

Independent External Verification Report, 2022

Fair Labor Association conducts an Independent External Verification (IEV) assessment in a given farm or luster of farms where FLA has previously undertaken an Independent External Monitoring (IEM) assessment and after the Company's remediation plan is completed. FLA uses IEV to verify the effective implementation of the Company's corrective action plan (CAP) and assess if the actions have led to sustainable results.

This report considered the 2019 IEM (Sakarya & Duzce) and 2020 COVID-19 Assessment (Sakarya) Findings and CAPs.



Company	Balsu Gıda
Country	Türkiye
Crop	Hazelnut
Production process	Harvest
Assessment location	Sakarya (Hendek-Ferizli-Kocaali), & Duzce (Cumayeri) Türkiye
Monitor	Özgür Deniz Tulumbacı & Emine Uçak Erdoğan
Assessment dates	29-31.09.2022 and 01.10.2022
Number of assessed farms	15 Farms
Total area covered	58,1 ha
Number of farmers interviewed	15
Total number of workers	220
Number of workers interviewed	173
Related IEM report links	

Employment Relationship

Employment Relationship Assessment Summary

Human Resource Management System

Benchmarks	Compliance Status
ER.1.1: Employer shall have written terms and conditions of employment, job descriptions, rules of compensation, and working hours for all positions. In the case of workplaces with informal labor structures, employers should be able to describe verbally all of the above terms and conditions and clearly communicate them to workers.	Noncompliance

Previous IEM Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings

--

Overall Conclusion of the Verification

--

New Findings, if any

The monitors noticed that 1 out of 15 interviewed farmers had signed an agreement with his workers (Farm 11). Written contracts did not exist in the rest of the worker groups. Therefore, farmers and workers were not aware of the content of the written agreement they were supposed to have signed. The Company trains farmers. However, it was observed that the information given during the training was complex for the farmers to remember.

Worker groups at 14 out of 15 visited farms had verbal agreements. These workers had agreed to the working hours, wages, and payment terms after work. However, not all workers knew the agreement terms; for example, some workers could not tell the exact wage they would receive. Information about working conditions is transferred to the workers by the labor intermediary at worker groups recruited through labor intermediaries.

Farmers and workers at 5 out of 15 farms (Farm 3,4,7,8,9) reported receiving no contract training. For example, groups of workers working on two farms (Farms 7,9) reported that they had been working for about one month in hazelnut harvest but did not receive any training about contracting. Workers at one farm (Farm 10) stated that they had been working in the region for one month but were given training just one day ago.

Follow-up Company Action Plan (to be filled by the Company)

In the 2023 hazelnut harvest, written contracts between farmers, workers, and labor contractors will be increased. Contracts were signed with 15 farmers in 2021 and 16 in 2022. At least 30 contracts will be signed for the 2023 hazelnut harvest.

Training and information will be carried out on the importance of contract work for farmers, workers, and agricultural labor intermediaries. At least 50 agricultural labor intermediaries and 1000 workers will be trained in this context.

Undocumented agricultural labor intermediaries mapped in the 2022 harvest season will be included in the TiA Training and Certification program within the scope of 2023 origin studies.

Targeted Results

- To convey the importance of contract work.
- Awareness of labor contractors, workers, and farmers about contracts.

Deadline Date (to be filled by the Company): February 2023 – September 2023

Proof of Age Documentation

Benchmarks	Compliance Status
<p>ER.3.1: Employers shall verify proof of age documentation for all young workers on the farm at the time of their employment and work towards collecting and maintaining all documentation necessary to confirm and verify the date of birth of all workers, including long-term and casual workers.</p> <p>ER.3.1.1: Employers shall take reasonable measures to ensure such documentation is complete and accurate.</p> <p>ER.3.1.2: In those cases where proof of age documentation is not readily available or unreliable, employers shall take all necessary precautions which can reasonably be expected of them to ensure that all workers are at least the minimum legal working age, including requesting and maintaining medical or religious records of workers, or through other means considered reliable in the local context.</p> <p>ER.4: Employers shall not use employment agencies/labor contractors that rely on any practice that is linked to using false information to recruit workers; restricting workers' freedom of movement; requiring workers to pay recruitment and/or employment fees; withholding from workers a copy of their employment contract in their native language that sets forth the general terms and conditions of engagement and employment; retaining possession or control of workers identification and other documents like passports, identity papers, work permits, and other personal legal documents; punishing workers for terminating employment.</p> <p>ER.5.1: No worker hired by an employment agency or a labor contractor shall be compensated below the legal minimum wage. The same rights provided for directly hired contract workers apply to workers hired via an employment agency or labor intermediary.</p> <p>ER.5.2: Fees associated with the employment of workers shall be the sole responsibility of employers. No worker hired via an employment agency or a labor contractor shall pay a fee or get a reduction by applying a fee over his salary.</p> <p>ER.5.3: Workers shall not be engaged to work on a farm by a family member, friend, or associate for that family member, friend, or associate to receive continuing remuneration, consideration, or any other return from the employer. This prohibition does not refer to normal references, referral bonuses, or standard employment recruitment practices.</p> <p>ER.7: Employers may hire temporary, casual, daily, seasonal, or migrant workers only when:</p> <p>ER.7.1: contract or temporary employment is allowed by national law;</p> <p>ER.7.2: the production requirements or peculiarities of the labor market do not allow employers to hire permanent workers;</p> <p>ER.7.3: the permanent workforce of the farm is not sufficient to meet the production needs during peak season or activities;</p> <p>ER.7.4: unusual or extraordinary circumstances may result in great financial loss to the producer if delivery of goods cannot be met on time;</p> <p>ER.7.5: work that needs to be done and is outside the professional expertise of the permanent workforce;</p> <p>ER.7.6: work that needs to be done and is outside the professional expertise of the permanent workforce; contract, temporary, casual, daily, seasonal, or migrant workers receive at least the minimum wage or the prevailing industry wage, whichever is higher, and all legally mandated benefits such as social security, other forms of insurance, annual leave, and holiday pay;</p> <p>ER.7.7: farm rules and regulations apply to contract, temporary, casual, daily, seasonal, or migrant workers the same as for permanent workers;</p> <p>ER.7.8: contract, temporary, casual, daily, seasonal, or migrant workers are given priority when the farm is seeking 'new' permanent employees provided they have the relevant skills required.</p>	<p>Noncompliance ER3.1, ER4, ER5.1, ER5.2, ER7.6, ER7.7, ER7.8</p> <p>Not Applicable ER5.3</p>

2019 IEM Findings

<p>Findings/Noncompliance Explanation:</p>	<p><u>Sakarya</u></p> <p>Six children were working on the farms. When asked, farmers say that they tell in advance that the labor contractor should not bring them, but they come 4 Explanation: the farmer cannot say much once they arrive. The second noncompliance is that in seasonal migrant work, there are no holidays or free days.</p> <p><u>Duzce</u></p> <p>Nine children were working on the farms. When asked, farmers say that they tell in advance that the labor contractor should not bring them, but they come, and then the farmer cannot say much once they arrive. In a farmer's family, two children are working with the usual work hours. The second noncompliance is that in seasonal migrant work, there are no holidays or free days. In Farm No 11 and 12, a labor contractor is cutting 10 % from workers (77 Liras will be paid instead of 85), and farmers pay 95 - 10 Liras more as a daily amount for the electricity and water - which is unusually expensive given the bad conditions in the accommodation.</p>
<p>Company Action Plan</p>	<p>Balsu will develop more comprehensive social program components, including improved communication with farmers, including women farmers, engaging with key stakeholders, building staff capacity, revising policy procedures, workers, and training for labor contractors.</p> <p><u>Output indicators:</u></p> <ul style="list-style-type: none"> -Increased awareness of the importance of collecting and keeping the identification documents of workers by the farmers and other institutions who is responsible through trainings for the farmer, labor contractor, and workers and distribution of farmer's handbooks, brochures, using SMSs, communication through WhatsApp groups and Balsu social media accounts matters listed above. - Increased internal monitoring activities during the Harvest (as per risk analysis updated between March 2020 and June 2020). - Highlighting the responsible person and cooperation for the mechanism of identification of employees at each level. - Commodity intermediary involvement in receiving the demographics of the workers per farmer selling to them.
<p>Deadline Date</p>	<p>N/A due to COVID - 19 Pandemic.</p>

<p>Verification Findings</p>
<p>It was found that there is still a general lack of information on documented age verification.</p> <p>Age verification is performed at 14 of the 15 orchards verbally. 1 out of 15 farmers had checked the IDs of workers for age verification (Farm 8). 4 farmers (Farm 10,12,13,14) stated they did an age verification through ID checks. However, the workers stated that this was done verbally. Child labor and young workers were detected in some of these orchards, performing the same jobs as adults. Please see the "Child Labor" section below for more information.</p>

The worker groups at six farms (Farms 4,7,12,13,14,15) work through a labor intermediary, which deducts a 10% commission from the workers' daily wages, leading to payment below the minimum legal wage.
Overall Conclusion of the Verification
There is still a need for improvement regarding proof of age documentation.
Follow-up Company Action Plan (to be filled by the Company)
<p>Balsu will train farmers, workers, and labor contractors within the scope of the aging procedure. In the 2023 hazelnut season, training will be given to farmers registered in the program, at least 50 agricultural labor intermediaries, and at least 1000 workers.</p> <p>It is a common practice for labor contractors to make deductions. Training will be provided to at least 50 labor contractors and at least 1000 workers within the scope of not interrupting the labor contractors' meetings and training to be held throughout the year during harvest time and origin studies.</p> <p><u>Targeted Results</u></p> <ul style="list-style-type: none"> - Workers not falling below the determined minimum wage - Identification of child and young workers by farmers <p>Deadline Date (to be filled by the Company) February 2023 – September 2023</p>

Terms and Conditions	
Benchmarks	Compliance Status
ER.9.1: Workers should be made aware of the employment terms under which they are engaged. Employment terms shall be those to which the worker has voluntarily agreed, provided those terms do not fall below: ER.9.2.1: provisions of national laws; ER.9.2.2: freely negotiated and valid collective bargaining agreements; or ER.9.2.3: the FLA Workplace Code. There can be no employment terms (including in written or verbal contracts or any other instruments or in any formal or informal recruitment arrangements) which allow employers: ER.9.3.1: to hold wages already earned; or ER.9.3.2: use earned back wages as penalties; and ER.9.3.3: in any way punishes workers for terminating employment. ER.10: Employment terms for apprenticeships must be in compliance with local legislation. ER.11: Employers shall ensure that all legally mandated requirements for the protection or management of special categories of workers, including migrant, juvenile, contract/contingent/temporary, casual, daily, home workers, pregnant or disabled workers, are implemented. ER.12.1: Employers shall regularly inform workers about workplace rules, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas or in the surrounding community. In the case of workplaces with informal labor structures, these communication and awareness-raising activities could be done with support from supply chain intermediaries such as cooperatives, organizers, tier-one suppliers, or the participating Company. ER.12.1.1: Employers shall inform workers that any form of harassment or abuse in the workplace shall be subject to disciplinary measures. ER.12.2: Where a union exists on the farm, employers shall make available a copy of the collective bargaining agreement to all workers and other interested parties. ER.13.1: Farmer, sharecropper, or any kind of supervisor who is leading workers shall have knowledge of the local labor laws and the FLA Code.	Noncompliance ER9.1, ER9.2, ER11, ER12, ER13 Risk of Noncompliance ER9.3 Not Applicable ER10

2019 IEM Findings

<p>Findings/Noncompliance Explanation</p>	<p><u>Sakarya</u></p> <p>The employment terms of migrant workers fall below the provisions of national laws and the FLA Code concerning hours of work. There is no special worker category, such as young workers. Harassment or abuse are not among the topics discussed between farmers and supervisors.</p> <p><u>Duzce</u></p> <p>The employment terms of migrant workers fall below the provisions of national laws and the FLA Code concerning hours of work. There are no special worker categories, such as young workers. Harassment or abuse are not among the topics discussed between farmers and supervisors. In Farm 11 and 12 (same worker group for two), four workers openly said they would not accept the work if they had known the accommodation conditions in advance.</p>
<p>Company Action Plan</p>	<p>Balsu will develop more comprehensive social program components, including improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revising policy procedures, five workers, and training labor contractors.</p> <p><u>Output indicators:</u></p> <ul style="list-style-type: none"> - The local employment agency will draw and approve more farmer-worker contracts. - A local employment agency will communicate with the farmers and the workers about the necessity of the work contract.
<p>Deadline Date</p>	<p>N/A due to COVID - 19 Pandemic</p>

<p>Verification Findings</p> <p>Seasonal workers in all farms were verbally informed about working conditions and how to perform the job for about 10 to 20 minutes before starting the work by the farmers. The worker groups working through a supervisor or labor intermediary discuss wage information with the supervisors or labor intermediary, not with the farmer.</p> <p>Since the terms of employment are not based on any written contract, the farmer can terminate their work and dismiss the workers without paying their wages. None of the farmers interviewed have imposed a penalty such as not paying the worker. However, a group of workers (Farm 11) worried that they would not be paid if they quit their job. This worker group was staying in a house with several groups of workers. The village farmers share this house to accommodate their seasonal agricultural workers. Large numbers of workers have been accommodated in small rooms. A worker who ceased working due to dissatisfaction with the accommodation conditions was paid for only a week of work. The monitors verified that this worker had worked for a farmer, not on the Company list. However, this practice has created fear among the workers accommodating in the house and working in the garden in the Balsu supply chain. They were concerned they would not get paid if they complained about the accommodation conditions or stopped working.</p> <p>One farmer (Farm 15) reported that if he was not satisfied with the workers' performance, he would stop working with the workers the next day.</p> <p>The issues of harassment and abuse are unknown to workers and farmers.</p>
--

Farmers do not identify special groups (pregnant or nursing women, young workers, disabled workers) at the beginning of their employment:

- No pregnant worker was seen during the worker interviews. However, young workers aged 16-17 worked in the gardens during assessment visits.
- Young workers work the same time as adult workers and do the same jobs.
- Monitors met and interviewed a disabled worker at one farm (Farm 11), receiving the same wage as the rest of the workers only by collecting hazelnuts from the ground while others were bending or shaking branches and carrying hazelnut bags. However, the disabled worker worked the same hours as the rest of the group.

