



Milestone 1 Report

The Fair Labor Association's Agriculture Accreditation Program

YAVUZ

March 2025
Yavuz Gida

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MILESTONES AND ACCREDITATION FOR THE FAIR LABOR ASSOCIATION'S AGRICULTURE PROGRAM



The Fair Labor Association's (FLA) [Agriculture Program](#) represents a rigorous evaluation of a member company's human rights due diligence (HRDD) systems for compliance with [the Principles of Fair Labor and Responsible Sourcing for Agricultural Supply Chains](#) and the FLA [Workplace Code of Conduct \(CoC\) for the Agriculture Sector](#).

These standards are designed to protect workers in member companies' global supply chains and are based on international practices and norms, including guidance from the International Labour Organisation (ILO), the United Nations Guiding Principles on Business and Human Rights (UNGPs), the OECD Due Diligence Guidance for Responsible Business Conduct, and the Corporate Human Rights Benchmark (CHRB). Each principle is supported by a set of benchmarks and key performance indicators (KPIs) that define what companies must do to successfully implement our standards.

Effective HRDD program implementation is a process of continuous improvement. FLA evaluates agriculture companies on the alignment of their social compliance systems with FLA standards, and the company's performance in executing those systems to support and protect workers.

Each FLA company pursuing Fair Labor Accreditation in agriculture moves through a series of milestones prior to achieving accreditation for the in-scope commodity program. Following accreditation, the in-scope commodity is on a maintenance track where FLA verifies the company's adherence to FLA accreditation standards every three years.

This Milestone 1 report recognizes a company's achievements, acknowledges areas in which the company has gone above and beyond baseline requirements, and makes specific recommendations for future growth.

MILESTONES FOR THE FLA AGRICULTURE PROGRAM

Milestone 1: Governance and Internal Alignment

Based on a commitment to human rights, a risk assessment, and consultation with international civil society organizations (CSOs), the company has developed an HRDD system to oversee the implementation of labor standards for commodities in scope. The company has aligned its standards to FLA standards, developed a time-bound plan for achieving full supply chain traceability, and started publicly disclosing its sourcing profile for in-scope commodities.

Milestone 2: Implementation & Monitoring

The company implements FLA standards (FLA Principles and the CoC) in sourcing countries with support from its headquarters. The company has expanded its traceability efforts for in-scope commodities, in sourcing countries. With support from FLA and in consultation with local CSOs, the company has developed farm-level monitoring tools, sampling, and monitoring methodology; and initiated farm-level assessments. The company has established functioning grievance mechanisms and additional safety nets for the farmworkers.

Milestone 3: Review and Improvement

The company continues to implement FLA standards and expand traceability in high-risk sourcing countries with support from its headquarters. With support from FLA and in consultation with local CSOs, the company is implementing corrective action plans including considering gender-disaggregated data collected via monitoring mechanisms developed in Milestone 2. Each country is recognized for implementing all 10 FLA Principles. For companies sourcing from one country, their program is accredited at this stage provided they meet FLA traceability requirements.

Milestone 4: Full Implementation and Integration

The company is implementing all 10 FLA Principles pertaining to governance, monitoring, and remediation in all high-risk countries for the commodity in scope.

Milestone 5: Accreditation & Maintenance

The company has achieved FLA traceability requirements for the in-scope commodity and is implementing all FLA standards and in all the countries, including high- and low-risk countries. For low-risk countries, the company implements a subset of FLA standards. The company's global commodity program is accredited, and it moves to an ongoing maintenance phase where FLA will verify adherence to FLA standards and principles every three years.

