FLA Audit Profile	
Country	Turkey
Factory name	010076227E
IEM Monitor	Bureau Veritas
Date(s) in facility	November 10-11, 2005
PC(s)	adidas AG
Number of workers	868 (plus 690 workers of 9 in-house subcontractors)
Product(s)	Sportswear
Production processes	Knitting, Dyeing, Cutting, Sewing, Embroidery, Packaging, Printing

In September 2008 the adidas Group's SEA Team began to work on a remediation plan for this IEV. Yet, in 2009, adidas' production team terminated this factory for production related issues; consequentially, the SEA Team was unable to verify that the factory completed all of the action items.

			IEM Findings							Remediation					[Status]	Updates (Cite Date of Follow up)		Updates (Cite Date of Follow up)		[Status]	Updates (Cite Date of Follow up)		[Status]	Updates (Cite Date of Follow up)		[Status]	Third-Party Verification: Level Works		Company Verification Follow up	
FLA Code/Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Noncompliance	Risk of Noncompliance	Evidence of Noncompliance (Uncorroborated)	If Not Corroborated, Explain Why	Sources, Documentation	Notable Features	PC Internal Audit Findings (Optional)	PC Remediation Plan (Feb 1, 2006)	Target Completion Date	Factory Response (Optional)	Company Follow Up (March 24, 2006)	Documentation	Completed; Pending; Ongoing	Company Follow up (June 2006)	Documentation (June 2006)	Company Follow up (Dec 2006)	Documentation (Dec 2006)	Completed; Pending; Ongoing	Company Follow up (March 2007)	Documentation (March 2007)	Completed; Pending; Ongoing	Company Follow up (June 2007)	Documentation	Completed; Pending; Ongoing	External Verification (May 29, 2008)	Documentation	Company Follow up (July 29th, 2008)	Documentation
1. Code Awareness																														
2. Forced Labor																														
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.																														
Employment Records	According to Turkish Labor Law 4857, Article 8, there should be a written contract between employee and employer including date of hire, signature and wage details.	Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision.	There was a missing employment agreement for one worker's personnel file. It was found through document review that there were missing signatures on five employment agreements (three for workers and two for employees).							HR manager has already gone through all personnel files and completed all missing signatures. In order to avoid any missing employment agreements in personnel files or signatures on employment agreements in the future, factory should add such procedures in their hiring policy and HR manager should also train HR staff about this procedure.	3/31/2006	Management explains that external monitors had previously asked for employment contracts of security personnel and the HR manager had taken the employment contracts of these persons out of their employee files and submitted them to the external monitors. Later on, when external monitors checked personnel files, they noticed that employment contracts of the security personnel were missing in those files.	Factory management included such procedures in their hiring policy and HR manager trained HR staff about this procedure.	Modified hiring policy, which includes a section regarding employment contracts and completion of the signatures. Training documents and signatures of the participants.	Completed												All the workers had employment agreement in their personnel files. The factory completed all missing signatures of employment contracts. The factory distributed employment contracts to each employee after the joining the company.	Management and workers interview, visual observation and documentation review of personnel files		
3. Child Labor																														
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.																														
Legal compliance for juvenile workers	According to Turkish Labor Law 4857, Article 71, young workers who are between 15-18 shall work maximum 8 hours per day, and 40 hours per week.	Employers will comply with applicable laws that apply to young workers, i.e., those between the minimum working age and the age of 18, including regulations relating to hiring, working conditions, types of work, hours of work, proof of age documentation, and overtime.	There is one young worker who is working 9 hours a day and 45 hours per week at the [subcontractor 1].							Factory should prepare a policy for Juvenile Workers. Policy should include all the legal requirements for juvenile workers like juvenile workers should work max 8 hours/day and 40 hours/week, they should have annual health checks twice a year and they should have at least 20 days of paid annual vacation. Factory should ensure that OT procedures include information that juvenile workers are not allowed to perform any OT work. Factory should provide training to juvenile workers about their additional rights. Factory should provide training to HR staff, middle management and supervisors on juvenile worker rights.	3/31/2006		Factory management prepared a policy for juvenile workers. Trainings have been given.	Policy about "juvenile workers." Training given to the juvenile workers, HR staff, middle management and supervisors with their signatures of receipt.	Completed												There were only 3 young workers, who were working in one of the subcontractors. Those workers were working 8 hours a day and 40 hours per week as per law, and those workers did not stay overtime.	Management and workers interviews, visual observation and documentation review of personnel files, payroll and time records		
4. Harassment or Abuse																														
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.																														
