




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: N/A / 409070505	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: N/A / 409083369
Business name (Company name):	Mustonakis		
Site name:	Musto Nakis		
Site address: <i>(Please include full address)</i>	ESENSEHIR MAH.MUCEVHER SOK 34 A UMRANIYE	Country:	Turkey
Site contact and job title:	Mrs Ayfer Demir (Accounting Reponsible)		
Site phone:	0090216 499 35 21	Site e-mail:	mustonakis@gmail.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	January 10, 2020 / 19.8.2020		

Audit Company Name & Logo: Bureau Veritas CPS 	Report Owner (payer): Mustonakis
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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) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 was applied. 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 SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

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

2-Pillar SMETA Audit

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

4-Pillar SMETA

- 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 / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

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

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

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

This audit includes elements beyond the scope of a Social Compliance Audit as defined by the APSCA Competency Framework. The association of the auditor's APSCA number with this report is limited to those elements outlined in the APSCA Competency Framework. APSCA makes no representations with respect to the auditor's competency to professionally evaluate compliance with any other audit elements.

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

Lead auditor: Çağla Baskın / **AYKUT MORALAR** APSCA number: 21700076 / **RA**
21700072

Lead auditor APSCA status: Member Auditor

Team auditor: Nil APSCA number: N/A

Interviewers: Çağla Baskın/ **AYKUT MORALAR** APSCA number: 21700076/ **RA**
21700072

Report writer: Çağla Baskın / **AYKUT MORALAR**

Report reviewer: Kiwi Zhang/ **Queenie Lei**

Date of declaration: January 10, 2020 / **19.8.2020**

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 <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i> Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>				Record the number of issues by line*:			Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i>
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>		0/0	0/0	<ul style="list-style-type: none"> Nil
0B Management systems and code implementation		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2 / 1	0/0	0/0	NCs: <ul style="list-style-type: none"> Building occupational permit not obtained / there was no building occupational permit obtained during audit day. No work time manual records provided before July 2019 / all documents were observed and verified.
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0/0	0/0	0/0	<ul style="list-style-type: none"> Nil
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0/0	0/0	0/0	<ul style="list-style-type: none"> Nil
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1/0	0/1	0/0	NC: <ul style="list-style-type: none"> Employees were not using earplugs / It was noted that employees were using earplugs during site tour in noisy areas. OB:

									<ul style="list-style-type: none"> The laser cutting machine has a protective cover. However, it is recommended to install a sensor to remove the cover and prevent it from working.
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0/0	0/0	0/0	<ul style="list-style-type: none"> Nil
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	2/1	0/0	0/0	<p>NCs:</p> <ul style="list-style-type: none"> 1. Factory's payments to social insurance agency were paid for national minimum wage and not paid for the remaining balance of salaries and overtime hours for workers provided with social insurance benefit. / Factory's payments to social insurance agency for all workers were paid for national minimum wage and not paid for the remaining balance of salaries and overtime hours for the workers provided with social insurance benefit in the factory. This caused workers' retirement wages to be calculated less than the actual amount during retirement. 2. No work time manual records provided before July 2019 / All documents were observed and verified.
6	<u>Working Hours</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	3/0	0/0	0/0	<p>NCs:</p> <ul style="list-style-type: none"> 1. Sample population employees worked in excess of the 11 hours per

									<p>day / Time and wage records were checked. There were no violations regarding timeouts.</p> <ul style="list-style-type: none"> 2. Night shift workers changed their shifts without 11-hour rest between two shifts / Time and wage records were checked. There were no violations regarding timeouts. 3. No work time manual records provided before July 2019 / All documents were observed and verified.
7	Discrimination	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0/0	0/0	0/0	<ul style="list-style-type: none"> Nil
8	Regular Employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0/0	0/0	0/0	<ul style="list-style-type: none"> Nil
8A	Sub-Contracting and Homeworking		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0/0	0/0	0/0	<ul style="list-style-type: none"> Nil
9	Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0/0	0/0	0/0	<ul style="list-style-type: none"> Nil
10A	Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0/0	0/0	0/0	<ul style="list-style-type: none"> Nil
10B2	Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3/0	0/0	0/0	<p>NCs:</p> <ul style="list-style-type: none"> 1. Packaging and waste declarations were not available / The waste disposal contracts were seen. Acceptable 2. Ministry approved industrial waste management plan was not obtained /

										<ul style="list-style-type: none"> The Ministry approved industrial waste management plan was obtained for a review. Acceptable. 3. "Environmental Permit" was not obtained from Ministry of Environment and Forestry / Facility provided the environmental permit for a review. Permit is acceptable
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A	N/A	N/A	N/A	
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A	N/A	N/A	N/A	

General observations and summary of the site:

The facility generally followed the applicable regulations, but some gaps were noted. They are currently establishing a detailed management system based on Sedex. They have written policies and procedures, a responsible team for the compliance, a good communication mechanism with employees. The youngest worker was 21 years old in the company. There was no migrant employee in the company. There was no pregnant worker in the company. There was no disabled worker in the company. All workers were taken into the audit scope.