Farmers, supervisors, and labor intermediaries do not know the local labor laws and the FLA Code. For example, they are unaware of legal working hours and work restrictions for young, pregnant, and disabled workers.

Overall Conclusion of the Verification

There is still a need for improvement in terms of Terms & Conditions.

Follow-up Company Action Plan (to be filled by the Company)

Training will be given to farmers, workers, and labor contractors within the scope of FLA standards. All program farmers, at least 50 labor contractors, and at least 1000 workers will be trained.

The importance of the written contract and the concept of young workers will be explained in detail, and meetings will be held with workers and labor contractors in the provinces of origin both in the harvest and winter seasons.

Targeted Results

- To increase the efficiency of the training provided
- To increase awareness of good social practices.

Deadline Date (to be filled by the Company) February 2023 – September 2023

Administration	
Benchmarks	Compliance Status
ER.15.1: If consistent with prevailing labor practices, the employer may make advance payments or advances against payment to the workers to book their time. Wage advances shall not exceed three months' pay or legal limits, whichever is less. The farmer will not pay advances or loans against assets such as jewels, property documents, land deeds, and other valuables of the worker. These advances shall be interest-free and cannot bind the worker as bonded labor. ER.15.2: Advances shall only be made following clearly established rules, which have been communicated to workers. ER.15.2.1: Advances must be properly documented, and their receipt and accuracy must be confirmed by the recipient worker in writing whenever possible (e.g., signature, thumbprint). ER.16.1: Employers may not limit in any manner the freedom of workers to dispose of their wages. ER.16.2: Wages must be paid on regular working days and in principle at or near the workplace. Workers must be free from any coercion to make use of enterprise or works stores.	Risk of Noncompliance ER15

2019 IEM Findings

Findings/Noncompliance Explanation	Sakarya & Duzce Advances are in kind, and the supervisor keeps the records. At the end of the Harvest, he calculates these and divides them into the number
---	---

	of workers. This constitutes a risk of noncompliance as he can always charge them more.
Company Action Plan	<p>Developing Social program content (improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revision of policy procedures, workers, labor contractor training)</p> <p><u>Output indicators:</u></p> <p>Increased knowledge of farmers' and workers' awareness of the documentation of the advances. A sample form will be handed to the farmers through the farmer's handbook.</p>
Deadline Date	October 2020

Verification Findings	
<p>The number of farmers providing workers requesting advance payments has increased compared to previous years due to high inflation rates, economic instability that hit Türkiye in 2022, and the increasing cost of living.</p> <p>Monitors noticed that at five farms (Farms 2,5,10,11,13), advance payments were made to help workers to cover some of their transportation costs to the region. All seasonal migrant worker groups reported that Türkiye is experiencing a currency and high inflation crisis with serious economic and social repercussions. As a result of the deepening of the economic crisis, high costs, and the increase in fuel prices, transportation costs were problems for them. As a result, they had difficulties paying these high transport costs. Furthermore, the advance payments and terms were all agreed upon verbally, with no written agreement or explanation. For this reason, both the employee and the employer were found at risk of future disputes.</p> <p>Workers agree with farmers or labor intermediaries to pay their wages at the end of the job. However, if the worker needs or requests any cash before payment, he/she will receive an advance payment which is later deducted from his/her wages as agreed verbally by both parties.</p>	
Overall Conclusion of the Verification	
There is still a need for improvement.	
Follow-up Company Action Plan (to be filled by the Company)	
<p>Due to rising inflation rates in the 2022 harvest, many farmers covered the travel expenses of the workers beforehand.</p> <p>All farmers within the program's scope, 1000 workers, and at least 50 subcontracted workers will be trained to understand the advance payments in writing and add the Agricultural Labor Contract to the special conditions.</p> <p><u>Targeted Results</u></p> <p>- Increase and promote the importance of the written contract for payment and recruitment</p>	
Deadline Date (to be filled by the Company) February 2023 – September 2023	

Worker Involvement

Benchmarks	Compliance Status
ER.18.1: Employers shall have a clear and transparent system of worker and employer communication that enables workers to consult with and provide input to the employer or the company management. This might include regular conversations between workers and employers, suggestion boxes, workers' committees, designated spaces for worker meetings, and meetings between employer and workers' representatives. Workers can openly reach and communicate with the producer/farmer for small farms with informal labor structures.	Risk of Noncompliance

Previous IEM Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings

--

Overall Conclusion of the Verification

--

New Findings, if any

There is no direct dialogue between seasonal migrant worker groups and farmers. Instead, the farmer and workers convey their demands through the supervisor or labor intermediaries. In contrast, the local worker groups communicate more openly and directly with farmers (Farm 3 as an example).

Follow-up Company Action Plan (to be filled by the Company)

The farmers registered in the program will be trained under the Good Social Practices training module title. Awareness-raising activities carried out with the origin studies will be shared with the couples.

All farmers registered in the program, at least 1000 workers, and 50 labor contractors will be informed about the complaints and requests through meetings and training.

Targeted Results

- Open and direct communication between farmers and workers will be ensured through the work carried out.
- Examples of Balsu support and complaint lines will continue to be distributed and disseminated to farmers and workers as printed materials. In this context, printed materials will be placed in at least 100 SMAW accommodation areas in the 2023 harvest.

Deadline Date (to be filled by the Company) February 2023 – September 2023

Work Rules and Discipline

Benchmarks	Compliance Status
------------	-------------------

<p>ER.20.1: Employers shall have disciplinary rules and practices that embody a system of progressive discipline (e.g., a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).</p> <p>ER.20.2: Any person supervising workers shall be aware of the disciplinary rules and practices.</p> <p>ER.20.4: The disciplinary system shall be applied in a fair and non-discriminatory manner and include a management review of the actions by someone senior to the manager who imposed the disciplinary action.</p> <p>ER.20.6: Disciplinary rules and practices shall be clearly communicated to all workers.</p> <p>ER.20.7: Workers must be informed when a disciplinary procedure has been initiated against them.</p> <p>ER.20.8: Workers have the right to participate and be heard in any disciplinary procedure against them.</p> <p>ER.20.11: The disciplinary system shall include a third-party witness during imposition and an appeal process. In the case of smallholder settings, the existing appeal mechanism at the community level is acceptable.</p>	Noncompliance
---	---------------

2019 IEM Findings

Findings/Noncompliance Explanation	<p><u>Sakarya & Duzce</u></p> <p>The system lacks an appeal process.</p>
Company Action Plan	<p>Dissemination of the Balsu disciplinary system amongst the key stakeholder with a special emphasis on the appeal mechanism.</p> <p><u>Output indicators:</u></p> <p>In addition to the “sample contract” contents, Balsu will include information on the disciplinary procedure and dissolution existing appeal mechanism. Through the workshop sessions, this sample form will be shared with the labor contractors, workers, and farmers in 2020. Furthermore, the Balsu disciplinary procedure will be shared with all farmers within the program as indicated in the previous topic in the farmers’ handbook.</p>
Deadline Date	N/A due to COVID - 19 Pandemic.

Verification Findings

No written or verbal disciplinary rules are implemented in the farms, creating vulnerability and risks for all parties.

Based on the interviews with farmers, labor contractors, and workers, it was seen that the farmer dismisses any worker that is not satisfying the farmer with his/her job performance, and this is expressed to be the only disciplinary rule implemented. In these cases, the farmer pays the worker until the day of dismissal.

Overall Conclusion of the Verification

There is still a need for improvement.

Follow-up Company Action Plan (to be filled by the Company)

All producers registered in the program will be informed about the disciplinary rules. Disciplinary rules will be disseminated in monthly producer information boards, village-based Whatsapp groups, and training with farmers.

Targeted Results

-To ensure that the disciplinary system is implemented fairly and non-discriminatively.

Deadline Date (to be filled by the Company) February 2023 – September 2023

Access to Training for Family Members	
Benchmarks	Compliance Status
ER.21: Family members (spouses and adult children) involved directly or indirectly in agriculture production shall have access to all training and awareness-raising activities conducted for the workers and growers on the farms.	Risk of Noncompliance

2019 IEM Findings

Findings/Noncompliance Explanation	<p><u>Duzce</u></p> <p>Farmers and workers attend the meetings - worker meetings are at their accommodation. However, the farmer families are not present at the meetings for training; they do not engage in these activities since they consider this family work.</p>
Company Action Plan	<p>Increase the number of women farmers training / Balsu field workers will come together with female farmers dealing with seasonal agriculture workers and labor contractors.</p> <p><u>Output Indicators</u></p> <p>Balsu worked with farmer women in the Strong Women Strong Agriculture Project developed after baseline activities were taken in 2017. Women farmers who received training such as employment relations and child labor also received training on capacity-building training on conflict and solution, and discrimination are more likely to be a solution partners. In addition, women will receive training on Good Agricultural Practices, Quality and Productivity, Occupational health and safety, Ecology and Environment, Good Social Practices, and Woman Empowerment with a target of becoming more influential concerning social, economic, and environmental issues in their community in 2020. Fifty more women will be supported in this project's scope in 2020.</p>
Deadline Date	December 2020

Verification Findings
<p>The monitors were informed that the Company is organizing training for all workers at the Harvest region and workers' cities of origin. Family members are invited to these trainings as well. The monitors verified that all workers with their family members participated in the training.</p> <p>The monitors reported that farmers attended training activities with less participation from their family members, except for elderly farmers over 50 years with weak health conditions. However, the farmer's children have started helping their fathers and attended these trainings. Farmers informed monitors during interviews that family members of the farmers did not attend the training at 8 out of 15 farms (Farm 2,3,4,7,8,9,11,14).</p> <p>None of the interviewed parties mentioned the "Strong Women Strong Agriculture Project."</p>
Overall Conclusion of the Verification

The Company had conducted more training compared to the findings of previous IEM Reports. But, on the other hand, there is still an improvement point in boosting the attendance of farmers' family members.

New Findings, if any

Follow-up Company Action Plan (to be filled by the Company)

In the 2022 harvest, Balsu reached 100 worker groups and 1884 workers in the Eastern and Western Black Sea Regions and provided Good Social Practices and Occupational Health and Safety training. All farmers registered in the program, and at least 1000 workers will be trained in the 2023 harvest.

In 2023, all farmers registered in the program will be trained.

Balsu worked with farmer women until 2019 in the Powerful Women Powerful Agriculture Project, developed after the basic studies in 2017. As a result, 177 women received training on employment relations, child labor, and capacity-building training on conflict/solution and discrimination.

Hygiene and women's health trainings were given to 126 women to empower women who are seasonal migrant agricultural workers in the origin regions with the winter works of 2022, and trainings was organized for 20 women to develop their professional hand skills in line with their demands.

Targeted Results

- Training awareness of farmers, workers, and agricultural labor intermediaries will be increased.