COMPANY OVERVIEW

NAME	Yavuz Gida	CATEGORY	Participating Company (Agriculture Program)
HEADQUARTERS (HQ) LOCATION	Giresun, Türkiye	COMMODITY	Hazelnuts
ABOUT THE COMPANY	<p>Founded as a family business in 1933, Yavuz Gida has been one of Türkiye's leading hazelnut exporters since 1945. Yavuz has two production and processing facilities on 30,000 square meters of land in Giresun, which is one of the leading provinces for hazelnut production in Türkiye. In 2018, Yavuz became one of the top three companies in the sector with the highest production and storage capacity. Over time, Yavuz has improved its operations and capacity, evolving its corporate structure and governance model.</p> <p>Starting in the 1980s, Yavuz began exporting processed products. The company now exports to 72 countries around the world, including Germany, the Netherlands, Belgium, France, and Switzerland. It established Yavuz Haselnuss GmbH in Germany in 2011 for customers who prefer customs-cleared products, enabling it to provide faster service.</p> <p>Yavuz is committed to embedding sustainability practices across its operations. The company published a sustainability report detailing its activities between 2018-2022 on its website. According to this report, Yavuz adopted the 2011 United Nations Guiding Principles on Business and Human Rights (UNGPs) and the UN 2030 Sustainable Development Goals in its sustainability policy and strategy and set its medium- and long-term goals accordingly.</p>		
FLA MEMBERSHIP	2019	SUPPLY CHAIN OVERVIEW AND SOURCING PROFILE DISCLOSURE	<p>Yavuz only sources hazelnut from Türkiye. In 2023, it procured around 30,000 tons of hazelnuts from 23 districts and 5,000 farmers. According to the company's sourcing profile disclosure, it has mapped all Tier 1 suppliers and can trace back 60% of procured hazelnuts to farms.</p> <p>According to Yavuz's sustainability report, it's committed to achieving 95% traceability by the end of 2026.</p>
RECOGNITION	FLA Milestone 1 Report Published: March, 2025		

HIGHLIGHTS OF YAVUZ GIDA MILESTONE 1 RECOGNITION

Yavuz Gida (Yavuz) joined FLA and the Agriculture Program in February 2019. Since joining, Yavuz has continuously improved its supply chain traceability, addressed farm-level non-compliances, and put efforts into remediation. This report details FLA's evaluation of Yavuz's governance at the headquarters level (Milestone 1).

Highlights of Yavuz for Milestone 1 – Governance and Alignment include:

Strong Senior Management Commitment: Yavuz has built a solid sustainability program since its FLA membership began. The company developed its own code and fully aligned it with the Fair Labor CoC. Yavuz published its first sustainability report on its website not just detailing the activities of its sustainability team, but also publicly committing to implement workplace labor standards and prioritize human rights in its supply chain and setting medium-term and long-term goals for doing so. The Yavuz Group Management Plan, a roadmap of the company's activities for the next two years, proves that senior management staff are committed to advance the program.

Traceability and Risk Assessments: Yavuz published its sourcing profile disclosure on its website in 2023 per FLA requirements. According to the disclosure and the sustainability report, Yavuz achieved 60% traceability to its hazelnut farms in Türkiye as of 2022. The Yavuz Group Plan sets deadlines and targets to achieve 95%-100% traceability by the end of 2026.

Collaborative Remediation: Yavuz has been an active participant in FLA's Harvesting the Future (HTF) project since 2019. HTF is based on a collaborative model between buyers and suppliers, CSOs, and the Turkish government to work together and create a large-scale change in child protection and responsible recruitment in Türkiye through a multi-commodity, multi-company, and multi-geography approach. HTF also highlights the importance of labor intermediaries in commodity supply chains.

Stakeholder Engagement: Stakeholder engagement and consultation with civil society have been the strongest points of Yavuz's sustainability program. The company has worked with several partners to raise awareness on labor standards among supply chain actors, open summer schools targeting children at risk of child labor, improve responsible recruitment practices, and empower female workers. Yavuz partnered with CSOs and local authorities both in the harvest zone and in workers' cities of origin and joined forces with other hazelnut supplier companies to create sustainable change. The company's website provides updates on the sustainability team's activities and partnerships with different actors.

