



FAIR LABOR
ASSOCIATION®

INDEPENDENT EXTERNAL ASSESSMENT REPORT



Verification Assessment

COMPANIES: Hugo Boss AG
COUNTRY: Turkey
ASSESSMENT DATE: 10/23/18
ASSESSOR: FLA EMEA
PRODUCTS: Apparel
NUMBER OF WORKERS: 467

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.

FLA Code Element	Number of Violations
Hours of Work	2
Employment Relationship	2
Health, Safety, and Environment	8

Previous Report Findings and Verification Results

PREVIOUS FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The factory does not have Personnel Development policy and procedures. Moreover, 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. 2. The factory does not have written policies and procedures on Compensation, Hours of Work, or Industrial Relations. However, workers' employment contracts and the Personnel Regulations handbook manages Compensation and Hours of Work practises. 3. The factory does not have policy or procedures on Retrenchment or Environmental Protection. However, there are some documents and systems in place to manage Environmental Protection practices. 4. The factory's Workplace Conduct & Discipline procedures include an inappropriate article that requires workers to provide a valid reason not to work overtime. Additionally, workers sign an annual overtime consent form. The written warning is as follows: 'Not to come to work overtime working without a valid reason although it is notified that there will be overtime for a determine date' This article is also placed under the forbidden actions and punishments section in the 'Personnel Regulation' handbook. Additionally, there are no procedures for workers to appeal disciplinary actions. 5. The factory's Termination procedures do not include the methods for calculating final payouts in accordance with legal requirements. 6. The factory's Grievance System policy does not include a clause to comply with local law or FLA benchmarks. The Grievance System procedures do not allow the direct settlement of grievances by the worker and the immediate supervisor, or include options for senior management review if direct settlement is inappropriate or has failed. 7. The factory's Environmental Protection policy does not include a statement of management's general support of energy and water efficiency, or a commitment to minimize impacts with respect to air emissions, waste, hazardous materials, and other applicable environmental risks. The documents and systems that manage Environmental Protection practices do not include procedures for managing the environmental impact inside or outside the factory, procedures that enable workers to raise environmental concerns, or procedures that protect workers who allege environmental violation against retaliation. 8. The factory's Health & Safety procedures do not include Standard Operating Procedures (SOPs) for each job with a focus on performing the job safely, measures to protect the reproductive health of workers through minimizing exposure to workplace hazards, and protection against retaliation for workers who raise Health & Safety concerns, steps for ensuring that walkways, aisles, and emergency exits are free from obstruction, a list of emergency assembly areas, steps on how to ensure that all special categories of workers are safely evacuated, or the steps that should be taken to protect workers if there is an accidental chemical spill, including identifying those who are responsible for cleaning up the spill.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.19, ER.23, ER.25, ER.27, ER.28, ER.29, ER.30, ER.31, and ER.32; Health, Safety & Environment Benchmark HSE.5)

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: The factory created a Personnel Development policy and procedures including information related to performance reviews that includes steps and processes, demonstrates linkages to job grading, prohibits discrimination, provides written feedback, and complies with legal requirements.

2. Finding Status (Remediated)

Explanation: The factory created a policy and procedures on Industrial Relations, Compensation, and Hours of Work.

3. Finding Status (Remediated)

Explanation: The factory created a policy and procedures on Environmental Protection. Policy and procedures on Retrenchment were added to the Termination procedures.

4. Finding Status (Not Remediated)

Explanation: The factory's Workplace Conduct & Discipline procedures have not been updated and still include an inappropriate article that requires workers to provide a valid reason not to work overtime (Article 17). The 'Personnel Regulation' handbook includes the same requirement. Additionally, there are no procedures for workers to appeal disciplinary actions. Due to a change in legal requirements, the overtime consent forms are no longer collected. [ER.1, ER.27, HOW.8]

Root Causes: According to management, the factory has not changed the procedures due to issues that occurred in the past. Factory management wants to protect their right to ask workers to work overtime, although the procedures and handbook make it seem like workers are obligated to work overtime.

5. Finding Status (Remediated)

Explanation: The factory updated its Termination procedures to include the methods for calculating final payouts in accordance with legal requirements.

6. Finding Status (Not Remediated)

Explanation: The factory has not updated its Grievance System policy and procedures. The policy still does not include a clause requiring the factory to comply with local law and the FLA Benchmarks. The procedures do not allow the direct settlement of grievances by the worker and the immediate supervisor, or include options for senior management review if direct settlement is inappropriate or has failed. [ER.1, ER.25]

Root Causes: According to worker interviews, the factory implements an open door policy, and workers can go directly to their supervisors, Human Resources (HR) or any senior management representative with grievances. The factory overlooked updating the procedures.

7. Finding Status (Partially Remediated)

Explanation: The factory's Environmental Protection policy includes a statement of management's general support of energy and water efficiency and a commitment to minimize impacts with respect to air emissions, waste, hazardous materials, and other applicable environmental risks. The factory created detailed procedures on Environmental Protection, however, procedures do not include statements that enable workers to raise environmental concerns or protect workers who allege environmental violation against retaliation. [ER.1, ER.31]

Root Causes: The factory overlooked this FLA Benchmark requirement.

8. Finding Status (Partially Remediated)

Explanation: The factory has prepared SOP for each job with a focus on performing the job safely. The emergency procedures include steps for ensuring that walkways, aisles, and emergency exits are free from obstruction, a list of emergency assembly areas, steps on how to ensure that all special categories of workers are safely evacuated, or the steps that should be taken to protect workers if there is an accidental chemical spill, including identifying those who are responsible for cleaning up the spill. However, the procedures do not include measures to protect the reproductive health of workers through minimizing exposure to workplace hazards. The procedures were updated during the assessment to include protection against retaliation for workers who raise Health & Safety concerns. [ER.1, ER.31]

Root Causes: The factory overlooked the FLA Benchmark requirements. In practice there is no risk to workers' reproductive health.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.25, ER.27, and ER.31; Hours of Work Benchmark HOW.8)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to update their Workplace Conduct and Discipline procedures.
2. An explanation has been added to the Grievance System Policy Procedure to comply with the FLA and BSCI criteria.
3. The factory is waiting for confirmation of the waste management plan by the official institution. Afterwards environmental policy, energy efficiency, hazardous and non-hazardous wastes procedures will be revised and more active participation of employees will be ensured.