Deadline Date (to be filled by the Company) February 2023 – September 2023

HSE Management System

Benchmarks	Compliance Status
ER.24.1: Health, safety, and environmental rules shall be communicated to all workers in the local language or language spoken by workers if different from the local language. ER.24.3: Employers shall have a designated responsible person for HSE issues on the farm. For small farms, this could be the responsibility of the farmer directly.	Noncompliance

Previous IEM Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings

Overall Conclusion of the Verification

New Findings, if any

Monitors reported low awareness of workers and farmers about health and safety risks such as working on steep slopes, bending branches, carrying heavy bags, and emergency cases.

The Company communicates its HSE training to workers during field training. However, by the time of this assessment, farmers at four farms (Farms 3,4,7,8,9) reported that they received no trainings. In addition, workers working at two farms (Farms 7,9) reported that they had been working for about one month but did not receive any training, and workers at one farm (Farm 10) stated that they had been working in the region for one month. Still, they were given training one day ago. Monitors noted that the assessment took place in the region's early stages of the Harvest, and the Company was still conducting Harvest training.

Monitors observed the informative Company boards and posters about health and safety issues posted at certain points of village coffeeshouses and in public areas.

The farms are smallholders, and the designated responsible person for the HSE is often the farmer himself. In most cases, the farmer delivers a brief briefing of 10-20 minutes about the working conditions. However, monitors crosschecked this with workers and noticed these briefings were simple warnings such as "do not slip, do not fall, be careful." The monitors noted that all workers in 12 farms are joining the collection of hazelnuts on steep slope farms. In addition, 3 out of 15 farmers reported they collect the hazelnuts themselves at steep slopes and risky spots.

All worker groups reported that bee stings or tick bites are usual at farms. Information on these issues may be added to training and informative materials to be developed.

Follow-up Company Action Plan (to be filled by the Company)

Training and/or information activities will be conducted for farmers and workers on Occupational Health and Safety, environment, and health issues. Training will be provided to all farmers, at least 50 labor contractors, and at least 1000 workers within the program's scope.

During the training, at least one person who speaks Kurdish will be present in the team. In addition, translation support will be provided for workers who have difficulty understanding Turkish during the training.

Targeted Results

-To comprehensively raise awareness of farmers and workers on health, safety, working conditions, and the environment.

-To increase the effectiveness of the training provided.

Deadline Date (to be filled by the Company) February 2023 - September 2023

Grievance Procedures

Benchmarks	Compliance Status
ER.25.3: FLA-affiliated companies shall make sure that a confidential noncompliance reporting mechanism is available for farmers and workers in the supply chain (such as members of cooperatives or suppliers of seed organizers). Through this channel, any code violation can be communicated to the Company in the event that the local and farm-level grievance redress mechanisms fail to sufficiently address the issue. ER.25.4: The Company shall create awareness of this communication and noncompliance reporting mechanism to its service providers and suppliers.	Noncompliance

Previous Assessment Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings
Overall Conclusion of the Verification
New Findings, if any
<p>The Company provides multiple channels, including a suggestion, grievance hotline, and website. However, workers and farmers at 10 out of 15 farms (Farmers 1,3,4,5,7,8,9,11,12,15) were unaware that the Company provided an anonymous grievance mechanism. It was observed that the awareness of newly trained worker groups was high about the presence of the grievance hotline (Farm 2,6,9,10). Farmers stated they could convey their complaints and requests to the Company's agronomist. In addition, workers stated they could reach the supervisor, labor intermediary, the state's emergency phone lines, or the gendarmerie if they have complaints.</p> <p>A group of workers (Farm 14) reported they called this hotline to inform that they needed toothpaste and a toothbrush but did not receive any response.</p>
Follow-up Company Action Plan (to be filled by the Company)
<p>Balsu has had an active complaint mechanism since 2017. The free complaint hotline is explained in detail in all farmer and worker trainings and is placed in visible places of accommodation areas in worker trainings.</p> <p>Hazelnut workers are in the region for the short term and change from year to year. For this reason, the adoption of Balsu's grievance mechanisms is challenging.</p> <p>Balsu's grievance mechanism consists of a toll-free hotline, face-to-face, social media accounts, and individual company lines. In addition, all notifications to the grievance line are listened to by a person appointed by the Company. Staff receiving complaints through the Grievance Hotline categorize complaints by topic (social, agri-environmental, or governance), which determines which staff member is responsible for addressing and following up on the complaint.</p> <p>The Balsu sustainability team will continue to train workers to mainstream existing grievance mechanisms and use them more effectively.</p> <p>Balsu will distribute leaflets with the toll-free grievance hotline during training and/or information sessions with farmers, workers, and agricultural intermediaries.</p> <p>These brochures will be distributed to at least 500 workers, 1000 farmers, and 100 labor contractors in 2023. In addition, the support and grievance hotline will be located in at least 100 SMAW accommodation sites in the next Harvest.</p> <p><u>Targeted Results</u></p> <ul style="list-style-type: none"> -Ensuring that all channels of the grievance mechanism are used effectively. -Ensuring that farmers and workers can freely express their demands and complaints.

Deadline Date (to be filled by the Company) February 2023 – September 2023

Non-discrimination

Non-Discrimination Assessment Summary

Notable Good Practices (if any):

The Company has organized a visit to South East Anatolia, where most of the seasonal migrant workers originated, to boost the dialogue of these workers with the hazelnut farmers (2-night and three days the Company covered trip expenses). As a result, it was observed that the farmers who had participated in this trip (Farm 5,11) had a more positive opinion and attitude towards the workers. Furthermore, after this visit, they took action to improve the living conditions of workers during Harvest time.

General Compliance

Benchmarks	Compliance Status
ND.1: Employers shall comply with all national laws, regulations, and procedures concerning non-discrimination.	Risk of Noncompliance

2019 IEM Findings

Findings/Noncompliance Explanation	<p><u>Duzce & Sakarya</u></p> <p>There are working hours and wage discrimination between local and migrant workers. This is a custom in the region; when asked, farmers and locals say that local people are more efficient in hazelnut picking, more careful about the trees, and more eager to work. Locals earn 100-120 Liras, while migrants earn 85 daily.</p>
Company Action Plan	<p>Developing Social program content (improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revision of policy procedures, workers, labor contractor training)</p> <p><u>Output Indicators:</u></p> <ul style="list-style-type: none"> - Farmers' awareness of discrimination during working hours will be increased through specific attention to social training. - This issue will also be expressed in the meetings held with the local authorities, and public institution support will be taken to prevent discrimination. - We will advise the local commission decision to emphasize the difference in working hours. -Farmer's handbook will have a record column for the working hours.
Deadline Date	August 2020

Verification Findings

The monitors observed that the Company is sensitive in working with the farmers with positive, compatible, and good intentions towards non-discrimination. However, the farmers had no information about the national or international legislation on the subject. Overall, awareness about non-discrimination was limited.

Monitors observed that farmers have poor knowledge of the scope of discrimination. When the subject, they only talk about discrimination based on religion, language, or race. Subjects such as age, gender, marital status, pregnancy, or disability were not mentioned.

Discrimination on working hours and daily wages is still a relevant subject. Please see below "Compensation Discrimination" for more information.

Overall Conclusion of the Verification

There is still a need for improvement.

Follow-up Company Action Plan (to be filled by the Company)

Balsu will communicate legal provisions and laws on discrimination to farmers, workers, and agribusiness intermediaries. All farmers affiliated with the program, at least 50 labor contractors, and at least 1000 workers will be trained.

Targeted Results

- Increasing the awareness of farmers about discrimination.

Deadline Date (to be filled by the Company) February 2023 – September 2023

Recruitment and Employment Practices

Benchmarks:	Compliance Status
ND.2.1: Recruitment and employment practices shall be free from any type of discrimination. ND.2.3: If not provided by law, employers must provide protection to workers who allege any type of discrimination in recruitment and employment practices.	Risk of Noncompliance

Previous IEM Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings

Overall Conclusion of the Verification

New Findings, if any

Farmers' awareness about non-discrimination in recruitment and employment practices is low.

One farmer out of 15 visited farms (Farm 6) stated that he would not work with pregnant workers, and one farmer (Farm 1) stated that he only wanted to work with single and young workers without children. They are concerned with the workers' performance as they believe that pregnant workers, and workers with children cannot concentrate on collecting hazelnuts and perform poorly.

Follow-up Company Action Plan (to be filled by the Company)

Balsu will communicate legal provisions and laws on discrimination to farmers, workers, and agribusiness intermediaries. All farmers enrolled in the program, at least 50 labor contractors, and at least 1000 workers will be trained.

Targeted Results

-Raising farmers' awareness of discrimination.

Deadline Date (to be filled by the Company) February 2023 - September 2023

Compensation Discrimination

Benchmarks	Compliance Status
ND.3: There shall be no differences in compensation for workers performing equal work or work of equal value based on gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group, ethnic origin, employment status (e.g., local workers vs. migrant workers), or membership in unions or other workers' representative bodies.	Noncompliance

2019 IEM Findings

Findings/Noncompliance Explanation	<p><u>Sakarya & Duzce</u></p> <p>In the region, it is a common practice that local worker is paid more than the migrant ones. Although the FLA team could not detect more details in the assessed farms due to the context, many people agree that this practice is fair since the locals know hazelnut harvesting better. When asked farmers, they explained the difference based on performance; however, none of the farmers kept records for performance.</p>
Company Action Plan	<p>Developing Social program content (improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revising policy procedures, workers, and labor contractor training).</p> <p><u>Output Indicators:</u></p> <ul style="list-style-type: none"> - Farmers' awareness of the discrimination in payments will be increased through specific attention in social training. - This issue will also be expressed in the meetings held with the local authorities, and public institution support will be taken to prevent discrimination. - Balsu will advise the local commission's decision to emphasize fair payments.

Deadline Date	N/A due to COVID - 19 Pandemic.
Verification Findings	
<p>There were differences in compensation between workers performing equal work and in hours of work. The monitors reported that seasonal migrant workers and local workers were not paid equally. However, they were performing the same job of collecting hazelnuts from the ground or picking hazelnuts from branches. The farmers and workers reported that the minimum wage paid to seasonal migrant workers was 216 but could increase to 250 TL. In contrast, the local workers were paid a minimum of 250, which could increase to 300 TL depending on the availability of workers. In addition, they also reported that seasonal migrant workers (all farms except farm 3) were working longer hours, in total up to 10 hours per day, than local workers who were working 8,5 hours per day (Farm 3).</p> <p>For most farmers, this difference is due to the higher performance of local workers. Local workers are from the region and used to do this work. However, there were migrant workers in worker groups who had been harvesting hazelnuts for years but still receiving less and working longer than local workers.</p> <p>For other farmers, the differences are due to accommodating migrant workers. However, it was seen that the farmers did not make any calculations based on the value of the accommodation they provided to the workers while determining the wages.</p>	
Overall Conclusion of the Verification	
New Findings, if any	
There is still a need for improvement.	
Follow-up Company Action Plan (to be filled by the Company)	
<p>The governorate convenes the committee's decisions before each Harvest, and the conditions and wages based on these decisions are communicated in pre-harvest farmer training, origin studies, and worker training at harvest time.</p> <p>Farmers, workers, and labor contractors are informed that the governorship of the relevant region forms a committee before each Harvest and that working rules and wages are determined according to the decisions taken in this committee.</p> <p>Balsu will provide training on wage discrimination to farmers, workers, and agricultural intermediaries. All farmers enrolled in the program, at least 50 labor contractors, and at least 1000 workers will be trained.</p> <p><u>Targeted Result</u></p> <ul style="list-style-type: none"> -Eliminating the irregularity in working hours and wages. -Ensuring that workers are paid at least the minimum wage. 	
Deadline Date (to be filled by the Company) February 2023 – September 2023	

Marital or Pregnancy-Related Discrimination	
Benchmarks	Compliance Status
<p>ND.5.1: Employers shall not require pregnancy testing of female workers except as required by legal health and safety provisions. In cases that it is required by law, employers shall not use (the results of) such tests as a condition of hiring or continued employment.</p> <p>ND.5.2: Employers shall not threaten female workers with dismissal or any other employment decision that negatively affects their employment status to prevent them from getting married or becoming pregnant.</p> <p>ND.5.3: Employers shall not, on the basis of a woman's pregnancy, make any employment decisions that negatively affect a pregnant woman's employment status, including decisions concerning dismissal, loss of seniority, or deduction of wages.</p> <p>ND.6.1: Employers shall abide by all protective provisions in national laws and regulations benefitting pregnant workers and new mothers, including provisions concerning maternity leave and other benefits; prohibitions regarding night work, temporary reassignments away from work stations and work environments that may pose a risk to the health of pregnant women and their unborn children or new mothers and their newborn children, temporary adjustment of working hours during and after pregnancy, and the provision of breastfeeding breaks and facilities.</p> <p>ND.6.1.1: Where such legal protective provisions are lacking, employers shall take reasonable measures to ensure the safety and health of pregnant women and their unborn children.</p>	<p>Risk of Noncompliance ND5.1, ND5.3, ND6.1</p>

2019 IEM Findings

Findings/Noncompliance Explanation	<p><u>Duzce</u></p> <p>There is no such rearrangement of hours of work for pregnancy.</p>
Company Action Plan	<p>Developing Social program content (improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revision of policy procedures, workers, labor contractor training)</p> <p><u>Output Indicators:</u></p> <ul style="list-style-type: none"> - Farmers' awareness of the workers in special conditions will be increased through specific attention to social training. - Balsu's training module, both for the farmers and workers, will include topics such as working conditions, wages, working hours, and special arrangements for young and pregnant workers.
Deadline Date	August 2020

Verification Findings	<p>Farmers are not informed about the working conditions of pregnant or breastfeeding women. 5 out of 15 said they would assign light work to these pregnant workers, but they did not know their legal working hours.</p> <p>One farmer (Farm 6) stated that he would not work with pregnant workers as this was not work suitable for them, and they would not perform satisfactorily. Another farmer (Farm 1) stated that he would not employ pregnant workers or workers with young children for the same reason.</p> <p>The monitors did not come across pregnant or nursing women during assessments.</p>
Overall Conclusion of the Verification	<p>There is still a need for improvement in raising awareness among farmers.</p>
Follow-up Company Action Plan (to be filled by the Company)	

All farmers under the program will be trained on pregnant and lactating women's employment and working conditions.

