



Verification Assessment

COMPANIES: Peter Millar LLC
COUNTRY: Turkey
ASSESSMENT DATE: 09/13/18
ASSESSOR: FLA EMEA
PRODUCTS: Apparel
NUMBER OF WORKERS: 544

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.

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 policies and procedures for all Employment Functions: Recruitment, Hiring & Personnel Development, Compensation, Hours of Work, Termination & Retrenchment, Grievance System, Industrial Relations & Freedom of Association, Environmental Protection, and Health & Safety.
2. The factory does not have a performance review system that describes steps and processes for personnel development, demonstrates linkages to job grading, prohibits discrimination, provides written feedback, and complies with legal requirements.
3. The factory does not have a review system for its implementations

Local Law or Code Requirement

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

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Not Remediated)

Explanation:

The factory still has no childcare facility, and there are 217 female employees in the factory

Root Causes:

There is no space to build a childcare facility in the factory. According to the interview with management, the factory is preparing to move to a new location.

Local Law or Code Requirement

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

COMPANY ACTION PLANS

Action Plan no 1.

Description

Human Resources Department is working on Retrenchment Strategy and will complete the policy and procedures accordingly by February 2019.

The performance system began, but is collected by writing, there is a plan to implement it using barcode readers.

The policies & Procedures will be reviewed at the first quarter of each year.

PREVIOUS FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. There are no job descriptions for all production workers available when new personnel are hired.
2. The current percentage of disabled workers, 2.7% of the total workforce, is below the legally required percentage (3% of the total workforce). There are currently only 13 disabled workers in the factory. Therefore, the factory needs to hire 1 more disabled worker to meet the legal requirement based on the number of workers at the time of the assessment.

Local Law or Code Requirement

Turkish Labour Law (4857), Article 30; FLA Workplace Code (Employment Relationship Benchmark ER.1 and ER.14)

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Not Remediated)

Explanation: The factory has no written job descriptions for production workers. Management staff has just started to draft the job descriptions.

Root Causes:

The factory has not prepared job descriptions for workers because occupations in the factory are specific and they claim both management and workers are aware of all responsibilities for each job.

2. Finding Status (Not Remediated)

The current percentage of disabled workers, 2.4% of the total workforce, is below the legally required percentage of 3% of the total workforce. There are currently only 13 disabled workers in the factory. Therefore, at the time of the assessment, the factory needs to hire three more disabled workers to meet the legal requirement.

Root Causes:

The factory has applied to the Employment Agency (ISKUR) to facilitate hiring more disabled personnel. Due to a lack of applicants, the factory has waited to hire new personnel.

Local Law or Code Requirement

Turkish Labour Law (4857), Article 30; FLA Workplace Code (Employment Relationship Benchmark ER.1 and ER.14)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The workers job descriptions are completed.

The disabled personel quantity is completed.

PREVIOUS FINDING NO.3

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. The factory made partial payments to workers within the last 12 months: Monthly overtime wages of the workers are paid every two months instead of on a legally required monthly basis.
2. The factory has a fixed monthly payment system and it pays the same amount for every month whether the months end on the 30th or 31st. Thus, workers are missing out on days worth of pay for months that end on the 31st. When the Ministry of Labor formally audited the factory in May 2015, it was reported that the factory should have made the payments for missing days for the months that last 31 days. As a result, a payment was transferred to the workers' accounts ranging between the 500 TRY and 1300 TRY due to their length of service; however, the workers have not been informed about what this payment is for and if they can use it.

Local Law or Code Requirement

Turkish Labour Law (4857), Articles 32 and 34; FLA Workplace Code (Compensation Benchmarks C.1, C.4, and C.5)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: According to documentation review and worker interviews, the factory makes no partial payments and workers receive their payments between the 5th and 10th of every month.

2. Finding Status (Remediated)

Explanation: The factory changed the payment system to make the payments based on hours worked, in accordance with national law.