**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:	Mustonakis																
B: Site name:	Musto Nakis																
C: GPS location: (If available)	GPS Address: 41°00'20.4"N 29°09'58.2"E	Latitude: 41°00'20.2"N Longitude: 29°09'57.8"E															
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 number : 2019 /349																
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Embroidery, Quality Control																
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>The audited factory was established in 2013 and the process of embroidery and quality control was done in-house. Factory production capacity is 8000-10000 pieces per day. The facility occupied 2 floors of building with a total production area of 550 square meters. No dormitories were provided for workers. It is not a shared building.</p> <table border="1"> <thead> <tr> <th>Production Building no</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Entry</td> <td>Nil</td> </tr> <tr> <td>Floor 2</td> <td>Embroidery, quality control, offices , dressing room , toilet , lunch hall</td> <td>Nil</td> </tr> <tr> <td>Floor 3</td> <td>Garret (empty)</td> <td>Nil</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Nil</td> </tr> </tbody> </table> <p>The factory specialized in the production of embroidery. The products made in the factory were sent 50% to Export market (European countries) and 50% to domestic market. The factory adopted finger printing recording system to record employees' working hours. The regular working hours for office employees: Monday to Saturday; 08:00 to 18:00 with 60-minute lunch break at 12:00 and 2 times of 15-minute tea break at 9:30 a.m. and 16:00 respectively. Sunday were weekly rest days. Shift for Saturday is from 08:00 to 10:30 with 15-minute tea break at 09:30.</p>		Production Building no	Description	Remark, if any	Floor 1	Entry	Nil	Floor 2	Embroidery, quality control, offices , dressing room , toilet , lunch hall	Nil	Floor 3	Garret (empty)	Nil	Is this a shared building?	No	Nil
Production Building no	Description	Remark, if any															
Floor 1	Entry	Nil															
Floor 2	Embroidery, quality control, offices , dressing room , toilet , lunch hall	Nil															
Floor 3	Garret (empty)	Nil															
Is this a shared building?	No	Nil															

	<p>The regular working hours for embroidery employees: Monday to Saturday with 3 shifts as 08:00-16:00 / 16:00-24:00 /24:00-08:00 with 30-minute lunch break respectively.</p> <p>All wages were paid through the bank transfer and cash from 3rd to 5th days of each month.</p> <p>Remark: 1. There was no agencies / government waivers / collective bargaining used or available by the auditee, which made the contractor license/agency labor contract / government waivers / collective bargaining agreements not applicable. 2. Audit Company: Bureau Veritas Consumer Products Service Audit Company APSCA Number: 11600002 Lead Auditor Name: Cagla Baskin / AYKUT MORALAR APSCA Auditor Registered Number: 21700076 / RA 21700072</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F2: Please give details: Nil</p> <p>F3: Does the site have a structural engineer evaluation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F4: Please give details: Nil</p>
<p>G: Site function:</p>	<p><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</p>
<p>H: Month(s) of peak season: (if applicable)</p>	<p>March , April , May</p>
<p>I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)</p>	<p>7 embroidery machines, 1 laser cutting machine, 1 printing machine</p>
<p>J: What form of worker representation / union is there on site?</p>	<p><input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) (Worker Representatives: Avni Guven; Tugba Ovunc) <input type="checkbox"/> None</p>

<p>K: Is there any night production work at the site?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>L: Are there any on site provided worker accommodation buildings e.g. dormitories</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation</p>
<p>M: Are there any off site provided worker accommodation buildings</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers</p>
<p>N: Were all site-provided accommodation buildings included in this audit</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No N/A, no accommodation was provided. N1: If no, please give details</p>

Audit Parameters			
A: Time in and time out	Day 1 Time in: 09:00 / 09:15 Day 1 Time out: 18:00 / 17:00	A3: Day 2 Time in: A4: Day 2 Time out:	A5: Day 3 Time in: A6: Day 3 Time out:
B: Number of auditor days used:	1 auditor x 1 day / 1 auditor x 1 day		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input checked="" type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 2 weeks / 1-22 August <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If No, why not? Facility did not have membership on Sedex, thus they did not fill SAQ. / they did not fill SAQ.		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr Teoman Gunesoglu (owner)		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	N/A / 10.1.2020		
J: Previous audit type:	N/A / Initial		
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
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	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 checked="" 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 checked="" 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 checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	N/A / 1 worker representative		
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	There was no union available in the facility.		

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*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – Male	19 / 17	0 / 0	0 / 0	0 / 2	0 / 0	0 / 0	0 / 0	19 / 19
Worker numbers – female	8 / 5	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	8 / 5
Total	27 / 22	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	27 / 24
Number of Workers interviewed – male	7 / 6	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	7 / 8
Number of Workers interviewed – female	3 / 2	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	3 / 2
Total – interviewed sample size	10 / 8	0 / 0	0 / 0	0 / 2	0 / 0	0 / 0	0 / 0	10 / 10



A: Nationality of Management	Turkey / turkey	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities: B1: Nationality 1: Turkey B2: Nationality 2: <u>Syrian</u> B3: Nationality 3: _____</p>	<p>Was the list completed during peak season? <input checked="" type="checkbox"/> Yes <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: approx % total workforce: Nationality 1 100 / 92 C1: approx % total workforce: Nationality 2 <u>8</u> C2: approx % total workforce: Nationality 3 _____</p>	
D: Worker remuneration <i>(management information)</i>	<p>D: _____% workers on piece rate D1: _____% hourly paid workers D2: 100% salaried workers</p> <p>Payment cycle: D3: _____% daily paid D4: _____% weekly paid D5: 100 % monthly paid D6: _____% other 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: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i>	1 group of 4 employees / 1 group of 4 employees
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 3 / 4 D2: Female: 3 / 2
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?	None
I: What did the workers like the most about working at this site?	Management attitude is like a family.
J: Any additional comment(s) regarding interviews:	None
K: Attitude of workers to hours worked:	Favourable
L. Is there any worker survey information available?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details:	
M: Attitude of workers: <i>(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</i>	

Confidential interviews were conducted with a total of 10 employees without the presence of factory management in a private room. Employees seemed comfortable with the process and were able to contribute openly. They were not coached for interview. The attitude of workers were favourable and they liked the working environment and with their colleagues/teams. All employees were clear on their contractual status and understood their basic terms and conditions. All could recall having had an induction covering health and safety, hygiene and basic contractual terms. Per worker's statement, payments were always done completely without any delay on payment dates.

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

Worker representative were freely elected by employees. Based on interview of worker representative, employees did not have any complaint to him in general except few cases for personal excuses. Based on interview process, employees were in general with the working conditions in the factory.

