION PLANS

Action Plan no 1.

#### Description

1. The factory developed specific personnel development policy and communicated to the workers and would be followed up.
  2. The factory developed a performance review policy covering steps and processes, demonstrates linkages to job grading, prohibits discrimination, provides written feedback, provides equal treatment and complies with legal requirements and communicated to the workers and would be followed up.
  3. The factory has been provided training related performance review system in December 9, 2016 to the all workers and on July 10, 2017 to the all management level.
  4. The factory has conducted a "Lean Evaluation" with a consultant company (SemmerCo) to upgrade its performance evaluation system as of March 2017, and fully implemented as of July 2017.
  - 4/1 The Factory added the unpaid absenteeism for bonus to the performance bonus system policy/procedure and communicated to the workers and would be followed up.
  - 4/2 Productivity system has been corrected specifically for pregnant workers as of Nov 2016, and this is communicated to the workers.
  - 4/3 Factory developed a performance evaluation procedure specifically low performance skilled workers and communicated to the workers and would be followed up.
- All correction/implementation related evidences collected and uploaded to the FLA SCI platform. Revised policies and procedures highlighted in yellow related uploaded documents.

#### Company Action Plan Update

The action is completed.

## FINDING NO.2

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Compensation

#### Finding Explanation

1. In several cases, termination pay outs were delayed. For example, for workers who were terminated in June, July, August, and October 2016, the factory made payments one or two months later. At the time of the assessment (November 2016), three out of ten sampled workers had not yet been paid although they were terminated October 17, 2016. By law, termination pay outs should be paid to workers immediately upon dismissal.
2. Based on worker interviews, the factory imposes undue restrictions on taking sick leave. Of the workers interviewed, 85% stated middle management does not give workers permission to take sick leave without an examination by the workplace doctor. If the doctor refers the worker to the hospital, the worker may have to wait to go to the hospital until their supervisor approves sick leave, which depends on workload.

#### Local Law or Code Requirement

Turkish Labour Law (4857), Article 32; Turkish Labour Law (1475), Article 14; FLA Workplace Code (Employment Relationship Benchmarks ER.19 and ER.32; Hours of Work Benchmarks HOW.16 and HOW.17; Compensation Benchmarks C.1 and C.4)

#### Recommendations for Immediate Action

1. Ensure that the termination pay outs are paid immediately upon dismissal, as legally required.
2. Ensure that there are no undue restrictions on workers to use their sick leave.

### COMPANY ACTION PLANS

#### Action Plan no 1.

#### Description

1-In principle there is no delayed wage payment or termination payment at the factory during 2016 nor before. All payments to the workers have been paid between 5th-10th of the each following month, All payment docs are in place and available for review.

However, in case of termination the factory notify workers in written with a release-form that the severance payments conduct/pay within 45 days after the termination and this in line with the Turkish labor code (borclar kanunu madde/article 420). Please see a template of the release form attached to the supporting documents. There are only 6 delayed termination payments at the factory during August 2016, and the factory was closed during August 2016 due to annual leave. In addition there were 2 more delayed termination payment during Oct, 2016 and it was because of the workers' delayed "Declaration Letter from the Military Office and this is a legal statement in the country. So, these delays are considered as exceptional cases.

An example of mentioned release form added to the system

Based on the factory info there were 7 termination during the mentioned month (Oct 2016) and 3 of those workers were in probation period and 2 were for military service termination (which is obligatory in the country) and 2 were terminated by the management.

2-According to the factory internal records during 2016, 50 workers have been sent to the Public Hospital by the factory's internal doctor for medical examination.

In addition to the 50 workers, 201 workers went to the Public Hospital by themselves (without application of the company's doctor) for their medical examination. All official/legal reports/records are in place to review. In total this is 1098 lost days related to health/sickness at the factory.

The factory is on annual leave during August, the factory will ensure to conduct the training during September 2017.

Please the implementation/documents as supportive documents to review.

#### Company Action Plan Update

The action is completed.

## FINDING NO.3

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Hours of Work

##### Finding Explanation

1. The factory's total daily working hours (regular + overtime hours) exceeded the legal limit of 11 hours in April, June, July, August, September, and October 2016. From a sample of 17 workers, an average of 13 workers per month exceeded the legal limit, working a maximum of 14.5 hours per day. In August, nine workers worked 17.5 hours in one day and three workers worked 20 hours on August 12.

2. The total weekly working hours (regular + overtime hours) exceeded the 60-hour limit in April, June, July, August, September, and October. From a sample of 17 workers, an average of 10 workers per month exceeded the legal limit with a maximum working hours of 65 hours per month.

