BSCI

Business Social Compliance Initiative

Social Audit Report

January 2009

BSCI 7-01/09

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Social Audit Report

Factory Name:	AKARTEKS TEKSTIL SAN. VE TIC. LTD. STI.		
Factory Address:	DEMIRKAPI MAH. VELIOGLU CAD. NO: 81 BAGCILAR / ISTANBUL-TURKEY		
Management Representative:	Alp Esen		
Audit Results for BSCI Social Requirements Part B:	Good[1] ☒	Improvement Needed ☐	Non-compliant ☐
Audit Results for Best Practice for Industry Part C:	Good ☐	Improvement Needed ☒	
Audit initiated by:	BSCI Member : ☐	Supplier: ☒	
Auditing Company Name:	TUV SUD TURKIYE (In Association with TUV SUD South Asia)		
Audit report number:	101101		
DBID number:	21762		
Lead Auditor's name and SAAS certificate number:	CANER GENCOSMANOGLU A0526		
Auditing Company Address:	YILDIZ POSTA CAD. CERRAHOGLU IS MERKEZI 17/5 ESENTEPE / ISTANBUL - TURKIYE		
Audit Date:	6-8-9.11.2010		
Date of the new BSCI to be started: (3 years from the initial audit)	5 November 2013		
Number of Initial audits performed at this facility (Cycle number 1, 2, 3..):	2		
Agreed date for closing the CAP (if applicable):	N/A		
Date, Signature & Stamp:	9.11.2010 Caner Gencosmanoglu		

[1] Due to the sampling nature of the auditing exercise, absence of findings during an assessment does not assure the full compliance of the facility nor does it guarantee that violations may not appear in the future. BSCI and the auditing company do not accept responsibility for conditions at other locations that may be used in the supply chain of the relevant product or service since this report covers the production site listed under ''audited company'' only.

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Lead-Auditor	Caner Gencosmanoglu	Additional Auditor	-
Audit Date	6-8-9 November 2010	Number of man days applied	3

A. Master Data – For full details on the business structure of the company, see complete Master Data in the Audit Questionnaire.

Location of audited Company		Basic Data	
Name of Company	Akarteks Tekstil San. ve Tic. Ltd. Sti.	Year of foundation	1995
http://www.	www.akarteks.com.tr	Legal status	Private
Street	Demirkapi Mah. Velioglu Cad. No:81 Bagcilar	Language(s) spoken in company	Turkish
City	Istanbul	Total production capacity per month	200,000 pieces/month (total capacity for trousers, skirts and jackets 90% of capacity is trousers)
Zip Code	34214	**Contact Person**	
Country	Turkey	Name	Alp Esen
Phone	+902126579090	Position / Language	General Manager / Turkish-English
Fax	+902126579090	Phone	+902126579090
DBID Number	21762	E-mail	aesen@akarteks.com.tr

Business Activities					
Clothing:	☒	Construction Material:	☐	Electronic Groups:	☐
Eyewear (Glasses):	☐	Furniture:	☐	Leather Goods (except shoes):	☐
Machinery:	☐	Other hard goods:	☐	Shoes:	☐
Textiles:	☐	Toys:	☐	Textiles raw material or accessories	☐

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B. Audit Assessment Part B BSCI Mandatory Social Requirements

		Results			
		2	1	0	NA
B.1	Management Practice	☒	☐	☐	
B.2	Documentation	☒	☐	☐	
B.3	Working Time	☒	☐	☐	
B.4	Compensation	☒	☐	☐	
B.5	Child Labour / Young Employees	☒	☐	☐	
B.6	Forced Labour / Prisoner Labour / Disciplinary Measures	☒	☐	☐	
B.7	Freedom of Association / Collective Bargaining	☒	☐	☐	
B.8	Discrimination	☒	☐	☐	
B.9	Working Conditions	☒	☐	☐	
B.10	Health and Social Facilities	☒	☐	☐	
B.11	Occupational Health and Safety	☒	☐	☐	
B.12	Dormitories	☐	☐	☐	☒
B.13	Environment	☒	☐	☐	

Total Result:	Good ☒	Improvements Needed ☐	Non-compliant ☐

Remarks

Initial audit process introduction:

The initial audit was conducted on 6-8-9 November 2010. 7th November was a Sunday and not a working day. Upon Arrival, auditors were greeted by Alp Esen, ıhsan Yurtalan.