Targeted Result

-Raising awareness on recruitment and working conditions.

Deadline Date (to be filled by the Company) February 2023 – 2023 September

Respect of Culture and Religion

Benchmarks	Compliance Status
ND.11: Employers shall guarantee that workers and their families living on-site can freely express elements of their cultural identity, such as clothing, music, language, food, and celebrations. Areas of social, cultural, or religious significance are identified, delineated, and preserved on the farm premises.	Risk of Noncompliance

Previous IEM Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings

Overall Conclusion of the Verification

New Findings, if any

The female workers in seasonal agricultural worker groups reported that they are not comfortable leaving the houses during their off time as they feel unsafe. So if they need to visit the village grocery store, they are accompanied by 2-3 male workers. There was no direct threat or case of violence directed at them. Still, they just wanted to be safe, away from any possible trouble, as they had heard about cases of threat and violence directed at their community on the news.

Follow-up Company Action Plan (to be filled by the Company)

In Balsu 2022 origin studies, 30 farmers, suppliers, mukhtars, and opinion leaders traveled to Mardin and Diyarbakır to meet with workers to raise awareness of discrimination.

Farmers, workers, and agricultural labor intermediaries will be trained on discrimination. All program farmers, 50 labor contractors, and 1000 workers will be trained on discrimination.

Targeted Result

-Raising awareness about discrimination.

Deadline Date (to be filled by the Company) February 2023 – 2023 September

Forced Labor

Forced Labor Assessment Summary

"Freedom in Employment and Movement" was reported as a "Risk of Noncompliance" in the 2019 Reports. However, this was not the case during the 2020 and 2022 assessments.

Child Labor

Child Labor Assessment Summary

"Immediate Family Members," "Children on Premise," and "Removal and Rehabilitation of Child Laborers" were reported to be an area of "Risk of Noncompliance" in 2019 Reports. However, this was not the case during the 2022 assessment.

Notable Good Practices (if any)

The Company and an NGO (Young Life Foundation) worked collectively to reach children of seasonal agricultural worker groups at risk of working at hazelnut orchards. The Company carries out activities that remove these children from the working environment and guide them to safe spaces. Eighty children attended the summer schools opened within the scope of these efforts. Also, mobile workshops were conducted for children accommodating in remote areas in their families and thus unable to attend summer schools.

In this context, the Company regularly visits headmen, municipalities, governorships, and employment directorates annually. The Company aims to communicate its efforts to combat child labor and to act together with these institutions. During Harvest for the Young Life Foundation, social workers and teachers in the field participated in an orientation process focused on child protection. Social workers within the Company have completed both child protection and worker training and orientation processes within the scope of corporate social responsibility.

The Company also carries out the "Sustainable Hazelnut Villages Project" project in cooperation with Rainforest Alliance to combat child labor and improve working conditions in the villages with hazelnut orchards. The project promotes cooperation with other stakeholders to address child labor and poor living and working conditions, establish village committees that will prevent child labor, and improve the general welfare and livelihoods of producers and workers. Families were provided with training and equipment support within the scope of these efforts.

General Compliance

Benchmarks	Compliance Status
CL.1: Employers shall comply with all national laws, ratified international conventions, fundamental labor rights, regulations, and procedures concerning the prohibition of child labor.	Noncompliance

2019 IEM & 2020 COVID-19 Assessment Findings

<p>Findings/Noncompliance Explanation</p>	<p><u>2019</u></p> <p>Sakarya</p> <p>There were 13 years old children on some farms. Also, in other farms, when asked, many young workers say that they are 15 or 16; since we cannot see their IDS, we had to believe them, but they looked younger than that.</p> <p>Duzce</p> <p>There were 12-13 years old children working on these farms. Also, in other farms, when asked, many young workers say that they are 15 or 16; since we cannot see their IDS, we had to believe them, but they looked younger than that.</p> <p><u>2020</u></p> <p>The Company trained workers, producers, supervisors, labor contractors, intermediaries, and own staff to increase awareness of age verification and child labor prevention. The Company is also collaborating with various CSOs in this subject. However, producers are not implementing age verification. Four producers reported they could accept any workers brought by the labor contractors, including young workers who could not attend school due to COVID-19.</p> <p>The young workers below 18 were collecting hazelnuts from the ground, shaking trees, bending trees, and sometimes carrying bags of hazelnuts.</p>
<p>Company Action Plan</p>	<p><u>2019</u></p> <p>Developing Social program content (improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revision of policy procedures, workers, labor contractor training)</p> <p><u>Output Indicators</u></p> <p>Cooperation with local government significantly impacts the solution of all problems in child labor and seasonal agriculture. In this context, meetings will be held in each district when the harvesting period in 2020 begins on child labor. The meeting host will be Balsu. On the other hand, Universities and all the relevant local authorities will be invited.</p> <ul style="list-style-type: none"> -All Balsu communication channels will be used - Before Harvest, risk analysis on the child labor status in the procurement region will be updated <p><u>2020</u></p> <p>Training will be delivered to all related stakeholders. The training module will include National legislation and Balsu's ethical policy on the age verification responsibilities of employers. In addition, as Balsu, we will provide farmers the sample documentation on age registration and include this in workers' training to make them accept their ages to be noted by farmers. Please see above for more information on the planned training.</p> <p>Other steps Balsu will take to tackle child labor problems in the supply chain in 2021.</p>

1. Risk Assessment

Each farmer will be interviewed to determine the degree of risk related to child labor (low, medium, high). To determine the risk level, the number of workers to work, the date they will come to the region, the number of children involved in migration, information on labor contractors, participation in training, and access to public services will be determined. Finally, an intervention plan appropriate to the degree of risk will be initiated.

2. Case Management

A case follow-up form is initiated, and the seven-stage Balsu child labor intervention plan is implemented for each child identified at risk of working during visits. Each child is evaluated and recorded through case management with a child labor improvement form identified in Balsu's total quality management system. When considered necessary, the case is not closed and is followed up through original activities in the area where migrant workers live.

3. Safe Spaces and updated COVID-19 workshops (ILO, Young Life Foundation, etc.)

During the COVID-19 pandemic, in the 2020 hazelnut season, we implemented different models to reach children. In this model, education and hygiene kits are provided to children through daily workshops at various places close to their shelters and with the children with whom they share the shelter. With the educational kits, the basic stationery needs of children, such as pencils, notebooks, coloring pens, and school bags, are met. In addition, toys such as cubes and tangrams for intelligence development are included. Hygiene kits, masks, soaps, toothbrushes, toothpaste, cologne, etc., are also provided for the children. A workshop or summer school will continue in 2021. However, the number of summer schools or children cannot be specified at this stage due to the pandemic (June to July 2021 would probably be the months for the target to be more solid).

4. Worker Training and Labor Intermediary Training (including origin)

Workers will be visited in Sakarya, Düzce, and Ordu provinces for training. Please see the above section for more details and targets.

Origin activities in 2021 will be limited to the Harvesting the Future activities, i.e., registration of labor contractors and simulation activity that Balsu carried out in 2020 for the first time (reaching out to workers and labor contractors via digital means to provide training and receive the necessary information to facilitate referring mechanism).

5. Farmer training and Training for Women in Local Communities

Child rights and child labor training will be provided for farmers and women. 2021 target: 1,000 farmers and 50 women.

6. Grievance mechanism

The new working regions will expand Balsu's support and grievance mechanism. 2021 target city: Ordu.

7. Government and other local stakeholders to scale up efforts nationwide.

2020-2024 Project "Elimination of Child Labor in Seasonal Agriculture" to be implemented by the International Labor Organization (ILO) Office for Türkiye in cooperation with the General Directorate of Labor of the Ministry of Family, Labor, and Social Services. Balsu will follow up on the project activities for cooperation building.

	<p>8. Working with community-based child labor expert</p> <p>The number of community-based child labor experts will be increased in regions with farmers with a high risk of child labor. The 2021 target is working with 15 community-based child labor experts.</p>
Deadline Date	2019 IEM: October 2020

Verification Findings	
<p>Monitors noticed that children under 15 were employed, earning the same wage as adult workers and collecting hazelnuts from the ground on all kinds of grounds, including steep slopes. Monitors met at one farm (Farm 8), a 13-year-old, and at two farms (Farm 12,13), 14-year-old children working. Monitors reported that age verification is not implemented efficiently on the visited farms, and farmers' awareness of the legal minimum working age was low.</p> <p>Monitors also noticed young workers at 12 out of 15 orchards working the same hours and performing the same jobs as adults; collecting hazelnut from the ground, picking from branches, bending branches, working on steep slopes, and carrying bags.</p>	
Overall Conclusion of the Verification	
<p>Child labor is still an issue, and prevention efforts such as age verification and awareness-increasing training should be boosted.</p> <p>Child labor in seasonal agriculture is not a problem that one actor can solve alone due to its multi-layered structure and social and economic reasons. It is necessary to carry out activities in cooperation with other relevant stakeholders in a consistent and structured way. It is extremely important to know the dynamics of the field well and to act very quickly in a short time due to the nature of seasonal agriculture while executing long-term strategies.</p>	
New Findings, if any	
Follow-up Company Action Plan (to be filled by the Company)	
<p>After the audit, producers were visited by child laborers identified during the audit, and children identified in the working groups were directed to the Young Life Foundation.</p> <p>Farmers, workers, and labor contractors will be trained to prevent child labor.</p> <p>Social workers monitored the attendance to formal education of 501 children who participated in workshops within the scope of the Harvest Time Hazelnut Bahane Child Protection Project and who are at risk of working in the Mardin and Diyarbakir regions. During the process of identifying and registering children, social workers made household visits to families. Within the scope of these visits, information on child labor was provided to families who went to the Eastern Black Sea and Western Black Sea regions to harvest during harvest time. In this context, 345 children were followed up in 5 districts in Diyarbakir, and 17 were referred to non-formal education. In the Mardin region, 154 children were followed up in 2 different districts, and 92 children were referred to non-formal education in cooperation with public institutions.</p> <p>Since 2014, summer school and workshop activities against child labor will continue. In 2022, 2,714 children met with safe spaces through 3 summer schools and workshops. In addition, with the Sustainable Hazelnut Villages Project, one summer school was opened, and 80 children met with safe spaces. In 2023, at least four summer schools will be opened.</p> <p><u>Targeted Result</u></p> <p>-Prevention of child labor.</p>	

<p>-Raising awareness of child labor.</p> <p>-Ensuring that children continue their education and monitoring the continuation of education of children identified during the harvest period.</p>
<p>Deadline Date (to be filled by the Company) February 2023 – September 2023</p>

Minimum Age	
Benchmarks	Compliance Status
<p>CL.2: Employers shall comply with ILO Convention 138 and shall not employ anyone under the age of 15 or under age for completion of compulsory education, whichever is higher. If a country has a specified minimum age of 14 years due to an insufficiently developed economy and educational facilities, employers might follow national legislation but must work to progressively raise the minimum age to 15 years.</p>	<p>Noncompliance</p>

2019 IEM & 2020 COVID-19 Assessment Findings

<p>Findings/Noncompliance Explanation</p>	<p><u>2019</u></p> <p>Sakarya</p> <p>The visit detected six children (four boys and two girls).</p> <p>Düzce</p> <p>Seven children, six boys, and one girl, were detected during the visit. One boy and one girl were family workers in Farm 7, and they were 12-13 years old. They are allowed to work in the family business but work the same hours as adults.</p> <p><u>2020</u></p> <p>The Company trained workers, producers, supervisors, labor contractors, intermediaries, and own staff to increase awareness of age verification and child labor prevention. The Company is also collaborating with various CSOs in this subject. However, producers are not implementing age verification. Four producers reported they could accept any workers brought by the labor contractors, including young workers who could not attend school due to COVID-19.</p> <p>The young workers below 18 were collecting hazelnuts from the ground, shaking trees, bending trees, and sometimes carrying bags of hazelnuts.</p>
<p>Company Action Plan</p>	<p><u>2019</u></p> <p>Developing Social program content (improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revision of policy procedures, workers, labor contractor training)</p> <p><u>Output Indicators:</u></p> <p>Steps Balsu will take to tackle child labor problems in the supply chain in 2020</p> <ol style="list-style-type: none"> 1. Summer Schools (number and content TBC) 2 & 3. Worker Training and Labor Intermediary Training (including Origin)

4. Farmer training and Training for Women in Local Communities
5. Grievance mechanism
6. Government and other local stakeholders to scale up efforts across the country

- identification and monitoring of child labor is key IMS during the harvest will be increased; thus, four temporary social workers will be hired.