PREVIOUS FINDING NO.4

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. The factory practices double bookkeeping. One set of records is official and indicates the amount of workers' gross earnings and includes salaries based on the legal minimum wage. The other set is unofficial and includes the rest of the salaries that exceed the legal minimum wage, including the overtime premiums paid. Double bookkeeping is a common practice in Turkey. The factory management stated that they have this practice in place in order to avoid both employee and employer contributions for social security premiums, income tax, and stamp tax, which would lead to an additional 33.5% cost on labor costs

Local Law or Code Requirement

Tax Procedure Law, Article 359; Turkish Labour Law, (4857), Article 32; FLA Workplace Code (Employment Relationship Benchmark ER.23; Compensation Benchmarks C.1, C.15, and C.16)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. The factory no longer practices double-bookkeeping. All earnings, including overtime payments, are reflected to official payrolls, and payments are made through direct deposits into worker bank accounts, in accordance with national law.

PREVIOUS FINDING NO.5

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. The calculation of severance payments does not include meal and transportation allowances, as legally required.

Local Law or Code Requirement

Turkish Labour Law (1475), Article 14; Supreme Court 9th Civil Chamber Verdicts 2008/1635E 2009/14798K, 2007/38244E, 2009/3712K, 2007/24490E, 2008/20203K, 2007/24005E, and 2008/20203K; Supreme Court 9th Civil Chamber Verdicts E.1992/15138,K. and 1993/5687,T. 13.4.1993; Turkish Labour Law, 4857, Article 32; FLA Workplace Code (Employment Relationship Benchmarks ER.2 and ER.19; Compensation Benchmarks C.1 and C.5)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

Finding Status (Remediated)

Explanation: The factory calculates severance payments and includes meal and transportation allowances, according to documentation review and management interviews.

PREVIOUS FINDING NO.6

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. The factory does not have the legally required "Annual Leave Committee". The Annual Leave Committee is a legally required entity, comprised of representatives of employers and worker representatives who meet regularly and is authorized for planning paid annual leave.

Local Law or Code Requirement

Annual Paid Leave Regulation, Article 15; FLA Workplace Code (Hours of Work Benchmark HOW.1)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: The factory established an Annual Leave Committee to make decisions on annual leave, recorded in the Committee meeting minutes.

PREVIOUS FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. The factory practices double bookkeeping with an electronic card system used for time recording and an additional document of overtime hours recorded separately by departmental supervisors with the signature of every worker. Therefore, accurate and authentic working hours are not visible in the time recording system; however, it was verified from the sheets recorded separately that daily working hours exceeded 11 hours for only October, May and April 2015. An average of 10 out of 15 sampled workers worked 12 hours daily.
2. Pregnant workers, lactating worker and young workers work 9 hours daily and additionally 1-2 hours of overtime daily. However, the legal daily limit including overtime hours is 7.5 hours for pregnant and lactating workers and 8 hours for young workers
3. In trimming section, when the workers do not want to stay for overtime, the factory uses a drawing system that determines which workers have to work overtime. Thus, overtime is not voluntary.

Local Law or Code Requirement

Turkish Labour Law, (4857), Articles 63, 71 and 74FLA Workplace Code (Hours of Work Benchmarks HOW.4 and HOW.8; Compensation Benchmark C.16; Child Labor Benchmark CL.4)

VERIFICATION RESULT

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: The factory no longer keeps overtime hours in a separate payroll, keeping all required information in one payroll, including overtime records and payments. According to a working hours record check of 17 workers in November and December 2017, and April, July and August 2018: three workers in April, June and August, and two workers in November, December and July worked more than 11 hours daily, with a maximum of 14.5 hours. In addition to daily excessive working hours, two workers in April and August and one worker in July worked more than 60 hours weekly, a maximum of 73 total hours.

Root Causes:

According to management interviews, workers sometimes need to work overtime over legal limits due to unexpected problems supplying raw materials and managing workload before or after extended public holidays.

2. Finding Status (Remediated)

Explanation: There is only one pregnant worker in the factory, and she leaves the factory at 4pm and works 7.5 hours daily in accordance with law. She does not work overtime. Currently, there are no young or lactating workers in the factory; a formerly lactating worker confirmed she was able to use her leave benefit

3. Finding Status (Remediated)

Explanation: According to worker interviews, overtime is voluntary, and the workers are able to refuse overtime.