Monetary Fines and Penalties		Employers will not use monetary fines and penalties for poor performance.	1) It was found through document review that one monetary fine existed in the personnel files. 2) There was an article on the Disciplinary Rules and Procedure which states monetary fines.							Factory should prepare a new disciplinary policy excluding monetary fines and penalties. Monetary fines will never be implemented. Factory should further develop procedures and train HR staff, management, workers' representatives and workers about the new disciplinary policy.	3/31/2006	The disciplinary policy checked by the external monitors was an old policy prepared in 2000. The last financial penalty was given in 1999. There has been an audit by Ministry of Labor on 12/26/2005 examining all issues for the past 5 years. The report indicates that there have not been any monetary fines.	Factory prepared a new disciplinary policy that excludes monetary fines and penalties. Developing procedures and training HR staff, management, workers' representatives and workers about the new disciplinary policy will be completed until 05/31/2006.	Photocopy of the old disciplinary policy, pay slip of that worker from October 1999. New disciplinary policy. Trainings will be given until 05/31/2006.	Completed	Factory prepared a new disciplinary policy. HR staff, management, worker representatives and workers are trained as of 05/29-30/2006.	New disciplinary policy and training documents with participants' signatures.										Factory prepared new disciplinary policy excluding monetary fines and penalties. Monetary fines were not implemented. The factory developed procedures and trained staff, management, workers representatives and workers about new disciplinary policy.	Management and workers interview, and documentation review of personnel files and payrolls		
5. Nondiscrimination																														
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.																														
Pregnancy Risk	As per Article 10 of regulation issued on Official Newspaper dated 14.07.04 referring to Turkish Labor Law 4857, Article 88, pregnant, new and/or breastfeeding mothers shall not work in excess of 7.5 hours per day.	Employers will ensure that pregnant women are not engaged in work that creates substantial risk to the health of the pregnant woman.	Pregnant workers are working 9 hours per day.							The factory should find out how many pregnant workers are there in the factory. The factory should develop a policy regarding pregnant workers in compliance with the labor law. The working hours and shifts of the pregnant workers should be arranged according to the law.	3/31/2006		The list of pregnant workers has been prepared. The factory developed a policy for pregnant workers in compliance with the labor law. Working hours are arranged.	List of pregnant workers. Policy regarding pregnant workers.	Pending	This issue was completed in April; however, May and June have been peak periods and the factory has failed to comply with relevant laws. Factory management has been given until 09/30/2006 to complete this action item. In remediation, factory management must include plan that addresses how it will ensure pregnant workers do not work OT in peak months.		The management has trained all pregnant workers, supervisors and middle management to ensure that pregnant women are given longer breaks during the day.	Verified by interviews with pregnant workers from different departments on 12/07/2006. This issue is also discussed during worker-management meeting of 11/28/2006. Management once more announced to all workers in writing that pregnant women must be given longer breaks, and they are not supposed to work more than 7.5 hours per day. Minutes of this meeting are posted on notice boards. This is verified through interviews with pregnant workers and worker representatives. As an alternative, management is also seeking ways to send pregnant workers home earlier.	Completed, but this issue will be still followed during future audits.				Factory management further improved implementation, and instead of arranging longer breaks for pregnant workers, changed working hours of pregnant workers. They now leave at 16:00, after working for net 7.5 hours as indicated by the law.	Working hour records and worker interviews	Completed	In 2 of subcontractors there were 2 pregnant workers, who worked in 2 to 4 times 8.5 or 9 hours per day in month of April 2008.	Management and workers interview, visual observation, documentation review of personnel files, time card details and payrolls	After FLA audit, parent company ([Factory name]) requested all subcons to report on monthly basis list of pregnant workers. HR department of [Factory name] now tracking their working hours and ensuring that pregnant workers are working within legal limits. Sustainability will be checked during the next visit.	
6. Health and Safety																														
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.																														