FLA DUE DILIGENCE ACTIVITIES

ACTIVITIES	PURPOSE	STATUS
Headquarters-Level Assessment	<ul style="list-style-type: none"> Verify headquarters and country-level policies and procedures. Review documentation, processes, and farm-level data demonstrating the company's compliance with the Principles of Fair Labor and Responsible Sourcing for Agriculture Supply Chains. 	<ul style="list-style-type: none"> Evaluated Yavuz's policies and procedures. Held interviews and conversations with Yavuz's hazelnut sustainability lead and consultant on the company's programs and activities.
Country Level Internal Management Systems (IMS) Assessment	<ul style="list-style-type: none"> Evaluate the company's internal management systems. Verify the company's timebound improvement plans. 	<ul style="list-style-type: none"> Reviewed publicly available reports and internal documents. Shadowed Yavuz's activities, as part of its Milestone 2 and 3 work.
Farm-Level Assessments – <ul style="list-style-type: none"> Baseline Assessment Independent External Assessments (IEM) Independent External Verifications (IEV) Focused Assessment Social Impact Assessment (SIA) 	<ul style="list-style-type: none"> Identify labor violations and assess root causes. Track remediation efforts over time at the farm level. Publish the findings and the corrective action plans. 	<ul style="list-style-type: none"> Completed total number of assessments in Türkiye (2021 – 2024): 5 <ul style="list-style-type: none"> IEMs: 3 IEVs: 2 Number of farms visited: 75 Number of workers interviewed: 522
Innovation	<ul style="list-style-type: none"> Verify the company's commitment to work in a collaborative manner to address systemic issues. Verify engagement in multi-stakeholder projects and initiatives for the commodity in scope. Verify that the company has shared best practices. 	<ul style="list-style-type: none"> Verified Yavuz's active participation in HTF project activities and meetings. Engaged Yavuz in the data collection and analysis pilot for fair compensation, using the Fair Compensation Tool in Türkiye.

ACTIVITIES	PURPOSE	STATUS
Training and Capacity Building	<ul style="list-style-type: none"> ▪ Verify the company's capacity building practices. ▪ Verify supplier, farmer, and worker engagement. ▪ Evaluate the effectiveness of internal and external capacity building activities. 	<ul style="list-style-type: none"> ▪ Verified that Yavuz implements staff training on labor standards. ▪ Verified that Yavuz has conducted training for external partners through participation in HTF and collaboration with CSOs.
Fair Labor Investigations	<ul style="list-style-type: none"> ▪ Verify that the company investigates suppliers for alleged non-compliances, reports its follow-up on remediation, and engages with unions. 	<ul style="list-style-type: none"> ▪ Not applicable
Stakeholder Engagement	<ul style="list-style-type: none"> ▪ Verify the company's integration of perspectives from CSOs and other relevant organizations, on the company's social compliance program. 	<ul style="list-style-type: none"> ▪ Observed the company's active participation in HTF, demonstrating its continuous engagement and partnership with CSOs.
FLA Governance and Standards	<ul style="list-style-type: none"> ▪ Verify company participation in FLA activities (e.g., farm assessments and board meetings), standards-setting discussions, piloting of new tools and methodologies, and the development of innovative approaches. 	<ul style="list-style-type: none"> ▪ Verified Yavuz's commitment to enhancing FLA standards and process through participation in FLA board meetings. ▪ Verified Yavuz's commitment and participation with FLA by facilitating hazelnut farm visits for FLA members during the 2024 FLA board meeting in Türkiye.

MILESTONE 1 ASSESSMENT SUMMARY



PRINCIPLE 1A: TOP MANAGEMENT COMMITMENT AND WORKPLACE STANDARDS

Company Member is committed to accountability and transparency through established workplace standards.






WHY: Respect for human rights and a commitment to workplace standards must be driven by a company’s most senior employees. Workers’ rights are more likely to be effectively integrated into all business decisions when a company’s board of directors and/or top management sets clear expectations. Commitment from a company’s upper management is an essential component of an effective social compliance program.

