



2011

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL VERIFICATION REPORT*

COMPANY: H&M Hennes & Mauritz AB

COUNTRY: Turkey

FACTORY CODE: 440076129HV

MONITOR: BAYRAMHAN BOYER

AUDIT DATE: October 13, 2011

PRODUCTS: Knit T-Shirts, Knit Jackets

PROCESSES: Cutting, Sewing, Finishing,
Packing

NUMBER OF WORKERS: 126

*To read the original IEM report of this factory, please visit the FLA website [here](#).
For an explanation on how to read this report, please visit the FLA website [here](#).



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Wages, Benefits and Overtime Compensation: Timely Payment of Wages

WBOT.4 All wages, including overtime compensation shall be paid within legally defined time limits. When no time limits are defined by law, compensation shall be paid at least once a month. (S)

Noncompliance

Explanation: Due to the recent financial crisis, there have been delays on OT payments since March 2009. The OT payment for May has not been paid yet.

Legal Reference: Labour Law 4857 Article: 34

Plan Of Action: H&M requires the factories to follow local labor laws regarding all wages, benefits and overtime compensation. The factory should pay wages to the worker within 30 days after the pay cycle, according to the law. The subcontractor needs to pay the overtime hours of the previous months. In addition, the factory should work on a plan to avoid a similar late payment in the future and look for alternative financial solutions together with the supplier.

Deadline Date: 10/15/2009

Supplier CAP: All OT payments have been paid through October 2009. To avoid repeat of this case, the factory is trying to reduce overtime.

Supplier CAP Date: 10/15/2009

Action Taken:

Plan Complete: Yes

Plan Complete Date: 03/01/2010

Action Verified: Yes

Action Verified: IEV October 2011

Text: (Completed) There has been no delay in payments since the incident was reported during the IEM.

Action Verified Date: 10/13/2011

Wages, Benefits and Overtime Compensation: False Payroll Records

WBOT.19 Employers shall not use hidden or multiple payroll records in order to hide overtime, to falsely demonstrate hourly wages, or for any other fraudulent reason. Payroll records maintained shall be authentic and accurate. (P)

Noncompliance

Explanation: Actual payments, be they OT compensation and wages higher than legal minimum wage, do not match with the payroll records registered in Social Security Administration. (Both [Factory name #1] & [Factory name #2])

Legal Reference: Social Security and General Health Insurance Law 5510 Article: 80

Plan Of Action:

Deadline Date: 07/07/2010

Supplier CAP: As a first step, workers' wages will be fully registered in Social Security Administration. The registration of OT wages will be considered a long-term goal, along with the registration of the management staff's wages.

Supplier 07/07/2010
CAP Date:

Action During our audit on October 9, 2012, we observed that factory has not made any
Taken: corrections about this issue yet. The supplier has declared that, according to the analyses they have made, registering real salaries and overtime hours increases the total cost by 30% and they cannot take corrective action at the moment.

Plan No
Complete:

Plan
Complete
Date:

Action No
Verified:

Action IEV October 2011
Verified
Text: (Pending) The double bookkeeping system is still used in the factory, with minimum wage declared to the Social Security Agency, and the amounts over the minimum wage and the OT compensation being paid separately.

Action 10/13/2011
Verified
Date:

Follow-up H&M requires the supplier and subcontractor to follow local law as well as the
Plan of requirements in the H&M Code of Conduct. We had a meeting with the supplier and
Action: factory and firstly reminded them of the labor law and H&M requirement regarding double bookkeeping. We then discussed the root causes in order to take the proper actions to make the factory register all payments correctly. Since this is a cost-related issue, we required the supplier to analyze the current situation first in terms of cost. We will consider the analysis results together with the supplier and factory and will make a plan to register all payments correctly. H&M will guide the supplier and factory to reduce the cost by supporting them with the proper projects, starting with a project to decrease OT hours.



Freedom of Association: Employer Interference/Constitution, Elections, Administration, Activities and Programs

FOA.5 Employers shall not interfere with the right of workers to draw up their constitutions and rules, to elect their representatives in full freedom, to organize their administration and activities and to formulate their programs. (S)

Noncompliance

Explanation: The worker representative is appointed, not elected by workers. The workers do not consider this system effective.

Plan Of Action: H&M encourages the factory to develop and maintain functioning communication channels between workers and management. We require the workers' representatives to be elected by the workers and represent the different sections in the workplace.

Deadline Date: 09/30/2013

Supplier CAP: In supplier's factory, worker representative election has been conducted on October 20, 2009. In inside sub-contractor, worker representatives were already elected by workers in November 2007.

