



## Independent External Monitoring Agriculture Report, 2024

The Fair Labor Association (FLA) conducts an Independent External Monitoring (IEM) assessment when a company has begun implementation of its internal monitoring and remediation program. An IEM allows for the assessment of labor conditions at the farm level and first level processing, if it overlaps with the farms, based on the [FLA Agriculture Workplace Code of Conduct and Monitoring Benchmarks for the Agriculture Sector](#). FLA gathers further data through community stakeholder interviews with civil society organizations, government officials, community leaders, and supply chain actors. FLA examines internal monitoring systems at the country level against [FLA's Principles of Fair Labor and Responsible Sourcing for Agricultural Supply Chains](#).

Company	Balsu
Country	Türkiye
Crop	Hazelnut
Production process	Harvest
Assessment location	Sakarya and Düzce
Monitor	CSR and Sustainability Services Pty Ltd
Assessment dates	2-3-4 September, 2024
Number of assessed farms	15
Total area covered	105.4 ha
Number of farmers interviewed	15
Total number of workers	227
Number of workers interviewed	102

## Employment Relationship

### Compliance Status

Section	Benchmark	Compliance status	Farms
Human Resource Management System	ER.1.1	Noncompliance	5,12,14
	ER.2.1 (PR)	In progress	
	ER.2.1.1 (PR)	In progress	
Recruitment and Hiring	ER.3.1	Noncompliance	1,3,4,5,8,9,12,13,14
	ER.3.1.1	Noncompliance	1,3,4,5,8,9,12,13,14
	ER.3.1.2	Noncompliance	1,3,4,5,8,9,12,13,14
	ER.4	Noncompliance	3,4,5,6,8,9,13
	ER.5.1	In Compliance	
	ER.5.2	Noncompliance	3,4,5,6,8,9,13
	ER.5.3	In Compliance	
	ER.6 (PR)	In progress	
	ER.7.1	In Compliance	
	ER.7.2	In Compliance	
	ER.7.3	In Compliance	
	ER.7.4	In Compliance	
	ER.7.5	In Compliance	
	ER.7.6	Noncompliance	All farms
	ER.7.7	Not Applicable	
	ER.7.8	Not Applicable	
Terms and Conditions	ER.9.1	Noncompliance	5,12,14
	ER.9.2.1	Risk of Noncompliance	All farms (except 15)
	ER.9.2.2	Not Applicable	
	ER.9.2.3	Risk of Noncompliance	All farms (except 15)
	ER.9.3.1	In Compliance	
	ER.9.3.2	In Compliance	
	ER.9.3.3	In Compliance	
	ER.10	Not Applicable	
	ER.11	Noncompliance	All farms (except 7,15)
	ER.12.1	Risk of Noncompliance	All farms
	ER.12.1.1	Risk of Noncompliance	All farms
	ER.12.2	Not Applicable	
	ER.13.1	Risk of Noncompliance	All farms
	ER.13.2 (PR)	Not initiated	
	ER.13.3 (PR)	Not initiated	
Administration	ER.15.1	In Compliance	
	ER.15.2	Risk of Noncompliance	1,2,4,5,6,9,11,12,13
	ER.15.2.1	Risk of Noncompliance	1,2,4,5,6,9,11,12,13
	ER.16.1	In Compliance	
	ER.16.2	In Compliance	
	ER.17.2 (PR)	In compliance	

	ER.17.3 (PR)	In progress	
	ER.17.4 (PR)	In progress	
Worker Involvement	ER.18.1	In Compliance	
	ER.18.2 (PR)	In progress	
Right to Organize and Bargain	ER.19	Not Applicable	
Work Rules and Discipline	ER.20.1	Noncompliance	All farms
	ER.20.2	Noncompliance	All farms
	ER.20.3 (PR)	Not initiated	
	ER.20.4	Noncompliance	All farms
	ER.20.6	Noncompliance	All farms
	ER.20.7	Noncompliance	All farms
	ER.20.8	Noncompliance	All farms
	ER.20.9 (PR)	Not initiated	
	ER.20.11	Noncompliance	All farms
Access to Training for Family Members	ER.21	Risk of Noncompliance	7.8
HSE Management System	ER.24.1.	Risk of Noncompliance	All farms
	ER.24.2 (PR)	In progress	
	ER.24.3	Risk of Noncompliance	All farms
	ER.24.4.1 (PR)	In progress	
	ER.24.4.2 (PR)	In progress	
	ER.24.4.3 (PR)	In progress	
	ER.24.4.4 (PR)	In progress	
	ER.24.4.5 (PR)	In progress	
	ER.24.4.6 (PR)	In progress	
Grievance Procedures	ER.24.5 (PR)	In progress	
	ER.25.1 (PR)	In progress	
	ER.25.2 (PR)	In progress	
	ER.25.3	Risk of Noncompliance	4
	ER.25.4	Risk of Noncompliance	4

