

# Ethical Trade Audit Report

Version 6.1



Audit Details			
Company Reference:	ZC: 421337244	Site Reference:	ZS: 421337665
Business name (Company name):	MATSIS MATBAA HIZMETLERI SAN VE TIC. LTD. STI.		
Site name:	MATSIS MATBAA HIZMETLERI SAN VE TIC. LTD. STI.		
Site address: (Please include full address)	Tevfikbey Mah. Doktor Ali Demir Cad. No: 51/1 Zemin Kat Kucukcekmece, Istanbul	Country:	Turkey
Site contact and job title:	Ms. Neslisah Onder – CSR Responsible		
Site phone:	00902126242111	Site e-mail:	neslisah@matbaasistemleri.com
Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	13 <sup>th</sup> - 14 <sup>th</sup> October 2022		

<b>Audit Company Name &amp; Logo :</b>  API	<b>Report Owner (payer):</b>  MATSIS MATBAA HIZMETLERI SAN VE TIC. LTD. STI.
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

## Audit Content:

(1) An audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the Methodology are stated (with reasons for deviation) in the Declaration.

(2) The audit scope was against the following reference documents

### 2-Pillar Audit

- ETI Base Code
- Additions
  - Universal rights covering UNGP
  - Management systems and code implementation,
  - Responsible Recruitment
  - Entitlement to Work & Immigration,
  - Sub-Contracting and Home working,

### 4-Pillar Audit

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / Additions & local law and recorded as non-compliances on both the audit report and CAPR.

(4) Any Non-Compliance against customer code shall not be uploaded to . However, in the CAPR these 'Variances in compliance between ETI code / Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

## Declaration

I declare that the audit underpinning the following report was conducted in accordance with ETI Base Code and local law requirements.

- (1) Where appropriate non-compliances were raised against the ETI code / Additions & local law and recorded as non-compliances on both the audit report and CAPR.

Any exceptions to this must be recorded here (e.g. different sample size):

Auditor Team (s) (please list all including all interviewers):

Lead auditor: S. SARIKUL - SENIOR AUDITOR Auditor number: RA21742233

Team auditor: NONE

Interviewers: S. SARIKUL

Report writer: S. SARIKUL

Auditor number: RA21742233

Report reviewer: SNOWY PAN

Date of declaration: 13<sup>th</sup>-14<sup>th</sup> October 2022

*Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.*

*This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.*

## Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.		Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)
		ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A	<a href="#">Universal Rights covering UNGP</a>			<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	• None
0B	<a href="#">Management systems and code implementation</a>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	• None
1.	<a href="#">Freely chosen Employment</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	• None
2	<a href="#">Freedom of Association</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	• None
3	<a href="#">Safety and Hygienic Conditions</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	• None
4	<a href="#">Child Labour</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	• None
5	<a href="#">Living Wages and Benefits</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	2	GE-1: Free food is provided to the employees. GE-2: Free transportation service is provided to the workers
6	<a href="#">Working Hours</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	• None
7	<a href="#">Discrimination</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	• None
8	<a href="#">Regular Employment</a>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	• None
8A	<a href="#">Sub-Contracting and Homeworking</a>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	• None
9	<a href="#">Harsh or Inhumane Treatment</a>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	• None

10A	Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	• None
10B2	Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	• None
10B4	Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	• None
10C	Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	• None

General observations and summary of the site:

The factory was established in 2009. The building structure is concrete. Total facility closed area is 2500 m<sup>2</sup>. The product manufactured at this site are printed paper products such as catalog, brochure and magazine. Regular working hours of administration and production sections were 1 shift from Monday to Friday; 08:00 a.m. to 18:00 p.m. with 2x15 mins tea break and 30 minutes meal break. Saturdays and Sundays were granted rest day for all workers in the factory.

Auditor arrived to the facility at 09:00 am on 13.10.2022 and held an opening meeting according to the ETI Base Code. The facility management was present in the meeting and showed a positive attitude to the audit process. Opening and closing meeting was held with Ms. Neslisah Onder – CSR Responsible who is responsible for social compliance management systems in the factory. During the audit, factory management provided documentation for the audit, allowed site tour and worker interviews. Based on auditor's audit assessment, there is no non-compliance was noted during this audit and factory fulfils the requirements of ETI Base Code and local laws. The following Good Example has been noted as a result of this audit.

The details of number of employees for the facility is as below:

Pregnant: 0

Maternity Leave: 0

Disabled: 0

Young employees: 0

Youngest employee is 18 years old.

Payment Period for factory employee: Monthly

Payment Day: Normal Wages are paid on 10<sup>th</sup> of each month.

**Good Examples:**

GE-1: Free food is provided to the employees.

GE-2: Free transportation service is provided to the workers

*\*Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

## Site Details

Site Details		
A: Company Name:	MATSIS MATBAA HIZMETLERI SAN VE TIC. LTD. STI.	
B: Site name:	MATSIS MATBAA HIZMETLERI SAN VE TIC. LTD. STI.	
C: GPS location: (If available)	GPS Address:	Latitude: 41.006954902414314 Longitude: 28.806829344282967
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business Opening and Operating Permit: # 202100875	
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Paper products such as catalogues, brochures, books and magazines.	
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>The factory was established in 2009. All manufacturing processes (pre-press, web-fed offset, sheet-fed offset, packaging and box printing, digital print, binding and finishing were done in the factory. There were no subcontractors used by the factory. The ownership of the factory was local and private. The factory occupies one floor of a 4 storey concrete building with a total production area of 2500 square meters.</p> <p>There was no dormitory attached to the factory. No union was established in the factory. The entire workforce of the factory consists of a total of 112 employees (100 Male, 12 Female). All workers were living domestically and had permanent contracts. The youngest worker was 18 years old in the factory. The regular monthly salaries were paid in monthly rate to all employees through bank transfer on the 10<sup>th</sup> of each month.</p> <p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed?  <input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p> <p>F2: Please give details: No structural cracks observed.</p> <p>F3: Does the site have a structural engineer evaluation?  <input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p> <p>F4: Please give details: There is a structural engineer evaluation before receiving the Building Licence and it is a standard procedure.</p>	
G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower	



	<input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor
H: Month(s) of peak season: (if applicable)	Stable
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	The product manufactured at this site are printed paper products such as catalogues, brochures, books and magazines. All manufacturing processes (pre-press, web-fed offset, sheet-fed offset, packaging and box printing, digital print, binding and finishing were done in the factory. The factory has a monthly capacity of 600 tones paper products.
J: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (Worker representative was elected by workers) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g., dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: If no, please give details