3. The factory calculated overtime hours less than the actual hours in January, February, and March 2016. The normal working hours are between 08:00 and 18:15 and when there is overtime, workers take 30-minutes breaks. When workers work until 21:00 in the evening for overtime, the total OT hours were calculated as two hours instead of two hours and 15 minutes. As of May 2016, it was corrected such that the workers who worked until 20:45 are paid for two hours of overtime and those who work until 21:15 are paid 2.5 hours of overtime.

4. Based on worker interviews, workers are not able to refuse overtime at the factory. Of the interviewed workers, 80% stated that the factory management pressures workers to take overtime work, and 50% of interviewed workers stated that the factory terminates workers who refuse overtime.

##### Local Law or Code Requirement

Turkish Labour Law (4857), Articles 41 and 63; FLA Workplace Code (Employment Relationship Benchmark ER.24; Hours of Work Benchmarks HOW.1 and HOW.8; Compensation Benchmark C.7)

##### Recommendations for Immediate Action

1. Ensure that working hours (regular + overtime) do not exceed 11 hours a day or 60 hours a week.
2. Ensure that overtime is conducted on a voluntary basis, and that workers can refuse overtime without retaliation.
3. Ensure overtime payments always reflect the exact amount of overtime worked.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

The production capacity of the factory has been renewed/increased with 2 additional joint-venture factories engagements. This implementation created more monitorable production capacity at this factory.

1-As of December 13, 2016 working hours are monitored more properly and the daily working and OT hours are below 11 hours per day (regular 9hours and + 2 hours as OT).

2-As of December 13, 2016 working hours are not more then 60 hours per week as 45 hours regular and 15 hours OT..

3-Factory works between 8:00-18:15. In case of OT factory works 18:15-20:00 with 15 minutes break where factory provides dinner for workers. In case the factory works until 20:45 or 21:15 as OT then the break for dinner is 30 minutes. There is about 15 minutes duration in between dressing/changing, clock-out, leaving the factory, and this 15 minutes is not worked and not paid. So calculation and payment of OT are based on above practices.

According to the factory explanation, this was a problem with settings of timekeeping system and already corrected. Will be checked internal and company audits to prevent recurrence. Furthermore this issue will be underlined during the trainings

4-In regards with fourth issue, voluntariness training about overtime/refuse overtime is covered in sub group "Discrimination in Relation to Industrial Relations". This would be followed up.  
Factory will underline this issue during the trainings

Please see attached examples/documents/implementation for the working hours at the supporting documents.

#### Company Action Plan Update

The action is completed.

## FINDING NO.4

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Termination & Retrenchment

#### Finding Explanation

1. The factory inconsistently terminates workers based on results from the aforementioned performance review system. In November, the factory terminated 17 workers – 10 workers on November 28 and seven workers on November 24. Of those, 16 workers were terminated due to low productivity and one cleaning worker was terminated due to behavior against a supervisor (there was no performance review for this worker). Management stated that the terminated workers' performances were reviewed starting in September (approximately three months prior to the assessment) and termination decisions were based on their low performance scores – below 50% or 60%, as written by management in their decisions. These reasons were also cited in the disciplinary committee decisions regarding their terminations. However, a review showed that 67% of the total workforce in the factory actually scores below 50% on their performance reviews. The disciplinary committee records from November 24 and 28, state that supervisors verbally warned those workers regarding their low productivity scores; however, there is no written warning or written defense of the performance-related termination to provide satisfactory evidence as to why only those 16 workers were terminated.

2. The factory does not have procedures on Retrenchment.

#### Local Law or Code Requirement

Turkish Labour Law (4857), Articles 18 and 19, FLA Workplace Code (Employment Relationship Benchmark ER.19 and ER.32)

#### Recommendations for Immediate Action

1. Cease the dismissals of workers due to low performance until a functional and reliable system for performance reviews is created.
2. Ensure that terminations due to low performance depend on more comprehensive reviews that span more than two months.
3. Include written warnings and defense of termination as part of the termination process.

## COMPANY ACTION PLANS

## Action Plan no 1.

### Description

1-The dismissals in the relevant facility during Oct-Dec 2016 are related to company's strategy due to changing of several internal decisions, including customers' demands such as:

- Changing of product ranges
- New technology implementation
- Lean manufacturing reforming/implementation
- Regional / local governmental related promotions
- Downsizing of the capacity in this facility..