## Employment Relationship Assessment Summary

### Notable Good Practices

Balsu's B.E.S.T (Balsu, Ethical, Sustainable, Traceable) Program, has been implemented within the scope of the five-year protocol signed with the Ministry of Labor and Social Security and the Genç Hayat Foundation. They are carrying out comprehensive studies to prevent child labor in seasonal agriculture by keeping the farmers in the Balsu supply chain at the center and creating behavioral changes through intervention, empowerment and awareness-raising studies.

The scope of the 2024 B.E.S.T Program activities includes:

- An agricultural labor contract was signed between 60 worker groups and 518 workers and the garden owner;
- 233 harvest internal monitoring visits were carried out; working conditions were monitored and compliance with seasonal agricultural work contracts was encouraged;
- Good social practices and occupational health and safety trainings were provided to 115 worker groups and 1992 seasonal workers; personal protective equipment (PPE) support was provided to attendees;

- 109 agricultural intermediaries were reached during the harvest period and support was provided in certification and reporting activities; certification requests were received from 33 agricultural intermediaries; and
- Disaster and first aid training was organized for 52 seasonal migrant agricultural workers in Zekeriya village of Gölyaka, Düzce, in collaboration with the Genç Hayat Foundation.

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 in farms 5, 12, and 14
Findings/Noncompliance Explanation	<p>Monitors could not review any contract or document of written terms and conditions as these were not present during assessments. Additionally, interviews verified that no written contract was seen physically among farmers and workers. On four farms (farms 3, 4, 6, and 9), the workers had heard that contracts were signed. Workers and farmers could not answer when asked about the content of the contract, (e.g., working days, wages, and hours). Only the workers and farmers at one farm (farm 9) could convey the content of the contract.</p> <p>During the hazelnut harvest, collecting hazelnuts from the ground or picking them from branches are the main activities. In addition, collecting the hazelnuts in sacks and transferring them to vehicles is a part of the main tasks. Apart from these, the workers do not have jobs such as spraying, pruning, or cleaning the orchard. This year, two groups of workers who had arrived before the harvest season and worked in pruning at two farms (farms 6 and 13) were interviewed. Interviewed workers knew what tasks were expected of them and what the working hours were, but how much net wage they would receive at the end of the job was not known to them; predominantly female and young workers had low awareness about wages.</p> <p><u>Source:</u> Documentation, interviews, and observation</p>
Company Action Plan	
Activity	<p>For the 2025 harvest season, the implementation of seasonal agricultural work contracts among farmers, workers, and agricultural labor contractors will be increased. The goal is to facilitate the signing of 80 new seasonal agricultural work contracts in 2025, in addition to the 60 written contracts signed in 2024. All contracts include key elements such as working conditions, wages, and working hours.</p> <p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labour, seasonal agricultural work contract, working hours, work breaks and leaves were carefully examined. Guidance was provided to farmers, workers, and agricultural labor contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action</p>

	<p>was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p> <p>Garden owners also participated in the trainings in the hazelnut orchards. This participation strengthened open and direct communication between workers and farmers.</p> <p>The minimum wage increases in the last two years and the expectation that this situation will continue, have increased the problem of wage uncertainty.</p> <p>Balsu participated in District Monitoring Boards meetings in Düzce in cooperation with the Young Lives Foundation under the B.E.S.T Program and shared the social and economic risks in seasonal agricultural work with public institutions.</p> <p>Balsu trained 109 agricultural labour contractors, 1,992 seasonal migrant agricultural workers, and 2,062 farmers during the 2024 harvest period. During these trainings, participants were informed about the content of the agreement. In this context, at least 115 agricultural labour contractors, 1,500 workers and 2,000 farmers will be trained in 2025.</p>
<b>Output indicators</b> (targeted results)	<p>Raising awareness of workers and farmers on the content of contracts.</p> <p>Raising wage awareness among women and young workers.</p>
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 - September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers, and the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, social worker