Audit Parameters			
A: Time in and time out	Day 1 Time in: 09:00 Day 1 Time out: 18:00	Day 2 Time in: 09:00 Day 2 Time out: 17:30	Day 3 Time in: - Day 3 Time out: -
B: Number of auditor days used:	2,5 MAN DAY (1 Auditor x 2,0 Days) + 0,5 Day Reporting		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other  If other, please define		
D: Was the audit announced?	<input type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail:    weeks <input checked="" type="checkbox"/> Unannounced		
E: Was the SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: If No, why not: Factory was aware of Sedex SAQ.		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If <b>Yes</b> , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Ms. Neslisah Onder – CSR Responsible		
H: Is further information available (If yes, please contact audit company for details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
I: Previous audit date:	NA		
J: Previous audit type:	NA		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No  <input checked="" type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	Worker representative was present and attended to worker interviews.		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	N/A		

## Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	100	0	0	0	0	0	0	100
Worker numbers – female	12	0	0	0	0	0	0	12
Total	112	0	0	0	0	0	0	112
Number of Workers interviewed – male	20	0	0	0	0	0	0	20
Number of Workers interviewed – female	6	0	0	0	0	0	0	6
Total – interviewed sample size	26	0	0	0	0	0	0	26

A: Nationality of Management	Turkish	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first.</p> <p><i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities:</p> <p>B1: Nationality 1: Turkish</p> <p>B2: Nationality 2: _____</p> <p>B3: Nationality 3: _____</p>	<p>Was the list completed during peak season?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If no, please describe how this may vary during peak periods:</p>
C: Please provide more information for the three most common nationalities.	<p>C: 100 % total workforce: Nationality 1 Turkish</p> <p>C1: approx % total workforce: Nationality 2 _____</p> <p>C2: approx % total workforce: Nationality 3 _____</p>	
D: Worker remuneration (management information)	<p>D: _____% workers on piece rate</p> <p>D1: _____% hourly paid workers</p> <p>D2: _100_% salaried workers</p> <p>Payment cycle:</p> <p>D3: _____% daily paid</p> <p>D4: _____% weekly paid</p> <p>D5: _100_% monthly paid</p> <p>D6: _____% other</p> <p>D7: If other, please give details</p>	

Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: (Please specify number and size of groups.)	5 workers of 4 groups	
D: Number of individual interviews	D1: Male: 3	D2: Female: 3
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If no, please give details	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	All workers interviewed had a positive attitude to management and site, no complaint raised during interviews.	
I: What did the workers like the most about working at this site?	Working environment, food and transport benefits.	
J: Any additional comment(s) regarding interviews:	Most workers enjoyed working at this factory, they felt they had sufficient work and had a good relationship with management in general.	
K: Attitude of workers to hours worked:	Workers expressed that they sometimes wanted to work extra, to earn more money, however they could turn down overtime if they wanted.	

L. Is there any worker survey information available?

- ☒ Yes  
☐ No

L1: If yes, please give details: There is an annual worker satisfaction survey conducted by management in the factory. Auditor saw records and improvements made, including improved food in the canteen.

M: Attitude of workers:

*(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk*

26 employees were interviewed during the audit. They were elected in accordance with their age, sections, experience in the firm, and information existent in personnel file records, contracts, health care reports and risk analysis. According to the interviews, workers are thinking positively about working the firm. Many of them highlighted those payments are stable and there is no delay in payments. They also commented that employment in the firm in comparison with the other factories around the same location is one of the best. Most of the workers were very calm during the interview and provided answers to the questions without hesitation. They additionally commented that in the firm everything is in order, and every worker knows what is his/her part is therefore their Terms of Reference is clear for them. Moreover, employees mentioned that they receive regular trainings, both OHS and technical. Some of the employees mentioned the level of dust in the workplace that it sometimes can be a challenge. When they were asked about if there are systems in place to ensure the employee health is protected, they stated that periodic health checks are concluded every year, and PPE equipment were provided to all staff considering their needs in every related section.

N: Attitude of worker's committee/union reps:

*(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk*

There were 2 representatives who were elected by the workers and participated into the interview. Worker representatives were neutral and provided answers to our questions.

O: Attitude of managers:

*(Include attitude to audit, and audit process. Both positive and negative information should be included)*

Managers were very cooperative and transparent during auditor's interview process.

## Audit Results by Clause

### 0A: Universal Rights covering UNGP

[\(Click here to return to summary of findings\)](#)

#### 0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

### Current Systems and Evidence Examined

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

#### Current systems:

Ms. Neslisah Onder – CSR responsible is responsible for implementing standards concerning Social Rights and also responsible for the implementation of the ETI Base Code. In terms of procedures, the firm has many written documents for implementation of the policies regarding human rights. Written policy and procedures are available in the factory.

#### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details: Confirmed with management interview, document review, site tour and worker interview

Any other comments: None

A: Policy statement that expresses commitment to respect human rights?

☒ Yes

☐ No

A1: Please give details: (mainly applicable for the parent company):

All social compliance procedures were available in the factory.



B: Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: Name: Ms. Neslisah Onder Job title: CSR responsible
C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: Under HR policies, systems are defined through procedures, and employees can report and deal with human rights impacts without fear of reprisals, mainly reporting to management by using open door policy.
D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Personal information such as HR Files, payment details, employment history are kept secure in the firm, and only designated person(s) can access to that information.

Findings		
<b>Finding: Observation</b> <input type="checkbox"/> <b>Company NC</b> <input type="checkbox"/> <b>Description of observation:</b> None  <b>Local law or ETI/Additional elements / customer specific requirement:</b> N/A  <b>Comments:</b> Nil		<b>Objective evidence observed:</b> N/A

Good examples observed:	
Description of Good Example (GE): None	<b>Objective Evidence Observed:</b> N/A

## Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	Last year: 2021 0,95 %	This year: 2022 0,86 %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 <sup>st</sup> day of 90 day period + number of employees on the last day of the 90 day period) / 2]	1,99 %	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 <sup>st</sup> day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: 2021 0,89 %	C2: This year: 2022 0,70 %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 <sup>st</sup> of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	1,95 %	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: Accidents are recorded in HR department.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: 2021 Number: 0	F2: This year: 2022 Number: 0
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0 %	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 2021 0	H2: This year: 2022 0
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months 0% workers	I2: 12 months 0% workers

J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months 0% workers	J2: 12 months 0% workers
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**0B: Management system and Code Implementation**[\(Click here to return to summary of findings\)](#)

0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.  
 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with  
 0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.  
 0.B.4 Suppliers are expected to communicate this Code to all employees.  
 0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

**Current Systems and Evidence Examined**

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

**Current systems:**

Ms. Neslisah Onder – CSR responsible is responsible for the implementation of the Code. ETI Base Code, is hanged on the notification board for the employees. Organisational chart and reporting line was determined in the factory. The work instructions, timetable and emergency instructions were available. The firm is operating legally with the correct business licences and permissions. Land right permissions and related documentation is available.

**Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):**

Details:

1. Business Opening and Operating Permit
2. Building Operating Permit
3. Signed ETI Base Code available on the notification board
4. Company Social Policy and Procedures

Any other comments: None

**Management Systems:**

A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: The site has not been subject to any fines/prosecutions in the last 12 months.
B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Yes

C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	The policy and procedures are effectively implemented, and verified through document review, management declaration and worker interviews.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: The trainings are received by workers and managers.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Workers were aware of trainings documents
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). <i>Please detail (Number and date).</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please give details: NA
G: Is there a Human Resources manager/department? If yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Ms. Neslisah Onder – CSR responsible
H: Is there a senior person / manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Ms. Neslisah Onder – CSR responsible
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The firm subject to keep employee information confidential, due to the Turkish Law on Privacy Act.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: There were effective procedure and all documents was prepared by CSR responsible.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Risk assessments are conducted properly and OHS Specialists are responsible for updating the risk assessments.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: The facility has a process to address issues while conducting risk assessments including implementation of controls to reduce identified risks.

<p>M: Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  M1: Please give details: There is a policy that require certain labour standards of the firm's own suppliers.</p>
<p style="text-align: center;"><b>Land rights</b></p>	
<p>N: Does the site have all required land rights licenses and permissions?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  N1: Please give details: The site has required land right licences and permissions, can be seen in Building Operating Permit.</p>
<p>O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  O1: Please give details: Systems are in place.</p>
<p>P: Does the site have a written policy and procedures specific to land rights.  If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No  P1: If yes, how does the company obtain FPIC:</p>
<p>Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  Q1: Please give details: Building Operating Licence proves that the facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>
<p>R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No  R1: Please give details: The facility does not demonstrate alternatives to a specific land acquisition.</p>
<p>S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No  S1: Please give details: There was no illegal appropriation of land for facility building or expansion of footprint.</p>

Non-compliance: 0	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None  <b>Local law and/or ETI requirement:</b> N/A  <b>Recommended corrective action:</b> Nil	<b>Objective evidence observed:</b> N/A

Observation:	
<b>Description of observation:</b> None  <b>Local law or ETI requirement:</b> N/A  <b>Comments:</b> Nil	<b>Objective evidence observed:</b> N/A

Good Examples observed:	
Description of Good Example (GE): None	<b>Objective evidence observed:</b> N/A

<b>1: Freely Chosen Employment</b> <a href="#">(Click here to return to summary of findings)</a>	
<p align="center"><b>ETI</b></p> <p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.</p>	

Current Systems and Evidence Examined
<i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i>
<b>Current systems:</b>  During this audit, 26 worker's files were sampled and found that the factory does not hold any original documents such as official ID cards, educational certificates, etc. Factory management directly recruited all workers. According to workers' information, workers can move freely inside the work premises without any restriction to toilets or breaks. This is also verified through factory tour and worker interview

**Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):**

1. Policy documents
2. Personnel files (26 samples)
3. Worker Contracts
4. Worker interviews

Any other comments: None

A: Is there any evidence of retention of original documents, e.g. passports/ID's	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected:
B: Is there any evidence of a loan scheme in operation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:
C: Is there any evidence of retention of wages /deposits	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding:
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding:
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected:
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: HR Policy and Social Policies of the firm defines the employment procedure.



Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against customer code: None <b>Local law and/or ETI requirement:</b> N/A <b>Recommended corrective action:</b> Nil	<b>Objective evidence observed:</b> N/A

Observation:	
<b>Description of observation:</b> None <b>Local law or ETI requirement:</b> N/A <b>Comments:</b> Nil	<b>Objective evidence observed:</b> N/A

Good Examples observed:	
Description of Good Example (GE): None	<b>Objective evidence observed:</b> N/A

## 2: Freedom of Association and Right to Collective Bargaining are Respected

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

### ETI

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

### Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

#### Current systems:

There was no union established in the company. However, factory has adequate procedure on workers have the right to join or form trade unions of their own choosing and to bargain collectively without any distinction. There were worker representatives elected democratically by employees. There was grievance system included procedures, grievance boxes in production area and grievance committee included management and worker representatives and open-door policy. Grievance boxes were checked monthly basis and records were kept by the company management

#### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details: Company policies/procedures were obtained for review. It was also confirmed with site observation, management, worker representative and worker interviews.  
Any other comments: None

A: What form of worker representation/union is there on site?

- ☐ Union (name)
- ☐ Worker Committee
- ☒ Other (Worker representative was elected by workers)
- ☐ None

B: Is it a legal requirement to have a union?

- ☐ Yes
- ☒ No

C: Is it a legal requirement to have a worker's committee?

- ☐ Yes
- ☒ No

D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)

- ☒ Yes
- ☐ No
- D1: Please give details: Worker Representation, Open Door Policy
- D2: Is there evidence of free elections?
- ☒ Yes

	<input type="checkbox"/> No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Verified during management interview, worker interview and site tour and document review.	
F: Name of union and union representative, if applicable:	N/A	F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Worker Representative	G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Date of last election: 20.06.2022
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: 20.06.2022
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If <b>yes</b> , please state how many: There were 2 worker representatives who elected by the workers and interviewed during the audit time.	
L: Please describe any evidence that union/worker's committee is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i>	There is no Union or worker committee present at site. However, worker representatives are present and they are responsible for participating into OHS Board Meetings, representing employees and listening them to address the employee problems.	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If <b>Yes</b> , what percentage by trade Union/worker representation	M1: 0 % workers covered by Union CBA	M2: 0 % workers covered by worker rep CBA
M3: If <b>Yes</b> , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A	

Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None  <b>Local law and/or ETI requirement:</b> N/A  <b>Recommended corrective action:</b> Nil	<b>Objective evidence observed:</b> N/A

Observation:	
<b>Description of observation:</b> None.  <b>Local law or ETI requirement:</b> N/A  <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

Good Examples observed:	
Description of Good Example (GE): None	<b>Objective evidence observed:</b> N/A

### 3: Working Conditions are Safe and Hygienic

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[\(Click here to return to Key Information\)](#)

#### ETI

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

#### Current Systems and Evidence Examined

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

#### Current systems:

##### General Health and Safety management

Potable water was freely available in all areas and test certificates were up-to-date.

Sufficient clean toilets segregated by gender were available at all times to workers.

Ventilation, temperature and lighting were adequate for the production processes.

Health certificates for kitchen operators and the hygiene certificate for the kitchen was up-to-date and legal.

There were enough first-aid certified employees.

The fire and evacuation drills were performed in 05.07.2022

Risk assessment was observed.

Emergency case plans were provided inside the facility.

Minutes of meetings show that there are meetings once every month between the H&S committee (workers) and the H&S manager, and each point is acted on.

##### Fire Safety

There were at least 2 exits from each work area and these were clearly marked.

Firefighting equipment are adequate but checks weren't up-to-date.

Fire drills were organised and recorded.

##### Electrical safety

All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards.

##### Chemical safety

All chemicals were correctly labelled.

Workers had been trained on chemical procedures as well as what to do in an emergency.

#### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

##### Details:

Risk Analysis latest review date is 06.2022

Emergency Action Plan is dated 06.2022

Hygiene certificates are available for the kitchen staff.  
First Aid Certificate numbers are sufficient and available.  
Periodic inspection records of pressured equipment are valid.  
The factory has 1 OHS Specialist

Any other comments: None

A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: OHS trainings were given at the first day of the employment to the personnel and related procedures does exist
B: Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The company's procedures and policies were available in notice boards.
C: Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: There are no structural additions, everything is according to the building operating licence.
D: Are visitors to the site informed on H&S and provided with personal protective equipment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: During the site tour, auditor was provided with PPEs.
E: Is a medical room or medical facility provided for workers?  If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: There is a medical room, and it meets with the legal requirements.
F: Is there a doctor or nurse on site or there is easy access to first aider/trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: There were enough first aider workers in the factory.
G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Transportation is fit for purpose and it is safe. It was also verified through worker interviews.
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Dressing rooms are available for workers to have a secure storage space. It is fit for purpose.
I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Risk assessment is conducted by OHS Specialists and the risks are identified properly, to reduce identified risks.

J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The Letter of EIA and Environmental Permit is available for review, which shows that the site is meeting with the legal obligations.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N/A K1: Please give details: Chemical warehouse was properly and required standards.

Non-compliance:		
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against customer code: None	<input type="checkbox"/> NC against Local Law	<b>Objective evidence observed:</b> N/A
<b>Local law and/or ETI requirement:</b> N/A		
<b>Recommended corrective action:</b> Nil		

Observation:	
<b>Description of observation:</b> None.  <b>Local law or ETI requirement:</b> N/A  <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

Good Examples observed:	
Description of Good Example (GE): None	<b>Objective evidence observed:</b> N/A



#### 4: Child Labour Shall Not Be Used

[\(Click here to return to summary of findings\)](#)

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##### ETI

4.1 There shall be no new recruitment of child labour.

4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.

4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

#### Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

##### Current systems:

During the hiring process, factory do verify the age of the workers by checking the official documents of the employees. The firm retain a copy of the documents and keep it in HR files. During the audit, auditor verified 26 workers' personnel files, by reviewing the ages of the workers, through firm employee list, HR files, contracts and health reports. According to the age documentation of the employees, no child labour was found and worker's testimonies support documentary evidence of compliance.

##### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details: Company policies/procedures, personnel files and recruitment records were obtained for review. It was also verified with management and worker interviews.

Any other comments: None

A: Legal age of employment:	15 Years old
B: Age of youngest worker found:	18 Years old
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? <a href="#">(Go to clause 3 – Health and Safety)</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, give details

Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None  <b>Local law and/or ETI requirement:</b> N/A  <b>Recommended corrective action:</b> Nil	<b>Objective evidence observed:</b> N/A

Observation:	
<b>Description of observation:</b> None.  <b>Local law or ETI requirement:</b> N/A  <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

Good Examples observed:	
Description of Good Example (GE): None	<b>Objective evidence observed:</b> N/A

## 5: Living Wages are Paid

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key information\)](#)

### ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

### Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

#### Current systems:

During this audit, 26 payroll records of 3 different months, 78 payroll records in total (September 2022-latest paid, June 2022 and May 2022) were sampled to evaluate the wages and compensation status of the factory. A review of pay records yielded that the legal minimum wage was granted for all workers. According to provided records, monthly wages were paid in monthly rate latest on the 10<sup>th</sup> of each month through bank transfer.

#### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details: Time records and payroll review, document review (Leaves, insurance premiums, pay slips, taxes), worker interviews and management declaration.

Any other comments: None

### Non-compliance:

#### 1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law: ☐ NC against customer code:  
None

Local law and/or ETI requirement: N/A

Recommended corrective action: Nil

#### Objective evidence observed:

N/A

<b>Observation:</b>	
<b>Description of observation:</b> None. <b>Local law or ETI requirement:</b> N/A <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

<b>Good Examples observed:</b>	
<b>Description of Good Example (GE):</b> 1- Free food is provided to the employees. 2- Free transportation service is provided to the workers	<b>Objective Evidence Observed:</b> Verified through site tour, document review and management declaration

## Summary Information

Criteria	Local Law (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal maximum: 45 hours per week for adults 40 hours for the workers between 15 – 18 years old.	A1: 45 hours week	A2: <input type="checkbox"/> Yes <input type="checkbox"/> No N/A
B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 270 hours per year	B1: 270 hours per year	B2: <input type="checkbox"/> Yes <input type="checkbox"/> No N/A
C: Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal minimum: 6471,00TRY/month(Gross): 5500.35 TRY (Net) since September 2022 5004,00TRY/month(Gross): 4253.40 TRY (Net) since January 2022	C1: 6471,00TRY/month(Gross): 5500.35 TRY (Net) since September 2022 5004,00TRY/month(Gross): 4253.40 TRY (Net) since January 2022	C2: <input type="checkbox"/> Yes <input type="checkbox"/> No N/A
D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: Regular overtime hours & Sundays: 150% of normal hourly rate. National and public holidays: 200% of normal hourly rate.	D1: Regular overtime hours & Sundays: 150% of normal hourly rate. National and public holidays: 200% of normal hourly rate.	D2: <input type="checkbox"/> Yes <input type="checkbox"/> No N/A

Wages analysis: <i>(Click here to return to Key Information)</i>					
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
A1: If <b>No</b> , why not?	N/A				
B: Sample Size Checked <i>(State number of worker records checked and from which weeks/months – should be current, peak, and random/low.</i>	During this initial visit, 10 payroll records of 3 different months totally 30 payroll records reviewed – September 2022-latest paid, June 2022 and May 2022 to evaluate the wages and compensation status of the factory.				
C: Are there different legal minimum wage grades? If <b>Yes</b> , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		C1: If <b>Yes</b> , please give details:		
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		D1: If <b>No</b> , please give details:		
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above		E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i>  2022 (January): 5.004,00 TL/Month (Gross) 4.253,40 TL/Month (Net)  2022 (July): 6471,00 TL/Month (Gross) 5.500,35 TL/Month (Net)		
F: Please indicate the breakdown of workforce per earnings:	F1: 0 % of workforce earning under minimum wage F2: 70 % of workforce earning minimum wage F3: 30% of workforce earning above minimum wage				
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> N/A				
H: What deductions are required by law e.g. social insurance? Please state all types:	Social insurance deduction, income tax, stamp tax and unemployment benefit for insured workers				
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	J1: Please list all deductions that <b>have</b> been made.	1. Social Insurance Deduction 2. Income Tax 3. Stamp Tax 4. Unemployment Benefit  Please describe: Legal deductions are made		

		I2: Please list all deductions that <b>have not</b> been made.	1. None 2.  Please describe:
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details:		
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info:</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time:		
M2: If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: N/A		
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: Please give details: The factory did not have such a periodic review system.		
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Confirmed by workers interview, management interview and facility policy.		
Q: How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:		

## 6: Working Hours are not Excessive

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

### ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

## Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

### Current systems:

Regular working hours of administration and production sections were 1 shift from Monday to Friday; 08:00 a.m. to 18:00 p.m. with 2x15 mins tea break and 30 minutes meal break. Saturdays and Sundays were granted rest day for all workers in the factory. Employees were not worked on National holidays.

### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Time and payroll records review
2. Daily production records
3. Employee interview



Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Nothing to report.  <b>Local law and/or ETI requirement:</b> Nothing to report.  <b>Recommended corrective action:</b> Nothing to report.	<b>Objective evidence observed:</b> Nothing to report.

Observation:	
<b>Description of observation:</b> Nothing to report.  <b>Local law or ETI requirement:</b> Nothing to report.  <b>Comments:</b> Nothing to report.	<b>Objective evidence observed:</b> Nothing to report.

Good Examples observed:	
<b>Description of Good Example (GE):</b> Nothing to report.	<b>Objective evidence observed:</b> Nothing to report.

<b>Working hours' analysis</b> Please include time e.g. hour/week/month <a href="#">(Go back to Key information)</a>					
Systems & Processes					
A. What timekeeping systems are used: time card etc.	Describe: Finger Scan Attendance System				
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details				
C: Are standard/contracted working hours defined in <b>all</b> contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:			
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	D1: If YES, please complete as appropriate:			
		<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
		If "Other", Please define:			
		N/A			
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	E1: If <b>yes</b> , please detail hours, %, types of workers affected and frequency Please give details:			
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
	Maximum number of days worked without a day off (in sample):				
	According to the sampled time records of the employees, maximum number of days worked without a day of is 6.				

Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency:  
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details:  
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: 2 hours per month in September 2022 3 hours per month in June 2022 5 hours per month in May 2022	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	8%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:  According to the worker contracts and worker interviews, it was concluded that overtime is voluntary
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of <b>standard</b> wages:  150% of hourly rate times how many hours in a day worked.
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency:

<p>O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<div> <input checked="" type="checkbox"/> No                 <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium)                 <input type="checkbox"/> Collective Bargaining agreements                 <input type="checkbox"/> Other             </div> <div>                 O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other             </div> <div>                 N/A             </div>
<p>P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.</p>	<div> <input type="checkbox"/> <b>Overtime is voluntary</b> <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week                 <input type="checkbox"/> Safeguards are in place to protect worker's health and safety                 <input type="checkbox"/> Site can demonstrate exceptional circumstances                 <input type="checkbox"/> Other reasons (please specify)             </div> <div>                 P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:             </div> <div>                 N/A             </div>
<p>Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<div> <input type="checkbox"/> Yes                 <input checked="" type="checkbox"/> No             </div> <p>Q1: If yes, please give details:</p>
<p>R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.</p>	<div> <input type="checkbox"/> Yes                 <input checked="" type="checkbox"/> No             </div>

## 7: No Discrimination is Practiced

[\(Click here to return to summary of findings\)](#)

### ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

### Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

#### Current systems:

There was no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. During the audit, management stated that practising no discrimination is an important company rule in every aspect of employment. It was verified through worker interviews that there is no discrimination practised.

#### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details: It was verified through document review, management declaration and employment interviews.

Any other comments: None

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: 50 % A2: Female: 50 %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	2
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input type="checkbox"/> No evidence of discrimination found  C1: Please give details: No discrimination issue was reported.
<b>Professional Development</b>	
A: What type of training and development are available for workers?	OHS Trainings, Orientation, First Aid trainings, Fire Safety Trainings

B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If no, please give details:
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Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None <b>Local law and/or ETI requirement:</b> N/A  <b>Recommended corrective action:</b> Nil	<b>Objective evidence observed:</b> N/A

Observation:	
<b>Description of observation:</b> None.  <b>Local law or ETI requirement:</b> N/A  <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

Good Examples observed:	
Description of Good Example (GE): None	<b>Objective evidence observed:</b> N/A

## 8: Regular Employment Is Provided

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

### ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

### Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

## Current Systems and Evidence Examined

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

### Current systems:

Ms. Neslisah Onder – CSR responsible is responsible for the hiring process. There are no fees paid by workers during the recruitment process. There are effective management systems to ensure that employees are legally eligible for work. All employees are insured by national insurance system. Orientation training is given at the beginning of the employment. Worker contracts accurately reflect the agreed payment and terms in the recruitment process, understood, and signed by workers.

### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details: Personnel files and signed labour contracts were checked. It was verified through management declaration and worker interviews.

Any other comments: None.

Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None  <b>Local law and/or ETI requirement:</b> N/A  <b>Recommended corrective action:</b> Nil	<b>Objective evidence observed:</b> N/A

Observation:	
<b>Description of observation:</b> None.  <b>Local law or ETI requirement:</b> N/A  <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

Good Examples observed:	
Description of Good Example (GE): None	<b>Objective evidence observed:</b> N/A



## Responsible Recruitment

All Workers	
A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?	<input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions  A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:
B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected:
C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details:
D: If any checked, give details:	NA

Migrant Workers:	
<i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>	
A: Type of work undertaken by migrant workers:	No migrant worker is available
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: 0  B2: Total number of (outside of local country) recruitment agencies used: 0

<p>C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No  C1: Please describe finding: N/A</p>	<p>C2: Observations:</p>
<p>D: Are Any migrant workers in skilled, technical, or management roles</p> <p><i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i></p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No</p> <p>D1: If yes, number and example of roles:</p>	

## NON-EMPLOYEE WORKERS

Recruitment Fees:	
<p>A: Are there any fees?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p>B: If yes, check all that apply:</p>	<p> <input type="checkbox"/> Recruitment / hiring fees  <input type="checkbox"/> Service fees  <input type="checkbox"/> Application costs  <input type="checkbox"/> Recommendation fees  <input type="checkbox"/> Placement fees  <input type="checkbox"/> Administrative, overhead or processing fees  <input type="checkbox"/> Skills tests  <input type="checkbox"/> Certifications  <input type="checkbox"/> Medical screenings  <input type="checkbox"/> Passports/ID's  <input type="checkbox"/> Work / resident permits  <input type="checkbox"/> Birth certificates  <input type="checkbox"/> Police clearance fees  <input type="checkbox"/> Any transportation and lodging costs after employment offer  <input type="checkbox"/> Any transport costs between work place and home  <input type="checkbox"/> Any relocation costs after commencement of employment  <input type="checkbox"/> New hire training / orientation fees  <input type="checkbox"/> Medical exam fees  <input type="checkbox"/> Deposit bonds or other deposits  <input type="checkbox"/> Any other non-monetary assets  <input type="checkbox"/> Other </p> <p>B1 – If other, please give details:</p>
<p>C: If any checked, give details:</p>	<p>NA</p>

<b>Agency Workers (if applicable)</b> <i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	A1: Names if available: No agency worker used.
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No  D1: Please give details:
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No  E1: Please give details:

<b>Contractors:</b> <i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If yes, how many contractors are present, please give details: N/A
B: If <b>Yes</b> , how many workers supplied by contractors?	N/A
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: N/A
D: If <b>Yes</b> , please give evidence for contractor workers being paid per law:	N/A

### 8A: Sub-Contracting and Homeworking

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

8A.1 There should be no sub-contracting unless previously agreed with the main client.