O: Attitude of managers:

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

The attitude of management was co-operative, receptive and supportive during the audit process, and they granted access of all sections, docs & workers. Management also allowed auditor to take photos onsite and provided photocopies of relevant documents.

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:

Human right policy was established.

Management provided full access to any type of documents requested by the auditor. The factory documentation was completed and well classified. Auditor verified documents related to the audit such as trade registration, work safety instructions, labor contracts, identification card copies, health certificates, training records, personal files and verified that factory was in compliance with all requirements of ETI Base Code and local legislation.

Two-way communication meetings to discuss about improving working conditions take place between management and workers regularly. The auditee has set and public stated their mission, vision and objectives, which also refers to Code of Conduct. Furthermore, the auditee has ensured worker involvement via detailed procedures and trainings on worker representation and grievance mechanism. Satisfactory evidence has showed that there are freely-elected worker representative, who meet the management once a month. It has been noted that the auditee has an effective grievance mechanism; the mechanism consists of using suggestion boxes, worker representation, and an open door policy. All these processes are documented and integrated into worker trainings.

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

Documents checked & comments:

1. Policy documents
2. Legal documents
3. Training records
4. Management interview
5. Worker interviews

- 6. Management and worker interviews about Code awareness
- 7. Factory's social policy and relevant procedures.
- 8. Human Right Policy
- 9. ETI Base Code

<p>A: Policy statement that expresses commitment to respect human rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Human right policy was established and shared with all sub-suppliers.</p>
<p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Mrs Ayfer Demir Job title: (HR Manager)</p>
<p>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?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility had open door policy, whistle blowing system and online grievance recording system to report any kind of right, grievance or suggestion.</p>
<p>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)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details</p>
<p>E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility management created privacy policies in employee contracts. It was verified with worker interviews.</p>

Findings		
<p>Finding: Observation <input type="checkbox"/></p> <p>None Observed</p>	<p>Company NC <input type="checkbox"/></p>	<p>Objective evidence observed:</p> <p>Not Applicable</p>

Good examples observed:	
Description of Good Example (GE): None Observed	Objective Evidence Observed: Not Applicable

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)	A1: Last year: 191,67%	A2: This year 0 %
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 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	56%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: 0 %	C2: This year 0 %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	0	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: Accidents were recorded.	
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:2019 Number: 0	F2: This year:2020 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: 2019 0	H2: This year: 2020 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

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:
 Management provided full access to any type of documents requested by the auditor. The factory documentation was complete and well classified. Auditor verified documents related to the audit such as trade registration, work safety instructions, labour contracts, identification card copies, health certificates, training records, personal files and verified that factory was in compliance with all requirements of ETI Base Code and local legislation.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):
Documents checked & comments:
 1. Policy documents
 2. Legal documents
 3. Training records
 4. Management interview
 5. Worker interviews
 6. Management and worker interviews about Code awareness
 7. Factory's social policy and relevant procedures.
 8. ETI Base Code

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
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	<p>A1: Please give details: No fines/prosecutions were noted.</p>
<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: It was verified with document review and management declaration that social compliance policy was established. + Forced Labor Policy + Child Labor Policy + Discrimination Policy + Harassment & Abuse Policy</p>
<p>C: If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>Factory had own Social Compliance Policy which was also announced to employees. Social compliance policy was posted on site. Company partners followed the effectiveness of social compliance policy onsite.</p>
<p>D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Training records were obtained for review. Employees had trainings about the social policy and records were kept. Additionally all newly hired workers had an orientation training covering these issues. Records of orientation training were available in personnel files.</p>
<p>E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Training records were obtained for review. Employees had training about the social policy and records were kept. Additionally all newly hired workers had an orientation training covering these issues. Records of orientation training were available in personnel files.</p>
<p>F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please give details: No such internationally recognised system certifications.</p>
<p>G: Is there a Human Resources manager/department? If Yes, please detail.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Mrs Ayfer Demir was Head of the human resources department.</p>
<p>H: Is there a senior person / manager responsible for implementation of the code</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Mrs Ayfer Demir is also Manager of Corporate Responsibility</p>

<p>I: Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: It was verified with document review and management declaration.</p>
<p>J: Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: It was verified with document reviewed, worker interviews and management declaration.</p>
<p>K: Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Risks identified in the risk assessment were eliminated properly and OHS expert of the company followed potential risks regularly.</p>
<p>L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: Risks identified in the risk assessment were eliminated properly and OHS expert of the company followed potential risks regularly</p>
<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: Facility had their own Social responsibility policy and they shared this standards to their suppliers. Suppliers need to confirm and follow requirements from their side.</p>
Land rights	
<p>N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Nil</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: Facility follows every legal laws and applies it.</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</p>

	Q1: Please give details: Facility had factory own facility. Facility management provided building occupational permit.
R: Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: The facility demonstrated to avoid or minimize adverse impacts.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No S1: Please give details: There was no building occupational permit available for all buildings.

Non-compliance:	
<p>1. Description of non-compliance:</p> <p> <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: </p> <p>Based on current evidence, there was no building occupational permit obtained during audit day.</p> <p><i>First Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION NOT TAKEN</i> <i>Follow up Status: Open</i> There was no building occupational permit obtained during audit day.</p> <p>Local law: According to planned areas zoning regulation Article 64 it is mandatory to obtain permission from municipalities or governor's offices which give building occupational permit for to use the completely or partially finished buildings.</p> <p>ETI requirement: 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.</p> <p>Recommended corrective action: It is recommended that management adopt practices and controls to ensure that building occupational permit is provided.</p> <p>Timescale: 30 days Action taken by: Teoman Gunseoglu (Owner)</p>	<p>1. Objective evidence observed: Document Review / Document Review</p>
<p>2. Description of non-compliance:</p> <p> <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: </p> <p>Based on satisfactory evidence fingerprint system was established July 2019. Time was recorded manually before July 2019 but manual time records were not seen before July 2019. Therefore, auditor couldn't build solid opinion for working hours before July 2019.</p>	<p>2. Objective evidence observed: Document Review/ Document Review</p>

First Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION TAKEN
Follow up Status: CLOSED
All documents were observed and verified.