Recruitment and Hiring	
Benchmarks	Compliance Status
	Noncompliance
<p><b>ER.3.1:</b> Employers shall verify proof of age documentation for all young workers in the farm at the time of their employment and work towards collecting and maintaining all documentation necessary to confirm and verify date of birth of all workers, including long term and casual workers.</p> <p><b>ER.3.1.1:</b> Employers shall take reasonable measures to ensure such documentation is complete and accurate.</p> <p><b>ER.3.1.2:</b> In those cases where proof of age documentation is not readily available or unreliable, employers shall take all necessary precautions that 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>	In farms 1, 2, 5, 8, 10, 11, 12, 13, and 14
<p><b>ER.4:</b> 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</p>	In farms 3, 4, 5, 6, 8, 9, and 13

<p>documents like passports, identity papers, work permits, and other personal legal documents; punishing workers for terminating employment.</p> <p><b>ER.5.2:</b> 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><b>ER.7.6:</b> 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><b>In all farms</b></p>
<p><b>Findings/Noncompliance Explanation</b></p>	<p>The farmers reported during interviews that the farmers themselves, the head of the village (Muhtar), or the staff of the company collected the IDs of the seasonal migrant workers as per legal requirements and delivered them to the gendarme for security check purposes. The farmers base the age verification upon this ID control. This practice makes ID and age verification more structural for seasonal migrant workers than local worker groups. Among local worker groups, age verification or ID checks are less common. Monitors confirmed that the majority of farmers had not adequately verified the age of young workers and properly maintained their employment documentation.</p> <p>The monitors confirmed through interviews at four farms (farms 2, 6, 10, and 11) that farmers verify age by checking workers' IDs.</p> <p>Monitors verified that among 15 visited farms, just one farmer (farm 7) was working only with a local worker group, one farmer (farm 8) was working with both local and seasonal migrant workers groups simultaneously, and one farmer (farm 15) was harvesting with family labor. The remaining 12 farmers had worked only with seasonal agricultural migrant workers. Local worker groups do not have an agricultural labor contractor. It is an uncommon practice for them, whereas seven seasonal migrant worker groups were recruited through a labor contractor. It was determined that at 7 out of the 13 farms (farms 3, 4, 5, 6, 8, 9, and 13) working with seasonal migrant worker groups, the labor contractors deducted their commissions from the daily earnings of the workers.</p> <p>Farmers who had hired seasonal agricultural migrant workers were paying labor contractors 800 to 1,000 TL/day. The labor contractor's brokerage commission was generally 10%. After the labor contractor's commission was deducted, workers generally received a daily wage of 800-900 TL/day. The lowest paid wage was 760 TL/day.</p> <p>At two farms (farms 5 and 14), workers and the farmer were unsure what wage they would be paid at the end of the job.</p> <p><u>Source:</u> Interviews and observations</p>
<p><b>Company Action Plan</b></p>	
<p><b>Activity</b></p>	<p>The minimum wage increases in the last two years and the expectation that this situation will continue have increased the problem of wage uncertainty.</p> <p>Balsu informs both farmers and workers of the daily wage amount after the minimum wage announced every year through training modules. Balsu follows up on commission decisions with participation in provincial/district monitoring boards.</p> <p>During the 2024 harvest period, Balsu received the certification request of 33 agricultural labour contractors within the scope of the B.E.S.T Program</p>

	<p>and started certification activities. Contractors with agricultural labour contractor certificates are not allowed to take commission from the workers.</p> <p>Balsu provides its Sustainable Hazelnut Farming Supplier Handbook to the farmers in its supply chain. In this handbook, there is a “Worker Registration List” where seasonal workers can record information such as age, number of days worked, and wages.</p> <p>Balsu provided training to 109 agricultural labor contractors within the scope of the B.E.S.T Program during the harvest period; the duties and responsibilities of the labour contractors were explained in detail during these trainings. In 2025, Balsu aims to train 115 agricultural labor contractors and to include 30 agricultural labor contractors in the certification process.</p> <p>Balsu will share the information note titled “Obligations of Agricultural Labor Contractors” in the Operations Manual (prepared by ISKUR) during trainings for agricultural labor contractors within the scope of the B.E.S.T Program in 2025.</p> <p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labor, seasonal agricultural work contract, working hours, work breaks and leaves were carefully examined. Guidance was provided to farmers, workers and agricultural labour contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p> <p>Garden owners also participated in the trainings in the hazelnut orchards. This participation strengthened open and direct communication between workers and farmers.</p>
<b>Output indicators</b> (targeted results)	<p>Workers should not be paid wages below the minimum wage.</p> <p>Agricultural labour contractors should not take commission cuts.</p> <p>Farmers should ensure the control and identification of protected groups;</p>
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 - September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers, and the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