- To provide access to public services needed by children and their families, local authorities will be visited and mapped before workers' arrival.

- We will organize activities to promote social awareness and sensitivity at all the program villages Sace fills an essential gap for child labor-related efforts: Currently, there is no other alternative in the villages that guarantee access to a large number of children to a safe environment and provide them basic needs. At the same time, their family members work in the gardens.

Safe Spaces Staff: "For example, former students remember last year's learnings and wash their hands when they get to school. New students learn from their example too."

A Child: "I would be working in the garden if it was not for the school" M. is 13 years old; he traveled to Beyören from Mardin-Dargecit with his mother, younger sister, elder brothers, and cousins for the 2018 harvest. The family has been making the journey to the region for the last couple of years for work. Last year, M. started to work with his family in the gardens, too, but one day, his path crossed with the GHF team visiting their house. His mother and eldest brother decided to send him to school when they heard he would get a scholarship.

M. loves attending summer school and especially enjoys art and crafts workshops in the afternoons. He insisted that he attends the school this year, too, and his family did not object since he would receive his scholarship. He says that he would have to work in the garden from 7 am to 7 pm under the heat if it was not for the school, and he would do anything in his power to attend the school next year as well.

A Young Worker: "There were very bad living conditions where I went to harvest other products; there's hot water and electricity here."

A Public Institutions Officer: "Compared to the previous year, the child labor numbers are decreasing thanks to Balsu studies. As a public employee, I was not aware of the problem of child labor; now, everyone knows what the problem is. They made this problem visible."

A Female Farmer: "Women farmers work with the laborers in the field, so if they get more training, they can do better. We are in this together now."

2020

Training will be delivered to all related stakeholders. The training module will include National legislation and Balsu's ethical policy on the age verification responsibilities of employers. In addition, as Balsu, we will provide farmers the

sample documentation on age registration and include this in workers' training to make them accept their ages to be noted by farmers. Please see above for more information on the planned training.

Other steps Balsu will take to tackle child labor problems in the supply chain in 2021.

1. Risk Assessment

Each farmer will be interviewed to determine the degree of risk related to child labor (low, medium, high). To determine the risk level, the number of workers to work, the date they will come to the region, the number of children involved in migration, information on labor contractors, participation in training, and access to public services will be determined. Finally, an intervention plan appropriate to the degree of risk will be initiated.

2. Case Management

A case follow-up form is initiated, and the seven-stage Balsu child labor intervention plan is implemented for each child identified at risk of working during visits. Each child is evaluated and recorded through case management with a child labor improvement form identified in Balsu's total quality management system. When considered necessary, the case is not closed and is followed up through original activities in the area where migrant workers live.

3. Safe Spaces and updated COVID-19 workshops (ILO, Young Life Foundation, etc.)

During the COVID-19 pandemic, in the 2020 hazelnut season, we implemented different models to reach children. In this model, education and hygiene kits are provided to children through daily workshops at various places close to their shelters and with the children with whom they share the shelter. With the educational kits, the basic stationery needs of children, such as pencils, notebooks, coloring pens, and school bags, are met. In addition, toys such as cubes and tangrams for intelligence development are included. Hygiene kits, masks, soaps, toothbrushes, toothpaste, cologne, etc., are also provided for the children. A workshop or summer school will continue in 2021. However, the number of summer schools or children cannot be specified at this stage due to the pandemic (June to July 2021 would probably be the months for the target to be more solid).

4. Worker Training and Labor Intermediary Training (including origin)

Workers will be visited in Sakarya, Düzce, and Ordu provinces for training. Please see the above section for more details and targets.

Origin activities in 2021 will be limited to the Harvesting the Future activities, i.e., registration of labor contractors and simulation activity that Balsu carried out in 2020 for the first time (reaching out to workers and labor contractors via digital means to provide training and receive the necessary information to facilitate referring mechanism).

5. Farmer training and Training for Women in Local Communities

Child rights and child labor training will be provided for farmers and women. 2021 target: 1,000 farmers and 50 women.

6. Grievance mechanism

The new working regions will expand Balsu's support and grievance mechanism. 2021 target city: Ordu.

7. Government and other local stakeholders to scale up efforts nationwide.

	<p>2020-2024 Project "Elimination of Child Labor in Seasonal Agriculture" to be implemented by the International Labor Organization (ILO) Office for Türkiye in cooperation with the General Directorate of Labor of the Ministry of Family, Labor, and Social Services. Balsu will follow up on the project activities for cooperation building.</p> <p>8. Working with community-based child labor expert</p> <p>The number of community-based child labor experts will be increased in regions with farmers with a high risk of child labor. The 2021 target is working with 15 community-based child labor experts.</p>
Deadline Date	2019 IEM: October 2020

Verification Findings	
<p>Age verification is performed at 14 of the 15 orchards verbally. Therefore, 1 out of 15 farmers had checked the IDs of workers for age verification (Farm 8). 4 farmers (Farm 10,12,13,14) stated they did an age verification through ID checks. However, the workers stated that this was done verbally. As a result, child labor and young workers were detected in some orchards.</p> <p>The child labor detected at visited farms was stated to be 16 years of age. However, when monitors asked cross-checking questions and checked their IDs, it was noticed that they were 13 and 14 years old. Also, the farmers interviewed stated they avoid employing children under 16, but this was not the case at three farms.</p>	
Overall Conclusion of the Verification	
<p>Complying with minimum age requirements remains an issue at some farms for various reasons, lack of age verification being one of them. Proper age verification is not widely implemented or properly conducted.</p>	
New Findings, if any	
Follow-up Company Action Plan (to be filled by the Company)	
<p>Regarding child laborers identified during the audit, the producer was visited after the audit, and the children identified in the working groups were directed to the Young Life Foundation.</p> <p>In 2023, all producers registered in the program, at least 50 labor contractors and at least 1000 workers will be trained on minimum age determination.</p> <p><u>Targeted Result</u></p> <ul style="list-style-type: none"> -Preventing child labor and raising awareness of child labor. -Ensuring that children continue their education. 	
Deadline Date (to be filled by the Company) February 2023 – September 2023	

Young Workers	
Benchmarks	Compliance Status

<p>CL.5: Employers shall abide by all relevant rules and procedures where the law requires government permits or permission from parents as a condition of employment of young workers.</p> <p>CL.6.1: Employers shall comply with all relevant laws that apply to young workers (e.g., those between the minimum legal working age and the age of 18), including regulations related to hiring, working conditions, types of work, hours of work, proof of age documentation, and overtime.</p> <p>CL.6.2: Employers shall maintain a list of all young workers, their entry dates, proof of age, and a description of their assignment.</p> <p>CL.7: No person under 18 shall undertake hazardous work, i.e., work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of persons under the age of 18. Such work includes, but is not limited to, the application of agricultural chemicals, pesticides, and fertilizers, use of farm equipment tools and machinery, lifting or moving of heavy materials or goods, or carrying out hazardous tasks such as underground or underwater or at dangerous heights. Every activity performed by a young worker must be supervised by an adult.</p>	Noncompliance
---	---------------

2019 IEM Findings

Findings/Noncompliance Explanation	<p>Sakarya</p> <p>In all farms, there are young workers under 18. In total, ten male young and 29 female young could be detected. All were migrant workers. There is no difference between young and adult farm workers; they work the same hours. No lists were kept for young workers.</p> <p>Duzce</p> <p>Working on steep slopes and carrying heavy sacks is hazardous for young workers. In all farms, there are young workers under 18. In total, 11 male young and 23 female young could be detected. All were migrant workers. There is no difference between young and adult farm workers; they work the same hours. No lists were kept for young workers.</p>
Company Action Plan	<p>Balsu will develop more comprehensive social program components, including improved communication with farmers, including women farmers, engaging with key stakeholders, building staff capacity, revising policy procedures, workers, and training for labor contractors.</p> <p><u>Output Indicators:</u></p> <ul style="list-style-type: none"> -Farmer's handbook will be revised. -Farmers' record keeping will be improved (date, month, and year). -Good samples regarding the young workers' hours and tasks will be shared. -Detailed need assessment of the Young body for OHS standards will be shared in training with farmers, workers, and local authorities
Deadline Date	N/A due to COVID - 19 Pandemic.

Verification Findings

All seasonal agricultural workers, including the workers under 18, were working 8,5 to 10 hours per day without weekly rest and no overtime payment. The interviewed young workers worked more than 40 hours a week, above the permitted legal limits.

Interviewed seven farmers out of a total of 15 (Farms 5,6,7,8,10,13,15) knew the minimum working age as 15. 6 farmers (Farms 1,2,3,9,12,14) informed the working age limit as 16 as they heard from the

decision of the local Commission. 2 farmers (Farm 4,11) stated that they knew the minimum working age as 18.

Monitors observed that farmers did not know the definition of the young worker, and they employed young workers with the same conditions of working hours and tasks performed as adult workers at 11 farms (Farm 1, 3, 4, 5, 6, 7, 8, 10, 11, 13, 15). In addition, monitors detected young workers without parents or adults with them at four farms (Farm 5,6,8,13). Monitors understood that young workers were not dealing with agrochemicals. However, they were working 8,5 to 10 a day, taking in a total of 2 hours breaks, and performing heavy and risky jobs such as bending branches and harvesting hazelnuts on steep slopes.

Overall Conclusion of the Verification

There is still a need for improvement.

Follow-up Company Action Plan (to be filled by the Company)

The registration form for farmers to register workers is available in the producer manuals. In general, farmers enter worker information on this registration form.

After the audit, farmers were visited by the young workers identified in the audit, and the working conditions of young workers were explained.

In 2023, training on the definition and details of young workers will be provided to all producers registered in the program, including at least 50 labor contractors and at least 1000 workers.

Targeted Result

- Improving the working conditions of young workers.
- Learning and identification of the concept of young workers by farmers.
- Ensuring record keeping by farmers.

Deadline Date (to be filled by the Company) February 2023 – September 2023

Health, Safety, and Environment

Health Safety and Environment Assessment Summary

“Infrastructure” was reported as a "Risk of Noncompliance" area in the 2019 Reports. However, this was not the case during the 2022 assessment.

Notable Good Practices (if any)

The Company provides seasonal agricultural worker groups with personal protective equipment kits to use during the harvest work and with food aid packages for their families.

Also, monitors visited two workers' houses renovated by the Company and farmers.