PPE		Workers shall wear appropriate protective equipment (gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements, including medical waste.	Workers in dyeing section were using inappropriate masks (dust masks), the workers in printing section should wear PPE for Tenax 2000 dust remover and workers in cutting section shall wear masks for spot cleaner. Subcontractor working for printing does not use PPE.							Subcontractor factory should train their employees regarding PPE materials. Factory management should also train their supervisors and other middle management, because it is important for workers to see their superiors also using PPE. Trainings should be continuous and factory should measure effectiveness of these trainings and document them. In order to avoid future noncompliances, factory should include a PPE and machine guard usage section in the Health and Safety Policy and track implementation. Main supplier should do internal audits at subcontractor to check the situation.	3/31/2006	Factory has fully automated dye kitchen and there is no direct worker contact with chemicals; therefore, there is no need for carbon masks. Dust masks are distributed by the management to workers at the brushing section.	Subcontractor factory trained their workers and supervisors at printing about PPE. PPE and machine guard usage items are added in H&S policy. Main supplier factory prepared and sent internal audit plan for their subcontractors. PPE and MSDS training was given to workers who work with adhesive sprays like Tenax 2000 and trainings are continuously given to workers at spot removing section.	Training documents with the signatures of participants. Internal audit plan. PPE usage procedures.	Completed												The factory provided all necessary personal protective equipment and posted warning signs on the walls in dye-house and printing sections including subcontractors. The factory also trained those workers.	Management and workers interview, visual observation, documentation review of training records		
Chemical Management		All chemicals and hazardous substances should be properly labeled and stored in accordance with applicable laws. Workers should receive training appropriate to their job responsibilities in the safe use of chemicals and other hazardous substances.	Barrel for chemical "RUKOF IN HSV" was placed at warehouse to reserve the water which is dropping from the air conditioning.							Factory should post a written announcement. Factory should include this topic in their waste policy. All employees dealing with chemicals should be trained.	2/1/2006		Barrel removed immediately. Management informed all supervisors and workers not to use any chemical barrels/drums for other purposes.	A copy of the announcement. Revised waste policy.	Completed												The barrel for chemical "RUKOF IN HSV" was removed at warehouse section.	Management and workers interview, visual observation, documentation review of training records		
Sanitation in Dining Area		All food preparation shall be prepared, stored, and served in a sanitary manner in accordance with applicable laws. Safe drinking water should be available in each building.	There were no drinking glasses for workers at sewing section.							The factory should develop a written procedure to collect used glasses and to bring new glasses to the cupboards and train the responsible staff accordingly.	2/1/2006	All workers also have their own small water bottles.	More glasses are bought. The system for cleaning/bringing new glasses is improved in the section. The procedure was revised. Responsible staff is trained.	Revised policy. Trainings documents and signatures.	Completed												The factory provided enough number of cupboard in each section, and there were used glasses and clean glasses.	Management and workers interview, and visual observation		
Management System																											**New Finding:** During verification audit it was noted that a) in 2 subcontractors 1 of exit route was obstructed, there were some obstructions, b) in 1 subcontractor, ([Subcontractor name]) stain remover worker was using dust mask instead of fume mask, c) in 2 subcontractors, there were even warning signs ([Subcontractor name] and [Subcontractor name]), workers not using PPE, d) was open wire at 1 subcontractor, ([Subcontractor]), e) in 1 printing section, there were big barrels, yet no warning signs or content labels were available.	Visual Observation	a) Blockage has been eliminated immediately after audit. Parent company ([Factory name]) informed they will repeat emergency training and emphasize once more the importance of keeping exit routes clear (Oct 30th, 2008). b) Fume mask provided, PPE training given to relevant worker. c) [Factory name] analyzed root cause of issue and outcome was masks provided not compatible with work environment; therefore after discussing with [PPE equipment company], PPE been changed with appropriate ones. PPE training will be repeated (July 31st, 2008). d) Open wire has been removed, it was a phone line kept for purpose of re-installing of a new phone handset. e) After FLA audit, facility has given new 6S training to workers and conducted 6S audit. Unnecessary barrels were removed and others have been labeled.	
7. Freedom of Association and Collective Bargaining																														
Employers will recognize and respect the right of employees to freedom of association and collective bargaining.																														
8. Wages and Benefits																														
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.																														