PREVIOUS FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. The factory distributes two handbooks to workers: a 'Personnel Regulations' handbook and a 'Health and Safety' handbook. The Personnel Regulations handbook covers Recruitment & Hiring, Compensation, Hours of Work, disciplinary actions, Termination practices, and a brief explanation of the Health & Safety rules. There is no information on Personnel Development, Grievance System, Industrial Relations, or Environmental Protection. 2. The factory does not provide ongoing training to workers on any of the Employment Functions except for Health & Safety. 3. The factory does not provide specific training to supervisors on any of the Employment Functions. 4. The factory does not provide the legally required training to the Health & Safety Committee members on committee responsibilities and HSE legislation and laws. 5. Workers with maintenance responsibilities do not receive specific training on maintenance safety.

Local Law or Code Requirement

Regulation About Health and Safety Committees, Article 7; FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.15, ER.17, and ER.27; Compensation Benchmark C.17; Health, Safety & Environment Benchmarks HSE.1 and HSE.14)

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: The employee handbook has not been updated. However, the factory provides information on Grievance System, Environmental Protection, and freedom of association during orientation. The policies and procedures are also posted on the notice boards. According to documentation and worker interviews, Personnel Development practices are not communicated to the workers during orientation. [ER.1, ER.16, ER.25, ER.29, ER.30]

Root Causes: The factory does not have a system to ensure that its new practices are included in the handbooks which means a copy of orientation training provided to the workers. Additionally to update and print the handbooks is a cost for the factory.

2. Finding Status (Not Remediated)

The factory still does not provide ongoing training to workers on any of the Employment Functions except for Environmental Protection and Health & Safety. The factory provided workers with social compliance training which covers non-discrimination, Hours of Work, Health & Safety, the prohibition of child labor, special requirements for young workers, social insurance, Environmental Protection, and ethical workplace rules in 2015, but has not repeated this training since 2015. [ER.1, ER.15, ER.25, ER.28]

Root Causes: The factory does not have the capacity to create and implement an ongoing training plan that covers all Employment Functions.

3. Finding Status (Partially Remediated)

Explanation: Supervisors do not receive specific training on any of the Employment Functions except for Health & Safety. [ER.1, ER.17, ER.27]

Root Causes: The factory does not have the capacity to create and implement a specific supervisor training plan that covers all Employment Functions.

4. Finding Status (Remediated)

Explanation: The factory provided all Health & Safety Committee members with the legally required training on June 18-20, 2018.

5.Finding Status (Remediated)

Explanation: All three maintenance workers in the factory have professional competence certificates. The maintenance workers are also provided with the relevant Health & Safety training.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, ER.17, ER.25, ER.27, ER.28, ER.29, and ER.30)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to develop a plan to update the handbook. Not remediated. HUGO BOSS is still in contact with the partner to clarify the finding.
2. The factory has to implement a schedule for the trainings and include them in the policies. Partially remediated. The factory has planned Trainings for the end of 2019
3. The factory has to implement a schedule for the trainings and include them in the policies. Partially remediated. The factory has done trainings.

Company Action Plan Update

completed

PREVIOUS FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Communication & Worker Involvement (Macro)

Finding Explanation

1. The worker integration component is missing across Recruitment, Hiring & Personnel Development, Compensation, Hours of Work, Industrial Relations, Workplace Conduct & Discipline, Grievance System, and Termination & Retrenchment. This indicates that the factory has not established procedures to request and/or receive workers' input or 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 verbally communicate its policies, procedures, and any updates to the general workforce. The 'Personnel Regulations' and 'Health and Safety' handbooks provide information on most Employment Functions, but workers reported that they did not read the handbooks because they are very long.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, ER.25, ER.29, and ER.30; Compensation Benchmark C.17)

VERIFICATION RESULT

Finding Status

Partially Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: Workers are able to raise Health & Safety concerns through their worker representatives; and they have impact on updating or developing the Health and Safety implementations and procedures, therefore, the worker integration component is in place for Health & Safety. However, for other employment functions, worker integration component is still missing 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. [ER.1, ER.25]

Root Causes: Management has a dialogue mechanism with workers, and receives feedback from the workers through the grievance mechanism. Since workers' requests and inputs are already received by management and those concerns are taken into consideration, the factory has not established a system to involve workers in the decision-making process.

2. Finding Status (Remediated)

Explanation: According to assessors' onsite observations, the policies and procedures have been posted on the notice boards and workers receive training on their implementation.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.25)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory has to establish a system to involve workers in the decisions-making process. Remediated. The factory including employee representatives on the meeting of occupational health and safety meetings and management oversight meetings

Company Action Plan Update

completed

PREVIOUS FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

1. The factory reviews its policies and procedures when needed. However, there is no systematic, regular review process in place for the policies and procedures for any of the Employment Functions.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.29, ER.30, and ER.31)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: According to a documentation review and management interviews, the factory reviews its policies and procedures annually. The policies and procedures include the date that they were last updated.

PREVIOUS FINDING NO.5

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. Job application forms contain fields such as marital status and military service status which could lead to discriminatory hiring practices. 2. Workers' employment contracts include some inappropriate clauses and lack information on some laws and regulations. For example: a. Workers must accept and commit to work temporarily or permanently in other factories, or in other positions at the same workplace. However, local law states that employers must obtain workers' written consent in case of substantial alterations of work. (section D) b. Workers must accept all future changes in working conditions and work rules in advance, these changes could be implemented later in the workers' employment, in addition to current contract statements and implementations. (Section G-4) c. The factory can impose monetary penalties on workers who neglect their work, do not obey labor laws or Health & Safety rules, subvert the working order, or damage the workplace equipment. This complies with local law, but does not comply with FLA requirements. (Section G-6) d. Labor laws and regulations will be applied for overtime work. (This section should include language on overtime being voluntary and this should be made clear to workers.) (Section I-4) e. The employer will determine when workers can take annual leave and then notify the workers. (According to regulations, workers apply to annual leave committee with their name, worker ID, and time period that he/she wants to use as annual leave.) (Section J) f. Other Obligations: Article 5: Employer has the right to change the position of the worker, including demotions. Workers are liable to perform the work otherwise the employment contract can be cancelled without notice or pay-out. g. Other Obligations: Article 9: In case of any conflict between workers and employer, especially for working hours and wages, workers accept that records and documents which belong to the employer will be the only and certain proof and they cannot assert any proof rather than those records and documents. 3. The 'Personnel Regulations' handbook includes several inappropriate clauses on overtime work: a. Workers must agree to obey the overtime work demands of the employer. b. Workers must prove to their employer that they have an extraordinary reason for not working overtime.