Supplier CAP Date: 09/30/2013

Action Taken: According to document review on March 2013, it was verified that the main contractor has also started to document the meetings notes and to share the outcomes with the rest of the workers. We will follow this up during coming audits.

Plan Complete: No

Plan Complete Date:



Action Verified: No

Action Verified: IEV October 2011

Text: (Ongoing) The facility has held elections on October 20, 2009. The elections were held closed vote. One of the reps have left the facility and the next person in line has been appointed. The workers still do not use the worker representatives to their full extent. The main contractor in the facility [Factory name] does not have any written output from the worker representative meetings and results of the actions taken in line with the worker representative suggestions. On the other hand, the in-house subcontractor holds meeting and shares the meeting outcomes with the rest of the work force. The issues and their corrective actions or solutions could not be reviewed for the [Factory name].

Action Verified Date: 10/13/2011

Follow-up Plan of Action: H&M comment after IEV: Supplier declared that the main contractor has also started to document the meetings notes and to share the outcomes with the rest of the workers.

Freedom of Association: Facilities for Worker Representatives

FOA.25 Workers' representatives shall have the facilities necessary for the proper exercise of their functions, including access to workplaces. (S)

Noncompliance

Explanation: IEV October 2011

(New Finding): The worker representative system is not documented and the results are not fully shared with the entire workforce in the main contractor. Thus, not all workers are fully aware of the status of the elections and their results.

Plan Of Action: H&M encourages the factory to develop and maintain functioning communication channels between workers and management. We require that the workers are informed about their rights. A communication channel should be built between the workers and the factory management through worker representatives. Worker representatives should be elected by the workers themselves and represent the different sections in the workplace. The factory management should meet the representatives regularly and keep minutes of the meetings to enable follow up of the discussed topics. Workers should be informed about the actions taken by the factory management.

Deadline Date: 01/01/2012

Supplier CAP: The worker representative election was renewed on October 24, 2011. Factory has started keeping the worker representative meeting notes and documenting actions taken.

Supplier CAP Date: 01/01/2012

Action Taken: According to document review in March 2013, the main contractor has also started to document the meetings' notes and to share the outcomes with the rest of the workers. We will follow this up during coming audits.

Plan Complete: No

Plan Complete Date:

Action Verified: No

Action
Verified
Text:

Action
Verified
Date:

Code Awareness:

GEN.1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.

Noncompliance

Explanation: The Code of Conduct is not posted in any place in the work floor.

Plan Of Action: We are requiring our suppliers to incorporate our code (which is aligned with FLA's), applicable laws, internal regulations and our own internal policies, preferably written in worker handbooks. We require them to hold trainings and education sessions on a regular basis for all employees (due to high staff turnover) and to cover this material in new employees' orientation of the workplace.

Deadline Date:

Action Taken:

Plan Complete: No

Plan Complete Date:

Action Verified: Yes

Action Verified Text: IEV October 2011
(Completed) The CoC has been posted in the work floor.

Action Verified Date:

Code Awareness:

GEN.2 Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.

Noncompliance

Explanation: IEV October 2011

(New Finding) The workers' awareness of the H&M Code of Conduct is very low. Over 60% of the workers interviewed did not have an understanding of the code. Only 3 workers interviewed were aware of the complaint channel (phone number) of H&M.

Plan Of Action: H&M encourages suppliers to have a system in order to train their workers about legal rights. At the moment, we are working on a project with Unido and ILO. The projects aims to improve workers' knowledge of legal rights. The project will cover the almost 2,300 workers in our most used suppliers' production units, which are evaluated to be important for H&M. This project is planned to be finalized in 3 years.

Deadline Date: 12/31/2013

Action Taken: March 2013: (Due to the restriction on the number of participating factories in the proposed project mentioned in the initial Plan of Action, this factory was not involved in this project) H&M encourages suppliers to have a system in order to train their workers about legal rights and H&M Code of Conduct. We have asked the factory to prepare a training program. We are following this up via management system we conduct in the factory.

Plan Complete: No

Plan Complete Date:

Action Verified: No

Action Verified Text:

Action Verified Date:

Code Awareness:

GEN.3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

Noncompliance

Explanation: There is no established complaint channel between workers and FLA member company. Since there was no training session about the H&M's CoC, workers' awareness on this issue is very low.