BASELINE REQUIREMENTS FOR MILESTONE 1

CHART KEY: ● Met baseline requirements ● In process of implementing baseline requirements within the disclosed timeline

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
Internal Commitment (1A.1a) HQ Level	The company has a demonstrated internal commitment from top management (e.g., CEO/owner/ business unit lead), as well as resource allocation from top management, to uphold and integrate workplace labor standards into business practices and ensure that lobbying and advocacy activities align with and support the standards in the FLA Workplace Code of Conduct.	<p>Yavuz launched and improved its sustainability program through its FLA membership. Interviews with employees confirmed that Yavuz’s general manager communicated the company’s commitments to its employees to implement its sustainability program in its supply chain. As a part of the implementation process, Yavuz developed a code of conduct to uphold and integrate workplace labor standards into its business practices. The company has posted printouts of the code in its factories for workers to access.</p> <p>Yavuz’s lobbying activities with local and national governments have been limited to the promotion of workers’ rights and conditions (i.e., to improve workers’ living facilities in the Black Sea region). Yavuz has not had lobbying activities for business or political purposes.</p> <p>Its Group Management Plan proves that a number of activities have been planned through 2026 to advance the sustainability program. These activities cover a wide range of topics, including improving traceability, raising awareness on the code among supply chain actors, mapping labor contractors in the supply chain, and strengthening field-level grievance mechanisms. For each activity, the document identifies responsible staff. The Group Management Plan is approved by general manager (GM) and assigns roles to senior management staff, demonstrating its sustainability commitments and resource allocation.</p>	●

MILESTONE 1 ASSESSMENT SUMMARY

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
Public Commitment (1A.1b) HQ Level	The company has demonstrated public commitment and transparency in implementing workplace labor standards.	In the introduction section of its sustainability report , Yavuz commits to transparency and principles that prioritize human rights, and respect for the environment, society, and the world; the company also commits to adhering to international principles and agreements. The message includes a commitment to embrace the United Nations' principle, "protect, respect and remedy," in its operations as well.	
Engage with CSOs (1A.1c) HQ Level	The company has demonstrated commitment to engage with CSOs, which includes organizations representing workers.	Yavuz collaborates with a number of local and national CSOs to implement its field-level program. The company provided FLA a full list of these partners as evidence. Yavuz shares highlights from its activities and collaborations with CSOs on its website. It also publicly shares news on its summer school projects targeting children at risk of child labor, awareness raising trainings targeting seasonal migrant agricultural workers, and mapping of labor contractors in its supply chain.	
Governance Responsibility and Accountability (1A.1d) HQ Level	The upmost levels of the governance structure have clear roles and responsibilities for ensuring that the company is implementing and upholding workplace labor standards.	Yavuz's sustainability coordinator reports to the deputy general manager (DGM), who leads the sales department; he informs her about the team's activities on a regular basis. Yavuz's GM approves the Group Management Plan, which assigns sustainability roles to senior management staff.	
Code of Conduct and Compliance Benchmarks (1.2 a) HQ Level	The company has written workplace labor standards.	Yavuz has a code of conduct (also known as the Social Management System Policy). It shares this document with suppliers and requests supplier signatures.	
Code of Conduct and Compliance Benchmarks (1.2 b) HQ Level	The company's labor standards meet the requirements in the FLA Workplace Code of Conduct.	Yavuz's code is aligned with the FLA CoC.	

MILESTONE 1 ASSESSMENT SUMMARY



PRINCIPLE 1B: RISK ASSESSMENT AND TRACEABILITY

Company Member uses risk assessment to prioritize its workplace labor compliance program implementation and progressively increase supply chain traceability.




WHY: A risk assessment should help guide a company’s actions in high-risk countries and an implementation plan. A plan to improve supply chain traceability overtime will help the company put a social compliance program in place.