Local law and/or ETI requirement:

The Employer shall maintain the following records on site for at least the previous 12 months and shall make them available to social auditor(s) for review:

- Payroll records of all employees
- Time Cards for all employees
- Piece rate records for all employees if applicable
- Employee files
- All legally require certifications and licenses
- Production Records
- Sub-contractor / supplier Records
- Disciplinary Records
- Machine Maintenance Records
- Accident & Injury logs
- Medical Clinic records
- Collective Bargaining Agreements
- Employee Contracts

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that wage and working hour records are kept for at least the past 12 months for auditors' review.

Timescale: 30 days

Action Taken by: Teoman Gunesoglu (Owner)

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

1: Freely Chosen Employment

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ETI

- 1.1 There is no forced, bonded or involuntary prison labour.
- 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.

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:

All workers were directly recruited by factory management. 30 personnel files of workers were sampled and found that the factory did not hold any original documents such as official ID cards, educational certificates, etc. Personnel files were documented with worker's job application, appointment letter, personal details and copies of age proof documents. There were no employment terms or internal policy that in any way punishing workers for terminating their employment. According to workers' information, workers can move freely inside the work premises without any restriction to toilets or breaks. This was also verified through factory tour.

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

Documents checked & comments:

- 1. Policy documents
- 2. Personnel files (30 samples)
- 3. Worker Contracts
- 4. Worker interviews

<p>A: Is there any evidence of retention of original documents, e.g. passports/ID's</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes please give details and category of workers affected: N/A</p>
<p>B: Is there any evidence of a loan scheme in operation</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes please give details and category of worker affected: N/A</p>
<p>C: Is there any evidence of retention of wages /deposits</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes please give details and category of worker affected: N/A</p>
<p>D: Are there any restrictions on workers' freedom to terminate employment?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding: It was verified with worker interviews and management declaration.</p>

<p>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'?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable</p> <p>Please describe finding: The Company did not have such a written document but there were other written documents on freedom of workers.</p>
<p>F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please describe finding: It was verified with document review and worker interviews.</p>
<p>G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable</p> <p>If yes please give details and category of workers affected:</p>
<p>H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please describe finding: It was verified with document review and management declaration that social compliance policy was established.</p>

Non-compliance:	
<p>Description of non-compliance:</p> <p>None Observed</p>	<p>Objective evidence observed:</p> <p>Not Applicable</p>

Observation:	
<p>Description of observation:</p> <p>None Observed</p>	<p>Objective evidence observed:</p> <p>Not Applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p> <p>None Observed</p>	<p>Objective evidence observed:</p> <p>Not Applicable</p>

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

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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:

No union was established in the factory. Employees are free to join any union or association and management does not interfere or restrict workers' choice of joining or forming any union or association. Based on, management and employee interviews, in the factory the workers could elect their representative and employees would freely go to management for any issues. There was worker representative who was freely elected by employees to represent themselves to management for the sensitive cases.

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

Documents checked & comments:

- 1. Worker representative election records
- 2. Worker meeting records
- 3. Worker interviews
- 4. Factory's policy about freedom of association
- 5. Factory procedures about grievance mechanism
- 6. Grievance box records and worker representative meeting records

<p>A: What form of worker representation/union is there on site?</p>	<p><input type="checkbox"/> Union (name)</p> <p><input type="checkbox"/> Worker Committee</p> <p><input checked="" type="checkbox"/> Other (specify) (Worker Representatives: Avni Guven; Tugba Ovunc)/ (Worker Representatives: Avni Guven; Tugba Ovunc)</p> <p><input type="checkbox"/> None</p>
<p>B: Is it a legal requirement to have a union?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>

<p>C: Is it a legal requirement to have a worker's committee?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: There is open door policy and whistle blowing system available in facility that employees can complain directly to the top management. (Declared by workers during interviews)</p> <p>D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: It was verified with worker interviews and worker representative's declarations</p>	
<p>F: Name of union and union representative, if applicable:</p>	<p>None</p>	<p>F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>
<p>G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?</p>	<p>None</p>	<p>G1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>
<p>H: Are all workers aware of who their representatives are?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>I: Were worker representatives freely elected?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>I1: Date of last election: 2019</p>
<p>J: Do workers know what topics can be raised with their representatives?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>K: Were worker representatives/union representatives interviewed?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state how many: 2 worker representatives</p>	
<p>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></p>	<p>Based on worker interview, management interview and worker representative interview; grievance mechanism is effective in the facility.</p>	
<p>M: Are any workers covered by Collective Bargaining Agreement (CBA)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>If Yes, what percentage by trade Union/worker representation</p>	<p>M1: 0% workers covered by Union CBA</p>	<p>M2: 0% workers covered by Union CBA</p>

M3: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A
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Non-compliance:	
Description of non-compliance: None Observed	Objective evidence observed: Not Applicable

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

3: Working Conditions are Safe and Hygienic

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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:

There was a contracted H&S specialist and an occupation doctor.
 All exit doors and aisles were clearly marked and unobstructed.
 There were adequate number of fire extinguishers and fire hydrant in the factory. Fire extinguishers were checked periodically.
 Fire alarm buttons were available and visual alarm was also installed for noisy areas.
 PPE was available for chemical usage and ear-plug available for noisy areas.
 Electrical ground report was up-to-date.
 Electrical panels were provided with isolation mat.
 Inspection report of compressors was up-to-date.
 H&S training records were kept properly. Accidents records were also available with necessary corrective actions noted.
 A comprehensive risk assessment was conducted.