8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

*Note to auditor on homeworking:*

*Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.*

*Note to auditor on subcontracting: auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers*

### Current Systems and Evidence Examined

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

#### Current systems:

Through management interview and document review there were no subcontractor used by the factory

#### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Document review, factory tour, management interview, worker interview

#### If any processes are sub-contracted – please populate below boxes

Process Subcontracted	NA
Name of factory	NA
Address	NA

### Non-compliance:

#### 1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law: ☐ NC against customer code: None

Local law and/or ETI requirement: N/A

Recommended corrective action: Nil

#### Objective evidence observed:

N/A

### Observation:

Description of observation: None.

Local law or ETI requirement: N/A

Comments: Nil.

#### Objective evidence observed:

N/A

Good Examples observed:	
Description of Good Example (GE): None	Objective evidence observed: N/A

Summary of sub-contracting – if applicable <input type="checkbox"/> Not Applicable please x	
A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe: There were no undeclared sub-contracting process in the factory.
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No B1: If <b>Yes</b> , summarise details: N/A
C: Number of sub-contractors/agents used:	0
D: Is there a site policy on sub-contracting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If <b>Yes</b> , summarise details: There were procedure and policy and posted for workers.
E: What checks are in place to ensure no child labour is being used and work is safe?	Procedure and policy were posted in the factory production area and workers had been trained in the factory.

Summary of homeworking – if applicable <input type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If <b>Yes</b> , summarise details: N/A		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents N/A		C1: If through agents, number of agents:  N/A
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A		

E: How does the site ensure worker hours and pay meet local laws for homeworkers?	N/A
F: What processes are carried out by homeworkers?	N/A
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No  G1: Please give details: N/A
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A

**9: No Harsh or Inhumane Treatment is Allowed**  
[\(Click here to return to summary of findings\)](#)

**ETI**

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Additional elements:

9.2 companies should provide access to a confidential grievance mechanism for all workers

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 <sup>rd</sup> party?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: The Company does not have a grievance mechanism to a third party, but has internal grievance mechanism.
B: If <b>Yes</b> , are workers aware of these channels and have access? Please give details.	N/A
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	N/A
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other  D1: Please give details: There was worker representative, grievance procedure, suggestion boxes and open-door policy in the factory.
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  E1: If yes, please give details

F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  F1: If no, please give details: Grievance procedure was established, suggestion boxes were accessible in production area and workers could easily reach the management and worker representatives by open door policy.
G: Is there a published and transparent disciplinary procedure?	<input type="checkbox"/> Yes <input type="checkbox"/> No  G1: If no, please explain N/A
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  H1: If no, please give details
I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  I1: If yes, please give details

### Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

#### Current systems:

During the audit, it was concluded that there was no evidence of physical abuse, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation. Disciplinary records of incidents are properly recorded, and actions are taken according to the company policy and procedures. During the employee interviews, it was verified that disciplinary actions are in place and does not tolerate harsh or inhumane treatment. Grievance mechanism for employees is available, through wish and complaint box, open door policy and worker representatives.

#### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details: It was verified through worker interviews, document review and management declaration

Any other comments: None

### Non-compliance:

#### 1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law: ☐ NC against customer code: None

Local law and/or ETI requirement: N/A

Recommended corrective action: Nil

#### Objective evidence observed:

N/A

Observation:	
<b>Description of observation:</b> None. <b>Local law or ETI requirement:</b> N/A <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

Good Examples observed:	
<b>Description of Good Example (GE):</b> None	<b>Objective evidence observed:</b> N/A

10. Other Issue areas: 10A: Entitlement to Work and Immigration <i>(Click here to return to NC-table)</i>
<b>Additional Elements</b> 10A.1 Only workers with a legal right to work shall be employed or used by the supplier. 10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined
<i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i>
<b>Current systems:</b> <p>During this audit, 26 sampled worker's employment files and contracts were reviewed and the terms and conditions were found as per law. All workers were local workers and have social security insurance paid on-time. All employees are eligible for work per law. Employee social security starts when the employment begins, and a copy of the original documentation of the employee that proves eligibility for work is kept within the HR files.</p> <p><b>Evidence examined – to support system description (Documents examined &amp; relevant comments. Include renewal/expiry date where appropriate):</b></p> <p>Details: It was verified through checking HR Files and National Insurance files, also by management declaration and worker interviews.</p> <p>Any other comments: None</p>



Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None  <b>Local law and/or ETI requirement:</b> N/A  <b>Recommended corrective action:</b> Nil	<b>Objective evidence observed:</b> N/A

Observation:	
<b>Description of observation:</b> None.  <b>Local law or ETI requirement:</b> N/A <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

Good examples observed:	
Description of Good Example (GE): None	<b>Objective evidence observed:</b> N/A

## 10. Other issue areas 10B4: Environment 4–Pillar

[\(Click here to return to summary of findings\)](#)

To be completed for a 4–Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

### B.4. Compliance Requirements

10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.

10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.

10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements

10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.

10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details).

10B4.7 Businesses shall make continuous improvements in their environmental performance.

10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation

10B4.9 Businesses should have a nominated individual responsible for co–ordinating the site's efforts to improve environmental performance.

### B4. Guidance for Observations

10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.

10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

*Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment, the client/supplier may decide a full environmental audit is required*

## Current Systems and Evidence Examined

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

### Current systems:

There is a written environment policy of the facility. The facility is meeting its legal obligations on environmental requirements The facility does not use processes with negative environmental impacts.

### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details: Environmental documents such as environmental permit is checked. The facility is meeting its legal obligations on environmental requirements.

Any other comments: None

Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None  <b>Local law and/or ETI requirement:</b> N/A  <b>Recommended corrective action:</b> Nil	<b>Objective evidence observed:</b> N/A

Observation:	
<b>Description of observation:</b> None.  <b>Local law or ETI requirement:</b> N/A  <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

Good examples observed:	
Description of Good Example (GE): None	<b>Objective evidence observed:</b> N/A

<b>Environmental Analysis</b> <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Ms. Neslisah Onder – Environmental responsible
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Environmental Aspect & Impact analysis Table has been documented.
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Does the site have an Environmental policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available? Yes Integrated Management System Policy is available.
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: The Integrated policy has been included key impacts from our operations and commitment to improvement.
F: Does the site have a Biodiversity policy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details: N/A
H: Have all legally required permits been shown? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Evaluation list of compliance with Legal and other requirements.
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Details: MSDS have been documented and distributed to the relevant departments.
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: The facility has a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues.
K: Facility has reduction targets in place for environmental aspects e.g. water consumption	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Our targets have been determined in the

and discharge, waste, energy and green-house gas emissions:	2022 – 2026 Strategic Plan. Example: reduction of energy consumption (electricity, water ...), natural resource consumption
L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: The water, and electricity consumption are monitored monthly with additional meters
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Necessary environmental audits have been carried out in the company that receives our recycled waste from our facility.