The purpose of the visit and procedure of the audit were explained. Mr. Esen allowed the audit immediately. The facility management was cooperative during the process of the assessment. Company is operating in 12.500sqm closed area and 1.000sqm opened area.

Company have 479 employees. Working hours in the company is 8:30 to 19:00. Company have 2 tea breaks between 10:00-10:15 and 16:00-16:15. Luch break is between 16:00-16:15

Please fill in under results			
2 = Good	1 = Improvements Needed	0 = Non-compliant	NA = Not Applicable
No deviation from requirements or only minor deviations and full protection of employees is given	Deviations in the minority of requirements and no crucial points	Deviations in 50% or in the majority of requirements or/and in crucial points (double framed)	Requirements do not match to the company structure

Initial audit result description (Part B):

Section B.1 Management Practice:.

1)

Alp Esen is appointed for implementing social requirements and regulations in the company.
Company has a regular meeting with employees for internal
communication. Company does not have a subcontractor curently.
Company provide training to all employees.

Section B.2 Documentation:

All employees have working contract and ID copies on their files. Files of the employees are complying with Turkish Labor Law 4857.
Company have working time record system.
Employees receive pay slips.

Company has documentation for working hours, instructions and procedures.
H&S and Fire training records have seen by auditor.

Company has got H&S comitee .Members conduct meeting once a month regularly.

The number of people is adequate who attended first aid training.
There are 21 authorized first aiders.

Section B.3 Working Hours:

Employees in Company are working 5 days and 45 hours per working week.
Vacations are recording on a book.
Employees are provided a day off in a week.
Overtime is voluntarily according to Employee interview.

Section B.4 Compensation:

The lowest basic wage in company is National stipulated minimum wage.
Overtime hours paid at the individual hourly rate.
Normal workday's formulation is salary/225 x 1.5 and holiday 100%.

Company provide benefits on voluntary basis, food support, transportation
Employees are getting paid in 10 days after end of the calculation period.
Employees are paid regularly by bank.
They do not have any illegal deductions from wage according to employee interviews.

Section B.5 Child labor/Young Employees

There is no employee who is younger than legal limit. (Legal requirement is 15).
Company have 7 young workers. The youngest employee in the company is 17 years old.
Payment for young employees is apply to minimum wage and requirements.

Please fill in under results			
2 = Good	1 = Improvements Needed	0 = Non-compliant	NA = Not Applicable
No deviation from requirements or only minor deviations and full protection of employees is given	Deviations in the minority of requirements and no crucial points	Deviations in 50% or in the majority of requirements or/and in crucial points (double framed)	Requirements do not match to the company structure

Section B.6 Forced labor/ Disciplinary Measures/ Prisoner labor
The employees' freedom of movement is not impeded.
Company does not hold any documents or ID belongs to employees.
There is not any indicator for bonded labor.
Company has got discipline committee.

Section B.7 Freedom of Association and Collective Bargaining:
Employees are free to contact and join to workers organizations in legal framework.
Company has comments boxes. Company has a committee for evaluation of worker complaints.
Employees are free to contact with management any time.
Company conducts Suggestion meetings once a month.

Section B.8 Discrimination:

Acceptable
There was not any indicator for discrimination.
There is not any evidence woman mistreated or fired as a result of being pregnant.
All employees have equal opportunities to work overtime.

Section 9 Working Conditions:
Cleaning of the storages areas and production units are acceptable.
There are 2 cleaners in company. Lighting, noise level and temperature are acceptable.

Section 10 Health and Social Facilities:

Medical supplies and first aid boxes provided to all divisions.
There are 21 authorized (certificated) first aiders.
Company supply first aid boxes at production sites.

Section 11 Occupational Health and Safety:

Ihsan Yurtalan/H&S upervisor and Eren Dokuyan/ Safety Enginner are responsible for coordination of health and safety requirements.
Evacuation plans are posted in workshop.
Safety test reports boiler, air tank, lift.
Grunding test was done.
Company conducts H&S comitee meeting once a month.
Drinking water analyze report is seen by auditor .
Company is providing H&S training to all employees from external resources.
Last fire drill was done in 18.10. 2010.