## Terms and Conditions

Benchmarks		Compliance Status
		Noncompliance
<b>ER.9.1:</b> Workers should be made aware of the employment terms under which they are engaged.		In farms 5, 12, and 14
<b>ER.11:</b> 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.		In all farms except farms 7 and 15
		Risk of noncompliance
<b>ER.9.2:</b> Employment terms shall be those to which the worker has voluntarily agreed, provided those terms do not fall below: <b>ER.9.2.1:</b> provisions of national laws; <b>ER.9.2.3:</b> the FLA Workplace Code.		In all farms except farm 15
<b>ER.12.1:</b> 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. <b>ER.12.1.1:</b> Employers shall inform workers that any form of harassment or abuse in the workplace shall be subject to disciplinary measures. <b>ER.12.2:</b> Where a union exists on the farm, employers shall make available a copy of the collective bargaining agreement to all <b>ER.13.1:</b> Farmer, sharecropper, or any kind of supervisor who is leading workers shall have knowledge of the local labor laws and the FLA Code.		In all farms
<b>Findings/Noncompliance Explanation</b>	<p>The monitors observed that workers were aware of working hours and other daily tasks on all farms. However, workers on one farm (farm 12), particularly women, were not informed of their daily wages. At two farms (farms 5 and 14), workers and the farmer were not sure what wage would be paid at the end of the harvest work.</p> <p>Monitors met a pregnant worker during the worker interviews and farm walkthroughs (farm 1; the cook). Young workers between the ages of 15 and 18 and children under the age of 15 were also working. It has been observed that pregnant, young, or child workers work at the same time as adult workers. Farmers did not demonstrate a basic knowledge of the legal requirements of disadvantaged groups.</p> <p>Monitors observed that all farmers were aware of basic workplace rules and labor standards such as working hours, health and safety, child labor, and nondiscrimination. However, farmers reported that they did not communicate to workers about harassment at the workplace and that such acts would be subject to disciplinary measures. Monitors observed that farmers lacked the knowledge of relevant laws, measures, and penalties. When they were aware of the subject, they did not know how to communicate these to workers effectively. The company staff and farmers reported these types of sensitive and serious communications; company staff provided awareness-raising activities to farmers and workers during training sessions conducted in the accommodation areas.</p>	

	<p>Farmers, labor intermediaries, and supervisors have minimal knowledge of local labor laws and the FLA Code of Conduct. They are not aware of legal requirements concerning special categories of workers, which include women, young workers, and children under the legal minimum working age. For instance, farmers demonstrated that they lacked details regarding legal requirements for light work and the maximum number of hours permitted to work.</p> <p><u>Source:</u> Interviews and observations</p>
<b>Company Action Plan</b>	
<b>Activity</b>	<p>Balsu trained a total of 2,062 farmers with post-harvest training in 2023 and pre-harvest training in 2024. During these trainings, farmers and workers in the supply chain were informed about working conditions, wages, responsibilities of the garden owner and agricultural labour contractor with the Good Social Practices Module.</p> <p>Balsu trained 1,992 workers in 2024, of which 1,135 were women workers and 540 were young workers.</p> <p>Balsu has a Child Labor Procedure. The procedures and principles in this procedure are implemented within the framework of the procedures and principles specified in the "Regulation on the Procedures and Principles Regarding the Employment of Child and Young Workers".</p> <p>Within the scope of the B.E.S.T Program, Balsu refers children who are at risk of working, or identified as participating in child labor, to the Young Lives Foundation and initiates case follow-ups.</p> <p>The participation of the identified children in formal education continues to be monitored throughout the year and they are monitored and guided according to the Case Management Guide prepared by the Young Lives Foundation.</p> <p>Balsu contributed guiding nine children to formal education during the 2024 harvest season within the scope of the B.E.S.T Program carried out in cooperation with the Young Lives Foundation.</p> <p>Balsu provided training to 109 agricultural labour contractors within the scope of the B.E.S.T Program during the harvest period, the duties and responsibilities of the labour contractors were explained in detail during these trainings. In 2025, it is aimed is to train 115 agricultural labour contractors and to include 30 agricultural labour contractors in the certification process.</p> <p>For the 2025 harvest season, the implementation of seasonal agricultural work contracts among farmers, workers, and agricultural labor contractors will be increased. The goal is to facilitate the signing of 80 new seasonal agricultural work contracts in 2025, in addition to the 60 written contracts signed in 2024. All contracts include key elements such as working conditions, wages, and working hours.</p>