Local Law or Code Requirement

Turkish Labour Law (4857), Article 5, 22 and 41; Annual Leave Regulation Articles 7 and 8; FLA Workplace Code (Employment Relationship Benchmark ER; Non-discrimination Benchmark ND.2.1, Hours of Work Benchmarks HOW.8.5 and HOW.11, Harassment and Abuse Benchmark H/A.2)

Recommendations for Immediate Action

1. Remove questions related military service and marital status of the workers in job application forms. 2. Review the employment contracts and ensure that: a. A statement is added on requiring worker's approval before alterations are made in job position or in the workplace. b. Remove the statement on the worker accepting changes in working conditions in advance since it is against the law. c. Remove the monetary penalty article. d. A statement is added that overtime work is voluntary. e. Article 9 is removed from the contracts since the onus of proof and asserting a proof is also the right of the workers. 3. Review the 'Personnel Regulations' handbook and remove inappropriate clauses.

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Not Remediated)

Explanation: The factory has not updated its job application forms according to FLA Benchmarks. Forms still contain questions regarding applicants' marital status and military service history. [ER.3, ND.2]

Root Causes:

1. Management prefers not to hire workers who have not completed military service, since the worker may need/want to complete military service during their time at the factory.
2. Management prefers not to hire married workers and workers with children (especially workers with small children) because they are more likely to leave the factory.

2. Finding Status (Not Remediated)

Explanation: According to a documentation review, the factory has not updated the workers' employment contracts to remove inappropriate clauses or include information on local laws and regulations. [ER.10, H/A.2, HOW.12]

Root Causes: According to management, the factory has not changed the contracts due to issues that happened in the past. Factory management wants to protect their rights.

3. Finding Status (Not Remediated)

Explanation: The factory has not updated its 'Personnel Regulations' handbook to remove the inappropriate clauses regarding overtime work. [HOW.8]

Root Causes: According to management, the factory has not changed the handbook due to issues that happened in the past. Factory management wants to protect their right to ask workers to work overtime.

Local Law or Code Requirement

Turkish Labour Law (4857), Article 5, 22 and 41; Annual Leave Regulation Articles 7 and 8; FLA Workplace Code (Employment Relationship Benchmarks ER.3 and ER.10; Non-Discrimination Benchmark ND.2; Hours of Work Benchmarks HOW.8 and HOW.12; Harassment and Abuse Benchmark H/A.2)

Recommendations for Immediate Action

1. Remove questions regarding applicants' marital status and military service questions from the job application forms
2. Update workers' employment contracts to remove inappropriate clauses and include information on local laws and regulations.
3. Update the 'Personnel Regulations' handbook to remove the inappropriate clauses requiring overtime work. Do not require workers to work overtime or provide an explanation for refusing to work overtime.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to update their application forms according to FLA Benchmarks. Partially remediated. The statements regarding marital status shall be deleted on the new application form.
2. The factory has to revise the contracts and remove the mentioned clauses. Not remediated. HUGO BOSS is still in contact with the partner to clarify the finding.
3. The factory has to update the 'Personnel Regulations' handbook. Not remediated. HUGO BOSS is still in contact with the partner to clarify the finding.

Company Action Plan Update

completed

PREVIOUS FINDING NO.6

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The factory's performance evaluation process includes a grading system, but evaluations depend on line leaders' observations. After the line leaders' evaluations are communicated to the production supervisors, workers are given a score. The factory does not calculate the standard deviations for time calculations for the performance review system and there are no procedures that explain the performance review process. 2. Job descriptions have not been prepared for sewing and ironing workers.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.29)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: The factory evaluates workers' performance annually. The evaluation system includes industrial calculations of lines' productivity including time and number of products, line leader observations, absence records during the year, and number of processes that workers are able to implement. Workers are notified about their performance evaluation records and sign it.

2. Finding Status (Remediated)

Explanation: The factory created job descriptions for all positions in the factory.

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. Two time records out of 25 time records are not consistent with the actual hours worked. One worker's time record showed he worked 10 hours of overtime in April 2016, but was paid for a total of 54.37 hours of overtime. The management team stated that this worker leaves the factory premises for work and that the additional hours worked are kept by the administration manager. Factory management confirmed that the extra hours are recorded manually and not through the time keeping machine. The manual recordings, which is kept by the administration manager, for that worker, were provided for review. The assessors noted that the worker had not signed the document to verify the hours worked. Another worker is a tea server who cleans the offices on Saturdays. Her overtime hours are recorded manually and not through a time recording machine. Her time record did not include any overtime hours but she was paid 38.18 hours of overtime, as recorded in the manual record. Since working hours are not clearly verified, the accuracy of workers' wage payments could not be verified either. 2. 14 workers have accumulated between one to eight days of unused annual leave from previous years. 3. The factory does not have any childcare facilities, although local law requires factories to provide childcare facilities in workplaces with 150 female workers or more. At the time of the assessment, there were 291 female workers working at the factory. The industrial zone where the factory is located is in the process of applying for a childcare facility. 4. There is a total of seven young workers (workers under the age of 18) in the factory. These young workers work more than the legal limit of hours and are not compensated for the extra hours.

Local Law or Code Requirement

Turkish Labour Law (4857), Articles 41 and 56; Turkish Labour Law (1475), Article 32; Regulation About Working Conditions of Pregnant and Nursing Workers, Article 13/2; FLA Workplace Code (Employment Relationship Benchmarks ER.2, ER.14, and ER.23; Compensation Benchmarks C.1 and C.5; Hours of Work Benchmark HOW.1 and HOW.11; Non-Discrimination Benchmarks ND.1 and ND.8)

Recommendations for Immediate Action

1. Ensure that the time records are not manipulated and they reflect the actual hours worked. 2. Ensure that the annual leave days are used on time by all workers. 3. Work with the industrial area to ensure that a childcare facility is constructed as soon as possible.

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: The factory's time records are still not correct. There are two security personnel and three cleaning staff members who do not use the finger print system to record their working hours. The security personnel's hours are recorded by the administration manager as these workers work from 6:00pm to 8:00am and the time recording system cannot record their hours correctly due to the date change. The cleaning workers hours are not recorded using the finger print system because they only work for four hours on Saturdays but are paid 75 TL rather than 38 TL, which would be their wage if they were paid at the hourly rate that the finger print system calculates. Their hours are not recorded in detail, with in and out times. According to interviews with these workers, they are paid correctly. [ER.2, ER.23]

Root Causes:

1. The time recording system cannot record overnight shifts.
2. The cleaning workers are paid more than their hourly rate for a half day of work and if they used the time recording system, they would be underpaid.