Local Law or Code Requirement

Turkish Labour Law, (4857), Article 63; FLA Workplace Code (Hours of Work Benchmarks HOW.1.1 and HOW.8.3)

Recommendations for Immediate Action

Management should ensure workers do not work over 11 hours daily, or 60 hours weekly.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The management decided to limit the overwork time as 11 hours in the week days, and if needed, the more overwork is made on Saturday. This began from November 2018

PREVIOUS FINDING NO.8

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. The worker representative is a supervisor and he has been assigned by management as a worker representative and thus, was not elected by the workers freely. Therefore the worker representation system is not working effectively
2. There are no policy and supporting procedures on Industrial Relations and Freedom of Association

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1, ER.25, and ER.26; Freedom of Association Benchmark FOA.11)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: The worker representative elections were made on January 2016, and currently there are there elected representative for blue collar workers in the factory

2. Finding Status (Remediated)

Explanation: The factory has written policy and procedures on Industrial Relations and Freedom of Association are embedded in the social management system policies and human rights policies

PREVIOUS FINDING NO.9

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Grievance System

Finding Explanation

1. There are no policy and supporting procedures on grievance system of the factory.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.25)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: The factory has grievance system policies & procedures, including suggestion boxes, an open-door policy, and a worker representative system.

PREVIOUS FINDING NO.10

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

1. The factory does not have an effective disciplinary system: There are no records regarding disciplinary actions and the factory lacks steps of disciplinary actions, appeal process, and warning system. There are no policy and supporting procedures on Workplace Conduct & Discipline in the factory. The factory only hanged the workplace rules covering non-allowed actions that will lead to disciplinary actions on a wall in the cutting section
2. There are inappropriate clauses in the written workplace rules although it is not implemented according to interviews with workers and factory management, such as:

- a) 2 hours payments are deducted from the salaries of the workers who do not clock-in the entrance time cards.
 - b) 7 Euro (USD 7.91 or TL 22.31) is deducted from the salaries of the workers who harm or break the entrance cards.
 - c) Toilets and locker rooms are cleaned by the workers and the workers arrange the cleaning groups among themselves
- 3. The workers do not receive a copy of workplace rules during orientation.
 - 4. The workplace rules are not communicated to all workers.
 - 5. Disciplinary actions are not witnessed by a third party during imposition.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.2 and ER.27)

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: The factory has established a disciplinary system, procedures, and a disciplinary committee composed of employer and worker representatives. The document review included disciplinary rules, disciplinary actions, warning types and processes, along with warning letters samples and worker responses.

2. Finding Status (Remediated)

Explanation: The factory removed inappropriate clauses from the procedures and published updated procedures in 2016, in accordance with local laws and benchmarks.

3. Finding Status (Partially Remediated)

Explanation: The workers still do not receive a copy of the workplace rules during orientation. However, an employee handbook including workplace rules is prepared to distribute to the workers soon.

Root Causes: The factory is in the process of improving management systems and formed a handbook of workplace rules to distribute to all workers. The factory had not yet provided this handbook to all workers by the assessment.

4. Finding Status (Remediated)

Explanation: The workplace rules are posted on notice boards, and workers are aware of the rules based on interviews.

5. Finding Status (Not Remediated)

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

Root Causes: The third party witness system is not commonly implemented in Turkey. Additionally, since there are worker representatives in the disciplinary committee, this mission is partly maintained according to management.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.27)

COMPANY ACTION PLANS

Action Plan no 1.

Description

3. Workplace rules distributed to the workers. For the disciplinary actions the Board of Discipline is working at the factory and decided to train the supervisors first to have written records for the inconvenient behaviours of the workers. The result of this can be seen better at the end of 2019.