Above were in the consideration during the dates between October and Dec 2016 termination; attendance, period of work service, productivity and mutual rescission.

According to the factory explanations and records that retrenchment process has been completed at the end of December 2016 and there wasn't any dismissal taken place other than planned retrenchment action

The factory has conducted "Lean Evaluation" with a consultant company

(SemmerCo) to upgrade its performance evaluation system as of March 2017, and fully implemented as of July 2017.

The written warnings and defenses included to the Retrenchment Procedures. All correction/implementation related evidences uploaded to the FLA SCI platform.

2-Retrenchment policies/procedure are part of the factory's policies/procedures and this in place since the establishment of the factory.

Please see attached documents/implementation and evidences at the supporting documents.

### Company Action Plan Update

The action is completed.

## FINDING NO.5

## SUSTAINABLE IMPROVEMENT REQUIRED

### FINDING TYPE: Industrial Relations

#### Finding Explanation

1. Although the factory states that its policies support Freedom of Association, unionization is a concern in the factory. During worker interviews, 14 of the 29 workers interviewed were hesitant to talk about Freedom of Association. The other 15 workers interviewed thought that joining the union would lead to termination. Moreover, 13 out of 17 workers who were dismissed on November 24 and 28 were members of the union (Textile Workers Union, TEKSTIL). As aforementioned, factory management declared that those workers were terminated due to their low productivity, although the performance evaluation system has not been evaluated for effectiveness. Additionally, factory management notified the workers of continued downsizing and layoffs due to low performance, as part of factory procedure. However, management also said that it would continue recruiting new workers since a new building was under construction and the factory is increasing its capacity. Therefore, it was not clear whether the factory was actually downsizing. Therefore, from workers' comments and unsatisfactory justification of low performance, there is a risk of dismissals due to unionization in the factory.

#### Local Law or Code Requirement

Freedom of Association, Union and Collective Bargaining Law (6356) Article 17, Turkish Labour Law (4857), Article 5; Constitution of the Republic of Turkey Article 51; FLA Workplace Code (Employment Relationship Benchmark ER.32, Freedom of Association Benchmarks FOA.1, FOA.2, FOA.4, and FOA.5)

#### Recommendations for Immediate Action

1. Ensure that workers are not dismissed due to their union affiliation.
2. Ensure that local laws and FLA standards with respect to Freedom of Association are respected and anti-union discriminatory practices are not tolerated in the workplace.
3. Ensure that the managerial and supervisory staff are trained on Freedom of Association.
4. Train workers on Industrial Relations and Freedom of Association rights.
5. Ensure that factory management declares its commitment to respect the right to Freedom of Association.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

Factory Internal CoC, policies are clear on FoA and posted at the workplace. Number of internal and external trainings have been conducted at the factory with collaboration of NGOs, Academics on several issues including the FoA, and evaluation reports are available for review. In addition PUMA, adidas, FWF CoCs are posted at the workplace with their hotline numbers, and none of these brands/MSI did receive any complaint on the FoA. Furthermore, Reps of Puma, Adidas FLA have visited the factory and prepared/conducted a worker satisfaction/opinion survey which includes the FoA as well.

The survey has been conducted by Puma, Adidas & FLA with the absence of Factory management, according the outcome of this survey about 95 % of the workers have declared that they don't have any limitation nor issue at the factory on FoA, while 5 % of the workers have declared their concerns on the FoA at the factory on both sides as Unions reps and some supervisors.

The factory is engaged with a local Academic and arranged further training on CoC, This program is started as of July, 2017 however due to Academicians schedule this training is postponed to the October 2017.

All correction/implementation related evidences will be collected and uploaded to the FLA SCI platform.

#### Company Action Plan Update

10/06/17 : The action is planned for July 2017 however the action is postponed to September 2017 due to Academicians tight schedule.

## FINDING NO.6

## SUSTAINABLE IMPROVEMENT REQUIRED

### FINDING TYPE: Workplace Conduct & Discipline

#### Finding Explanation

1. Disciplinary actions are not witnessed by a third party during imposition.

#### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.27)

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

The 3rd party observation/involvement to the disciplinary activities is not a legal requirement in the country. Workers can call PUMA/brands/MSI via hotline numbers which are available in the factory, in case of disagreement. There are 6 members at the internal disciplinary committee, as factory manager, HR, Production Supervisor and 3 Worker reps, and this implementation is in place since the establishment of the factory (2012) and this is in line with the local labor code. All disciplinary actions are monitored by the committee, documented and communicated to the relevant workers.