2. Finding Status (Remediated)

Explanation: None of the workers employed by the factory currently have any accumulated annual leave days.

3. Finding Status (Not Remediated)

Explanation: The factory still does not have a childcare facility agreement in place, although there are 355 female employees (including female management staff). According to management interviews, a childcare facility will likely be established in 2019 in the industrial zone after obtaining approval from the governmental organizations. [C.1, ND.1, ND.8]

Root Causes:

1. There is no space in the factory to provide a childcare area.
2. The industrial zone is waiting for its application to be approved.

4. Finding Status (Remediated)

Explanation: There are 11 interns in the factory. They work three days per week from 8:00am to 6:00pm with a one-hour meal break and

two additional 30 minute tea breaks.

Local Law or Code Requirement

Turkish Labour Law (4857), Articles 41; Regulation About Working Conditions of Pregnant and Nursing Workers, Article 13/2; FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.23; Compensation Benchmarks C.1; Non-Discrimination Benchmarks ND.1 and ND.8)

Recommendations for Immediate Action

1. Record all working hours using the time recording system or attendance sheets signed by the workers.
2. Ensure that the industrial zone establishes a childcare facility.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to record all working hours using the time recording system. Remediated. The factory has implemented a system to record the working hours correctly.
2. The factory has to offer a childcare facility. Partially remediated. The company is working on this finding.

Company Action Plan Update

completed

PREVIOUS FINDING NO.8

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. Pregnant workers work the same hours as regular workers for 9 hours a day (until 6:00pm); however, time records indicate that they only work 7.5 hours per day (until 4:30pm). The personnel department manually reduces the daily hours worked in the time records and adds the extra 1.5 hours per day worked during the week as overtime work done on Saturdays. One pregnant worker has a declaration document indicating that she does not work more than 7.5 hours per day or 45 hours per week. However, the same worker worked two extra hours until 8:00pm twice to compensate for hours not worked on October 28, 2016 (a half day due to a national holiday). She was not paid at overtime rates. The same worker also worked nine hours on one day in August 2016, although she notified management that she was pregnant and signed the declaration document on July 28, 2016. 2. Working hours occasionally exceed the legal limit of 11 hours per day, ranging from 12 hours and 50 minutes to 14 hours and 30 minutes per day. According to records, one worker worked overtime once in April 2016, two workers once each in June 2016, one worker once in July 2016, and ten workers once and one worker twice in September 2016. 3. There is a total of seven young workers (workers under the age of 18) in the factory. They all work three days per week from 8:00am to 6:00 pm, which exceeds the legal limit of eight hours per day. Moreover, one 17 year old young worker worked until 7:00pm three times in October 2016 and another 17 year old young worker worked until 7:00pm once in October 2016. Management stated that they had to work these hours due to transportation arrangements. 4. Working hour records do not contain identification of pregnant or lactating women and young workers; however, the factory keeps a separate list of special categories of workers.

Local Law or Code Requirement

Turkish Labour Law (4857), Article 61; Regulation Related to Working Conditions of Pregnant and Breast Feeding Workers Article 9; Regulation of Overtime Working Related to Labor Law; Article 8; FLA Workplace Code (Employment Relationship ER.2, ER.13, ER.14, and ER 23.5, Hours of Work Benchmarks HOW.1, HOW.4, HOW.5, and HOW.8; Child Labour Benchmark CL.4 and CL.8; Non-Discrimination Benchmark ND.8)

Recommendations for Immediate Action

1. Do not manipulate time records. Ensure that time records reflect the actual hours worked.
2. Do not require or permit pregnant

workers to work more than seven and a half hours per day. Do not manipulate time records. 3. Ensure that working hours (regular + overtime) does not exceed 11 hours per day. 4. Do not require or permit young workers (workers under the age of 18) to work more than eight hours per day.

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: According to management and worker interviews, pregnant workers only work seven and a half hours per day.

2. Finding Status (Not Remediated)

Explanation: Assessors sampled 25 workers' attendance records and found that one worker's working hours exceeded eleven hours per day in September 2018, and two workers hours exceeded eleven hours per day twice in September 2018. [HOW.1, HOW.8]

Root Causes: Workers worked overtime in order to meet urgent production needs.

3. Finding Status (Remediated)

Explanation: There are eleven interns in the factory. They work three days per week from 8:00am to 6:00pm with a one-hour meal break and two additional 30 minute tea breaks.

4. Finding Status (Remediated)

Explanation: The factory's time recording system identifies pregnant and breastfeeding workers as well as interns.

Local Law or Code Requirement

Regulation of Overtime Working Related to Labor Law, Article 8; FLA Workplace Code (Hours of Work Benchmarks HOW.1 and HOW.8)

Recommendations for Immediate Action

1. Do not require or allow workers' hours to exceed eleven hours per day.

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory has to observe the overtime regulations. Remediated. The factory is aware of the violation and will pay more attention to it in the future.

Company Action Plan Update

completed

PREVIOUS FINDING NO.9

UNCORROBORATED RISK OF NON-COMPLIANCE

FINDING TYPE: Hours of Work

Finding Explanation

1. Management stated that if a worker works on a Saturday, they do not work on Sunday. According to attendance sheets, seven workers in January, two workers in February, one worker in March, one worker in April, one worker in August, and six workers in October worked on Saturday and Sunday consecutively, which could mean they did not receive a rest day in a seven-day period. However, the records for the rest of the week were not available for review by the assessors to verify if another day was provided as a rest day. Since the time records can be manipulated, there is a risk of workers working without a rest day.

Local Law or Code Requirement

Turkish Labour Law (4857), Article 46; FLA Workplace Code (Hours of Work Benchmark HOW.2)

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Not Remediated)

Based on the results of the verification, this is no longer an Uncorroborated Risk of Non-Compliance. This issue has now been confirmed as an Immediate Action Finding.

Explanation: According to the factory's attendance records, workers do not always receive 24 consecutive hours of rest during every seven-day period. In May 2018 one worker worked 11 days consecutively and another worker worked 13 days consecutively. It is verified that in September 2018 one worker did not receive a rest day on two separate occasions; that worker worked seven days consecutively and 13 days consecutively. [HOW.1.1, HOW.2]

Root Causes: The factory's working hours are excessive in order to meet urgent production needs.

Local Law or Code Requirement

Turkish Labour Law (4857), Article 46; FLA Workplace Code (Hours of Work Benchmarks HOW.1 and HOW.2)

Recommendations for Immediate Action

1. Provide all workers with 24 consecutive hours of rest in every seven-day period.

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory has to ensure that the employees have sufficient rest time. Remediated. The factory is aware of the violation and will pay more attention to it in the future.