BASELINE REQUIREMENTS FOR MILESTONE 1

CHART KEY: ● Met baseline requirements ● In process of implementing baseline requirements within the disclosed timeline

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
Risk Assessment (1B.1a) HQ Level	The company has evidence that it conducts risk assessments to prioritize key commodities, countries per commodity, and salient labor rights issues.	<p>Yavuz only sources hazelnuts and operates in Türkiye. Türkiye is identified as a high labor risk country for hazelnut production, based on publicly available reports. FLA conducted a risk assessment at the start of Yavuz’s membership, which identified issues including child labor, lack of responsible recruitment, and inadequate living conditions for seasonal agricultural workers and their families (who travel from southeast Türkiye to the Black Sea region for harvesting).</p> <p>Yavuz uses forms provided by a third-party certification provider for conducting risk assessments in its supply chain. Form 1 is the company’s essential risk assessment tool. It covers “social compliance subjects” such as child labor, discrimination, forced labor, harassment and abuse, accommodation conditions and access to basic needs, occupational health and safety, and access to grievance mechanisms. Form 2 covers gender equality subjects at the farm level.</p>	●
Supply Chain Traceability (1B.2a) HQ Level	The company has evidence that establishes a progressive, timebound commitment to reach full supply chain traceability and reports on the progress.	According to Yavuz’s Sourcing Profile Disclosure , the company procured around 30,000 tons of hazelnuts from 23 districts and 5,000 farmers in Türkiye in 2023. Yavuz has mapped all Tier 1 suppliers and can trace back 60% of its procured hazelnut to farms. Yavuz’s sustainability report details how the company aims to achieve 95% traceability. The Yavuz Group Management Plan reiterates this goal, with a commitment to achieving 95-100% traceability by 2026.	●

MILESTONE 1 ASSESSMENT SUMMARY

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
Sourcing Profile Disclosure (1B.2b) HQ Level	The company has evidence that it discloses its sourcing profile publicly for in-scope commodities.	Yavuz's Sourcing Profile Disclosure was made public in 2023.	
Commodity Implementation Plan (1B.3a) HQ Level	The company has evidence that it has a progressive implementation plan in accordance with risk assessments, salient labor rights issues, and evolving supply chain traceability.	<p>Yavuz's Group Management Plan is the main road map for the company's sustainability activities through 2026. Yavuz periodically revises this document based on staff feedback, findings from risk assessments, and internal monitoring visits. Revisions are made usually after harvest periods.</p> <p>The company's traceability improvements are also defined with a clear target and deadline.</p>	
Resource Allocation (1B.3b) HQ Level	The company has evidence that it has allocated resources to support its workplace labor compliance program implementation.	Yavuz is clearly investing in the implementation of its sustainability program. A full time sustainability coordinator leads the program with support from six other staff members for field-level implementation. The department has a separate bank account to finance its activities.	

MILESTONE 1 ASSESSMENT SUMMARY



PRINCIPLE 2: RESPONSIBLE SOURCING AND PROCUREMENT

Company Member aligns its sourcing/procurement practices with commitment to workplace labor standards.



WHY: The sourcing practices of buyers and the sales and planning practices of suppliers affect workplace conditions and worker well-being. Without consistent and systematic attention to responsible purchasing and production practices, companies can undermine their efforts toward ethical working conditions in factories. This principle evaluates how headquarters' business practices (such as design, costing, and sourcing) are managed to support workers and address any negative impacts on working conditions.

BASELINE REQUIREMENTS FOR MILESTONE 1



CHART KEY: ● Met baseline requirements ● In process of implementing baseline requirements within the disclosed timeline

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
Policies and Procedures (2.1a, b) HQ Level	<p>a. The company has evidence of a written responsible sourcing/ procurement policy that considers supply chain models and characteristics, risk assessment, and traceability. The policy should include aspects such as:</p> <ul style="list-style-type: none">▪ Payment terms and conditions;▪ A payment schedule;▪ Any incentives or premiums offered;▪ Support for farmer income and fair compensation for workers; and▪ Engagement with business partners to understand the impact of procurement practices on farmers and workers.	<p>The company has an internal purchasing policy, describing staff procedures, but does not provide any information about payment terms, conditions, timing, incentives, or premiums.</p> <p>While it is not articulated in its internal purchasing policy, Yavuz's Chain of Custody Procedure describes its premiums (the sustainability difference) for suppliers and farmers that implement the Yavuz code of conduct, or equivalent measures to protect workers. This document includes the types of information Yavuz keeps (as electronic or hard copies of sales receipts), such as the date the premium was issued, the amount, the price per kg, and the premium per kg (Yavuz's Chain of Custody Procedure, section 4.6); it also lists the recipient's address and name/surname.</p> <p>Procurement decisions involve several departments, such as planning, accounting, quality, and procurement, based on the season, market conditions, and purchasing orders processed by the planning department. Suppliers must also be approved (as described in P2.4 below). The procurement manager is the lead in the procurement process (Yavuz's Chain of Custody Procedure, section 4). The procurement manager communicates the order to the supplier either verbally or in writing. As a next step, order information is verbally shared with Yavuz's accounting department (section 4.2.2.).</p>	●