In regards with fourth issue, voluntariness training about overtime/refuse overtime is covered in sub group "Discrimination in Relation to Industrial Relations". This would be followed up.

All correction/implementation related evidences uploaded to the FLA SCI platform.

#### Company Action Plan Update

The action is completed.

## FINDING NO.7

## IMMEDIATE ACTION REQUIRED

### FINDING TYPE: Health & Safety



#### Finding Explanation

1. The factory does not have an Earthquake Resistance test report, as legally required.
2. The factory does not provide 20% of standing workers (in quality control and ironing sections) with anti-fatigue mats.
3. Thirty percent (30%) of the sewing machines' machine guards have been removed or displaced by workers.
4. An additional building is under construction next to the factory building. There is a door which opens to the construction area from the production floor, and it was unlocked.
5. The electrical panel that is located at the corner of the wall in the entrance of sewing section is low enough for workers to hit their head on the corner of the panel while passing through the entrance.

#### Local Law or Code Requirement

Health and Safety Law, 6331, Article 4; Regulation about Requirements of Using Workplace Equipment, 25.04.2013, Article 9, 10 and 11; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, Addition 1, Article 39; Turkish Earthquake Code 2007 and the Content of Performance Reports under the Impacts of Earthquake; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.4, HSE.14 and HSE.17)

#### Recommendations for Immediate Action

1. Obtain an Earthquake Resistance Test Report.
2. Provide all standing workers with anti-fatigue mats.
3. Train workers on the use of machine guards. Ensure that the machine guards on the sewing machines are not removed or displaced. Regularly monitor for compliance.
4. Restrict access to the construction area. Keep the door which opens into the construction area locked until construction is complete.
5. Cover the corner of the box with padding to prevent any injuries.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

There is no local requirement as "Earthquake Resistance" test report in the country despite this the factory had an "Earthquake Resistance" test report on September 2017 and added to the system.

1- The factory had static measurement report from an authorized service provider and this is in place since the establishment of the factory (2012), and it was renewed on May, 2016.

2-All workers are provided anti-stress mats from the beginning of the operation, however some of the workers do not prefer to use their mats and removed the mats under the tables.

The factory will ensure that OHS expert will be checking/registering during his monthly routine visit if workers are using the PPEs properly, an example of H&S tracking chart added to the system.

3-The factory provided further/refresher training to trainee/encourage workers on necessity/use of PPE and guards.

4-The door to the next building (which is under the construction) is locked, however the door can be open time to time for pass only. This pass process is under the control of Admin Manager, This was the case during the factory tour Assessors' and it was communicated to the Assessors'. The door to the next building (which is under the construction) is locked and identified as "non-exit door."

5-Electrical panel will be moved to a better/high position on August 2017 with necessary protective covers.

All correction/implementation related evidences will be collected and uploaded to the FLA SCI platform.

#### Company Action Plan Update

10/06/17 : The action will be completed on August 2017 due to movement the electrical panel to a better position.



## IMMEDIATE ACTION REQUIRED

### FINDING TYPE: Health & Safety

#### Finding Explanation

1. Although one of the emergency exit doors in the assortment section is closed and no longer an exit, there are still arrow signs on the ground directing evacuation towards the cancelled door.
2. During the second day of the assessment, new chairs were delivered to the factory. The boxes from the chairs were placed in front of the one of the emergency exits which obstructed the exit in case of an emergency in the production area. Moreover, there was a trolley outside the same emergency exit, blocking the exit.
3. One of the emergency exits in the sewing section has a high doorsill that may cause workers to trip and fall.

#### Local Law or Code Requirement

Workplace Health and Safety Law, 6331, Article 11; Protection of Buildings from Fire Regulation, Article 47, Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, Article 5 and Addition 1- Article 10; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1 and HSE.5)

#### Recommendations for Immediate Action

1. Remove misleading arrow signs from the ground. Ensure all emergency evacuation signs lead to the closest, active exit.
2. Keep emergency exit doors free from any obstructions. Regularly monitor for compliance.
3. Ensure that emergency exit doors do not have doorsills that may hinder a safe evacuation.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

1-The relevant arrow signs have been revised/removed in the mentioned exit direction and the arrows have been directed to the other direction.

2-The relevant emergency exit is not obstructed.

3-The issue about doorsills of the emergency exit doors has been completed right after the FLA Assessment. The factory has added mentioned issues H&S tracking chart and monitor regularly, an example of H&S tracking chart added to the system. All correction/implementation related evidences will be collected and uploaded to the FLA SCI platform.

#### Company Action Plan Update

The action is completed.