	<p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labour, seasonal agricultural work contract, working hours, work breaks, and leaves were carefully examined. Guidance was provided to farmers, workers and agricultural labour contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p> <p>Garden owners also participated in the trainings in the hazelnut orchards. This participation strengthened open and direct communication between workers and farmers.</p>
<b>Output indicators</b> (targeted results)	<ul style="list-style-type: none"> <li>• Improving working conditions of young workers.</li> <li>• Familiarizing farmers, workers and agricultural labor contractors with the content of the contract.</li> <li>• Eliminating child labor.</li> <li>• Ensuring the active participation of women and young workers in education.</li> </ul>
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group Manager, associate social sustainability manager, social worker

Administration	
Benchmarks	Compliance Status
<p><b>ER.15.2:</b> Advances shall only be made following clearly established rules, which have been communicated to workers.</p> <p><b>ER.15.2.1:</b> Advances must be appropriately documented, and their receipt and accuracy must be confirmed by the recipient worker, in writing whenever possible (e.g. signature, thumbprint).</p>	<p><b>Risk of noncompliance in farms 1,2,4,5, 6, 9,11,12, and 13</b></p>
<b>Findings/Noncompliance Explanation</b>	<p>All interviewed farmers stated that they pay the wages of the workers at the end of the work at the farm either to the labor intermediary or directly to the workers. Workers employed through labor intermediaries usually receive their wages as a lump sum from the labor intermediary at the end of the harvest period. If a worker requests an advance payment, the amount paid by the farmer or, in some cases, by the labor intermediary would be deducted from their final compensation as verbally agreed. Monitors collected data that worker groups had received advance payments between 10,000 and 60,000 TL. In some cases, these advance payments were made to support workers with their transportation costs.</p> <p>Advance payments are not properly documented. Each side keeps track of the payment independently. The lack of proper written documentation</p>

	<p>poses a risk for both the farmer and the worker, as it could lead to disputes and disagreements in the future.</p> <p><u>Source:</u> Interviews and observations</p>
<b>Company Action Plan</b>	
<b>Activity</b>	<p>Balsu provides its Sustainable Hazelnut Farming Supplier Handbook' to the farmers in its supply chain. In this handbook, there is a "Worker Registration List" where seasonal workers can record information such as age, number of days worked and wages.</p> <p>For the 2025 harvest season, the implementation of seasonal agricultural work contracts among farmers, workers, and agricultural labor contractors will be increased. The goal is to facilitate the signing of 80 new seasonal agricultural work contracts in 2025, in addition to the 60 written contracts signed in 2024. All contracts include key elements such as working conditions, wages, and working hours.</p> <p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labour, seasonal agricultural work contract, working hours, work breaks and leaves were carefully examined. Guidance was provided to farmers, workers and agricultural labour contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p>
<b>Output indicators</b> (targeted results)	Keeping registration lists by farmers, workers, and agricultural labor contractors.
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

<b>Work Rules and Discipline</b>	
<b>Benchmarks</b>	<b>Compliance Status</b>
<p><b>ER.20.1:</b> 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><b>ER.20.2:</b> Any person supervising workers shall be aware of the disciplinary rules and practices.</p> <p><b>ER.20.4:</b> 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><b>Noncompliance in all farms</b></p>