Section 12 Dormitory:

Please fill in under results			
2 = Good	1 = Improvements Needed	0 = Non-compliant	NA = Not Applicable
No deviation from requirements or only minor deviations and full protection of employees is given	Deviations in the minority of requirements and no crucial points	Deviations in 50% or in the majority of requirements or/and in crucial points (double framed)	Requirements do not match to the company structure

Not Applicable. Company does not have dormitory.

Section 13 Environment:

Company does not burn or dump waste to environment.
Waste disposal is organized by public authority.
They are selling their fabric wastage with invoice.

Please fill in under results			
2 = Good	1 = Improvements Needed	0 = Non-compliant	NA = Not Applicable
No deviation from requirements or only minor deviations and full protection of employees is given	Deviations in the minority of requirements and no crucial points	Deviations in 50% or in the majority of requirements or/and in crucial points (double framed)	Requirements do not match to the company structure

Audit Corrective Action Plan (CAP) Part B BSCI Mandatory Social Requirements

	Findings and Necessary Improvements	Implementation Date
Management Practice	No non Compliances were observed during the time	
Documentation	No non Compliances were observed during the time	
Working Time	No non Compliances were observed during the time	
Compensation	No non Compliances were observed during the time	
Child Labour / Young Employees	No non Compliances were observed during the time	
Forced Labour / Prisoner Labour / Disciplinary Measures	No non Compliances were observed during the time	
Freedom of Association and Collective Bargaining	No non Compliances were observed during the time	
Discrimination	No non Compliances were observed during the time	
Working Conditions	No non Compliances were observed during the time	
Health and Social Facilities	No non Compliances were observed during the time	
Occupational Health and Safety	No non Compliances were observed during the time	

Please fill in under results			
2 = Good	1 = Improvements Needed	0 = Non-compliant	NA = Not Applicable
No deviation from requirements or only minor deviations and full protection of employees is given	Deviations in the minority of requirements and no crucial points	Deviations in 50% or in the majority of requirements or/and in crucial points (double framed)	Requirements do not match to the company structure

Dormitories	Not applicable	
Environment	No non Compliances were observed during the time	

9 November 2010
Caner Gencosmanoglu

Alp Esen

Date / signature / stamp Auditor

Signature / stamp Company

Please fill in under results			
2 = Good	1 = Improvements Needed	0 = Non-compliant	NA = Not Applicable
No deviation from requirements or only minor deviations and full protection of employees is given	Deviations in the minority of requirements and no crucial points	Deviations in 50% or in the majority of requirements or/and in crucial points (double framed)	Requirements do not match to the company structure

C. Audit Assessment Part C Best Practice for Industry - Voluntary implementation but auditing is mandatory

		Results		
		2	1	NA
C.1	Policy	☐	☒	
C.2	Planning and Implementation	☐	☒	
C.3	Management Review	☐	☒	
C.4	Control of Subcontractors / Suppliers / Sub-suppliers	☐	☒	
C.5	Control of Homeworkers	☐	☐	☒
C.6	Compensation	☐	☒	
C.7	Child Labour	☐	☒	
C.8	Evasion	☒	☐	
C.9	Outside Communication	☐	☒	

Ripe for SA8000 Certification with regard to audit results B. and C.:		YES	x	NO
Training and assistance necessary but SA8000 certifiable		YES	x	NO

Remarks

Company is not interested with SA 8000.

Please fill in under results		
2 = Good	1 = Improvements Needed	NA = Not Applicable
No deviation from requirements	Deviation from requirements	Requirements do not match to the company structure

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Audit Corrective Action Plan (CAP) Part C Best Practice for Industry