General Compliance

Benchmarks	Compliance Status
HSE.1: Employers shall comply with all national laws, regulations, and procedures concerning health, safety, and the environment.	Noncompliance

2019 IEM & 2020 COVID-19 Assessment Findings

<p>Findings/Noncompliance Explanation</p>	<p><u>2019</u></p> <p>Sakarya</p> <p>Monitors noticed rides with a two-wheeled tractor with a trailer could be dangerous. Accommodations should be repaired, and a standard for bathrooms and WCs must be established.</p> <p>Duzce</p> <p>Some of the accommodations of workers are far from being usable. No bathrooms or WCs; there were insects, and open roofs caused a flood in one case (Farm 11, 12). In general, these do not meet the requirements of health and safety.</p> <p><u>2020</u></p> <p>During the interviews, five producers reported informing workers to clean their masks, gloves, clothes, and tools such as buckets.</p> <p>Eight producers did not take any measures regarding COVID-19 distancing on the vehicles. Workers were transported in tractor trailers together with hazelnut bags.</p>
<p>Company Action Plan</p>	<p><u>2019</u></p> <p>Stronger communication with the Government at the local and national levels will be sustained.</p> <p><u>Output Indicators:</u></p> <p>Improved local commission decisions, including a note on health and safety in the agricultural area.</p> <p>Training on OHS will be emphasized in all project villages.</p> <p>All Balsu Communication channels will be used to circulate information on OHS.</p> <p>A minimum of one government representative will involve in project implementation</p> <p><u>2020</u></p> <p>Balsu follows the developments regarding COVID-19. It will work with farmers and workers to take all the precautions that seasonal migratory agricultural workers need and support farmers to work within these measures. Occupational health and safety training modules were developed for farmers, workers, and agricultural business intermediaries, considering each group's needs. In 2020, training modules were updated due to COVID-19; hygiene and COVID-19 symptoms and prevention methods were added for workers. Balsu also provided hygiene kits to workers and farmers to facilitate compliance with the specified hygiene instructions. These practices will continue in 2021.</p> <p>The occupational health and safety training module discusses the measures to be taken for the workers to reach the gardens safely. In addition, to ensure the safe transportation of workers, informative documents with visual content will be shared with farmers, workers, and agricultural business intermediaries through</p>

	WhatsApp groups. 2021 Target: 2,000 workers, 30 labor contractors, and 1,000 farmers.
Deadline Date	N/A due to COVID - 19 Pandemic.

Verification Findings
<p>Monitors learned from the Company staff that they were communicating training about health and safety issues to farmers and workers. However, monitors noticed certain improvement points;</p> <ul style="list-style-type: none"> Workers are transported between accommodation areas and farms on tractors or poor structured local mini-tractors called Pat Pat, Workers were not using PPE (proper shoes, gloves, cover on the head) during harvest work, Disadvantaged workers groups were working on steep slopes.
Overall Conclusion of the Verification
OHS trainings are conducted in the region by the Company, but there is still a need for improving farmers' and workers' awareness about occupational health and safety.
New Findings, if any
Follow-up Company Action Plan (to be filled by the Company)
<p>Occupational health and safety training modules for farmers, workers, and agricultural intermediaries were developed, considering each group's needs. In 2022, 1884 workers were provided with Occupational Health and Safety training modules and personal protective equipment.</p> <p>Balsu promptly provides personal protective equipment requests submitted by worker groups through an improved support and complaint mechanism. In the 2022 harvest, Balsu also met the demand for headscarves from the Sakarya Akyazı region.</p> <p><u>Targeted Result</u></p> <ul style="list-style-type: none"> - Balsu provides personal protective equipment, first aid kits, and hygiene kits to all farmers and workers it reaches. These practices will continue in 2023. -Revisions are made to the content of personal protective equipment, hygiene, and cleaning kits within the scope of interviews with worker groups during harvest time. In addition, for the 2023 harvest season, the Company will provide dishwashing detergent to worker groups. -Informative documents with visual content will be shared with farmers, workers, and agribusinesses through WhatsApp groups, monthly updated village boards, and social media to ensure the safe transportation of workers. -All producers registered in the program, at least 50 labor contractors, and 1000 workers will be trained in transportation.
Deadline Date (to be filled by the Company) February 2023 – September 2023

Evacuation Requirements and Procedure	
Benchmarks	Compliance Status
HSE.5.2: Where appropriate, workers shall be trained in evacuation procedures at least once per year.	Noncompliance

2019 IEM Findings

Findings/Noncompliance Explanation	<p><u>Sakarya & Duzce</u></p> <p>Workers received HSE training on emergencies but were not trained in evacuation procedures, especially regarding accommodation areas.</p>
Company Action Plan	<p>Distribution of PPE, OHS training, communication throughout the year (SMS, WhatsApp, Newsletter, Brochures, Stickers), Local Health Office Involvement, needs assessment, and updates on the OHS module.</p> <p><u>Output Indicators</u></p> <ul style="list-style-type: none"> -Due to the training from Balsu field staff and local authorities, awareness of the evacuation requirement and the procedure will increase. - A minimum of ten stickers will be placed in the shelters after the training is given in front of workers and farmers in the evacuation of the specific shelter. -Local public service representatives will be included in the training.
Deadline Date	N/A due to COVID - 19 Pandemic.

Verification Findings

It was observed that natural disasters such as floods and landslides occurred in the region at various times, but the farmers did not have any emergency plans or measures in this regard. Only at one farm (Farm 6) did the farmer mention that they had designated a gathering area in case of disaster or heavy rain. Workers have little or no awareness of this issue.

Farmers do not recall if this subject was a part of training delivered by the Company.

Overall Conclusion of the Verification

There is still a need for improvement.

New Findings, if any

Follow-up Company Action Plan (to be filled by the Company)

-Balsu must provide its employees with healthy and safe working environments through the CSR Commitment Letter signed with farmers.

-Disaster training was provided to workers in Samsun, Ordu, and Giresun regions with disaster risk in cooperation with GHV.

-For the 2023 harvest, Balsu will create disaster training plans for workers and farmers with local institutions (e.g., AFAD).

-Information-sharing activities will occur in areas with flood and landslide risk.

<u>Targeted Result</u> -To increase awareness of emergencies and danger. -Minimizing damage in cases of danger.
Deadline Date (to be filled by the Company) February 2023 – September 2023

Personal Protective Equipment	
Benchmarks	Compliance Status
HSE.8: Workers shall be provided with training on the use and maintenance of personal protective equipment.	Risk of Noncompliance

Previous IEM Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings
Overall Conclusion of the Verification
New Findings, if any
The Company provided PPE and training at 10 out of 15 farms. Monitors understood from interviews that no training or PPE was provided to farmers and workers at five farms (Farm 3,4,7,8,9).
Follow-up Company Action Plan (to be filled by the Company)
<p>Balsu provides Good Social Practices and Occupational Health and Safety training to farmers and their workers in the supply chain at harvest time. Personal protective equipment is distributed during the training. These trainings continue throughout the harvest. In addition, upon request, personal protective equipment is shared with workers without waiting for the training order.</p> <p>-Balsu distributed 1943 personal protective equipment to seasonal mobile agricultural workers during the 2022 harvest period.</p> <p>-Balsu distributed 1256 personal protective equipment during pre-harvest producer trainings and individual farmer coaching visits in 2022.</p> <p>-The equipment distributed every year will continue to be improved by considering the demands and needs.</p> <p><u>Targeted Result</u> To increase the importance of the use of personal protective equipment.</p>

Deadline Date (to be filled by the Company) February 2023 – September 2023

Protection Reproductive Health

Benchmarks	Compliance Status
HSE.12.1: Employers shall ensure that women are not engaged in work that constitutes a substantial risk to their reproductive health.	Risk of Noncompliance

Previous IEM Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings

Overall Conclusion of the Verification
New Findings, if any
The monitors understood that the scope of the harvest work, which female workers perform, did not directly affect female fertility, and the pregnant workers would deal with collecting hazelnuts from the ground and avoiding carrying heavy. However, the farmers' lack of identification of these groups constitutes a risk.
Follow-up Company Action Plan (to be filled by the Company)
Balsu will communicate legal provisions and laws on discrimination to farmers, workers, and agribusiness intermediaries. All farmers affiliated with the program, at least 50 labor contractors, and at least 1000 workers will be trained.
<u>Targeted Result</u>
-Raising farmers' awareness of discrimination.
Deadline Date (to be filled by the Company) February 2023 – September 2023

Hours of Work

Hours of Work Assessment Summary

General Compliance	
Benchmarks	Compliance Status
<p>HOW.1.1: Employers shall comply with all national laws, regulations, and procedures concerning hours of work, public holidays, and leave.</p> <p>HOW.1.2: In countries where local law does not set out hours of work specific to the agriculture sector, the participating Company shall consult with local stakeholders representing the employers (farmers), workers, and civil society to define the hours of work. As a general principle, the total hours of work: (1) shall not exceed the number of work hours freely (individually and/or collectively) agreed upon by workers, including that all overtime work is consensual; (2) shall not adversely affect workers' physical and mental health; (3) shall allow for adequate breaks and rest periods during a working day, as determined by the workers, including at least 24 consecutive hours of rest in every seven days; and (4) shall be fully compensated according to legal requirements or worker agreements, whichever is more favorable to workers.</p> <p>HOW.1.3: Other than in exceptional circumstances or during short-term seasonal work as described under HOW.2, the total weekly work hours (regular work hours plus overtime) shall not exceed 60 hours per week or the legal limit, whichever is lower. The upper limit during a working day shall not exceed 12 hours.</p> <p>HOW.1.4: When workers' accommodations and transport are organized by the employer, or when workers are transported from one site to another during a working day, travel time to the field shall be part of the working time calculation.</p>	<p>Noncompliance</p> <p>HOW1.1, HOW 1.2, HOW 1.3</p>

2019 IEM & 2020 COVID-19 Assessment Findings

<p>Findings/Noncompliance Explanation</p>	<p><u>2019</u></p> <p><u>Sakarya & Duzce</u></p> <p>The workers have 1 hour of lunch break and 30 minutes of rest breaks (15 in the morning and 15 in the afternoon). As a consequence, workers work 10,5 - 10 hours a day. In this case, since some farmers reduced the work hours by half an hour, they work less than 10.5 hours. Therefore, the local commission guidelines regarding working hours exceed national regulations, FLA, and the Balsu Code of Conduct.</p> <p><u>2020</u></p> <p>All seasonal agricultural workers, including those under 18, worked 8,5 to 10.5 hours per day without weekly rest overtime payment. According to the reported working hours, the interviewed young workers worked more than 40 hours a week, above the permitted legal limits.</p> <p>Also, there is a wage difference between migrant and local workers. Producers report they pay local workers 120 TL daily while migrant workers receive 100 TL for the same harvest work. The producers' reason for this difference is that they provide migrant workers with accommodation and utilities.</p>
<p>Company Action Plan</p>	<p><u>2019</u></p> <p>Stronger communication with the Government at the local and national levels will be sustained.</p> <p>Output Indicators:</p> <p>Improved local commission decisions, including a note on hours of work</p> <p>Trainings on working hours will be emphasized at all project villages</p> <p>All Balsu Communication channels will be used to give information on working hours (including social media)</p>

	<p>2020</p> <p>Balsu will train all related stakeholders (Headman, Supplier, Farmers, and Family members of farmers) within the community through social workers about work hours, compensation, and age verification. One thousand farmers, 2,000 workers, and 35 suppliers will be reached through face-to-face training in the provinces of Sakarya, Düzce, and Ordu in 2021. The training will be supported with informative documents.</p> <p>Also, as Balsu, we will provide training to labor contractors and workers heads in our supply chain. The training will occur between February and March 2021 in the Southeast region of Türkiye, where seasonal agricultural workers come from within the scope of the Harvesting the Future project. As a result, ten labor contractors will be certified. Also, 30 labor contractors will be directed to public institutions.</p> <p>This issue will also be expressed in meetings with the local authorities, and public institution support will be taken to prevent discrimination. Balsu will attend the pre-harvest commission meetings formed by public institutions for workers. Balsu will advise the local commission decision to emphasize differences in working hours. Balsu will also visit public institutions and hold cooperation meetings with public institutions to solve current problems. According to 2021 plans, three District Directorates of National Education, three District Public Health Directorates, and five Municipalities will be visited.</p>
DeadlineDate	October 2020