<p><b>ER.20.6:</b> Disciplinary rules and practices shall be clearly communicated to all workers.</p> <p><b>ER.20.7:</b> Workers must be informed when a disciplinary procedure has been initiated against them.</p> <p><b>ER.20.8:</b> Workers have the right to participate and be heard in any disciplinary procedure against them.</p> <p><b>ER.20.11:</b> 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>		
<b>Findings/Noncompliance Explanation</b>	<p>There are no clearly formulated and defined disciplinary rules or practices at the assessed farms. Monitors verified that there were neither written policies and procedures nor verbal agreements outlining clear rules between the farmer, labor intermediary, and workers. Rules were verbally communicated between parties. The farmer and labor intermediaries independently determine the disciplinary actions to be taken and the circumstances under which these apply.</p> <p><u>Source:</u> Interviews and observations</p>	
<b>Company Action Plan</b>		
<b>Activity</b>	<p>Balsu provides the farmers in its supply chain with a Sustainable Hazelnut Farming Supplier Handbook, including the Disciplinary Procedure. It monitors and evaluates violations that will include disciplinary offences such as physical, psychological harassment, abuse, verbal, physical violence, threats, coming to work under the influence of alcohol, theft, repetition of continuous violations, low performance, etc. Balsu monitors these violations both in its own organisation and in its supply chain through its grievance procedure and evaluates them within the scope of this procedure.</p> <p>The handbook includes a table titled “Problems Experienced by Seasonal Migrant Agricultural Workers, Solution Suggestions for the Problems, and the Responsible Institution or Person to Be Contacted in Case of Problems.” Corrective actions and responsible persons are specified through sample scenarios.</p>	
<b>Output indicators (targeted results)</b>	Farmers will convey disciplinary rules to seasonal migrant agricultural workers.	
<b>Timeline and Deadline Date</b>	January 2025 – September 2025	
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security	
<b>Responsible staff (title/department)</b>	Sustainability group manager, associate social sustainability manager, and social worker	

Access to Training for Family Members		
<b>Benchmarks</b>		<b>Compliance Status</b>
<b>ER.21:</b> 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.		<b>Risk of noncompliance in farms 7 and 8</b>
<b>Findings/Noncompliance Explanation</b>	Company staff reported organizing training and awareness-raising activities at night in the accommodation areas to ensure broad participation from	

	<p>workers' families, farmers, and their family members. Farmers stated that their family members participated in training and awareness-raising activities conducted by the company staff.</p> <p>Seasonal migrant workers participated in the training in groups, and their family members were invited to attend. Interviews verified that no training was provided for local worker groups at two farms (farms 7 and 8).</p> <p><u>Source:</u> Interviews and observations</p>
<b>Company Action Plan</b>	
<b>Activity</b>	Balsu's Good Social Practices and Occupational Health and Safety Training modules are provided to all actors working in seasonal agriculture during harvest periods. Working groups called seasonal migrant agricultural workers and local workers are evaluated within the scope of Balsu's supply chain. In the 2024 harvest period, training programs were organized for 115 worker groups in the Balsu supply chain, which were identified by risk mapping during the pre-harvest period.
<b>Output indicators (targeted results)</b>	Providing training to seasonal migrant agricultural worker groups.
<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff (title/department)</b>	Sustainability group manager, associate social sustainability manager, and social worker

HSE Management System		
Benchmarks		Compliance Status
<p><b>ER.24.1:</b> 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.</p> <p><b>ER.24.3:</b> Employers shall have a designated responsible person for HSE issues on the farm. For small farms, this could be the farmer's responsibility directly.</p>		Risk of noncompliance in all farms
Findings/Noncompliance Explanation	<p>The company organizes training for workers on HSE issues. The farmers communicate a similar training for about 15 minutes on the day of recruitment. The interviewed workers did not remember much of this training, just simple details like being aware of falling, insect damage, or sunburn.</p> <p>The farms are mainly small farmholders, and no specific person is responsible for HSE issues. The farmers communicated some conditions before starting the work. However, it was observed that this was not in the form of an explanation of HSE subjects but in the form of simple warnings such as "do not slip, do not fall."</p> <p><u>Source:</u> Interviews and observations</p>	
Company Action Plan		
Activity	Balsu provided Occupational Health and Safety Training to a total of 2,062 farmers in 2024.	