Record Maintenance		All compensation records will be maintained accurately and should be acknowledged by the employee as accurate.	Complete 12 months of the time card records were not made available to check the compliance of working hours before January 2005.							Factory should contact IT company responsible for time card records and ask them reason why it happened and what factory should do in order for the same thing to not happen again. Factory should take regular backups.	3/31/2006	There has been a computer system breakdown at that time and past records cannot be reached. This is verified by subcontractor factory.	There will be regular monthly backups and all data from January 2005 onwards will always be available for review. Backups will be kept for the last 24 months.	Photocopy from IT company and maintenance document dated 01/21/2005. Document explaining possible reasons of system default.	Completed												Factory provided all workers' in/out time records for last 12 months including subcontractors. Electronic barcode system was working properly.	Management and workers interview, and review records of time card details		
Legal benefits	As per Article 15 of regulation issued on Official Newspaper dated 14.07.04 referring to Turkish Labor Law 4857, Article 88, facility with 100-150 female workers shall have breastfeeding rooms separate from production site and maximum 250m away. The facility with 150 or more female workers shall have nursery maximum 250m away. If the nursery is farther than 250m, then the factory shall provide free transportation to/from nursery. If the employer can't provide breastfeeding room and/or nursery, they shall have a contract with an external organization.		Some female workers need a crèche for their children. Crèche is in process of being established, as explained by management.							Factory should activate crèche and inform all female workers. The factory will also develop a policy for the crèche.	6/1/2006	The factory has already provided crèche facility at the factory premises, but it is not functioning.	The decision is taken by the top management to activate the crèche on the target completion date. A policy will be developed and an announcement will be made to the workers.	Mail from the management about the decision of activating the crèche as of 06/01/2006.	Pending	Factory decided to work with an external administrator to run the child care facility. They are going to select one of them. New deadline is 08/31/2006.	Offers from the external administrators.	Crèche opened on Nov 1. The management agreed to work with an external child care administrator who also owns a well-known child care facility in [City name]. Factory's new child care facility provides its services inside social activities building. Factory management has also developed written procedures for crèche management and trained relevant personnel.	Verified by physical observation on 07/12/2006. Verified by documentation.	Completed							Crèche was opened. External child care company is serving the facility. During factory floor visit, around 60 children were in crèche.	Management and workers interview, and visual observation		
9. Hours of Work																														
Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period.																														
Overtime Limitations	According to Turkish Labor Law 4857, Article 69, 11 hours of consecutive rest shall be provided between 2 shifts for workers. As per Turkish Labor Law 4758, Article 46, at least 24 hours consecutive rest will be provided in every 7 day period. According to Turkish Labor Law 4857, Article 68, factory shall provide at least 60 min. break if the daily working hours over 7.5 hours. According to Turkish Labor Law 4857, Article 63, daily combined working hours (regular + overtime) shall not exceed 11 hours.	Except in extraordinary business circumstances, employees will (i) not be required to work more than lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by law of country of manufacture or, where laws of such country will not limit hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least 1 day off in every 7 day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	Workers are not provided 11 hours consecutive rest who are working in shift mode. Workers worked without 1 day off in 7. Combined regular and overtime hours exceed 57 hours (45 hours national working hours per week, plus 12 hours FLA COC per week). Workers having 30 minute break in 9 hours period per day instead of 60 minute break. Workers working for [Subcontractor name] and [Subcontractor name] were working 12 hours a day, which is noncompliant with Turkish Labor Law.							Factory should develop policy regarding pregnant workers which is in compliance with the law. Factory should make sure that workers are provided 11 hours consecutive rest who are working in shift mode. Please train responsible HR staff, middle management and workers accordingly. Factory should make sure all workers get 1 day off in 7. Factory's working hours policy should clearly state that. Please train responsible HR, middle management and supervisors accordingly. Factory should make sure that weekly working hours do not exceed limit required by FLA COC. Breaks should be arranged as indicated in the law. Daily working hours should not exceed 11 hours, unless there are forced reasons of extraordinary conditions.	3/31/2006	All workers are provided 11 hours consecutive rest who are working in shift mode. This was only 1 specific case at cutting, who replaced his colleague on that day only. There is consecutive 7 day work in factory. There has only been 1 case for 2 kitchen workers who came to work in October for cleaning purposes. Breaks are 60 minutes since 11/14/2005.	Policy regarding pregnant workers is developed. Working hours policy is revised and trainings are given. Breaks are arranged.	Policy regarding pregnant workers. Revised working hours and overtime policy. Training documents.	Completed												All workers given 11 hours consecutive rest who work in shift mode. No workers worked any rest days. Total breaks are 60 minutes. Most workers worked maximum 11 hours per day and 60 hours per week in most months. However, in 2 of subcontractors on a few days in few sections, workers worked up to 22:00pm, 23:00pm or 1:45am and in one week worked more than 60 hours.	Management and workers interview, visual observation, documentation review of personnel files, time card details and payrolls	All workers need to be employed within daily (11 hrs), weekly (60 hrs) and yearly (270 hrs OT) working hour limits. Parent company ([Factory name]) informed that they are planning to establish a central time card recording system to prevent such noncompliances. To do this they will purchase a separate server which will be dedicated solely to record time cards, which will have input from all different satellites (October 30th, 2008).	