Plan Of Action: During our audits and follow up visits in factories H&M compliance staff conducts interviews with workers. During these interviews we hand out our business cards with our contact information. The number we provide on the card is a mobile number which workers can call or SMS to put forward their grievances directly to us. We also encourage the workers interviewed to spread our contact information to other workers. Further, we support the factory in building a dialogue system in order to have a system for the workers to put forward their grievances to the management. During our audits and follow up visits we check the functionality of these systems. We will put more emphasis on the communication of this confidential report mechanism during our coming audits We encourage the supplier to train workers about H&M Code of Conduct.

Deadline Date: 12/31/2013

Action Taken:

Plan Complete: No

Plan Complete Date:

Action Verified: No

Action Verified: IEV October 2011

Text: (Ongoing) The level of worker knowledge on code of conduct and the complaint channel is still low. Over 60% of the workers interviewed did not have a understanding of the code. Only 3 workers interviewed were aware of the complaint channel (phone number) of H&M.

Action Verified Date: 10/13/2011

Follow-up Plan of Action: H&M compliance staff will continue to hand out business cards with our contact information during the follow up visits.

Health and Safety: General Compliance Health and Safety

H&S.1 Employers shall comply with all local laws, regulations and procedures concerning health and safety. (S)

Noncompliance

Explanation: The Health & Safety trainings are not in line with the related regulation. (Both [Factory name #1] & [Factory name #2].)

Legal Reference: Regulation about H&S Trainings of the Employees (Official Gazette No: 25426, 07.04.2004)

Plan Of Action: H&M requires that the factories follow the health and safety regulations in the local law and H&M Code of Conduct. The factory is responsible to provide sufficient number of workers a training to inform them about their legal rights and work related risks. The training must be in compliance with the related regulation in terms of material, choice of personnel to be trained, equipment, trainer, time and all other details. The factory shall keep records of attendance and training material to be presented upon request.

Deadline Date: 12/25/2009

Supplier CAP: H&S trainings will be more effective with H&S specialist and there will be checks by the supervisors after trainings to get efficiency.

Supplier CAP Date: 12/25/2009

Action Taken:

Plan Complete: No

Plan Complete Date:

Action Verified: Yes

Action Verified: IEV October 2011

Text: (Completed) The H&S trainings have been revised and renewed in line with the regulation. Including subjects such as PPE use, workplace related illnesses, ergonomic standards, electrical risks etc. Also a handbook on H&S has been distributed to all workers.

Action Verified Date: 10/13/2011

Health and Safety: Notification and Record Maintenance

H&S.7 Employers shall notify the relevant authorities of all illnesses and accidents as required by applicable laws. All illness, safety and accident reports shall be maintained on site for at least one year, or longer if required by law. (P)

Noncompliance

Explanation: First and periodical health check reports of most employees are missing.

Legal Reference: Regulation About Workplace Health and Safety Units and Shared Health and Safety Units, Article: 8, Appendix 1 15.08.2009/ Official Gazette: 27320

Plan Of Action: H&M requires that the factories follow the health and safety regulations in the local law and H&M Code of Conduct. Factory needs to employ a health & safety specialist who is in charge of all related applications in the factory. The factory doctor should, together with the health & safety specialist, implement a sustainable system for the first and periodical health checks of the employees in order to track their health conditions and eliminate the work-related risks.

Deadline Date: 10/31/2009

Supplier CAP: Missing documents will be completed till the end of October. A H&S specialist has started working at the factory on October 16, 2009. All first and periodical health check reports are completed. There will be auto-control and these checks will be followed by the human resource manager and the general manager.

Supplier CAP Date: 10/31/2009

Action Taken: According to document review in March 2013, we have seen that periodical controls are being done.

Plan Complete: No

Plan 03/01/2013

**Complete
Date:**

Action No

Verified:

Action IEV October 2011

Verified

Text: (Ongoing) The Health Unit Conditions have been improved. All personnel have periodical health check reports in the main contractor. All personnel have first health check reports in the in-house subcontractor, but the periodical controls are missing.

Action 10/13/2011

Verified

Date:

**Follow-up
Plan of
Action:** H&M Comment after IEV: The supplier declared that the periodical controls in the in-house sub-contractor are also completed. The follow-up will be done by HR responsible.

Health and Safety: Safety Equipment and First Aid Training

H&S.10 All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be available in sufficient numbers throughout the factory, maintained and stocked as prescribed and easily accessible to workers. A sufficient number of workers shall be trained in first aid and fire fighting techniques. (S)

Noncompliance

Explanation: 1) At the in-house subcontractor company, there was an insufficient number of first-aid training certificates (5 more needed).