Company Action Plan Update

completed

PREVIOUS FINDING NO.10

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Grievance System

Finding Explanation

1. The suggestion boxes are located in the entrances to the production areas in both buildings instead of places that would ensure confidentiality such as restrooms or locker rooms.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.25)

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: There are suggestion boxes in the women's locker rooms. However, there are no suggestion boxes in the men's locker rooms

or restrooms. Management provided suggestion boxes for the men's restrooms during the assessment. According to worker interviews most of the workers were not sure whether there were any suggestion boxes in the factory. [ER.1, ER.25]
Root Causes: There are very few male workers compared to the number of female workers in the factory, so management did not provide a suggestion box for the male workers.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.25)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory has to provide suggestion boxes in the men's locker rooms. Additionally the factory has to inform the workers about the boxes. Remediated. The factory installed the needed box and informed the workers about it.

Company Action Plan Update

completed

PREVIOUS FINDING NO.11

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. There are worker representatives in the factory; however, two of them were assigned by management. Management declared that only one worker wanted to be a candidate, therefore he automatically became a worker representative. The other two worker representatives were assigned since there were a lack of candidates. 2. Worker representatives only attend Health & Safety meetings. They do not have any responsibilities to represent workers, such as conveying workers' suggestions, grievances, or problems to management. The representatives' duties are not clearly defined in the announcement, which only stated that worker representatives are to join HSE Committee meetings. The general workforce is not aware of the representatives' responsibilities. 3. The factory has not clearly defined the responsible person(s) for Industrial Relations in all areas and departments within the factory.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1; Freedom of Association Benchmarks FOA.10 and FOA.11)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: All four worker representatives were elected by the workers on May 22, 2018. The factory announced the election and every worker was free to be a candidate.

2. Finding Status (Remediated)

Explanation: The worker representatives' responsibilities are defined in the election records in accordance with law including representing workers as dialogue mechanism, identifying health and safety risks to convey management. Workers are aware of the duties of the worker representatives.

3. Finding Status (Remediated)

Explanation: The factory has clearly defined the person responsible for Industrial Relations in the factory.

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. Although it is not implemented, there is a clause in the employment contract that allows monetary penalty for disciplinary actions. 2. Disciplinary actions are not witnessed by a third party during imposition. 3. The factory keeps a debit confirmation document for working clothes, scissors, and pincers in workers' personnel files. According to the document, if workers damage or lose these items, they will be charged TRY 20, TRY 1.5, and TRY 1 (USD 5.60, USD 0.42 and USD 0.28 respectively). Workers are made to sign these documents. In practice, no salary deductions are made and workers do not pay for these losses.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.27; Harassment or Abuse Benchmark H/A.2)

Recommendations for Immediate Action

1. Cease getting signatures from the workers to confirm debit for workplace equipment and ensure that no deduction is made from the workers' salaries for workplace equipment.

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Not Remediated)

Explanation: The factory does not use monetary fines to maintain discipline, however, this clause has not been removed from the workers' employment contracts. [ER.10, ER.27, H/A.2]

Root Causes: Monetary fines are allowed by Turkish law.

2. Finding Status (Remediated)

Explanation: The factory has assigned the four elected worker representatives to maintain this responsibility in case it is required.

3. Finding Status (Remediated)

Explanation: According to a document review and management interviews, the factory does not require workers to sign a debit confirmation document. The factory does not deduct the cost of damaged or lost clothing and tools from workers' wages.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.10 and ER.27; Harassment or Abuse Benchmark H/A.2)

Recommendations for Immediate Action

1. Remove the clause allowing monetary penalties from workers' employment contracts.

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory has to remove the clause allowing monetary penalties from workers employment contracts. Not remediated. HUGO BOSS is still in contact with the partner to clarify the finding.

Company Action Plan Update

completed

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. Fabric waste and paper waste are segregated and disposed of properly. However, hazardous waste such as chemical cans, oil cans, and fluorescent bulbs are not segregated from non-hazardous waste and is not disposed of by a licensed waste handler. 2. There are no labels for existing waste storage areas for fabric and cartons. 3. The factory does not have an environmental permit exemption. 4. There is no approved waste management plan in the factory; this plan should be approved of by the provincial department of environment. 5. The factory does not have any liability insurance for hazardous waste.

Local Law or Code Requirement

Regulations for Permits and Licenses to be Obtained, Required by the Environmental Law; Waste Management Regulation Articles 9, 13 and 16, Regulation for Control of Hazardous Wastes, Article 9; FLA Workplace Code (Employment Relationship Benchmarks ER.31; Health, Safety, & Environment Benchmarks HSE.1, HSE.4 and HSE.9)

Recommendations for Immediate Action

1. Segregate and store hazardous waste in a well-ventilated area with restricted access. 2. Commission a licensed hazardous waste handler to dispose of hazardous waste safely.

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: Hazardous waste such as chemical cans, oil cans and florescent bulbs have been segregated properly and handled by a licensed waste management company since February 2018.

2. Finding Status (Remediated)

Explanation: There are labels in the waste storage area indicating where to dispose of different kinds of waste.

3. Finding Status (Partially Remediated)

Explanation: The factory applied for an environmental permit exemption on October 2, 2018. However, the Ministry of Environment has approved the permit exemption yet. [HSE.1, HSE.4]

Root Causes: The factory is waiting for approval

4. Finding Status (Not Remediated)

Explanation: The factory still does not have a waste management plan that is approved of by the Provincial Department of Environment. [HSE.1, HSE.4]

Root Causes: The factory is waiting for the Ministry of Environment to approve its environmental permit exemption so that it can have its waste management plan approved by the Provincial Department of Environment.

5. Finding Status (Remediated)

Explanation: The factory has liability insurance for hazardous waste that is valid from May 16, 2018 through May 16, 2019.

Local Law or Code Requirement

Regulations for Permits and Licenses to be Obtained, Required by the Environmental Law; Regulation for Control of Hazardous Wastes, Article 9; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1 and HSE.4)

Recommendations for Immediate Action

1. Obtain the legally required environmental permit exemption.

2. Create a waste management plan and have it approved by the Provincial Department of Environment.

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory is waiting for an environmental permit exemption. Partially remediated. The factory is still waiting for the permission of the ministry.

The factory has to create a waste management plan and have it approved by the Provincial Department. Not remediated. HUGO BOSS is still in contact with the partner to clarify the finding.