Usage/Discharge analysis		
Criteria	Previous year: Please state period: 2021	Current Year: Please state period: 2022
Electricity Usage: <i>Kw/hrs</i>	23241,29 kWh	29530,92 kWh
Renewable Energy Usage: <i>Kw/hrs</i>	NA	NA
Gas Usage: <i>Kw/hrs</i>	NA	NA
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If <b>Yes</b> , please state result	NA	NA
Water Sources: <i>Please list all sources e.g. lake, river, and local water authority.</i>	City water	City water
Water Volume Used: <i>(m³)</i>	990m³	867 m³
Water Discharged: <i>Please list all receiving waters/recipients.</i>	City Sewerage System	City Sewerage System
Water Volume Discharged: <i>(m³)</i>	1220 m³/year	1390 m³/year
Water Volume Recycled: <i>(m³)</i>	987m³	954m³

Total waste Produced (please state units)	All departments	All departments
Total hazardous waste Produced: (please state units)	NONE	NONE
Waste to Recycling: (please state units)	48.190 kg	45.870 kg
Waste to Landfill: (please state units)	Non-hazardous city waste area	Non-hazardous city waste area
Waste to other: (please give details and state units)	NA	NA
Total Product Produced (please state units)	2.677.010 pcs / year	8.908.310 pcs / year

### 10C: Business Ethics – 4-Pillar Audit

[\(Click here to return to summary of findings\)](#)

To be completed for a 4-Pillar SMETA Audit

#### 10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

#### 10C. Guidance for Observations

10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

### Current Systems and Evidence Examined

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

#### Current systems:

The supplier has received and acknowledged the Business Ethics policy of the auditor/audit company. The facility complies with all fiscal legislative requirements. The facility has a designated person responsible for implementing standards concerning Business Ethics who was Ms. Neslisah Onder – CSR Responsible The facility has a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Ethics.

#### Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Document review,

Employee and management interview

Details:

None

Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None  <b>Local law and/or ETI requirement:</b> N/A  <b>Recommended corrective action:</b> Nil	<b>Objective evidence observed:</b> N/A

Observation:	
<b>Description of observation:</b> None.  <b>Local law or ETI requirement:</b> N/A  <b>Comments:</b> Nil.	<b>Objective evidence observed:</b> N/A

Good examples observed:	
<b>Description of Good Example (GE):</b> None	<b>Objective evidence observed:</b> N/A

A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?	<input checked="" type="checkbox"/> Internal Policy <input checked="" type="checkbox"/> Policy for third parties including suppliers  A1: Please give details: The facility has a Business Ethics Policy and the policy was communicated and applied internally, externally.
B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  B1: Please give details: The site gives training to relevant personnel on business ethics issue.
C: Is the policy updated on a regular (as needed) basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  C1: Please give details: There is updated business ethics policy.
D: Does the site require third parties including suppliers to complete their own business ethics training	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  D1: Please give details: The facility has a Business Ethics Policy and the policy was communicated and applied internally, externally.



Other Findings Outside the Scope of the Code
None

Community Benefits (Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)
None

## Appendix 1

<p><b>Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."</b></p> <p><input checked="" type="checkbox"/> Not Applicable please x</p>	
<p><b>NOTE:</b> The provisions of the ETI base Code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying the ETI Base Code are expected to comply with national and other applicable law and, where the provisions of law and the ETI Base Code address the same subject, to apply that provision which affords the greater protection.</p>	<p><b>Instruction to Audit Company:</b> fill in the relevant clauses from the Customer Supplier Code - where applicable.</p>
ETI Code / Additional Elements	Customer's Supplier Code equivalent
0.A. Universal Rights covering UNGP	0.A. Universal Rights covering UNGP
<p><b>0.A. Guidance for Observations</b></p> <p>0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.</p> <p>0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights</p> <p>0.A.3 Businesses shall identify their stakeholders and salient issues.</p> <p>0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.</p>	N/A

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.	
<b>0.B. Management Systems &amp; Code Implementation</b>	<b>0.B. Management Systems &amp; Code Implementation</b>
<p>0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p> <p>0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.3 Suppliers are expected to communicate this Code to all employees.</p> <p>0.4 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>	N/A
<b>ETI 1. Forced Labour</b>	<b>ETI 1. Forced Labour</b>
<p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.</p>	N/A
<b>ETI 2. Freedom of association and the right to collective bargaining are respected</b>	<b>ETI 2. Freedom of association and the right to collective bargaining are respected</b>
<p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.</p> <p>2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.</p> <p>2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.</p> <p>2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.</p>	N/A
<b>ETI 3. Working conditions are safe and hygienic</b>	<b>ETI 3. Working conditions are safe and hygienic</b>
3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent	N/A

<p>accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>3.2 Workers shall receive regular and recorded Health &amp; Safety training, and such training shall be repeated for new or reassigned workers.</p> <p>3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.</p> <p>3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.</p> <p>3.5 The company observing the code shall assign responsibility for Health &amp; Safety to a senior management representative.</p>	
<b>ETI 4. Child labour shall not be used</b>	<b>ETI 4. Child labour shall not be used</b>
<p>4.1 There shall be no new recruitment of child labour.</p> <p>4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>	N/A
<b>ETI 5. Living wages are paid</b>	<b>ETI 5. Living wages are paid</b>
<p>5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.</p> <p>5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.</p> <p>5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.</p>	N/A
<b>ETI 6. Working Hours are not excessive</b>	<b>ETI 6. Working Hours are not excessive</b>

<p>6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.</p> <p>6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.</p> <p>6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.</p> <p>6.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.</p> <p>6.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where <b>all</b> of the following are met:</p> <ul style="list-style-type: none"> <li>– this is allowed by national law;</li> <li>– this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;</li> <li>– appropriate safeguards are taken to protect the workers' health and safety; and</li> <li>– The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.</li> </ul> <p>6.6 Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.</p>	N/A
<b>ETI 7. No discrimination is practised</b>	<b>ETI 7. No discrimination is practised</b>
<p>7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.</p>	N/A
<b>ETI 8. Regular employment is provided</b>	<b>ETI 8. Regular employment is provided</b>