Verification Findings	
<p>Monitors noticed that farmers have no information about the legal labor law regarding working hours, except for the decision announced yearly by the local Commission or the Governorships. Farmers informed the monitors about the decision taken by the Sakarya and Düzce Governor's Office, which was not mentioning working hours.</p> <p>Only one farmer (Farm 2) knew the legal daily working hour to be 8 hours per day. However, this farmer was employing workers for 9 hours a day. At one farm (Farm 3), local worker groups worked between 8:00-18:30 with 2 hours break, a total of 8,5 hours. At four farms (Farm 1,6,10,11), workers worked between 7:00-19:00 with 2 hours break for 10 hours. At four farms (Farm 2,7,9,16), workers worked between 7:00-18:00 with 2 hours break for 9 hours. Finally, at six farms (Farm 4,5,8,12,13,14), workers worked between 7:00-18:30 with 2 hours break, a total of 9,5 hours.</p> <p>The legal regular working hours of a worker in Türkiye is 48 hours per week, and working hours in a week can max 60 hours, including overtime, provided that it is a maximum of 11 hours a day, including overtime. In this context, seasonal agricultural workers work from 8,5 up to 10 hours a day & 59,5 up to 70 hours a week without any overtime payment.</p>	
Overall Conclusion of the Verification	
<p>Seasonal workers still work more than the maximum legal working hours without any overtime agreement or payment. But on the other hand, their daily working hours decreased compared to the 2019 IEM findings. The assessors could not identify reasons for this change, but they were informed that Balsu has been lobbying for it.</p>	
New Findings, if any	

Follow-up Company Action Plan (to be filled by the Company)
<p>In the 2022 harvest period, the commission decisions announced annually by the Governorships of Sakarya and Düzce did not include an article on working hours. Therefore, to positively impact the living and working conditions of Balsu workers, a written text was prepared and submitted to the Directorate of İŞ-KUR in Sakarya for the issues that should be brought up at the meeting of the commission decisions.</p> <p>Balsu provides training on working hours, remuneration, and age verification to all relevant stakeholders in the community (Muhtar, suppliers, Farmers, and Farmers' family members) through social workers.</p> <p>In 2022, 1,168 farmers were reached through face-to-face training in Sakarya, Düzce, Zonguldak, Ordu, Giresun, and Samsun provinces. Informative documents supported the training.</p> <p>During harvest, Balsu trained 1884 seasonal mobile agricultural workers on working conditions.</p> <p>In addition, Balsu will continue to train agricultural labor intermediaries in our supply chain. For example, with the 2022 origin study, 30 labor contractors were certified in the Southeast region of Türkiye, where seasonal agricultural workers come from.</p> <p>Balsu will continue to raise this issue in meetings with local governments and cooperate with public institutions to prevent discrimination.</p> <p><u>Targeted Result</u> Enforcement of legal working hours.</p>
Deadline Date (to be filled by the Company) February 2023 – September 2023

Protected Workers (pregnant or nursing women, young workers)	
Benchmarks	Compliance Status
HOW.4.1: The workplace shall comply with all applicable laws governing work hours regulating or limiting the nature, frequency, and volume of work performed by pregnant or nursing women or young workers. HOW.4.3: If not provided by law, employers must provide protection to workers who allege violations of laws governing work hours limiting the nature, frequency, and volume of work performed by pregnant or nursing women or young workers.	Noncompliance

2019 IEM Findings

Findings/Noncompliance Explanation	<p><u>2019</u> <u>Sakarya & Duzce</u></p> <p>The monitors observed only one pregnant woman on the field. The young and child workers were observed doing the same job and working the same hours as the adults, and monitors understood from the regional practices that pregnant or nursing women have the same working conditions. Pregnant, nursing, and young workers should have differentiated work schedules. According to local law and FLA benchmarks, young workers should not work more than 40 hours weekly. In most cases, the adult workers distribute the heavy jobs</p>
---	---

	among themselves hence trying to protect the special group of workers.
Company Action Plan	<p><u>2019</u></p> <p>Developing Social program content (improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revision of policy procedures, workers, labor contractor training)</p> <p><u>Output indicators</u></p> <ul style="list-style-type: none"> -Farmer's handbook will be revised -Farmers' record keeping will be improved (young workers, pregnant workers, or other special conditions notes will be included) -Good samples in regards to the pregnant women's hours and tasks will be shared -Detailed need assessment of pregnant women or people in special needs for OHS standards will be shared in training with farmers/workers/local authorities
Deadline Date	December 2020

Verification Findings	
<p>The regulation on employment of pregnant or nursing women, Article 9, states that a pregnant or nursing employee cannot work more than 7,5 hours a day. However, this was not known by any visited or interviewed farmers.</p> <p>The disadvantaged worker groups, such as pregnant, nursing women, or young workers, do not have a differentiated work schedule or tasks. They were working under the same conditions as the other adult workers.</p>	
Overall Conclusion of the Verification	
Farmers do not identify protected worker groups and are not informed about their working conditions. Accordingly, they do not consider the working conditions of disadvantaged groups while employing and assigning duties.	
New Findings, if any	
Follow-up Company Action Plan (to be filled by the Company)	
<p>Information sharing and training activities on the working conditions of disadvantaged workers, such as pregnant, breastfeeding, and young workers, will continue to be expanded.</p> <p>All farmers registered in the program, at least 50 labor contractors, and at least 1000 workers will be trained.</p>	

Targeted Result

-Raising awareness of the working conditions of disadvantaged groups.

Deadline Date (to be filled by the Company) February 2023 – September 2023

Overtime

Benchmarks	Compliance Status
<p>HOW.5.1: Where national laws, regulations, and procedures allow it, employers may calculate regular hours of work as an average for longer than one week, provided all formal and procedural requirements attached to such calculation are met (for instance, obtaining official permission from the relevant authorities or observing limits to the period during which such calculations can be made). However, for the purpose of overtime calculation, regular hours of work may not exceed 48 hours per week, irrespective of whether national law provides or not a limitation.</p> <p>HOW.6.1: Employers shall not require workers to work more than the overtime hours allowed by the law of the country where the workers are employed.</p> <p>HOW.6.2: All overtime work shall be voluntary.</p> <p>HOW.7: Employers shall be able to provide an explanation for all periods when the exceptional circumstances exception has been used. Clear communication and consultation will be held with workers, and any extended hours of work will be levied upon obtaining (verbal / written) consensus from the workers.</p>	Noncompliance

2019 IEM Findings

Findings/Noncompliance Explanation	
	<p>Sakarya</p> <p>FLA benchmarks require that maximum daily working hours cannot exceed 12 and 60 weekly hours with overtime. In the case of hazelnut harvest in Akyazi, according to the local board declaration, workers may work from 7 to 7 10,5 hours per day. Because they work the whole week, weekly working hours reach 73.5 hours (in some cases, transportation is included). Monitors also understood that the workers might work more than 10,5 hours a day when the work at an orchard is about to be completed. There is no mechanism to verify that workers consent to work overtime, and it is reported that they are not compensated for their overtime. During the interviews with the workers, almost all complained about the long working hours. They had to accept these working terms at the beginning of the season because of the general practice and the board's decision.</p> <p>Duzce</p> <p>FLA benchmarks require that maximum daily working hours cannot exceed 12 and 60 weekly hours with overtime. Because they work the whole week, weekly working hours reach 73.5 hours. Monitors also understood that the workers might work more than 10,5 hours a day when a 22 orchard is closed the completion. In one farm, we observed that overtime is paid. There is no mechanism to verify that workers consent to work overtime. During the interviews with the workers, almost all complained about the long working hours. They had to accept these working terms at the beginning of the season because of the general practice and the board's decision.</p>
Company Action Plan	Developing Social program content (improved communication with farmers, including women farmers, engaging with the key

	<p>stakeholders, building staff capacity, revising policy procedures, workers, and labor contractor training).</p> <p><u>Output Indicators:</u></p> <p>Increased knowledge of farmers' and workers' awareness of overtime.</p> <p>A sample form will be handed to the farmers through the farmers' handbook.</p> <p>Good samples for the working hours and overtime payments will be shared.</p> <p>The calculation method will be stressed out.</p> <p>The workers' and farmers' training will include a local employment agency.</p>
Deadline Date	N/A due to COVID - 19 Pandemic.

Verification Findings	
<p>Monitors reported that at all farms, workers were working overtime hours but did not receive any compensation for their overtime hours. Overtime varying between half an hour and 2 hours a day was not paid and was calculated as regular hours by farmers.</p> <p>Workers and farmers are unaware of the laws governing overtime hours. During the worker interviews, it was observed that they were not content with long working hours but had to agree to these hours to find work. In the decision announced regarding the working conditions of seasonal agricultural workers in Sakarya and Düzce, working hours were not mentioned. So the farmers determined working hours individually. Since seasonal agricultural workers are unaware of their legal rights and have been working during these hours for years, they think these hours are normal. There is no mechanism to verify that workers consent to work overtime.</p>	
Overall Conclusion of the Verification	
There is still a need for improvement.	
Follow-up Company Action Plan (to be filled by the Company)	
<p>In the 2022 harvest, Balsu trained 100 groups of workers and 1256 farmers on working hours and overtime.</p> <p>In the 2023 harvest period, cooperation will be made with the local employment agency to transfer the training of workers and farmers on working hours. In addition, the employment agency representative will explain how the daily wage is determined, the need for overtime pay in cases exceeding the daily working hours, and how this overtime pay is calculated.</p> <p>Balsu is implementing a three-year project in the Ferizli district that adopts a field-based approach. As an output of this project, a working group has been established in the region to combat child labor and improve the living and working conditions of seasonal mobile agricultural workers, which will continue at the end of the three years. It is known that in a meeting held with local public institutions and mukhtars under the chairmanship of the District Governor in Ferizli district, it was decided that the working hours of seasonal mobile agricultural workers would be 7 am and 6:30 pm.</p> <p>Good examples will continue to be shared for working hours and overtime payments.</p>	

Targeted Result
-Increased awareness of wages and working conditions.
Deadline Date (to be filled by the Company) February 2023 – September 2023

Public Holidays and Leave	
Benchmarks	Compliance Status
<p>HOW.8.1: Employers shall provide workers with all official public holidays as required under national laws, regulations, and procedures.</p> <p>HOW.8.2: Employer may engage with workers on a specific working scheme which allows workers to work on holidays if voluntarily agreed by the workers without any pressure to accept or retaliation if refuse.</p> <p>HOW.9: Where permanent or long-term workforce is hired, employers shall provide workers with paid annual leave as required under national laws, regulations, and procedures. For farms with informal labor structures hiring annual workers, arrangements can be made between producer and workers as long as it ensures fair remuneration for the work performed during the year.</p> <p>HOW.10.1: Employers shall not impose any undue restrictions on workers' use of annual leave. The time at which annual leave is taken is determined by employers in consultation with workers, taking into account work requirements and the opportunities for rest and relaxation available to workers.</p> <p>HOW.13: Employers shall not impose any sanction on workers for requesting or taking any type of leave, such as annual, sick, or maternity, in line with all applicable rules and procedures. Employers shall also not penalize workers for leaving work for emergency reasons when the workers went through the defined process for informing the employer.</p> <p>HOW.14: Employers shall provide workers with sick leave as required under national laws, local provisions, regulations, and procedures.</p>	<p>Risk of Noncompliance HOW8</p>

Previous IEM Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings
Overall Conclusion of the Verification
New Findings, if any
<p>Farmers employ seasonal agricultural workers with the condition that workers work until the harvest of his/her farm is completed. All parties accept that they can work during the Public Holidays to finish their work on time. The workers reported that they have to agree with this scheme to secure a job, and they want to maximize the number of working days and thus their wages.</p> <p>If the working period coincides with a public holiday, there is no day off, and no overtime payment is made for that day. For example, during this assessment, it was an official national holiday in Turkiye on August 30th, but workers worked at farms regularly.</p> <p>According to Turkish legislation, seasonal agricultural workers do not have annual leave right since they do not work at the hazelnut farm of the same employer for one year. Again these workers can not get any rest by taking sick leave if they experience any illness since the Social Insurance and General Health Insurance Law request the workers to have paid 90 days of insurance premium in the last year</p>

to be able to use the sick leave right. However, the legislation cannot be applied because the insurance of agricultural workers is not paid. Therefore, they cannot receive a payment when they are sick.

Follow-up Company Action Plan (to be filled by the Company)

Long-term employment is not possible since the hazelnut harvest is completed within 1-2 months of the year on average. Seasonal mobile agricultural workers do not want to vacation since they can only harvest hazelnuts for a short period.

Training and information activities on working conditions will continue.

Targeted Results

-Raising awareness of farmers and workers on working conditions.