Company Action Plan Update

completed

PREVIOUS FINDING NO.14

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The factory has not conducted an earthquake resistance test. Moreover, there are cracks in the section connecting the two buildings. 2. Workers have removed or displaced the finger and eye guards on 20% of the sewing machines. 3. The factory does not provide thirty percent (30%) of standing workers, such as workers in the quality control section, with anti-fatigue, used to reduce fatigue caused by standing for long periods on a hard surface.

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 3, Turkish Earthquake Code 2007 and the Content of Performance Reports under the Impacts of Earthquake; FLA Workplace Code (Employment Relationship Benchmark ER.31; Health, Safety & Environment Benchmarks HSE.1, HSE.4, HSE.14 and HSE.17)

Recommendations for Immediate Action

1. Conduct an earthquake resistance test. Ensure that overall structure of the factory is in good condition; repair any cracks. 2. Train workers on the proper use of machine guards and regularly monitor to ensure compliance.

VERIFICATION RESULT

Finding Status

Partially Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: The cracks in the section connecting the two buildings have been repaired; however, the factory has not conducted an earthquake resistance test yet. [HSE.1, HSE.4]

Root Causes: The official construction inspectors who visited the factory in March 2018 told the management team that they would have to create holes in the walls in order to test them and that the building might need to be evacuated if it did not pass the test. As a result, management decided not to conduct the test.

2. Finding Status (Partially Remediated)

Explanation: 85% of the sewing machines are missing finger guards and two of the 479 sewing machines are missing lower pulley guards. Pulley guards were installed during the assessment. Moreover, nearly 30% of workers do not use eye guards. [HSE.1, HSE.14]

Root Causes: The workers do not like to use the finger guards and eye guards as the products they make are detailed and the guards make it difficult to see the details.

3. Finding Status (Partially Remediated)

Explanation: The factory provided about 15% of the workers in the quality control section with chairs in order to allow them sit while working; however, around 15% of the packing workers still do not have anti-fatigue mats. [HSE.17]

Root Causes: The packing workers have to move the anti-fatigue mats in order to place products in boxes.

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 3, 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. Conduct an earthquake resistance test and obtain the required report.
2. Provide finger and pulley guards for all sewing machines. Monitor workers to ensure that they use the guards.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to conduct an earthquake test.Partially remediated. The factory deals with an earthquake test.
2. The factory has to ensure, that all finger guards and pulley guards are installed. Furthermore the factory has to train their workers in the use of the guards.Remediated. The factory checked the guards and trained the workers.
3. The factory has to provide anti fatigue mats and ergonomic chairs.Partially remediated. The factory provide ergonomic chairs for quality and package operators. The factory is still working on this finding.

Company Action Plan Update

completed

PREVIOUS FINDING NO.15

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Grounding measurements were only performed on electrical panels; no grounding measurements have been performed on production machines and equipment. 2. Electrical cords have been spliced with duct tape in five locations throughout the factory. 3. There is a door in the cutting section that opens onto a raised platform where fabric rolls are received and loading trucks are parked nearby. There is no protective guard or chain on this platform to reduce the risk of falling.

Local Law or Code Requirement

Electrical Installation Regulation; Protection of Buildings from Fire Regulation, Article 68; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, (Addition 1) Articles 5 and 43; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.13, and HSE.14)

Recommendations for Immediate Action

1. Perform grounding measurements on production machines and equipment. 2. Do not splice cords with duct tape. Inspect cords and cables and change old and damaged ones. 3. Install a protective guard or chain on the raised platform to protect against fall risks.

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: The internal electricity assessment dated January 15, 2018 indicates that a residual current circuit breaker was installed instead of grounding all machinery and equipment as the sewing machines have to change locations depending on the production needs.

The main panels and generator are grounded. [HSE.1, HSE.13, HSE.14]
Root Causes: The sewing machines have to change locations depending on production needs.
2. Finding Status (Remediated)
Explanation: Assessors did not observe any electrical wires spliced with duct tape.
3. Finding Status (Not Remediated)
Explanation: There is still no protective guard or chain on the platform. [HSE.1, HSE.14]
Root Causes: According to management, the protective guard was broken last week.

Local Law or Code Requirement

Electrical Installation Regulation; Protection of Buildings from Fire Regulation, Article 68; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, (Addition 1) Article 5; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.13, and HSE.14)

Recommendations for Immediate Action

1. Conduct grounding measurements for all machinery.
2. Install a protective guard for the shipment platform.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to ground the machines.Partially remediated. The factory has reworked the mentioned finding.
2. The factory has to install a protective guard or chain.Partially remediated. The factory is working on the finding.

Company Action Plan Update

completed

PREVIOUS FINDING NO.16

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The factory does not have a detailed emergency plan, as legally required. 2. At least six fire extinguishers in the factory have been placed next to each other instead of at different parts of the floors. Moreover, 30% of the fire extinguishers were placed on the ground instead of being mounted on the walls. 3. Ten percent (10%) of fire extinguishers are blocked with goods and boxes. 4. The exit doors in the printing section are not marked with exit signs. 5. The exit door in the warehouse on the basement floor is not marked with an exit sign. Furthermore, the door was obstructed by a trolley. 6. There is no emergency lighting installed above five emergency exit doors on one side of the building, the remaining exit doors have exit signs but these are not illuminated. 7. The signs on the ground indicating the evacuation route in the printing section are misleading as they showed the wrong way to the exit. 8. The emergency evacuation plan was obstructed by goods and was not easy to see. Moreover, there is no 'you are here' indicator on the emergency evacuation plan posted in the warehouse. 9. The factory conducts fire drills at least once per year; the last drill was conducted in February 2016. However, as 63 additional workers have been hired since then, the fire drill should be repeated so that all workers are prepared in case of emergency. 10. Although some workers are designated as members of the firefighting team and trained on what to do in a fire emergency, one worker from the firefighting team did not check the pressure of a fire extinguisher when he was asked to demonstrate how to use a fire extinguisher. Since the pressure of the extinguisher was zero, it did not work during the demonstration. 11. The first aid team lists posted on the work floors in two locations did not include the workers currently certified in first aid. Moreover, the firefighting team members are not posted on the walls throughout the factory. 12. There is no sign near the emergency assembly area to indicate its location.