Legal Reference: First Aid Regulation Article 16 (22.05.2002/ Official Gazette: 24762)

2) The factory was missing pieces of equipment that are very important for workplace health and safety (e.g. oxygen tube, mobile stretcher and computer).

Legal Reference: Appendix 1 15.08.2009/ Official Gazette: 27320

Plan Of Action:

H&M requires that factories follow the health and safety regulations in the local law and H&M Code of Conduct. We require that the factory provides a health and safety training to at least 5% of the workers (according to the local regulation), preferably from all departments. We further require that the factory implements a sustainable system to keep the number of trained workers in compliance with the local law. Factory needs to employ a health & safety specialist who is in charge of all related applications in the factory including the maintenance of the equipment such as oxygen tube, mobile stretcher and computer.

**Deadline
Date:** 10/16/2009

**Supplier
CAP:** The factory has applied for the first aid certificates for additional 5 people. The training will start on October 22. The owner of the company will be in charge of this training. Also, Human Resources department will check the number of the trained workers. If it is needed, additional people will be sent to first aid trainings. The procurement of missing equipment will be completed till the end of October. H&S specialist has started in our factory on October 16, 2009.

Supplier 10/16/2009
CAP Date:

Action
Taken:

Plan No
Complete:

Plan
Complete
Date:

Action Yes
Verified:

Action IEV October 2011
Verified
Text: (Completed)

1) The main facility 6 certified additional people is waiting for the exam. The in-house subcontractor has 9 trained first aid personnel.

2) The workplace health unit conditions have been improved and all relevant items have been supplied. The doctor uses his own computer and personnel manager's computer.

Action 10/13/2011
Verified
Date:

Health and Safety: Ventilation/Electrical/Facility Installation and Maintenance

H&S.17 All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and in such a manner as to prevent or minimize hazardous conditions to workers in the facility. (S)

Noncompliance

Explanation: The internal parts of isolation on some electrical panels are missing grounding connections on covers.

Legal Reference: Labour Law 4857 Article: 77 H&S Reg. Official Gazette no: 14765 11.01.1974)

Plan Of Action: H&M requires that safety in the factory is maintained according to the local law and H&M Code of Conduct. The factory should make sure that electrical installations are installed in a safe and correct way by a certified electrician and electrical installations are kept free from dust and dirt. For the future, the factory should employ a health & safety specialist who implements a system to trace similar maintenance work and regular inspections as well as other health and safety matters.

Deadline Date: 08/28/2009

Supplier CAP: The missing grounding connections were replaced. The electrician is same for both on-site facilities and will check all electrical panels every day.

Supplier CAP Date: 08/28/2009

Action Taken:

Plan Complete: No

**Plan
Complete
Date:**

Action Verified: Yes

Action Verified: IEV October 2011

Text: (Completed) There were no electrical panels or other equipment observed to be missing covers or grounding connections.

Action Verified Date: 10/13/2011

Health and Safety: Machinery Maintenance and Worker Training

H&S.18 All production machinery, equipment and tools shall be regularly maintained and properly guarded. Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use. Employers shall ensure safety instructions are either displayed/posted near all machinery or are readily accessible to the workers. (S)

Noncompliance

Explanation: Needle protectors (finger and eye) on most of the sewing machines are either missing or not used by the employees. Lower pulley guards are missing on some sewing machines.

Legal Reference: Labour Law 4857 Article: 77, Personal Protective Equipment Regulation 09.02.2004, Regulation About Usage of PPE Within the Workplaces 11.02.2004 Official Gazette No: 25370

Plan Of Action: A safe and healthy working environment should be a priority at all times. H&M requires the factory to ensure relevant production machinery is equipped with proper protective devices and to educate the workers in when, how and why to use personal protective equipment and related equipment.

Deadline Date: 12/25/2009

Supplier CAP: When the needle-guards get dusty it makes it difficult to sew needle point for workers. So we are searching different ways to protect workers' eyes & fingers i.e glasses. All lower pulley guards were installed on sewing machines. A H&S Specialist will train the workers with on this matter; Supervisors will also be observing. And all workers will be inspected more strictly from now on.

Supplier CAP Date: 12/25/2009

Action Taken: During our audit we observed that missing pulley guards were replaced.

Plan Complete: No

Plan Complete Date: 09/10/2012

Action Verified: No

Action Verified Text: IEV October 2011
(Ongoing) All workers were using the needle and most lower pulley guards have been implemented but some under the pulley and close to the motor are still missing.