Deadline Date (to be filled by the Company) February 2023 – September 2023

Compensation

Compensation Assessment Summary

General Compliance

Benchmarks	Compliance Status
<p>C.1.1: Employers shall comply with all national laws, Collective Bargaining Agreements in force, regulations, and procedures concerning the payment of compensation to workers.</p> <p>C.1.2: Other than lawfully required deductions, no other deductions may be made from a worker's compensation without the written consent of the worker. Financial disciplinary measures are prohibited.</p> <p>C.1.3: In countries where local law does not specify compensation specific to the agriculture sector, the participating Company shall consult with local stakeholders representing the employers (farmers), workers, local Government and commissions, and civil society to define the appropriate wage level. Generally, employers shall follow the minimum wage standards set for other sectors in the same region.</p>	Noncompliance

2019 IEM Findings

Findings/Noncompliance Explanation	<p><u>Duzce</u></p> <p>The 10% deduction of labor contractors constitutes noncompliance in farms 11 and 12.</p>
Company Action Plan	<p>Developing Social program content (improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revision of policy procedures, workers, labor contractor training) / Labor contractor training with national government offices and the local stakeholder; both origin and hazelnut producing cities</p> <p>The agreement, which is expected to be signed by the farmer and the labor contractor, will include hours, wages, and deductions; and will be shared with workers, employers, and labor contractors.</p> <p>At the training, the concept concerning the minimum wage will be stressed (it will be related to deductions).</p>

	Remuneration/ calculation method and deduction will be included in the contracts.
Deadline Date	

Verification Findings
<p>This year, the national legal minimum wage has been determined as 215,70 TL/Day by the Ministry of Labor & Social Security. The local Commissions had announced the minimum wage as 216 TL/Day. Farmers stated that they know that the daily worker's wage is 216 TL according to the district governor's office's decision and will apply this wage.</p> <p>Monitors noticed that workers at three farms (Farm 13,14,15) were receiving a daily payment of 216 TL/Day, workers at two farms (Farm 4,7) were receiving 230 TL/Day, and workers at one farm (Farm 12) were receiving 250 TL/Day. The labor intermediaries at five farms (Farm 4,12,13,14,15) were deducting a 10% commission from the daily wages of the workers they recruited, which makes the workers at four farms (Farm 4,13,14,15) receive wages below the legal minimum daily wages after the deduction of this 10% commission.</p>
Overall Conclusion of the Verification
There is still a need for improvement.
Follow-up Company Action Plan (to be filled by the Company)
All farmers enrolled in the program, at least 50 labor contractors, and at least 1000 workers will be trained on wage deduction.
<u>Targeted Result</u>
-Preventing seasonal mobile agricultural workers working in hazelnut harvesting from being paid below the minimum wage.
Deadline Date (to be filled by the Company) February 2023 - September 2023

Minimum Wage/Fair Compensation	
Benchmarks	Compliance Status
<p>C.2.1: Employers shall pay workers at least the legal minimum wage, the prevailing industry sector wage, or the wage pursuant to Collective Bargaining Agreements that are in force, whichever is higher, for regular working hours (not including overtime). Hourly or daily compensation shall be calculated based on the legal minimum wage, the prevailing industry sector wage, or the wage pursuant to Collective Bargaining Agreements that are in force, whichever is higher. Workers should also be informed by the employer about the legal minimum wage applicable to them.</p> <p>C.2.2: Employers shall provide all legally required benefits to all workers.</p> <p>C.2.3: Employers shall not set production targets at such a level that workers need to work beyond regular working hours as set under the FLA Workplace Code, excluding overtime, in order to achieve at least the minimum wage.</p> <p>C.3: Employers shall ensure that the wages for the daily, casual, long-term, task-specific, or contract workers are paid in accordance with the national laws applied to regular workers. For work based on production quotas and piecework performed during normal working hours, workers must get paid the proportionate minimum wage or the relevant industry average wage, whichever is higher.</p>	<p>Noncompliance</p> <p>C2.1, C2.2, C2.3</p>

2019 IEM Findings

Findings/Noncompliance Explanation	Sakarya
---	----------------

	<p>The Ministry has announced the minimum legal wage for 8 hours while the local Commission uses the same wage as a basis for 10,5 hours. This reduces the hourly wage under legal working hours and the FLA Codes.</p> <p><u>Duzce</u></p> <p>The labor contractors deduct a 10 % commission from the workers' wages, which then reduces the workers' wages to 77 Liras, so below the legal minimum wage. The Ministry has announced the minimum legal wage for 8 hours while the local Commission uses the same wage as a basis for 10,5 hours. This reduces the hourly wage under legal working hours and the FLA Codes.</p>
Company Action Plan	<p>The Ministry has announced the minimum legal wage for 8 hours while the local Commission uses the same wage as a basis for 10,5 hours. This reduces the hourly wage under legal working hours and the FLA Codes.</p> <p><u>Output Indicators</u></p> <p>The agreement that is expected to be signed by the farmer and the labor contractor will include hours, wages, and deductions and will be shared with workers, employers, and labor contractors.</p> <p>At the training, the concept concerning the minimum wage will be stressed (it will be related to deductions).</p> <p>Remuneration and calculation methods and deductions will be included in the contracts.</p>
Deadline Date	N/A due to COVID - 19 Pandemic

Verification Findings
<p>It has been observed that seasonal migrant agricultural workers earn 216-230 TL/Day while working up to 10 hours daily, while local agricultural workers earn 250TL by working 8,5 hours. Moreover, it has been observed that most of the seasonal migrant worker groups are working through a labor intermediary. Therefore, the workers at four farms (Farm 4,13,14,15) received wages below the minimum daily minimum after deducting this 10% commission.</p>
Overall Conclusion of the Verification
<p>There is still a need for improvement.</p>
Follow-up Company Action Plan (to be filled by the Company)
<p>All farmers enrolled in the program, at least 50 agricultural business intermediaries, and at least 1000 workers will be trained on legal provisions and laws on wage deduction, working hours, and discrimination.</p>
Targeted Result

- Preventing seasonal mobile agricultural workers working in hazelnut harvesting from being paid below the minimum wage.
- Raising farmers' awareness of discrimination.

Deadline Date (to be filled by the Company) February 2023 – September 2023

Wage Payment and Calculation

Benchmarks	Compliance Status
<p>C.6: All wages, including payment for overtime, shall be paid within legally defined time limits. Where no time limits are defined by law, compensation shall be paid at least once a month or upon completion of a seasonal task that takes less than a month.</p> <p>When workers are hired through contractors, brokers, or external agencies, employers shall make sure that workers are paid according to the benchmark requirements.</p> <p>C.7.1: All payments to workers, including hourly wages, piecework, fringe benefits, and other incentives, shall be calculated, recorded, and paid in a manner that is convenient to workers (e.g., in cash, by bank transfer, or check).</p> <p>C.7.2: FLA affiliates shall ensure that farmers/producers receive payments and certification premiums through a traceable and reliable payment system.</p> <p>C.7.5: No one can receive wages on behalf of a worker unless the worker concerned has, in full freedom, authorized in writing for another person to do so.</p> <p>C.8.1: Employers shall compensate workers for all hours worked.</p> <p>C.8.2: Employers shall comply with all applicable laws, regulations, and procedures governing the payment of premium rates for work on holidays, rest days, and overtime. There might, however, be specific working schemes voluntarily agreed upon by the workers to work on holidays and rest days for short-term seasonal work, which would make this provision not applicable.</p> <p>C.8.3: Workers shall be informed in writing or orally, where necessary, in the language(s) spoken by workers, about overtime wage rates prior to undertaking overtime.</p> <p>C.10.1: Voluntary wage deductions for union membership, savings clubs, loan payments, etc., can only be made with the expressed and written consent of workers and fall within the limits and conditions specified by law or by the collective bargaining agreement.</p> <p>C.10.1.1: Written consent shall be documented in employee files or, where applicable, be obtained in front of a trusted witness according to the local context.</p> <p>C.10.2: All such voluntary deductions shall be credited to proper accounts, and funds shall not be held illegally or inappropriately by employers.</p> <p>C.10.3: Workers shall have access to regular and full information concerning the status of relevant accounts and the status and level of their payments.</p>	Noncompliance

2019 IEM Findings

Findings/Noncompliance Explanation	<p><u>Sakarya & Duzce</u></p> <p>Migrant workers work 10,5 and locals 9,5 hours a day. This is above the national law and FLA benchmarks, stating 8 hours daily. According to the law and benchmarks, the farmer should compensate workers for all hours worked. That means these excess hours must be calculated as overtime. However, farmers pay workers the minimum legal daily wage announced by the Ministry for a 9.5 or 10.5 hours working day. In this context, workers are also not informed about overtime wage rates.</p>
Company Action Plan	<p>Developing Social program content (improved communication with farmers, including women farmers, engaging with the key stakeholders, building staff capacity, revising policy procedures, workers, and labor contractor training). Labor contractor training with national government offices and local stakeholders in origin and hazelnut-producing cities.</p> <p><u>Output Indicators</u></p>

	<p>The agreement that is expected to be signed by the farmer and the labor contractor will include hours, wages, and deductions and will be shared with workers, employers, and labor contractors.</p> <p>At the training, the concept regarding the working hours will be stressed (it will be related to deductions and the dangers of exceeding daily working hours).</p> <p>Daily working hours, remuneration and calculation method, and deductions will be included in the contracts.</p> <p>Good samples as per working hours within the community will be shared.</p>
DeadlineDate	N/A due to COVID - 19 Pandemic.

Verification Findings	
<p>Overtime wages of the workers were not paid, although all workers were working above regular working hours.</p> <p>Payments are made to the labor intermediary or supervisor at the end of the work at farms where seasonal worker groups work. For domestic worker groups, workers are paid directly or through the eldest male member of the group, the parents or husbands.</p> <p>Payments are made in cash; there are no contracts signed with workers. However, the monitors noted working groups' payments and deductions as follows:</p> <p>Three farms (Farm 1,2,9): wage 220 TL/Day. No labor intermediaries and no wage deductions.</p> <p>One farm (Farm 3): wage 250 TL/Day. No labor intermediaries and no wage deductions.</p> <p>Four farms (Farm 5,6,7,8): wage 230 TL/Day. No labor intermediaries and no wage deductions.</p> <p>One farm (Farm 4): wage 230 TL/Day. 10 % labor intermediary deduction.</p> <p>Two farms (Farm 10,11): wage 216 TL/Day. No labor intermediaries and no wage deductions.</p> <p>One farm (Farm 12): wage 250TL. 10 % labor intermediary deduction.</p> <p>Three farms (Farm 13,14,15): wage 216 TL/Day. 10 % labor intermediary deduction.</p>	
Overall Conclusion of the Verification	
<p>Even though there is improvement in working hours, the lack of overtime payment and deduction of labor contractor commissions remain issues to work on.</p>	
Follow-up Company Action Plan (to be filled by the Company)	
<p>All farmers enrolled in the program, at least 50 labor contractors, and 1000 workers will be trained on legal provisions and laws on wage deduction, working hours, and discrimination.</p> <p><u>Targeted Result</u></p> <ul style="list-style-type: none"> -Prevent seasonal mobile agricultural workers working in hazelnut harvesting from being paid below the minimum wage. -Raising awareness on working hours, wages, and deductions. 	

Deadline Date (to be filled by the Company) February 2023 – September 2023

Workers Awareness

Benchmarks	Compliance Status
C.11.1: Employers shall make every reasonable effort to ensure workers understand their compensation, including: C.11.1.1: the calculation of wages, C.11.1.2: incentives systems, C.11.1.3: fringe benefits, and C.11.1.4: bonuses they are entitled to at the workplace and under applicable laws. C.11.1.5: Employers shall communicate in writing or orally, where necessary, to all workers all relevant compensation information in the local language or language spoken by the workers, if different from the local language.	Risk of Noncompliance

Previous Assessment Findings

Findings/Noncompliance Explanation	
Company Action Plan	
Deadline Date	

Verification Findings

Overall Conclusion of the Verification

New Findings, if any

The seasonal migrant agricultural worker groups are aware of the announced daily wage. However, worker groups who work with an intermediary could not be sure about the exact amount they would receive after the deductions of the labor intermediary Commission and their travel expenses.

It has been observed that female workers are in the majority of worker groups (the total number of workers interviewed was 220, of which 136 were female). Still, they were the least informed about the wages and payments and the children working in the gardens.

Follow-up Company Action Plan (to be filled by the Company)

In 2023, all farmers registered in the program, at least 50 labor contractors and at least 1000 workers will be trained on remuneration and deductions.

A social brochure will be prepared, and the topics of deductions and remuneration will be disseminated among all stakeholders. These brochures will be distributed to at least 500 workers, 1000 farmers, and 100 agricultural intermediaries in 2023.

In addition, Balsu will provide extensive information on wages and deductions to women workers and labor contractors in its origin programs.

Targeted Result

-Raising awareness of labor contractors on commission deductions.

Deadline Date (to be filled by the Company) February 2023 - September 2023