Local Law or Code Requirement

Workplace Health and Safety Law, 6331, Article 11; Regulation About State of Emergency in Workplaces Article 7, 8, 9, 10 and 11; Protection of Buildings from Fire Regulation, Articles 30, 72, 73, 99, 129 and 130; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, (Addition 1) Articles 10, 12 and 14; FLA Workplace Code (Employment Relationship Benchmark ER.31; Health, Safety & Environment Benchmarks HSE.1, HSE.5, and HSE.6)

Recommendations for Immediate Action

1. Create an emergency plan which includes potential emergencies such as fire, explosion, chemical spill, and natural disasters. Ensure that precautions, response, and evacuation methods for emergency cases, responsible personnel lists and evacuation plans are listed in the emergency plan as per law requirements. 2. Ensure that fire extinguishers are hung on the wall not higher than 90 cm and located properly at different places on every floor. 3. Remove all blockages around the fire extinguishers and ensure that fire extinguishers are easily accessible in case of emergency. 4. Place exit signs above all the emergency exits and ensure that they are not blocked by any trolleys. 5. Provide proper emergency lights for the emergency exit doors. 6. Ensure that evacuation signs are placed to lead the emergency exits through emergency evacuation routes. 7. Ensure that the 'you are here' sign is included in evacuation plans and that they are easily seen. 8. Conduct fire drills according to the decrease of number of the workers. 9. Ensure that the fire extinguishers pressure level is checked periodically. 10. Ensure that firefighting team trainings are renewed to ensure team members knowledge on fire emergency. 11. Post the current first aiders list and renew the lists when it is updated. 12. Place an emergency assembly point sign in the assembly area.

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: The factory has an emergency action plan that covers explosion, fire, sabotage, earthquake, accidents, leakage of chemicals, food poisoning, traffic accidents, and extraordinary situations such as war.

2. Finding Status (Remediated)

Explanation: All of the fire extinguishers are mounted and placed different location instead of placed together in one point None of the fire extinguishers on the work floors were blocked.

3. Finding Status (Remediated)

Explanation: The emergency exit doors in the printing section are marked with exit signs.

4. Finding Status (Partially Remediated)

Explanation: The exit door in the warehouse on the basement floor is marked with an exit sign; however, at the time of the assessment the door was obstructed by product waiting to be shipped. [HSE.5]

5. Finding Status (Partially Remediated)

Explanation: There is no emergency lighting installed above the emergency exit doors in the changing room on the third floor and emergency exit doors in the printing, bra production, and modeling sections. These emergency exit doors are provided only phosphorescent exit signs [HSE.5]

Root Causes: The exit marks are phosphoric signs; therefore the factory did not see the emergency lighting necessary to these locations.

6. Finding Status (Remediated)

Explanation: The markings that indicated the evacuation route are correct.

7. Finding Status (Remediated)

Explanation: The evacuation maps are not obstructed and 'you are here' indicators have been added to the maps.

8. Finding Status (Not Remediated)

Explanation: The latest fire drill were conducted on February 15, 2018. 88 workers have been hired since then; therefore, not all workers have undergone a fire drill. [HSE.5]

Root Causes: The factory's capacity has increased since May 2018 and many new workers were hired.

9. Finding Status (Remediated)

Explanation: A demonstration of the fire-fighting equipment was successfully conducted by a regular worker from the cutting section.

10. Finding Status (Partially Remediated)

Explanation: Lists of the emergency action team members are posted on the work floors and the first aid team members are certified; however, two of the workers listed as first aid team members are no longer working in the factory. The list was updated during the assessment. [HSE.2]

Root Causes: The announcements posted in the factory are checked once every six months and the resigned workers left the factory after the last review was conducted.

11. Finding Status (Remediated)

Explanation: The emergency assembly area is clearly marked.

Local Law or Code Requirement

Regulation About State of Emergency in Workplaces Article 7, 8, 9, 10 and 11; Protection of Buildings from Fire Regulation, Articles 30, 72, 73, 129 and 130; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, (Addition 1) Article 10; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.2, and HSE.5)

Recommendations for Immediate Action

1. Ensure that emergency exit doors are not obstructed.
2. Install emergency lighting above all exit doors.
3. Remark the evacuation routes on the work floors in accordance with the current layout.
4. Conduct a fire drill including all new workers.
5. Post updated first aid team member lists.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to ensure that the emergency exit doors are not obstructed. Remediated. The factory has fixed the problem.
2. The factory has to install emergency lightning as per FLA Benchmark. Not remediated. HUGO BOSS is still in contact with the partner to clarify the finding.
3. The factory has to carry out a fire drill. Remediated. The fire drill was held on 21st of February
4. The factory has to update the emergency action team. Remediated. The list has been updated.

Company Action Plan Update

completed

PREVIOUS FINDING NO.17

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. There is a storage room in the printing section where dyes, oil, and thinners are located. There is no secondary containment for these chemicals. This is especially a problem for the thinner since the thinner is taken out of the barrel through a tap. The ventilation system is inadequate and the smell in the room was very strong. Moreover, the factory does not provide Material Safety Data Sheets (MSDS) for any chemical. 2. There is no ventilation system in the dye section on the sewing floor. There were no MSDS available either for any of the chemicals in this section. 3. There are no eye wash stations in the stain removal room or the dye sections. 4. Workers were provided FFP1 masks to wear while working with chemicals. FFP1 masks protect against dust, but are not appropriate protection for working with chemicals. 5. There is no label on a bottle of stain remover in the stain removing section.

Local Law or Code Requirement

Regulation Regarding Health & Safety Precautions in Work with Chemical Substances (August 12, 2013), No. 28733, Articles 6, 7, 8 and 9
FLA Workplace Code (Health, Safety & Environmental Benchmarks HSE.1, HSE.6, HSE.7, HSE.9, and HSE.10)

Recommendations for Immediate Action

1. Provide secondary containment for the chemical containers in printing section storage room. 2. Install adequate ventilation systems in the printing section storage room and the dye section on the sewing floor. 3. Create a list for all chemicals that are used in the factory and provide proper MSDS forms, supplied by the authorized establishments, in the local language for all chemicals. Post MSDS forms where chemicals are used and inform the workers. 4. Provide eye wash stations in the stain removing and dye sections. 5. Provide workers who use chemicals with the proper PPE (i.e. FFP2 masks). 6. Label all chemical containers with their contents and hazards.

VERIFICATION RESULT

Finding Status

Partially Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: There is secondary containment for all chemicals used in the factory including storage room in printing section. The ventilation system has been improved and the MSDS summaries have been posted in the dye preparing (printing) section. Full MSDS forms are also placed in the dyeing section

2. Finding Status (Remediated)

Explanation: The ventilation system in the dye preparing section has been improved and the MSDS summaries are posted in that section.