Action Verified Date: 10/13/2011

Follow-up Plan of Action: H&M Comment after IEV: Supplier declared that missing parts are ordered and will be completed by the end of February 2012.

Health and Safety: Medical Facilities

H&S.21 Medical facilities shall be established and maintained in factories as required by applicable laws. Medical staff shall be fully licensed and recognized under applicable local rules and regulations. An appropriate number of medical staff shall be on duty during all working hours, including any type of overtime, as required under local law. An appropriate stock of medical supplies shall be maintained at all times. Medicines of which the expiration date has passed must be replaced immediately and disposed of in a safe manner. (P)

Noncompliance

Explanation: Health & Safety specialist is missing at the workplace health and safety unit.

Legal Reference: Article: 8, Appendix 1 15.08.2009/ Official Gazette: 27320

Plan Of Action: H&M requires that the factories follow the health and safety regulations in the local law and H&M Code of Conduct. Factory needs to employ a health & safety specialist who is in charge of all related applications in the factory.

Deadline Date: 10/16/2009

Supplier CAP: A H&S specialist started working in our factory on October 16, 2009.

Supplier CAP Date: 10/16/2009

Action Taken:

Plan Complete: No

Plan Complete Date:

Action Verified: Yes

Action Verified: IEV October 2011

Text: (Completed) The facility has employed a certified H&S specialist as per the local laws (for risk group 3 personnel a total of 8 days monthly).

Action Verified Date: 10/13/2011

Health and Safety: Sanitation in Factory Facilities

H&S.22 All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with all applicable laws, including relevant sanitation, medical and safety and health regulations. (S)

Noncompliance

Explanation: IEV October 2011

(New Finding) The hygiene level in the toilets and the changing rooms needs to be improved. All workers should have a separate personal locker.

Plan Of Action: H&M requires from the factories to have a clean working environment. Toilets shall also be kept clean, and soap and running water shall be available in order to prevent diseases.

Deadline Date: 02/01/2012

Supplier CAP: To make sanitary conditions better, factory has renewed the control system for cleaning, toilet paper, and paper towels. Meanwhile, new personal lockers have been supplied.

Supplier 02/01/2012
CAP Date:

Action During our audit on September 10, 2012 we observed that hygiene level in toilets and
Taken: changing rooms were acceptable. But factory could not supply a separate personal locker
to each worker. 2 workers use 1 locker together.

Plan No
Complete:

Plan
Complete
Date:

Action No
Verified:

Action
Verified
Text:

Action
Verified
Date:

Health and Safety: Toilets/Restrictions

H&S.24 Employers shall not place any undue restrictions on toilet use in terms of time and frequency.
(P)

Noncompliance

Explanation: At the in-house subcontractor company, it was observed that there were some restrictive policies on toilet use in terms of time. (e.g. Notice of toilet restriction -posted on doors- between 08:30-10:30 and 14:00-16:30. The notices were removed during the audit.)

Plan Of Action: H&M requires the factories to follow the local laws and regulations and the H&M Code of Conduct while taking disciplinary actions against the workers. Factories should respect workers' basic necessities such as access to food, water, and toilets and not use these necessities as means to maintain labour discipline. In case of violations against this principle, factories should immediately stop the violation. In the long term, responsible administrative personnel should be trained in order to avoid repeating this or similar violations. Workers should be informed about the changes in the previous applications that led to the violation. Follow-up should be enabled through internal communication channels in the factory.

Deadline Date: 08/27/2009

Supplier CAP: This restrictive policy was put into place due to pregnant workers' demands. They wanted to be the first to use the toilets. But the notices were removed during the audit. There are no more restrictions on toilet use. In addition, cleaning will be done while the toilets are open. It is now a written policy.

Supplier CAP Date: 08/27/2009

Action Taken:

Plan Complete: No

Plan Complete Date:

Action Verified: Yes



Action Verified Text: IEV October 2011
(Completed) All restrictions have been removed and the workers have been informed of the change in the procedure.