MILESTONE 1 ASSESSMENT SUMMARY

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
Policies and Procedures (continued) (2.1a, b) HQ Level	b. The company has evidence of written procedures that stipulate implementation of the policy.	<p>The procurement manager gets the approval of the quality manager to “accept” the hazelnuts in its warehouse. Once approved, three copies of a warehouse entry receipt are printed and one copy is shared with the supplier.</p> <p>The key elements of the procedure are shared with suppliers during training, including how the premium decisions are made, the total amount of premiums for the season (to be equally distributed among the participating farmers), and when and how the premiums will be paid. The premium amount is shared and recorded in the system when the hazelnuts are purchased and the farmers can choose a gift card (fuel, market, textile, holidays, technologies, etc.) to receive the amount directly.</p>	
Implementation (2.2a, b) HQ Level	<p>a. The company has evidence that staff members from relevant departments are periodically trained on the procurement/ sourcing policies and procedures.</p> <p>b. The company has evidence that staff upholds the responsible sourcing/ procurement policies and procedures through all terms and conditions defined in its sourcing/ procurement agreements.</p>	<p>As part of a train-the-trainer initiative, both Yavuz’s sustainability coordinator and the director of sales regularly attend FLA trainings within the scope of HTF, including a Living Wage and Responsible Sourcing and Procurement training. They are responsible for ensuring that responsible procurement is understood and adopted in Yavuz operations.</p> <p>Yavuz’s senior management is tasked with approving and ensuring the consideration of relevant labor-related topics in purchasing decisions. According to the Approval Committee Assignment and Responsibilities document, the GM and DGM are in charge of approving procurement decisions that incorporate:</p> <ul style="list-style-type: none"> ▪ Potential suppliers’ evaluations; ▪ Suppliers’ risk assessment results; ▪ Supplier performance in the short-, medium- and long-term targets of the program and the general roadmap; ▪ Grievances received from key supply chain actors; and ▪ Suppliers’ performance against a number of standards, including Yavuz’s Supplier Code of Conduct. 	