3. Finding Status (Partially Remediated)

Explanation: The factory has provided eye wash solution at the dye section, however, the MSDS for the chemicals in the dye section indicate that if chemicals get in the workers' eyes they should wash their eyes with running water. [HSE.1, HSE.6]

Root Causes: The factory management thought that eye wash solutions are adequate.

4. Finding Status (Remediated)

Explanation: At the time of the assessment, workers who use chemicals are provided with proper filtered masks.

5. Finding Status (Remediated)

Explanation: The chemical bottles are all labeled.

Local Law or Code Requirement

Regulation Regarding Health & Safety Precautions in Work with Chemical Substances (August 12, 2013), No. 28733, Articles 7 and 8; FLA Workplace Code (Health, Safety & Environmental Benchmarks HSE.1 and HSE.6)

Recommendations for Immediate Action

1. Provide an eye wash station for the dye section.

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory has to provide eye wash station with running water. Not remediated. HUGO BOSS is still in contact with the partner to clarify the finding.

Company Action Plan Update

MSDS and containment are available please see attachments.

PREVIOUS FINDING NO.18

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The Health & Safety specialist only works 3097 minutes per month. Per local law, the Health & Safety specialist should work 4140 minutes per month due to the number of workers at the factory. 2. The last two months of the factory's legally required Notarized Health & Safety book is empty. Additionally, the employer's and workplace doctor's signatures are missing for the past two months. 3. The five transportation drivers do not have psycho-technics documents or vocational training certificates. 4. The factory's work permit does not cover a building which was constructed after the current work permit was issued.

Local Law or Code Requirement

Health and Safety Services Regulation (Addition 1) Article 7, Regulation About Duties, Responsibilities and Trainings of Health and Safety Specialists Article 12; Highway Traffic Law Articles 79 and 98; Opening Workplaces and Work Permits Regulation Articles 27-28; FLA Workplace Code (Health, Safety, & Environment Benchmark HSE.1, HSE.4 and HSE.14)

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: The Health & Safety specialist's contract indicates that the specialist should work 4160 minutes per month.

2. Finding Status (Remediated)

Explanation: The notarized Health & Safety book has been filled properly and signed by the employer representative, workplace doctor, and Health & Safety specialist.

3. Finding Status (Remediated)

Explanation: The four transportation drivers' psycho-technics documents and vocational training certificates were provided to assessors.

4. Finding Status (Not Remediated)

Explanation: The factory's construction license dated July 9, 2003 indicates that the work areas are 3789 m², the car park is 1026 m², and the shelter is 959 m². The factory's working license from March 16, 2018 also indicates that the working area is 3789 m². In practice, the car park area is used as the cutting section and the shelter is actually used as an accessory depot. [HSE.1, HSE.4]

Root Causes: The car park and shelter are not supposed to be used as work areas. The construction license cannot be changed to list these areas as working areas, so the factory cannot update its working license to include the correct information.

Local Law or Code Requirement

Opening Workplaces and Work Permits Regulation Articles 27-28; FLA Workplace Code (Health, Safety, & Environment Benchmark HSE.1 and HSE.4)

Recommendations for Immediate Action

1. Update the working license to include the correct information.

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory has to ensure, that the car park and shelter are not used as work areas. Remediated. The mentioned area is not used as production area.

Company Action Plan Update

In progress

New Findings and Action Plans

NEW FINDING NO.1

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

The factory only employs nine disabled workers. This does not comply with the local law which requires at least 3% of the factory's workforce to be made up of disabled workers. Thus, 13 of the 420 workers employed by the factory should be disabled. The management team applied to ISKUR to hire more disabled workers October 9, 2018 and stated that two disabled workers recently left the factory. [ER.3, ND.1, ND.2]

According to documentation and worker interviews, Personnel Development practices are not communicated to the workers during orientation. ER.29 ER.15

Management representatives stated that they prefer not to hire married workers and workers with children (especially workers with small children) because they are more likely to leave the factory. ER.3 ND.2 ND.4

Local Law or Code Requirement

Labor Law (2003), No: 4857, Article 30; FLA Workplace Code (Employment Relationship Benchmark ER.3, ER.15 and ER.29; Non-Discrimination Benchmarks ND.1, ND.2 and ND.4)

Recommendations for Immediate Action

1. Hire at least four more disabled workers to ensure that 3% of the workforce is made up of disabled workers.
2. Cease the implementation of discrimination of hiring practices.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to ensure, that 3% of the workers consist of disabled workers.Partially remediated. The factory has provided disabled employment for up to 3% of the workforce.
2. The factory has to communicate Personnel Development practices to the workers.Not remediated. HUGO BOSS is still in contact with the partner to clarify the finding.

NEW FINDING NO.2

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. Two security personnel and one modeling section worker worked more than 270 overtime hours between January 2018 and October 2018. The modeling worker worked 332 hours and the security personnel worked 378.5 hours of overtime. [HOW.1.1, HOW.8.1]
1. Two security personnel work from 6:00pm to 8:00am in rotating shifts on a daily basis. This is more than seven and a half hours of work per night. [HOW.1.1, HOW.8.1]

Local Law or Code Requirement

Labor Law (2003) No. 4857, Articles 41 and 69; FLA Workplace Code (Hours of Work Benchmarks HOW.1 and HOW.8)

Recommendations for Immediate Action

<!--[endif]-->Do not allow or require workers' overtime hours to exceed 270 hours per year.

<!--[endif]-->Ensure that night shift hours do not exceed seven and a half hours per night.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to comply with legal requirements.Remediated. The factory is aware of the violation and will pay more attention to it in the future
2. The factory has to comply with legal requirements.Partially remediated. The factory corrected the help-desk personnel mentioned. It is followed through a document.

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The evacuation markings in the sewing, bra production, modeling, and warehouse sections are mostly blocked by machinery, products, or the sewing line. [HSE.5]
2. Two of the 479 sewing machines are missing lower pulley guards. (Pulley guards were installed during the assessment) [HSE.1, HSE.14]

Local Law or Code Requirement

Regulation Regarding the Prevention of Fire in the Buildings, (November 27, 2007), No: 26735, Article 33; Regulation about Requirements of Using Workplace Equipment, 25.04.2013, Article 9, 10 and 11; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE 5 and HSE.140

Recommendations for Immediate Action

The floor markings should be remarked in accordance with current factory layout.

Pulley guards should be implemented to all sewing machines.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has to ensure, that evacuation markings are not blocked.Partially remediated. The corresponding departments were informed and necessary arrangements were made.
2. The factory has to ensure, that every sewing machine has the same pulley guard.Partially remediated. The mentioned pulley guards are fitted.