	Findings and Necessary Improvements	Agreed		Implementation Date
		Yes	No	
Policy	Top management should define a policy to their workers for social accountability and Labor conditions.	☐	☒	
Planning and Implementation	Company should ensure that the requirements of the SA8000 Standard are understood and implemented at all levels of the production.	☐	☒	
Management Review	Top management should periodically review the adequacy, suitability, and continuing effectiveness of the processing unit's policy, procedures and performance results vis-à-vis the requirements of the SA8000 Standard and other requirements to which the company subscribes.	☐	☒	
Control of Suppliers / Subsuppliers	Company should establish and maintain appropriate procedures to recruit subcontractors, suppliers/sub-suppliers and service providers based on their ability to meet the requirements of the SA8000 Standard. Company should establish a system to monitor the subcontractors, suppliers/sub-suppliers and service providers' social performance against the requirements of the SA8000 Standard. Company should maintain reasonable evidence that the subcontractors, suppliers/sub-suppliers and service providers continuously improve conditions to meet the requirements of the SA8000 Standard.	☐	☒	
Control of Homeworkers	Company does not have home workers.	☐	☐	NA
Compensation	Company should have a well-defined plan for achieving the basic needs wage within a specified and reasonable period of time.	☐	☒	
Child Labour	Company should establish and document and maintain and effectively communicate to personnel and other interested parties, policies and procedures for remediation of children found to be working.	☐	☒	
Evasion	There is no evidence found.	☒	☐	
Outside Communication	Company should establish and maintain, procedures to communicate regularly to all interested parties data and information regarding performance of the requirements of the SA8000 Standard, including, but not limited to, the results of management review and monitoring activities.	☐	☒	

9 November 2010
Caner Gencosmanoglu

Alp Esen

Date / signature / stamp Auditor

Signature / stamp Company

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List of Audit Attachments

	Obligatory Attachments	Attached?
1.	Employees Interview Sheet	x
2	Photos: outside factory compound, production floor, canteen, dormitories, display of the code of conduct, nursery, etc.	x
3	Child Labour Record Sheet	N/A

	Required copies to be available as part of the audit pack, if no legal prohibition for collecting the record, according to local law.	Available with the audit files?
4	Collective Bargaining Agreement	N/A
5	Personnel File sample	x
6	Time Record sample	x
7	Payslip sample	x
8	Payment to Social Insurance Fund	x
9	Wage List sample	x
10	Maternity Leave sample	x
11	Work Rules	x
12	Documentation on Health and Safety Training	x
13	Documentation on Social Issues made by officials or other social audit	
14	Agreement with a union or other worker representative	
15	Authorization for exemptions from statutory regulations	
16		
17		
18		
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22		
23		
24		

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25		

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Employees Interview Sheet

	Number		Number
Employees interviewed in total	20	Female employees interviewed	9

• Employees aged < 18 years interviewed	-	• Seasonal workers interviewed	-
• Pregnant employees interviewed		• Migrant workers interviewed	-
• Apprentices interviewed	-	• Interviews conducted on site	20
• Disabled persons interviewed	2	• Interviews conducted off site	-
• Full time workers interviewed	20	• Individual interviews conducted	9
• Part time workers interviewed	-	• Group interviews conducted	3

Language(s) used for employee interviews	Turkish	
	Yes	No
Was an interpreter used?	☐	☒

No. of interview	Essentials (If the number of rows is not enough, please add pages as needed and include with the attachments).
1	Happy with working environment
2	Payment is done on time.
3	Clean work shops are available.
4	Sunday is off.
5	Employes have been working for a long time.
6	Employees do not have overtime often.
7	Comparision with other companies is good.
8	There is not illegal deduction or fine from the sallaries., Management is opened mined and friendly.
9	There is not any evidence found about Sexual Harassment
10	There is not any evidence found for disciplinary measures practices.
11	There was not a child seen at site
12	PPE are provided free of charge
13	H&S trainings are providing regularly
14	Employees are able to reach to management any time.
15	Worker represantative take all suggestions to employer when he is informed.Also comitee meetings are conducting regularly.

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Declaration of consent

Company		**Auditor**	
Name of Company	AKARTEKS TEKSTIL SAN. VE TIC. LTD. STI.	Name of Audit Company	TUV SUD South Asia
Street	DEMIRKAPI MAH. VELIOGLU CAD. NO: 81 BAGCILAR / ISTANBUL	Street	YILDIZ POSTA CAD. CERRAHOGLU IS MERKEZI 17/5 ESENTEPE / ISTANBUL - TURKEY
City, Zip Code	Istanbul,	City, Zip Code	Istanbul,
Country	Turkey	Country	Turkey
Name of representative	Alp Esen	Name of Auditor	Caner Gencosmanoglu

1. The company agrees that the auditor may take photos of the factory and factory compound as well as take copies of business documents.

2. The company agrees that the auditor may conduct confidential interviews with employees which are chosen freely without any influence by the company.