MILESTONE 1 ASSESSMENT SUMMARY

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
Accountable (2.3a, b, c) HQ / Country Level	<p>a. The company has written records that senior management reviews and assesses the impacts of its sourcing/procurement practices and the performance of staff responsible for implementing responsible sourcing/ procurement practices.</p> <p>b. The company has evidence that it periodically seeks feedback through dialogue with business partners, without fear of retaliation, to understand the impact (positive or negative) of its sourcing/procurement practices on farmers and workers.</p> <p>c. The company has evidence of improvements in its sourcing/ procurement practices based on senior management review of internal, cross-discipline, and business partner dialogue and engagement; and on-the-ground impact of company practices.</p>	<p>Yavuz staff visit suppliers on a weekly basis to inform them about expectations, support their activities if needed, and collect general feedback. Collected feedback is discussed during the weekly staff meetings. Highlights are shared in yearly system improvement and standard update meetings where senior management review and discuss them. Procurement price is often a key discussion point during these meetings, which take place during the harvest (August-September) and procurement decisions are reviewed by senior management (as described in P2.2). FLA reviewed this procedure and the latest meeting notes to confirm.</p> <p>Yavuz collected data on fair wages (in 2023 and 2024) and income (2023) using the tools developed by FLA to continue dialogue on fair wages in the hazelnut sector.</p>	
Supplier Evaluation and Incentives (2.4a, b) HQ / Country Level	<p>a. The company has evidence of a pre-sourcing and ongoing supplier evaluation system, which includes assessment of a business partner's commitment to workplace labor standards and cascading the requirements upstream.</p> <p>b. The company has evidence of steps taken to motivate its business partners to implement responsible sourcing/ procurement practices.</p>	<p>According to the Yavuz Procurement Process Plan, the company aims to procure 95% of its products from approved suppliers. The approved suppliers are categorized as either A or B suppliers and 90% of the suppliers should be either A or B. Yavuz shared the latest approved supplier list with FLA. The company updates this list regularly; the suppliers that do not achieve requirements for category A or B are assessed annually.</p> <p>Yavuz provided the Supplier Assessment Procedure and a completed Supplier Assessment Form to FLA. According to the procedure, Yavuz rates the suppliers on a scale of 0-100 points; its social compliance section has a weight of 25 points. Social compliance questions cover all FLA CoC elements.</p> <p>According to the Yavuz Chain of Custody Procedure, Yavuz provides sustainability premiums to farmers who receive a certification or who implement Yavuz's Social Management System Policy.</p>	

MILESTONE 1 ASSESSMENT SUMMARY



PRINCIPLE 3: COMPANY STAFF TRAINING

Company identifies and trains specific staff responsible for implementing workplace standards and responsible purchasing practices and provides training to all head office and regional staff.


WHY: Effective implementation of social compliance standards depends on having staff at headquarters who are well-trained and tasked with clear responsibilities around human rights and workplace standards. Additionally, all headquarters staff must be aware of the company's commitment so that workplace standards are embedded throughout the business.

BASELINE REQUIREMENTS FOR MILESTONE 1

CHART KEY: ● Met baseline requirements ● In process of implementing baseline requirements within the disclosed timeline

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
Responsible Staff (3.1a, b, c) HQ and Country Level	a. The company has an organizational chart designating title, name, and contact information of responsible individual(s). b. The company has job description(s) or other equivalent to demonstrate relevant responsibilities for implementing labor standards. c. The company has evidence of a process in place to determine the ongoing personnel needs of the labor compliance program.	<p>Yavuz's sustainability coordinator owns the sustainability program and reports to the DGM, who leads the sales department. According to the company's organizational chart, there are two staff members (the IMS internal inspector and a social worker) that report to the sustainability coordinator. Six staff members (agricultural engineers and social workers) are in charge of training delivery to business partners.</p> <p>According to Yavuz's Human Resources Procedure, HR collects information on the training needs of all staff members using a needs assessment form each December. HR develops a yearly training plan based on the results of this assessment. Staff training needs are also collected in post-harvest evaluation meetings with staff, training sessions, and findings from internal monitoring visits. Yavuz also outlines staff training details in its Group Management Plan.</p> <p>All new recruits attend orientation training, which covers key topics of the company's internal management system.</p>	

MILESTONE 1 ASSESSMENT SUMMARY

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
Staff Training (3.2a, b, c) HQ or Country Level	<p>a. The company has evidence that it provides appropriate training or other professional development covering all areas of the FLA Workplace Code of Conduct and Principles, the integration of standards into business practices, and awareness on the consequences of planning and sourcing/procurement practices on working conditions.</p> <p>b. The company has evidence that its training program encompasses training evaluation, feedback incorporation, and training improvements.</p> <p>c. The company has evidence that it measures awareness and knowledge gained.</p>	<p>Yavuz's sustainability team has regularly participated in HTF project trainings since 2019. These training sessions cover all areas of the FLA CoC and principles, with a goal of boosting core staff capacity and helping them implement their field-level labor standards program. In addition to FLA trainings, Yavuz staff regularly attend trainings by certification bodies.</p> <p>Yavuz's Group Management Plan shows that the sustainability coordinator delivers a training to staff on "certification and program requirements" once a year. The attendance record notes the most recent date of training (October 2023) and topics covered, which align with the FLA CoC. Yavuz collects feedback on trainings from staff during post-harvest evaluation meetings, staff trainings, and findings from internal monitoring visits.</p> <p>According to Yavuz's Human Resources Procedure, trainings end with an oral training evaluation by the trainer; the trainer notes the highlights of this evaluation in the attendance form. In addition, 50% of attendees are asked to fill out post-training evaluation forms.</p> <p>The training evaluation form does not measure awareness and knowledge gained, but Yavuz plans to add these details. FLA will verify this implementation during the evaluation of Milestones 2 and 3.¹</p>	