Action Verified Date: 10/13/2011

Hours of Work: General Compliance Hours of Work

HOW.1 Employers shall comply with all local laws, regulations and procedures concerning hours of work, public holidays and leave. (S)

Noncompliance

Explanation: In [In-House Subcontractor Company Name] most workers have exceeded the total yearly OT limit of 270 hours by the end of June 2009. (Max. observed OT hour: 370 hours) During the inspection of OT records the audit team found out that some workers have occasionally worked up to 20 of OT per week in the last 6 months. (Both [Factory name #1] & [In-House Subcontractor Company Name])

Legal Reference: Labour Law 4857 Article: 41, FLA Code

Plan Of Action: H&M requires that the overtime hours should not exceed the legal limit, and that overtime work is done always voluntarily and compensated according the local law. All H&M suppliers are encouraged on possible measures for reducing overtime both through our Code of Conduct Supplier Guideline (guidance on how to implement the H&M Code of Conduct requirements) and via workshops held by compliance staff. In the short term we require the factory to ensure that workers are off 1 day per week and work on measures to limit the number of overtime hours in the weekdays. The supplier is requested to send monthly OT analysis reports to H&M for each section. Further, we will make a root cause analysis with the supplier to find the reason for excessive overtime and support the supplier in possible measures to keep overtime within legal limits.

Deadline Date: 12/25/2009

Supplier CAP: The factory is preparing a schedule for overtime like the inhouse has been doing. OT will be observed according to list. Schedule shows overtime records of the all workers. The limits will be checked by the Human Resources department. Schedule will show overtime hours for each worker daily.

Supplier CAP Date: 12/25/2009

Action Taken: During our audit on September 10, 2012, we observed that factory could not correct this issue yet.

Plan Complete: No

Plan Complete Date:

Action Verified: No

Action Verified Text: IEV October 2011

(Ongoing) All workers in main contractor are with in the legal and code limits. In the in-house subcontractor the yearly OT limit has been surpassed the OT records show that most workers have worked around 280-300 hours. Out of 10 records reviewed in the in-house subcontractor 8 were above the 270 limit by October 2011.

Action Verified Date: 10/13/2011

Follow-up Plan of Action: H&M Comment after IEV: Supplier declares that orders have been taken from other customers since the number and quantity of the orders placed by H&M was not enough to reach the satisfying production capacity for the sub-contractor. Therefore the supplier didn't have full control on overtime hours of the in-house subcontractor.

Hours of Work: Rest Day

HOW.2 Workers shall be entitled to at least one day off in every seven-day period. If workers must work on a rest day, an alternative day off must be provided within that same seven-day period or immediately following the seven-day period. (P)

Noncompliance

Explanation: 5 workers at the in-house subcontractor have worked without weekly rest day in January and May 2009. (Up to 20 consecutive days)

Legal Reference: Labour Law 4857 Articles: 46,69

Plan Of Action: H&M requires that the overtime hours should not exceed the legal limit, and that overtime work is done always voluntarily and compensated according the local law. In the short term we require the factory to ensure that workers may have one day off per week. In the long term, we ask the suppliers to work on their production planning to keep the overtime hours in legal limits in a sustainable manner in the future

Deadline Date: 12/25/2009

Supplier CAP: This issue has been under control since September. Overtime hours will be periodically checked by the general manager

Supplier CAP Date: 12/25/2009

Action Taken:

Plan Complete: No

Plan Complete Date:

Action Verified: Yes

Action Verified: IEV October 2011

Text: (Completed) The facility has not been working more than 6 consecutive days since 2011.

Action Verified Date: 10/13/2011

Hours of Work: Annual Leave/Wage Payments

HOW.18 Employers shall provide workers taking annual leave their normal or average wages for the full period of annual leave in advance, unless specified differently under local laws, regulations and procedures. (S)

Noncompliance

Explanation: There is no Annual Leave Committee within the facilities for determining the annual leave periods and evaluating the annual leave requests of the employees.

Legal Reference: Labour Law 4857 Article: 60; Annual Leave Regulation Article: 15 (Official Gazette No: 25391, 03.03.2004)

Plan Of Action: H&M requires that workers' basic right of leave is respected and the factory should provide legal paid leave to workers. Further, we encourage the factory to arrange for an Annual Leave Committee to be settled. The worker representatives of the Annual Leave Committee shall be elected by the workers, not appointed by the management.

Deadline Date: 12/25/2009

Supplier CAP: Workers have passed their demands to HR manager before. But Annual Leave Committee will be working for the following months. Committee is organized by the worker representatives and company officials. Human Resources manager and workers representatives are the members of this Committee. Committee will follow the government regulation as per law that meetings will be done once a year and as needed.

Supplier CAP Date: 12/25/2009

Action Taken:

Plan Complete: No

Plan Complete Date:

Action Verified: Yes

Action Verified Text: IEV October 2011
(Completed) The facility now has a annual leave committee that is functional with the involvement of a worker representative. All past year leaves have been given.

Action Verified Date: 10/13/2011