3. The company agrees that all audit information can be recorded in a database.

4. The company agrees that the auditor may pass the Audit Questionnaire, Social Audit Report, Social Re-Audit Report and annexes directly to the company's retail customer or company's retail customer's local office / agency being a member of the Business Social Compliance Initiative.

5. The company agrees that data can be passed to third parties, but only within the framework of the Business Social Compliance Initiative. This refers to the following situations:

   a) Dialogue and cooperation with NGOs and other stakeholders at BSCI meetings for sustainability of BSCI
   b) Cooperation with these stakeholders and the BSCI Secretariat to find solutions in connection with the BSCI Complaint Mechanism.

   Data passed to these parties is treated confidentially by them. Auditing company and the BSCI Secretariat are not liable in case of misuse by other parties.

6. The Company agrees that the audit can be subject to a surveillance measure. This surveillance serves to ensure audit quality in the BSCI system. Surveillance audits focus on the auditing company performing the assessment and have no incidence in the performance or results of the social audit conducted at the company. The company agrees that in this case, access to the entity selected to survey the auditors will be allowed.

Date and signature company:

ALP ESEN

AKARTEKS TEKSTİL SAN. VE TİC. LTD. ŞTİ.
Demirkapı Mh. Velioğlu Cd. No:81 Bağcılar-İST.
Tel:(0212) 657 90 90 - (0212) 630 11 59
Dış Ticaret V.D.: 013 007 1177

3. Photos

3. Photos

Outside (Factory from the outside, factory compound):

Outside (Factory from the outside, factory compound):





Inside (Production area, e.g. working conditions, documentation):

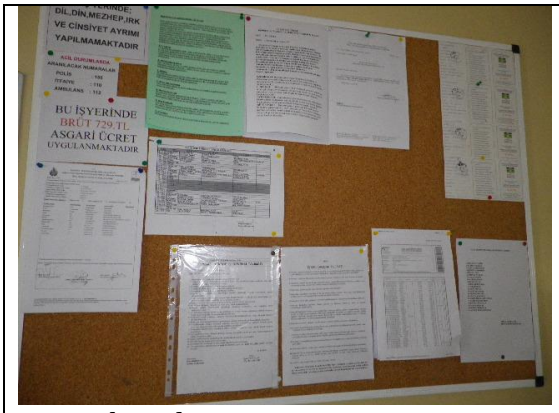
Inside (Production area, e.g. working conditions, documentation):



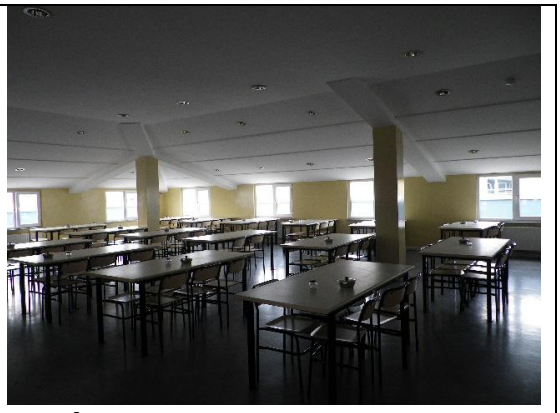
Warning sign



Evacuation plan



Memo board



Lunch room



Food service



Finger print data transfer



Suggestion box



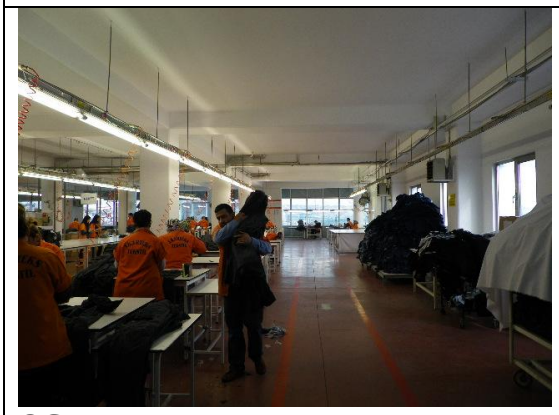
First aid box



Emergency exit signs and light



Emergency exit arrow



QC



Optical warning



Fabric warehouse



Drinking water



Warehouse



First aid room



Show room



Warehouse



Ironning



Production