Legal compliance with protected workers	As per Article 10 of regulation issued on Official Newspaper dated 14.07.04 referring to Turkish Labor Law 4857, Article 88, pregnant, new and/or breastfeeding mothers shall not work in excess of 7.5 hours per day.	The factory will comply with all applicable laws governing work hours, including those regulating or limiting the nature and volume of work performed by women or workers under the age of 18.	Pregnant workers are working regular 9 hours per day.							Factory should find out how many pregnant workers are there in factory. Factory should develop a policy regarding pregnant workers in compliance with labor law. Working hours and shifts of pregnant workers should be arranged according to the law.	3/31/2006		The list of pregnant workers has been prepared. Factory developed a policy for pregnant workers in compliance with the labor law. Working hours are arranged.	List of pregnant workers. Policy regarding pregnant workers.	Pending	This issue was completed in April; however, May and June have been peak periods and factory has failed to comply with relevant laws. Factory management has been given until Sept 30 to complete this action item. In remediation, factory management must include a plan that addresses how it will ensure pregnant workers do not work OT in peak months.		The management has trained all pregnant workers, supervisors and middle management to ensure that pregnant women are given longer breaks during the day.	Verified by interviews with pregnant workers from different departments on 12/07/2006. This issue is also discussed during worker-management meeting of 11/28/2006. Management once more announced to all workers in writing that pregnant women must be given longer breaks and are not supposed to work more than 7.5 hrs per day. Minutes of this meeting are posted on the notice boards. This is verified through interviews with pregnant workers and worker representatives. As an alternative, management is also seeking ways to send pregnant workers home earlier.	Completed, but this issue will be still followed during future audits.				Factory management further improved implementation, and instead of arranging longer breaks for pregnant workers, changed working hours of pregnant workers. They now leave at 16:00 after working for net 7.5 hours as indicated by the law.	Working hour records and worker interviews	Completed	In 2 of subcontractors there were 2 pregnant workers who worked in 2 to 4 times 8.5 or 9 hours per day in month of April 2008.	Management and workers interview, visual observation, documentation review of personnel files, time card details and payrolls	Parent company ([Factory name]) informed they have requested all subcons to report on monthly basis the list of pregnant workers. HR department of [Factory name] will track working hours and ensure that pregnant workers are working within legal limits. [Factory name] informed this has been implemented immediately after FLA audit. Sustainability will be checked during the next visit.	
Other				There were inconsistencies between overtime records and payments with voluntary overtime records.						Factory should revise their overtime policy. The voluntary overtime request procedures will be mentioned clearly and in detail. Forms should be corrected. All supervisors and workers should be trained to avoid any inconsistencies.	3/31/2006	Supervisor used voluntary overtime form which indicated that OT is until 21:00; however, this was not the real case. Workers left at 20:00. Supervisor forgot to change written time in this form. Factory explained that Voluntary Overtime Forms are not forms that are created to show real working hours. They just indicate potential overtime hours and that real working hours can be different. Supervisors did not correct this form if there was a change between voluntary overtime form and real OT hours, because filled form with workers' signatures had already been sent to HR department to arrange food and service buses.	The overtime policy is revised. Training is given. Additionally, the top management circulated an announcement that all kinds of OT will be implemented only after top management approval.	Revised policy, training documents, forms from the supervisors, time records, service buses' leaving time records on that date.	Completed, but this issue will be still followed during future audits.	Workers and supervisors were provided voluntary OT training.	Training documentation	Training has been provided to supervisors and workers. Voluntary overtime forms have been redrafted, indicating that overtime can be worked maximum until 20:30, so there is no chance of working more than 2 hours overtime a day. The wording also made it clear that OT will not last until 20:30, but has only possibility to last maximum until 20:30. This will remove the inconsistency.	Verified by interviews. Verified by documentation during the visit on 12/07/2006.	Completed, but this issue will be still followed during future audits.	Unannounced audit conducted at factory by 2 company compliance managers refocusing on risk of noncompliance. 