PREVIOUS FINDING NO.11

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The lockstitch machines do not have finger protections, and the workers do not use (removed or displaced) the eye protection guards for the overlock and Bartack sewing machines in the sewing section.
2. The fluorescent lights do not have protective covers against heat throughout the factory, except in the warehouse.
3. The factory does not provide 50% of the ironing workers with rubber mats against the risk of potential electric shocks. In addition, standing workers in the quality control section are not provided anti-fatigue mats that should be used to reduce fatigue caused for standing long periods on a hard surface.
4. The seats are not adjustable for the sewing section workers. In addition, the factory does not provide workers with ergonomic break or ergonomic training. The factory does not provide applicable workers with lifting belts as proper Personal Protective Equipment PPE.
5. In the yarn cleaning section, approximately 12 workers are of older age between 45 and 60 years old and work standing. As a result, these workers have ergonomic problems, such as back and knee pain.

Local Law or Code Requirement

Health and Safety Law, 6331, Article 5; 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.14, and HSE.17)

VERIFICATION RESULT

Finding Status

Partially Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation:

Although most sewing machines (90%) are equipped with finger and eye guards, 10% were either missing or not used by workers.

Root Causes: Factory management shared that workers are removing them, but the factory does not want to impose disciplinary actions.

2. Finding Status (Remediated)

Explanation:

Based on observations, fluorescent lights are equipped with protective covers.

3. Finding Status (Remediated)

Explanation:

All ironing section workers are provided with rubber mats to protect against the risk of potential electric shocks, and standing workers in the quality control section are provided anti-fatigue mats.

4. Finding Status (Partially Remediated)

Explanation:

The seats in sewing section still do not have adjustable seats. However, observations and document review showed the factory has provided ergonomic training to all workers and lifting belts to warehouse workers.

Root Causes: Cost associated with adjustable seats. Ergonomic improvements are not a legal requirement and not a common practice in Turkey.

5. Finding Status (Remediated)

Explanation: Based on observations and document review, the factory provides anti-fatigue mats to thread trimming section workers, and these workers have reported no health issues.

Local Law or Code Requirement

Health and Safety Law, 6331, Article 5; Regulation about Requirements of Using Workplace Equipment, 25.04.2013, Article 9 and 10; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.14, and HSE.17)

Recommendations for Immediate Action

1. Provide finger and eye guards to all required machines in sewing section and train workers to use machine guards appropriately.
2. Provide adjustable seats to workers.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The supervisors will be trained again and disciplinary records will be kept.

2. Ergonomic seats budget is given to the management, will be put in 2019 budget

PREVIOUS FINDING NO.12

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. There is no legally required battery powered illumination system in the factory in general, posing a potential risk for safe evacuation in case of an electricity cut and non-functioning illumination.
2. The factory's warehouse and shipping section are located in a shared area with another factory of the same owner. This factory was in the moving process another new factory location during the assessment. Therefore, one of the emergency exits was completely obstructed with fabrics and not even visible. Moreover, in the warehouse-shipping section of the factory, there were no emergency evacuation signs, fire extinguishers or fire alarm buttons although there are a lot of boxes, which carry risk of fire. The main emergency exit door of the warehouse and shipping section is a sliding door with no exit sign. Workers of the other factory have hanged a sign to keep the door close at all times to avoid winds from outside due to cold weather.
3. The alarm button and the two fire extinguishers in the accessories section were obstructed with production boxes. Moreover, there was one fire extinguisher obstructed with boxes in cutting section.
4. There was no emergency evacuation plan in the accessory section. Moreover, the evacuation plans in the factory are misleading since they direct workers the opposite way of the actual evacuation route and do not actually reflect the actual situation of the floor plan
5. There was no insulation mat in front of the switchboard in the accessory section. Moreover, there were papers of package of the products just near the switchboard panel, posing a potential fire hazard.
6. The factory does not have the legally required signs for the fire extinguishers fire alarm buttons and emergency exits in the canteens that identify them as such since the canteen was just recently build. Moreover, the factory does not have markings on the floor of the canteen directing workers to exits in case of an evacuation, such as arrows on the floor.
7. In the cutting section, the second emergency door, which opens outwards to the emergency stairs, does not have any exit sign identifying the emergency exit as such. In addition, there are older signs, which direct to the old emergency exit just near the new one.
8. The old exit doors which opens to old emergency stairs outside are not locked and no signs are provided that indicate that these doors cannot be used as emergency exits in case of emergency. Thus, the existence of the old exit doors with signs that direct workers to the former exit doors might pose a potential risk in case of an emergency when workers have to be directed to the closest emergency exit available to the worker, violating local law that state that workers should be directed to the closest exit door for safe evacuation
9. In the sewing section, half of the tables with finished goods near both sides of the workstations are not wheeled, which makes it difficult to evacuate easily in case of emergency.
10. Quality control section tables are placed on the evacuation aisle of the shirt ironing section and there is a hanger for the shirts near this section, which obstructs the evacuation aisle
11. There are two assembly points, one of the points is placed in front of the factory building while the other main one is placed at the entrance of the factory area, which is also shared by another factory's occupant; however, too many cars were parked in front of the main assembly point
12. There are designated staff members that complete multiple tasks in their position, such as first-aid, communication and rescue teams inside the emergency team instead of different personnel with different specifically assigned duties, as legally required.