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

Documents checked & comments:

1. Factory tour
2. H&S documents
3. Inspection records
4. Document review
5. Worker interview
6. Management interview

A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose

- Yes
 No

and are these communicated to workers?	A1: Please give details: Last Health and Safety training was given, and H&S training was provided.
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 kept in writing.
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: No structural additions without required permits noted.
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: It was verified during site tour on audit day.
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 was a clean doctor room provided in the facility. This doctor room was meeting the legal requirements as provided stretcher, awning.
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 was contracted company doctor available at site.
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: It was verified with worker interviews.
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: N/A, no dormitory was provided, but personal storage space was provided and was verified during site tour on audit day.
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: Risks identified in the risk assessment were eliminated properly and OHS expert of the company followed potential risks regularly.

<p>J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: No process was observed to damage the environment in the company.</p>
<p>K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please describe: No process was observed to damage the environment in the company. Also there were no banned chemicals used production processes.</p>

<p style="text-align: center;">Non-compliance:</p>	
<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: It was noted that employees were not using earplugs in noisy areas during site tour. <i>First Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION TAKEN</i> <i>Follow up Status: CLOSED</i> <i>All workers used ear plugs during the working time</i></p> <p>Local law: Regulation on health and safety measures in the treatment of chemicals: Article 7: 3) In cases where the measures taken for the collective protection of workers from the negative effects of dangerous chemicals are not sufficient, personal protection methods are applied together with these measures.</p> <p>ETI requirement: 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.</p> <p>Recommended corrective action: It is recommended that management adopt practices and controls to ensure that necessary personal protective equipment's are provided to relevant employees and measures are taken to ensure that employees use such personal protective equipment appropriately.</p> <p>Time Scale : 30 days Action taken by: Teoman Gunseoglu (Owner)</p>	<p>Objective evidence observed: During Site tour. Please refer to NC photo No.1</p> <p>During the site tour</p>

Observation:	
Description of observation: The laser cutting machine has a protective cover. However, it is recommended to install a sensor to remove the cover and prevent it from working.	Objective evidence observed: Per onsite tour

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

4: Child Labour Shall Not Be Used

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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:

Factory verified the age proof documents and retained copies of these documents on appointment. Auditor verified 30 workers' personnel files where workers have job application, copies of age documentation, contract based on listed terms and conditions signed by parties, educational certificate, etc., and found they were maintained in all of cases. According to the age documentation of the employees no child labour was found and worker's testimonies support documentary evidence of compliance. The youngest worker was 21 years old.

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

Documents checked & comments:

- 1. Policy review
- 2. Document review
- 3. Management interview
- 4. Worker interview

A: Legal age of employment:	Legal minimum age is completed 15
B: Age of youngest worker found:	According available ID copies the youngest worker was 21 years old
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input type="checkbox"/> No No workers under 18. E1: If yes, give details

Non-compliance:	
Description of non-compliance: None Observed	Objective evidence observed: Not Applicable

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

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 initial visit, 10 payroll records samples were selected to evaluate the wages and compensation status of the factory. A review of pay records yielded that the actual lowest wage was legal minimum wage. National minimum wages were paid through the bank transfer at monthly rate at latest on the first week of each month. All employees appeared to be registered with social security and as informed through workers' statement and documents review. No unjustified deductions and delay of payments; workers confirmed accuracy during interviews. Employees' wages were calculated on monthly basis and paid monthly first week of each following month. 12 months of payroll records were available for review. Annual leave was provided to workers who completed one year of service period in accordance with law. Employees were provided with detailed payslips and required to sign it every month.

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

Documents checked & comments:

1. Time and payroll review
2. Document review (Leaves, insurance premiums, payslips, taxes, etc.)
3. Worker interview

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Factory's payments to social insurance agency for all workers were paid for national minimum wage and not paid for the remaining balance of salaries and overtime hours for the workers provided with social insurance benefit in the factory. This caused workers' retirement wages to be calculated less than the actual amount during retirement.

1. Objective evidence observed:

Document Review/
Document Review

Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION NOT TAKEN
Follow up Status: Open

Factory's payments to social insurance agency for all workers were paid for national minimum wage and not paid for the remaining balance of salaries and overtime hours for the workers provided with social insurance benefit in the factory. This caused workers' retirement wages to be calculated less than the actual amount during retirement.

Local law:

Turkish Labor Law Article 32 - In general terms, wage is the amount that is paid to a person in return for a job by the employer or third parties and paid in cash.) As a rule, wages, premiums, bonuses and all kinds of remuneration of this nature shall be made in the bank or in a private paid.

ETI requirement:

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.

Recommended corrective action:

It is recommended that whole payment amounts should be registered to Social Security Foundation and to be paid in an official manner.

Time Scale: 365 days

Action taken by: Teoman Gunseoglu (Owner)

2. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law
- NC against customer code:

Based on satisfactory evidence fingerprint system was established in July 2019. Time was recorded manually before July 2019 but manual time records were not seen before July 2019. Therefore, auditor couldn't build solid opinion for working hours before July 2019.

Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION TAKEN
Follow up Status: Closed

All documents were observed and verified.