60 workers interviewed specifically on voluntary OT form implementation. Again verified that voluntary OT forms are filled by supervisors and signed by workers before OT took place. If actual OT not as long as expected as OT shown on forms; if some workers did not come for OT they signed for (has happened several times); or if OT postponed/cancelled by management, those cases not reflected on forms, causing inconsistency. Factory should improve "voluntary OT form" system by following up actual OT and making changes accordingly. Thus, management informed to add "Voluntary OT Procedure" into OT Policy and give training to supervisors again with involvement of top management to show importance of this issue.	Training documents. Voluntary overtime form procedure.	Completed				There were no inconsistencies between the payroll records, time card details and the production and overtime lists. All the actual hours were reflected.	Management and workers interview and documentation review of time card details, payrolls, pay slips, production records and overtime lists		
Other																											**New Finding:** During verification audit it was noted in one of subcontractors ([Subcontractor name]), one worker worked until 22:00pm in May 2008, but provided time cards showed this worker worked until 20:30pm and deficit 1.5 hours OT is reflected in another day in same month. Total weekly and monthly OT hours not changed, but total daily hours are guaranteed 11 hours per day maximum as per law requirement.	Management and workers interview and documentation review of time card details, payrolls, pay slips, production records and overtime lists	All workers need to be employed within daily (11 hrs), weekly (60 hrs) and yearly (270 hrs OT) working hour limits. Parent company ([Factory name]) informed they are planning to establish central time card recording system to prevent such noncompliances. To do this they will purchase a separate server, which will be dedicated solely to record time cards, which will have input from all different satellites (October 30th, 2008). They have also informed all subcons that records should only reflect reality and that falsification of records will not be tolerated.	
10. Overtime Compensation																														
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.																														
Other				There were inconsistencies between overtime records and payments with voluntary overtime records.						Factory should revise their overtime policy. The voluntary overtime request procedures will be mentioned clearly and in detail. Forms should be corrected. All supervisors and workers should be trained to avoid any inconsistencies.	3/31/2006	Supervisor used voluntary OT form which indicated that OT is until 21:00, however, this was not the real case. Workers left at 20:00. Supervisor forgot to change written time in this form. Factory explained that Voluntary OT Forms are not forms that are created to show real working hours. They just indicate potential OT hours and that real working hours can be different. Supervisors did not correct this form if there was change between voluntary OT form and real OT hours, because filled form with workers' signatures had already been sent to HR department to arrange food and service buses.	The overtime policy is revised. Training is given. Additionally, the top management circulated an announcement that all kinds of OT will be implemented only after top management approval.	Revised policy. Training documents. Forms from the supervisors. Time records. Service buses' leaving time records on that date.	Completed but this issue will be still followed during future audits.	Workers and supervisors were provided voluntary OT training.	Training documentation	Training has been provided to supervisors and workers. Voluntary overtime forms have been redrafted indicating that overtime can be worked maximum until 20:30, so that there is no chance of working more than 2 hours overtime a day. The wording also made it clear that OT will not last until 20:30, but has only possibility to last maximum until 20:30. This will remove the inconsistency.	Verified by interviews. Verified by documentation during the visit on 12/07/2006.	Completed, but this issue will be still followed during future audits	Unannounced audit was conducted at factory by 2 company compliance managers refocusing on risk of noncompliance. 60 workers interviewed specifically about voluntary OT form implementation. It was again verified that voluntary OT forms are those filled by supervisors and signed by workers before OT took place. If actual OT was not as long as expected OT shown on said forms; if some workers did not come for OT even if they signed for it (as happened several times); or if OT was postponed/cancelled by management, those cases not reflected on forms, causing the inconsistency. Factory should improve "voluntary OT form" system by following up actual OT and making changes accordingly. Thus, management informed to add "Voluntary OT Procedure" into Overtime Policy and give training to supervisors again with involvement of top management to show importance of the issue.	Training documents. Voluntary overtime form procedure.	Completed				There were no inconsistencies between the payroll records, time card details and the production and overtime lists. All the actual hours were reflected.	Management and workers interview and documentation review of time card details, payrolls, pay slips, production records and overtime lists		
Miscellaneous																														