<p>8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p>8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.</p> <p><b>Additional Elements: Responsible Recruitment</b></p> <p>8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.</p> <p>8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.</p> <p>8.5 Employment agencies must only supply workers registered with them.</p> <p>8.6 Workers pay no recruitment fee at any stage of the recruitment process.</p> <p>8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.</p>	N/A
<b>8A: Sub-Contracting and Homeworking</b>	<b>8A: Sub-Contracting and Homeworking</b>
<p>8A.1 There should be no sub-contracting unless previously agreed with the main client.</p> <p>8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p>	N/A
<b>ETI 9. No harsh or inhumane treatment is allowed</b>	<b>ETI 9. No harsh or inhumane treatment is allowed</b>
<p>9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.</p> <p>Additional elements:</p> <p>9.2 companies should provide access to a confidential grievance mechanism for all workers</p>	N/A

<b>10. Other Issue areas: 10A: Entitlement to Work and Immigration</b>	
<b>Additional Elements</b> 10A.1 Only workers with a legal right to work shall be employed or used by the supplier. 10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.	N/A
<b>10. Other issue areas 10B2: Environment 2–Pillar</b>	
10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits. 10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. <i>Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.</i>	N/A



## Photo Form

(Photos of the production machines are not included in the report due to the confidentiality of the production and the technical information.)

		
Factory Out View	Factory Name / Entrance Gate	Fire Hose
		
Evacuation Plan	Emergency Lights	Fire Alarm
		
Smoke Detectors	First-aid Kits	Canteen
		
Doctor's Room	Toilets	Suggestion Boxes

# Corrective Action Plan Report (CAPR)

Version 6.1





Audit Details			
Company Reference:	ZC: 421337244	Site Reference:	ZS: 421337665
Business name (Company name):	MATSIS MATBAA HIZMETLERI SAN VE TIC. LTD. STI.		
Site name:	MATSIS MATBAA HIZMETLERI SAN VE TIC. LTD. STI.		
Site address: (Please include full address)	Tevfikbey Mah. Doktor Ali Demir Cad. No: 51/1 Zemin Kat Kucukcekmece, Istanbul	Country:	Turkey
Site contact and job title:	Ms. Neslisah Onder – CSR Responsible		
Site phone:	00902126242111	Site e-mail:	neslisah@matbaasistemleri.com
Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	13 <sup>th</sup> -14 <sup>th</sup> October 2022		

Audit Company Name & Logo :	Report Owner (payer):
API	MATSIS MATBAA HIZMETLERI SAN VE TIC. LTD. STI.

Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

## Audit Content:

(1) An audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The scope of workers included all types at the site e.g., direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the Methodology are stated (with reasons for deviation) in the Declaration.

(2) The audit scope was against the following reference documents

### **2-Pillar Audit**

- ETI Base Code
- Additions
  - Universal rights covering UNGP
  - Management systems and code implementation,
  - Responsible Recruitment
  - Entitlement to Work & Immigration,
  - Sub-Contracting and Home working,

### **4-Pillar**

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / Additions & local law and recorded as non-compliances on both the audit report and CAPR.

## Declaration

I declare that the audit underpinning the following report was conducted in accordance with ETI Base Code and local law requirements.

Where appropriate non-compliances were raised against the ETI code / Additions & local law and recorded as non-compliances on both the audit report and CAPR.

Any exceptions to this must be recorded here (e.g., different sample size):

Auditor Team (s) (please list all including all interviewers):

Lead auditor: S. SARIKUL - SENIOR AUDITOR Auditor number: RA21742233

Team auditor: NONE

Interviewers: S. SARIKUL

Report writer: S. SARIKUL

Auditor number: RA21742233

Report reviewer: SNOWY PAN

Date of declaration: 13<sup>th</sup> - 14<sup>th</sup> October 2022

*Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.*

*This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.*

## Audit Parameters

Audit Parameters			
A: Time in and time out	Day 1 Time in: 09:00 Day 1 Time out: 18:00	Day 2 Time in: 09:00 Day 2 Time out: 17:30	Day 3 Time in: - Day 3 Time out: -
B: Number of auditor days used:	2,5 MAN DAY (1 Auditor x 2,0 Days) + 0,5 Day Reporting		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define:		
D: Was the audit announced?	<input type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail:      weeks <input checked="" type="checkbox"/> Unannounced		
E: Was the SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not: Factory was aware of Sedex SAQ.		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If <b>Yes</b> , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Ms. Neslisah Onder – CSR Responsible		
H: Is further information available (if yes, please contact audit company for details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
I: Previous audit date:	NA		
J: Previous audit type:	NA		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	Worker representative was present and attended to worker interviews.		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	N/A		

## Guidance

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

### Root cause (see column 4)

**Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.**

## Corrective Action Plan

Corrective Action Plan – non-compliances									
Non-Compliance Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Non-Compliance <i>Details of Non-Compliance</i>	Root cause <i>(completed by the site)</i>	Preventative and Corrective Actions <i>Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)</i>	Timescale <i>(Immediate, 30, 60, 90, 180, 365)</i>	Verification Method <i>Desktop / Follow-Up [D/F]</i>	Agreed by Management and Name of Responsible Person: <i>Note if management agree to the non-compliance, and document name of responsible person</i>	Verification Evidence and Comments <i>Details on corrective action evidence</i>	Status <i>Open/Closed or comment</i>
		The company fully comply with ETI Base Code and local law requirements.							

Corrective Action Plan – Observations				
Observation Number <i>The reference number of the observation from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Observation <i>Details of Observation</i>	Root cause <i>(Completed by the site)</i>	Any improvement actions discussed <i>(Not uploaded on to )</i>
/	/	None.		

**Good examples**

<b>Good example Number</b> <i>The reference number of the good example from the Audit Report, for example, Discrimination No.7</i>	<b>Details of good example noted</b>	<b>Any relevant Evidence and Comments</b>
WAGES&BENEFITS No.1	Free food is provided to the employees.	Noted during worker interviews, site tour and management interview
WAGES&BENEFITS No.2	Free transportation service is provided to the workers	Noted during worker interviews and management interview



## Confirmation

<b>Please sign this document confirming that the above findings have been discussed with and understood by you:</b> (site management) <i>If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.</i>		
A: Site Representative Signature:	Ms. Neslisah Onder	Title: CSR Responsible  Date: 14.10.2022
B: Auditor Signature:	S. Sarikul	Title: CSR Lead Auditor  Date: 14.10.2022
C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.		
D: I dispute the following numbered non-compliances:  Nil		
E: Signed: (If <u>any</u> entry in box D, please complete a signature on this line)	Ms. Neslisah Onder	Title: CSR Responsible  Date: 14.10.2022
F: Any other site Comments:		

## Guidance on Root Cause

### Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non-compliance to arise. Before a corrective action can rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

### ***Some examples of finding a “root cause”***

#### Example 1

Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

#### Example 2

A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

#### Example 3

A site uses fines to control unacceptable behaviour of workers.

International standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non-compliance re- occurring it will be necessary to make a system change.

The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re-occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.