Local law and/or ETI requirement:

The Employer shall maintain the following records on site for at least the previous 12 months and shall make them available to social auditor(s) for review:

- Payroll records of all employees
- Time Cards for all employees
- Piece rate records for all employees if applicable
- Employee files
- All legally require certifications and licenses
- Production Records
- Sub-contractor / supplier Records
- Disciplinary Records
- Machine Maintenance Records

2. Objective evidence observed:

Document Review / Document Review

<ul style="list-style-type: none"> - Accident & Injury logs - Medical Clinic records - Collective Bargaining Agreements - Employee Contracts <p>Recommended corrective action: It is recommended that management adopt practices and controls to ensure that wage and working hour records are kept for at least the past 12 months for auditors' review.</p> <p>Timescale: 30 days Action Taken by : Teoman Gunesoglu (Owner)</p>	
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Observation:	
<p>Description of observation:</p> <p>None Observed</p>	<p>Objective evidence observed:</p> <p>Not Applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p> <p>Free meal was provided to employees.</p> <p>Free meal was provided to employees.</p>	<p>Objective Evidence Observed:</p> <p>During site tour During site tour</p>

Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 45 hours per week for adults 40 hours for the workers between 15 – 18 years old.	A1: 45 hrs per week	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum: 11 hours per day, 270 hours per year	B1: 12,5 hrs per day (regular + overtime)	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: 2324,7 TL (Net) Since January 2020	C1: 2324,7 TL/Month (Net) Since January 2020	C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: 150% of hourly wage for each working practice duration over 45 hours/week. (This is the only overtime wage premium defined in Turkish labour law)	D1: As per contract daily overtime calculated %150 , Sunday and holiday overtime %200	D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Wages analysis: (Click here to return to Key Information)		
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
A1: If No , why not?		
B: Sample Size Checked <i>(State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	10 employees (August 2019 ,October 2019 , November 2019) 10 workers (July 2020, June 2020, May 2020)	
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	C1: If Yes , 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 No , please give details:
E: For the lowest paid production workers, are wages paid for standard/contracted hours	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet	E1: Lowest actual wages found: 2324 TL per month

(excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Above		
F: Please indicate the breakdown of workforce per earnings:	F1: ____% of workforce earning under minimum wage F2: 100% of workforce earning minimum wage F3: ____% of workforce earning above minimum wage		
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: Nil <i>Note: full time employees and please state hour / week / month etc.</i> .		
H: What deductions are required by law e.g. social insurance? Please state all types:	Social insurance, income taxes		
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that have been made.	1. Social insurance 2. Income taxes Please describe: Nil
		I2: Please list all deductions that have not been made.	1. N/A 2. Please describe: N/A
J: Were appropriate records available to verify hours of work and wages?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Manual work time records were not seen before July 2019.		
K: Were any inconsistencies found? (if yes describe nature)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	K1: Type <input checked="" 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please specify amount/time: Fingerprint system was established in July 2019, and manual time records were not seen before July 2019.		
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: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time: N/A		

<p>M2: If yes, what was the calculation method used.</p>	<p><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</p>
<p>N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Periodic reviews of wages were conducted.</p>
<p>O: Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Equal rates were being paid for equal work.</p>
<p>Q: How are workers paid:</p>	<p><input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:</p>

6: Working Hours are not Excessive

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

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:

The regular working hours for office employees: Monday to Saturday; 08:00 to 18:00 with 60 mins. lunch break at 12:00 and 2 times of 15-minute tea break at 9:30 and 16:00. Sundays were weekly rest days. Shift for Saturday is from 08:00 to 10:30 with 15-min tea break at 09:30.

The regular working hours for embroidery employees: Monday to Saturday with 3 shifts as 08:00-16:00 / 16:00-24:00 /24:00-08:00 with 30-min lunch break

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

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

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

It was noted that night shift workers changed their shifts without 11-hour rest between two shifts in November 2019.

Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION TAKEN

Follow up Status: Closed

Time and wage records were checked. There were no violations regarding timeouts.

Local law:

Regulation of specific procedures and principles of working during working in workers in the shifts regulations Article 9 - In the case of postal change, the workers shall not be employed continuously for at least eleven hours. This provision shall also apply to workers whose post has been altered.

ETI requirement:

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.

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that employees have 11 hours break between two shifts.

Time Scale: 30 days

Action taken by: Teoman Gunseoglu (Owner)

2. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

It was noted that 4 out of 10 sample employees worked in excess of the 11 hours per day.

A review of 10 sample population employees' payroll yielded the following:

- 3 out of 10 sample population employees worked in excess of 11 hours per day (i.e. 11,5 hours) for 1 day per month in November 2019, which was not in compliance with the legal requirement;
- 1 out of 10 sample population employees worked in excess of 11 hours per day (i.e. 11,5 to 12,5 hours) for 3 to 4 days per month in October 2019, which was not in compliance with the legal requirement.

Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION TAKEN

Follow up Status: Closed

Time and wage records were checked. There were no violations regarding timeouts.

Local law:

According to Turkish Labor Law 4857, Article 63, daily working hours (regular + overtime) shall not exceed 11 hours.

1. Objective evidence observed:

Document Review /
Document Review

2. Objective evidence observed:

Document Review/
Document Review

ETI requirement:

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.

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that employee daily working hours do not exceed 11 hours.

Time Scale : 30 days

Action taken by: Teoman Gunseoglu (Owner)

3. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law
 NC against customer code:

Based on satisfactory evidence finger print system was established July 2019. Time was recorded manually before July 2019 but manual time records were not seen before July 2019. Therefore, auditor couldn't build solid opinion for working hours before July 2019.

Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION TAKEN

Follow up Status: Closed

All documents were observed and verified.

Local law and/or ETI requirement:

The Employer shall maintain the following records on site for at least the previous 12 months and shall make them available to social auditor(s) for review:

- Payroll records of all employees
- Time Cards for all employees
- Piece rate records for all employees if applicable
- Employee files
- All legally require certifications and licenses
- Production Records
- Sub-contractor / supplier Records
- Disciplinary Records
- Machine Maintenance Records
- Accident & Injury logs
- Medical Clinic records
- Collective Bargaining Agreements
- Employee Contracts

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that wage and working hour records are kept for at least the past 12 months for auditors' review.