	<p>Balsu provided Occupational Health and Safety Training to 1,992 workers during the 2024 harvest season, and emergency numbers and Balsu's Support and Grievance Line numbers were placed in workers' accommodation areas.</p> <p>In accordance with the Grievance Procedure, Balsu examines and records notices/ grievances and suggestions that may come from various circles, including corporate social responsibility issues, without requiring identification information. The Support and Grievance Line is regularly checked and grievances are recorded.</p> <p>Balsu provided personal protective equipment support to 115 worker groups in 2024. A total of three first aid kits were provided to each worker group, one in the garden, one in the accommodation areas, and one in their vehicles.</p> <p>Balsu publishes an information board every month as part of the B.E.S.T Program. This board includes a special page dedicated to occupational health and safety issues and provides detailed information on all data related to occupational accidents. The board is updated in 62 different regions and shared with farmers in more than 150 WhatsApp groups. The number of these groups increases with the trainings and new farmers are included in the program. In addition, visual shares and regular content updates ensure that these dashboards and up-to-date information are actively followed by farmers.</p> <p>Within the scope of the B.E.S.T Program, disaster and first aid training was organised for 52 seasonal migrant agricultural workers in Düzce/Gölyaka/Zekeriya in collaboration with Young Lives Foundation and the same trainings will continue to be organised in 2025.</p> <p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labour, seasonal agricultural work contract, working hours, work breaks and leaves were carefully examined. Guidance was provided to farmers, workers and agricultural labour contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p> <p>Balsu provides its Sustainable Hazelnut Farming Supplier Handbook, including the Disciplinary Procedure, to the farmers in the supply chain. In the handbook, there is a table of "Problems Experienced by Seasonal Migrant Agricultural Workers, Suggestions for Solution of Problems and Responsible Institution or Person to be Contacted in Case of Problems." Corrective actions and responsible persons are indicated through sample scenarios.</p>
Output indicators (targeted results)	Farmers inform their workers about occupational health and safety issues.

<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff (title/department)</b>	Sustainability group manager, associate social sustainability manager, and social worker

Grievance Procedures	
Benchmarks	Compliance Status
<p><b>ER.25.3:</b> FLA-affiliated companies shall make sure that a confidential non-compliance 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 address the issue sufficiently.</p> <p><b>ER.25.4:</b> The Company shall create awareness of this communication and non-compliance reporting mechanism to its service providers and suppliers.</p>	Risk of noncompliance on farm 4
<p><b>Findings/Noncompliance Explanation</b></p> <p>The company has established a grievance mechanism at farms within its supply chain and a variety of channels for farmers and workers to raise concerns, including a dedicated hotline, the contact details of relevant personnel, email, and online messaging. Monitors noticed that workers at one farm (farm 4) were not aware of the grievance mechanism established by the company. Farmers clearly knew that they could contact the company staff about any complaints or requests.</p> <p><u>Source:</u> Interviews and observations</p>	
Company Action Plan	
<p><b>Activity</b></p>	<p>Balsu provided Occupational Health and Safety Training to 1,992 workers during the 2024 harvest season, and emergency numbers and Balsu's Support and Grievance Line numbers were placed in workers' accommodation areas.</p> <p>In accordance with the Grievance Procedure, Balsu examines and records notices/grievances and suggestions that may come from various circles, including corporate social responsibility issues, without requiring identification information. The Support and Grievance Line is regularly checked and grievances are recorded.</p> <p>Balsu stated that individuals can convey all kinds of suggestions and complaints through the Support and Grievance Line in the trainings it provided to 1,992 workers and 2,062 farmers in 2024.</p> <p>Balsu has various methods of reporting, receiving complaints and suggestions that allow all stakeholders to express their opinions through different channels. Various reporting channels such as face-to-face communication, social media, SMS, WhatsApp, e-mail and the Support and Grievance Line offer a wide range of communication.</p> <p>Even if workers convey their complaints to the farmer, since the farmer knows and actively uses Balsu's grievance mechanism, the complaint is</p>

	<p>conveyed to Balsu by the farmer and the complaints are recorded using the complaint registration form. As a result, 92 complaints/suggestions/wishes were received in 2024. This is an improvement compared to last year.</p> <p>Farmers generally prefer to solve their problems by using channels where they can communicate directly with the Balsu team, such as a phone call or a text message.</p>
<b>Output indicators</b> (targeted results)	Active use of the Support and Grievance Line
<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