Local Law or Code Requirement

Protection of Buildings from Fire Regulation, Articles 30, 35, 70,71, 72, 73 and 99; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, (Addition 1) Articles 4, 10 and12; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.5, and HSE.6

VERIFICATION RESULT

Finding Status

Partially Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation:

The factory installed a battery-powered emergency illumination system throughout the building.

2. Finding Status (Remediated)

Explanation:

Emergency exits and routes are clear from obstruction in the warehouse and shipping areas. Emergency evacuation signs, fire extinguishers, and fire alarm buttons are available.

3. Finding Status (Partially Remediated)

Explanation:

Although all fire extinguishers and alarm buttons were free from obstruction, protective glass of one fire alarm button (#18 in the cutting section) was broken.

Root Causes: The location of some fire alarms were not selected properly and vulnerable to potential damage from carts and pallet trucks.

4. Finding Status (Remediated)

Explanation:

Based on the visual observations, it was found that emergency evacuation plan provided in accessory section and confusing points on evacuation routes in emergency evacuation plans addressed.

5. Finding Status (Remediated)

Explanation:

There are insulator mats in front of the electrical panel in the accessory section. The factory also removed flammable materials that had been stored around the electrical panel.

6. Finding Status (Remediated)

Explanation:

The factory has marked fire extinguishers, fire alarm buttons, floors and emergency exits in canteen area.

7. Finding Status (Remediated)

Explanation:

The factory has added an emergency exit sign to the second emergency exit door in the cutting section and marked the old emergency exit as "not in use".

8. Finding Status (Remediated)

Explanation:

The previous emergency exit doors are marked as "not in use".

9. Finding Status (Remediated)

Explanation: Finished goods tables near the both sides of workstations now have wheels.

10. Finding Status (Remediated)

Explanation: Evacuation routes in the ironing section are unobstructed.

11. Finding Status (Partially Remediated)

Explanation:

Emergency assembly areas are mostly kept clear of cars. However, during the first day of the assessment, a contractor company car was temporarily parked in one of the emergency assembly points.

Root Causes: Contractors are on the factory premises due to an ongoing sprinkler installation, and the factory lacks control over these contractors.

12. Finding Status (Remediated)

Explanation:

Based on document review and interviews, the factory has revised the emergency response plan and changed emergency response teams in response to relevant legislation. They have designated staff for each emergency response team and eliminated the practice of assigning same staff to different teams.

Local Law or Code Requirement

Protection of Buildings from Fire Regulation, Article 75; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1 and HSE.5)

Recommendations for Immediate Action

1. Provide proper protective glass over the fire alarm buttons and make check them regularly.
2. Ensure emergency assembly areas are not used for parking.

COMPANY ACTION PLANS

Action Plan no 1.