Timescale: 30 days

Action Taken by: Teoman Gunesoglu (Owner)

3. Objective evidence

observed:

Document Review/
Document Review

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

Working hours' analysis	
Please include time e.g. hour/week/month <i>(Go back to Key information)</i>	
Systems & Processes	
A. What timekeeping systems are used: time card etc.	<i>Describe:</i> Manual time record system before July 2019; Fingerprint attendance system since July 2019.
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 all 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:
E. Do any standard/contracted working hours defined in contracts/employment	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes , please detail hours, %, types of workers affected and frequency Please give details:

agreements exceed 48 hours per week?		
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<p>F2: Please select all applicable:</p> <p><input checked="" type="checkbox"/> 1 in 7 days</p> <p><input type="checkbox"/> 2 in 14 days</p> <p><input type="checkbox"/> No</p> <p>If 'No', please explain:</p>	<p>F3: Is this allowed by local law?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
		Maximum number of days worked without a day off (in sample):
		6 days / 6 days
Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>	G1: If yes, % of workers & frequency:
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>	H1: If yes, please give details:
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	<p>Highest OT hours:</p> <p>12,5 hrs per day ,</p> <p>57,5 hrs per week (regular + overtime)</p> <p>58 hrs per month</p> <p>Auditor couldn't build solid opinion for working hours before July 2019 since manual time records could not be provided before July 2019.</p> <p>July 2020</p> <p>0 hours per a day</p> <p>0 hours per a week</p> <p>0 hours per a month</p> <p>5 consecutive days</p> <p>March 2020</p> <p>2 hours per a day</p> <p>8 hours per a week</p> <p>20 hours per a month</p> <p>6 consecutive days</p> <p>February 2020</p> <p>2 hours per a day</p> <p>6 hours per a week</p>	

	16 hours per a month 6 consecutive days	
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:	15 %	
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: Per worker interview.
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 standard wages: 150%.
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: 100% workers.
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.	<input 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 N/A	
	O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other	
	N/A	
P: If more than 60 total hours per week and this is legally allowed, are there other	<input type="checkbox"/> Overtime is voluntary <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	

considerations? Please complete the boxes where relevant.	<input type="checkbox"/> Other reasons (please specify) N/A
	P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:
	N/A
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details:
R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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:

Female employees were not required to have a pregnancy test during hiring process.
Both male and female employees were working in production area and at administrative jobs.
There was no evidence of sexual, verbal or physical harassment in the factory.

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

Details:

- Factory rules
- Hiring and termination policies
- Job application forms
- Personnel files
- Wage records
- Employee interviews

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: _71 % A2: Female_29 %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	3
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 was noted.

Professional Development

A: What type of training and development are available for workers?	Orientation program contents when a person starts to work in facility.
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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:
--	---

Non-compliance:

Description of non-compliance: None Observed	Objective evidence observed: Not Applicable
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Observation:

Description of observation: None Observed	Objective evidence observed: Not Applicable
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Good Examples observed:

Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable
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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:

Workers were given continuous employment. 10 sampled workers employment files and contracts were reviewed and the terms and conditions were found as per law. All workers were local workers and had social security insurance on-time. All employees were directly hired by management. There was no recruiting agency. There were no daily or temporary workers in the factory.

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

Documents checked & comments:

1. Employee interview
2. Management interview
3. Document review

Non-compliance:	
Description of non-compliance: None Observed	Objective evidence observed: Not Applicable

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

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:

<p>C: If yes, check all that apply:</p>	<ul style="list-style-type: none"> <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>C1: If other, please give details:</p>
<p>D: If any checked, give details:</p>	N/A

<p>Migrant Workers:</p> <p><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></p>			
<p>A: Type of work undertaken by migrant workers:</p>	N/A, 2 migrant workers.		
<p>B: Please give details about recruitment agencies for migrant workers:</p>	<p>B1: Total number of (in country recruitment agencies) used:</p> <p>B2: Total number of (outside of local country) recruitment agencies used:</p> <p>N/A, no migrant workers.</p>		
<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>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>C1: Please describe finding: N/A, no migrant workers.</p> </td> <td style="width: 50%;"> <p>C2: Observations:</p> </td> </tr> </table>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>C1: Please describe finding: N/A, no migrant workers.</p>	<p>C2: Observations:</p>
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>C1: Please describe finding: N/A, no migrant workers.</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>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>D1: If yes, number and example of roles: N/A, no migrant workers.</p>		

NON-EMPLOYEE WORKERS

Recruitment Fees: N/A	
A: Are there any fees?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A
B: 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 B1 – If other, please give details: N/A
C: If any checked, give details:	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:

<p>C: If yes, check all that apply:</p>	<ul style="list-style-type: none"> <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>C1: If other, please give details: N/A</p>
<p>D: If any checked, give details:</p>	<p>N/A</p>

Agency Workers (if applicable) N/A <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>	
<p>A: Number of agencies used (average):</p>	<p>A1: Names if available: N/A</p>
<p>B: Were agency workers' age / pay / hours included within the scope of this audit?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No N/A</p>
<p>C: Were sufficient documents for agency workers available for review?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No N/A</p>
<p>D: Is there a legal contract / agreement with all agencies?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D1: Please give details: N/A</p>
<p>E: Does the site have a system for checking labour standards of agencies? If yes, please give details.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>E1: Please give details: N/A</p>

Contractors: N/A <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 Yes , 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 Yes , 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:

Facility management have policies and agreements to inform client before using subcontractors for client's production.

No homeworking was observed.

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

1. Document review
2. Factory tour
3. Management interview
4. Worker interview
5. Subcontractor audit reports

Non-compliance:

Description of non-compliance:

None Observed

Objective evidence observed:

Not Applicable

Observation:

Description of observation:

None Observed

Objective evidence observed:

Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

Summary of sub-contracting – if applicable <input checked="" 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 type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe:
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 Yes , summarise details:
C: Number of sub-contractors/agents used:	
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If Yes , summarise details:
E: What checks are in place to ensure no child labour is being used and work is safe?	