## FINDING NO.9

## IMMEDIATE ACTION REQUIRED

### FINDING TYPE: Health & Safety

#### Finding Explanation

1. The working hours for the Health and Safety specialist are below the legal limits. The contract is for 2,309 minutes of working time a month; however, by law it should be at least 3,470 minutes, as the number of workers has increased since the current contract was originally written.
2. The working hours for the workplace doctor are below the legal limits. Although, the doctor comes to the factory 1,086 minutes a month as per his contract, by law it should be at least 1,735 minutes, as the number of workers has increased since the current contract was originally written.
3. The Notarized Health and Safety Book, which includes findings, suggestions and decisions regarding Health & Safety in the factory that is reviewed and approved by the factory manager or owner, has not been signed by either the factory manager or owner for the last five

months.

4. The flushes on the toilets do not function.

#### Local Law or Code Requirement

Health and Safety Law Article 15, Regulation About Duties, Responsibilities and Trainings of Workplace Doctors Article 9; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, (Addition 1) Article 55; FLA Workplace Code (Health, Safety, & Environment Benchmark HSE.1 and HSE.19)

#### Recommendations for Immediate Action

1. Ensure that the workplace doctor visits the factory according to the legal minimum of working hours.

2. Ensure that all toilet flushes function.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

1-The working contract for the External OHS Expert has been renewed, as of Dec 8th 2016.

2-The working contract for the External Factory Doctor has been renewed as of Dec 14th 2016.

3-The factory's notarized health and safety book is signed by the factory management from beginning of the records keeping. The factory will ensure that all signatures are completed by the factory responsables.

4-Due to factory information, the flushes were working during the factory tour of Assessors', however, one of the flushes tap was closed only, and it was functioning. Toilets will be monitored regularly by factory admin stuff

These points will be checked during the internal/external audits on an ongoing basis

All correction/implementation related evidences will be collected and uploaded to the FLA SCI platform.

#### Company Action Plan Update

The actions are completed.

## FINDING NO.10

## SUSTAINABLE IMPROVEMENT REQUIRED

### FINDING TYPE: Health & Safety

#### Finding Explanation

1. The working hours for the Health and Safety specialist are below the legal limits. The contract is for 2,309 minutes of working time a month; however, by law it should be at least 3,470 minutes, as the number of workers has increased since the current contract was originally written.

2. The working hours for the workplace doctor are below the legal limits. Although, the doctor comes to the factory 1,086 minutes a month as per his contract, by law it should be at least 1,735 minutes, as the number of workers has increased since the current contract was originally written.

3. The Notarized Health and Safety Book, which includes findings, suggestions and decisions regarding Health & Safety in the factory that is reviewed and approved by the factory manager or owner, has not been signed by either the factory manager or owner for the last five months.

4. The flushes on the toilets do not function.

#### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.31, Nondiscrimination Benchmark ND.8; Health, Safety & Environment Benchmark HSE.12)

#### Recommendations for Immediate Action

1. Ensure that the workplace doctor visits the factory according to the legal minimum of working hours.
2. Ensure that all toilet flushes function.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

As it was verified by Assessor, there is a mistake of the finding should be as: The factory's Health & Safety procedures do not include either information on measures to protect the reproductive health of workers through minimizing exposure to workplace hazards or protection against retaliation for workers who raise health and safety concerns.

The factory revised the social policy and procedures with the addition of "Minimizing Exposure to Workplace Hazards/Protection Against Retaliation for Workers".

Please see attached documents/implementation of the relevant paragraph highlighted as yellow.

#### Company Action Plan Update

The action is completed.

## FINDING NO.11

## SUSTAINABLE IMPROVEMENT REQUIRED

### FINDING TYPE: Environmental Protection

#### Finding Explanation

1. The factory has a detailed waste management plan; however, it is missing the approval from the Ministry, which is required by law.
2. The factory's procedures on Environmental Protection do not enable workers to raise environmental concerns or include protections for workers who allege environmental violations.

#### Local Law or Code Requirement

Waste Management Regulation, Articles 5/o, 6/e, 7/j and 9/c; FLA Workplace Code (Health, Safety & Environment Benchmark HSE.1 and HSE.4)

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

1-The approval has been received from the MoE.

2-The factory updated its policy/procedure on Environmental Protection to enable workers to raise environmental concerns or include protections for workers who allege environmental violations.

All correction/implementation related evidences uploaded to the FLA SCI platform. Please see attached documents/implementation highlighted as green.

#### Company Action Plan Update

The action is completed.