Description

3. Alarm buttons are renewed.

11. To keep emergency assembly area empty, the related employees – security personnel - are warned.

PREVIOUS FINDING NO.13

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The cabinets in the locker rooms are not locked to prevent theft, as legally required.
2. There are no flushes in the toilets. Workers flush the toilets manually by using buckets of water, posing a potential hygiene hazard.
3. There are missing signatures of the employer representative, HR specialist and workplace doctor on the risk assessment report, as legally required. Moreover, neither risk assessment report nor another Health & Safety related document show the corrective actions that have been taken.

Local Law or Code Requirement

Health and Safety Risk Assessment Regulation Articles 6 and 11; Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, (Addition 1) Articles 50, 51 and 55; FLA Workplace Code (Health, Safety, & Environment Benchmarks HSE.1 and HSE.19)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation:

The factory locks the cabinets in the locker rooms to prevent theft.

2. Finding Status (Remediated)

Explanation:

The factory now has flushing toilets

3. Finding Status (Remediated)

Explanation:

Based on the document review, it was found that missing signatures of the employer representative, HR specialist and workplace doctor on the risk assessment report provided. Revised risk assessment report shows corrective actions and regrading of the risks.

PREVIOUS FINDING NO.14

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. There is no legally required approved waste management plan; however, the application for approval was made to the Ministry of Environment and Urbanisation.
2. The factory does not have the legally required environmental permit exemption document; however, the factory applied for the

environmental permit in November 2015 for the first time and was still waiting to obtain the permit at the time of the assessment.
3. The factory does not have an environmental policy; however, some documents or systems exist to manage environmental protection.
4. A statement of the factory 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 is missing in the environmental related documents.

Local Law or Code Requirement

Regulations for Permits and Licenses to be Obtained, Required by the Environment Law, Waste Management Regulation Article 9; FLA Workplace Code (Health, Safety, and Environment Benchmarks HSE.1 and HSE.4)

VERIFICATION RESULT

Finding Status

Remediated

Remediation Details

1. Finding Status (Remediated)

Explanation: The factory has obtained the legally-required approved waste management plan from local authorities.

2. Finding Status (Remediated)

Explanation: The factory obtained the legally-required environmental permit exemption document.

3. Finding Status (Remediated)

Explanation: The factory has prepared an environmental policy.

4. Finding Status (Remediated)

Explanation: The environmental policy includes a statement of the factory 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

PREVIOUS FINDING NO.15

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Communication & Worker Involvement (Macro)

Finding Explanation

1. The worker integration component is missing across all Employment Functions. This indicates that the factory has not established procedures to request and/or receive workers' input/feedback regarding the creation, implementation, and updating of its policies and procedures. Workers are neither systematically integrated nor consulted in decision-making processes.
2. The factory does not communicate its implementations to the workers.
3. The factory never arranges consultation meetings with workers or worker/union representatives before management reaches any final decisions on layoffs.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, ER.25, and ER.32)

VERIFICATION RESULT

Finding Status

Not Remediated

Remediation Details

1. Finding Status (Partially Remediated)

Explanation: The factory has a worker representative and workers can raise Health & Safety concerns through worker representatives. However, for other employment functions, workers are not yet integrated, as the factory has not established procedures to request or

receive workers' feedback regarding the creation, implementation, or updating of its policies and procedures. Beyond Health & Safety, workers are neither systematically integrated nor consulted in decision-making processes.

Root Causes: The management has a dialogue mechanism with workers, and gets feedback from the workers through the grievance mechanism. Since workers' requests and inputs are received already by the 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: The factory has posted policies & procedures on notice boards, and workers have received trainings, based on documentation review and worker interviews.

3. Finding Status (Not Remediated)

Explanation: According to the document review, factory management does not arrange consultation meetings with workers or worker or union representatives before management reaches any final decisions on layoffs.

Root Causes: The factory asks for written defense letters from workers during the layoff process in compliance with local law. Since legislation does not require a consultation meeting, the factory does not hold them. Laws allow workers to appeal after layoffs.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.16, ER.25, and ER.32)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Regular meetings with worker representatives will be held beginning 2019. Will send the attendance list and photos when it is held.