Summary of homeworking – if applicable <input checked="" 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 Yes , summarise details:		
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		C1: If through agents, number of agents:
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

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

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

<p>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 3rd party?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe: Company had special online reporting system which was controlled by 3rd party.</p>
<p>B: If Yes, are workers aware of these channels and have access? Please give details.</p>	<p>Employees can access online system from everywhere. Employees get training and they know requirements well.</p>
<p>C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>	<p>Hotline, Whistle blowing, comment boxes</p>
<p>D: Which of the following groups is there a grievance mechanism in place for?</p>	<p><input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: It was verified with worker interviews; the open door policy and worker representative system was effective in the company.</p>
<p>E: Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details</p>
<p>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)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details</p>
<p>G: Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain</p>

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
<p><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></p>
<p>Current systems: No finding noted regarding this section. Confirmed with employee interviews.</p> <p>Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Details: There was no evidence of physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation which was confirmed through interviews.</p>

Non-compliance:	
<p>Description of non-compliance: None Observed</p>	<p>Objective evidence observed: Not Applicable</p>

Observation:	
<p>Description of observation: None Observed</p>	<p>Objective evidence observed: Not Applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None Observed</p>	<p>Objective evidence observed: Not Applicable</p>

10. Other Issue areas: 10A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

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

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:

Factory did not employ any immigrant workers. Employees' ID card was reviewed before hiring and a copy of the ID card were recorded in the personnel file. And the procedure for screening through checking the original identification certificates and other background information to ensure that employees without legal right to work were not recruited.

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

Documents checked & comments:

1. Policy review
2. Factory tour
3. Management interview
4. Document review
5. Worker interview

Non-compliance:

Description of non-compliance:

None Observed

Objective evidence observed:

Not Applicable

Observation:

Description of observation:

None Observed

Objective evidence observed:

Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

10. Other issue areas 10B2: Environment 2–Pillar
[\(Click here to return to summary of findings\)](#)
 To be completed for a 2–Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

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. Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

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:
 Confirmed with document review (Waste control documents, procedures, policies and logs.) and site tour.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):
 Environmental permit
 Waste discharge permit
 EIA permit

Details: The company had no waste that can lead to any kind of pollution. No hazardous and contaminated water or gas is discharged.

Non-compliance:

<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input checked="" type="checkbox"/> NC against Local Law It was noted that "Environmental Permit" was not obtained from Ministry of Environment and Forestry.</p> <p><i>Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION TAKEN</i> <i>Follow up Status: Closed</i> Facility provide the environmental permit for a review. Permit is acceptable</p> <p>Local law: According to regulation on the amendment of the Regulation Pertaining to the permissions and licenses that have to be obtained per the Environmental Law, Article 6-8, environmental permit shall be obtained from Ministry of Environment and Forestry.</p> <p>Additional Elements requirement:</p>	<p>1. Objective evidence observed: Document review Document review</p>
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10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

Recommended corrective action:

It is recommended that factory management adopt practices and a control to ensure that environmental permit is obtained from Ministry of Environment and Forestry.

Time scale: 30 days

Action taken by: Teoman Gunseoglu (Owner)

2. Description of non-compliance:

NC against ETI/Additional Elements

NC against Local Law

It was noted that Ministry approved industrial waste management plan was not obtained during audit day.

Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION TAKEN

Follow up Status: Closed

The Ministry approved industrial waste management plan was obtained for a review. Acceptable.

Local law:

Waste Management Regulation Article 9-c) Preparing and presenting the waste management plan that it is obliged to prepare for the waste produced and the prevention and reduction of waste.

Additional Elements requirement:

10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

Recommended corrective action:

It is recommended that factory management adopt practices and a control to ensure that industrial waste management plan is obtained from Ministry of Environment and Forestry.

Time scale: 30 days

Action taken by: Teoman Gunseoglu (Owner)

3. Description of non-compliance:

NC against ETI/Additional Elements

NC against Local Law

It was noted that packaging and waste declarations were not available in the company.

Partial Follow Up audit on 19 Aug, 2020 APPROPRIATE ACTION TAKEN

Follow up Status: Closed

The waste disposal contracts were seen. Acceptable

Local law:

Waste Management Regulation Article 9-ğ) To complete, approve, print out and keep a copy of the waste declaration form using the online applications prepared by the Ministry by the end of March at the latest starting from January every year, including the information for the previous year, and keeping a copy for five years.

2. Objective evidence observed:

Document review

Document review

3. Objective evidence observed:

Document review

Document review

<p>Additional Elements requirement: 10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.</p> <p>Recommended corrective action: It is recommended that factory management adopt practices and a control to ensure that waste declaration is obtained from Ministry of Environment and Forestry.</p> <p>Time scale: 30 days Action taken by: Teoman Gunseoglu (Owner)</p>	
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Observation:	
<p>Description of observation: None Observed</p>	<p>Objective evidence observed: Not Applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None Observed</p>	<p>Objective evidence observed: Not Applicable</p>

Other findings

Other Findings Outside the Scope of the Code

None observed

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 observed










Appendix 1

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."

Not Applicable please x

Photo Form

Overview

		
<p>Factory overview</p>	<p>Production</p>	<p>Alarm button</p>
		
<p>Fire Extinguisher</p>	<p>First aid kit</p>	<p>Notice Board</p>
		
<p>Lunch hall</p>	<p>Grievance box</p>	<p>Attendance recoding system</p>

Toilet	Production area	Quality control

NC Photo

		<p>Nil</p>
Fusing machine	Correction -1 WORKERS USED EAR PLUGS	END



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Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3Inq5lw_3d_3d

[Click here for Supplier \(B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d

[Click here for Auditors:](#)

<https://www.surveymonkey.co.uk/r/BRTVCKP>