1 This benchmark (P3.2.b and c) requires "In Progress" as the minimum to achieve the Milestone 1. Further evidence will be verified to confirm implementation during Milestones 2 and 3.

MILESTONE 1 ASSESSMENT SUMMARY



PRINCIPLE 9: CONSULTATION WITH CIVIL SOCIETY

Company Member identifies, researches, and engages with relevant labor non-governmental organizations, trade unions and other civil society institutions.

WHY: Labor-focused CSOs help companies better understand local conditions and issues that most acutely impact workers, which enables companies to make their supply chains more responsive to workers’ needs.

BASELINE REQUIREMENTS FOR MILESTONE 1

CHART KEY: ● Met baseline requirements ● In process of implementing baseline requirements within the disclosed timeline

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
CSO Engagement Strategy and Mapping (9.1a)	The company has a map of stakeholders and a strategic plan for local and international CSO outreach engagement, taking into account the high-risk areas and salient human rights issues. This includes trade unions active in the supply chains (at the farm level) where the company operates.	<p>Yavuz shared the list of stakeholders it has worked with since 2017. The list contains actors from local authorities both in the harvest region and workers’ cities of origin, and local and national CSOs. Yavuz’s efforts to work with CSOs centers around opening summer schools for children at risk of child labor during the harvest season. The collaboration with CSOs also delivered awareness raising trainings to workers and labor contractors on labor standards and improved accommodation conditions at temporary settlement/camp areas where multiple groups of seasonal migrant agricultural workers stay during the harvest.</p> <p>In addition, Yavuz participates in FLA’s Harvesting the Future Project that collaborates with several CSOs and national governmental agencies in Türkiye.</p>	●

MILESTONE 1 ASSESSMENT SUMMARY



PRINCIPLE 10: VERIFICATION REQUIREMENTS FOR FLA MEMBERSHIP

Company Member meets FLA verification and program requirements.

WHY: FLA requires that companies maintain SOPs related to FLA membership to ensure that they are upholding FLA requirements regardless of employee turnover, changes in ownership, changes in supply chain, etc. FLA’s Agriculture Program Milestone 1 requirements state that companies must have their SOPs in place before achieving Fair Labor Accreditation.

BASELINE REQUIREMENTS FOR MILESTONE 1

CHART KEY: ● Met baseline requirements ● In process of implementing baseline requirements within the disclosed timeline

DESCRIPTION AND KPI	FLA STANDARD	YAVUZ SYSTEM & PERFORMANCE	YAVUZ PROGRESS
FLA Membership (10.2.a, 10.3.a, 10.4.a, and 10.6.a)	<p>a. The company participates in FLA due diligence activities, including assessments at facilities and company headquarters, as applicable.</p> <p>b. The company completes a standardized annual report on its fulfillment of the Principles of Fair Labor and Responsible Sourcing; the company provides information regarding its internal management systems tools, protocols, and other documents required for verification.</p> <p>c. The company maintains a complete and accurate profile and list of facilities with FLA and publicly; the company has updated this profile within the last year.</p> <p>d. The company pays annual FLA dues and applicable fees on schedule.</p>	<p>Yavuz has been actively participating in FLA farm assessments, sharing its supply chain data, and providing FLA accredited assessors with access to its farms. The company has also facilitated farm visits for attendees to the 2024 FLA board meeting in Türkiye.</p> <p>Yavuz regularly pays its FLA membership and assessment fees.</p>	●