Action Plan no 2.

Description

Regular meetings with worker representatives will be held beginning 2019. Will send the attendance list and photos when it is held.

New Findings and Action Plans

NEW FINDING NO.1

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Termination & Retrenchment

Finding Explanation

1. According to documentation review, the factory terminated six workers 17.08.2018, all on the same day. In each case, the factory indicated low performance, behavior against supervisors, and brawling attitudes as the reasons for termination. Four of these workers have not accepted these claims and did not sign the termination letter. They have the right to litigate, to restart employment. Two of these workers signed the termination letters and received severance payments correctly. Although their terminations cite disciplinary actions and low performance, there no records of these claims in the factory. The factory has not kept records of disciplinary actions and does not have systematic performance evaluations to track low performance. Additionally, the workers are union members, so this situation risks wrongful termination. According to interviews with management, these termination cases are not related to union membership, and other workers were terminated due to workload changes and low performance.

Local Law or Code Requirement

Turkish Labor Law (4857), Article 18; FLA Workplace Code (Employment Relationship Benchmarks ER.27.1 and ER.32, Non-discrimination Benchmark ND.1, Freedom of Association Benchmark FOA.5)

Recommendations for Immediate Action

Keep records of disciplinary action and performance evaluations to ensure termination process is fair.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Performance evaluation system will be followed by barcodes and the supervisors will keep written warnings for inconvenient behaviours of the workers.

NEW FINDING NO.2

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. The factory provides paid annual leave to the workers; however, according to documentation review, workers have unused leave from past years. Approximately 40% of workers have unused leave, from 20 to 52 days.

Local Law or Code Requirement

Turkish Labor Law (4857), Article 53; FLA Workplace Code (Hours of Work Benchmarks HOW.11 and HOW.12)

Recommendations for Immediate Action

Provide legally-required annual leave to all workers, every year.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The annual leave program for 2019 is determined at Board of Annual Leave. See attached document. It will be announced in February to workers. Human resources is working for the total annual leave list of all the workers. As it is completed, every workers remaining annual leaves will be arranged with their supervisors, according to capacity planning.

NEW FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The factory's job application forms require applicants' marital status and military service history.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.3, Non-discrimination Benchmark ND.2)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. This is corrected. See the final form, which is already in use.

NEW FINDING NO.4

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The factory's Earthquake Resistance Report of the production building, warehouse, and canteen is missing.
2. The factory has no fire detectors on two floors or the mechanical workshop area.
3. MSDS forms for MSA900, GF Kleanfix, and Ustaoglu Select 1, three of five chemicals sampled, were missing.
4. Roofing material of the production building contains asbestos, and no safety precautions, like labeling or fiber measurement, were in place.
5. Although there are Residual Current Devices in the electrical panels, they are inactive due to existing current leakage levels.
6. There is no periodic review system for first aid kits; some materials were missing, while others were expired.

Local Law or Code Requirement

Turkish Earthquake Code 2007 and the Content of Performance Reports under the Impacts of Earthquake; Protection of Buildings from Fire Regulation, Article 75; Health and Safety Precautions on Working with Chemicals Regulation, Articles 6 and 7, Regulation for Health and Safety Requirements in Workplaces and its Extension Buildings, (Addition 1) Articles 4 and 60; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.4, HSE.10 and HSE.13)

Recommendations for Immediate Action

1. Obtain Earthquake Resistance Report for all buildings in the factory.

Provide fire detectors on all floors of the factory, and the mechanical workshop area.

Eliminate all risks regarding asbestos use and take proper safety precautions.

Regularly check first aid kits and provide missing supplies.

COMPANY ACTION PLANS

Action Plan no 1.

Description

- 1.The report cost is given to the management , will be reviewed for 2019 budget.

2. There is total 114 detectors in the company. Missing ones are mounted, see the photos attached.

3. MSDS forms are completed. See attached file.

4. There is safety precautions already, see attached photos. And it is necessary only if any repairment is needed at the roof. The person using this area is trained as well.