## Nondiscrimination

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	ND. 1	Noncompliance	All farms
Recruitment and Employment Practices	ND.2.1	Noncompliance	All farms
	ND.2.3	Noncompliance	All farms
Compensation Discrimination	ND. 3	Noncompliance	8
Discrimination in Training and Communication	ND. 4	In Compliance	
Marital or Pregnancy-Related Discrimination	ND.5.1	Risk of Noncompliance	All farms
	ND.5.2	Risk of Noncompliance	All farms
	ND.5.3	Risk of Noncompliance	All farms
	ND.6.1	Risk of Noncompliance	All farms
	ND.6.1.1	Risk of Noncompliance	All farms
Health-Related Discrimination	ND. 7	In Compliance	
	ND.8	In Compliance	
	ND. 9	Not Applicable	
Respect for Culture and Religion	ND.11	In Compliance	

## Nondiscrimination Assessment Summary

### General Compliance

Benchmarks		Compliance Status
ND.1: Employers shall comply with all national laws, regulations, and procedures concerning nondiscrimination.		Noncompliance in all farms
Findings/Noncompliance Explanation	During the interviews, farmers demonstrated a lack of awareness of legal requirements regarding nondiscrimination. However, the monitors observed that farmers conveyed a general understanding of and sensitivity to the issue of nondiscrimination.  <u>Source:</u> Interviews and observations	
Company Action Plan		
Activity	Balsu provides information to both workers and farmers within the scope of “Equal Work, Equal Pay” in the trainings organized in 2023 and 2024 and provides information about its Corporate Social Responsibility Policies and Ethical Policy.  Balsu provided trainings to a total of 2,062 farmers and 1,992 workers in the processes including post-harvest training in 2023 and pre-harvest training in 2024. During these trainings, working conditions, payments, and responsibilities of the garden owner and agricultural labor contractors were conveyed to farmers and workers in the supply chain with the Good Social Practices Module. At least 115 agricultural labor contractors, 1,500 workers and 2,000 farmers will be trained in 2025.	
Output indicators (targeted results)	Ensuring that farmers are more informed about anti-discrimination procedures.	
Timeline and Deadline Date	January 2025 – September 2025	
Input (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security	
Responsible staff (title/department)	Sustainability group manager, associate social sustainability manager, and social worker	

Recruitment and Employment Practices		
Benchmarks:		Compliance Status
<b>ND.2.1:</b> Recruitment and employment practices shall be free from any type of discrimination. <b>ND.2.3:</b> If not provided by law, employers must provide protection to workers who allege any type of discrimination in recruitment and employment practices.		<b>Noncompliance in all farms</b>
<b>Findings/Noncompliance Explanation</b>	Monitors confirmed that the assessed farmers and interviewed labor intermediaries do not have a formal nondiscrimination policy in place. While they are generally familiar with the concept of nondiscrimination, workers are not provided with any communication or briefing regarding any nondiscrimination policies or regulations.  <u>Source:</u> Interviews and observations	
Company Action Plan		

<b>Activity</b>	<p>Balsu provides information to both workers and farmers within the scope of “Equal Work, Equal Pay” in the trainings organized in 2023 and 2024 and provides information about Corporate Social Responsibility Policies and Ethical Policy.</p> <p>Balsu provided trainings to a total of 2,062 farmers and 1,992 workers in the processes including post-harvest training in 2023 and pre-harvest training in 2024. During these trainings, working conditions, payments, and responsibilities of the garden owner and agricultural labor contractors were conveyed to farmers and workers in the supply chain with the Good Social Practices Module. In this context, at least 115 agricultural labor contractors, 1,500 workers and 2,000 farmers will be trained in 2025.</p>
<b>Output indicators (targeted results)</b>	Ensuring that farmers are more informed about anti-discrimination procedures.
<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff (title/department)</b>	Sustainability group manager, associate social sustainability manager, and social worker

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 in all farms
Findings/Noncompliance Explanation	<p>The monitoring team identified two primary areas of concern related to discrimination on the farms: wage disparities and working hours. The net minimum daily wages for seasonal migrant workers were reported to range between 760 and 900 TL/day, after accounting for the 10% commission deducted by labor intermediaries. In comparison, local workers were reported to receive a net daily wage between 1,200 and 1,300 TL/day. Monitors noted that seasonal migrant workers are required to work one hour longer than local workers</p> <p>Three different groups of workers were recruited at one farm (farm 8). These groups were located in separate parts of the 20-hectare orchards, so they could not discuss and compare working hours and wages with each other.</p> <p><u>Source:</u> Interviews and observations</p>	
Company Action Plan		
Activity	Within the scope of the B.E.S.T Program, Balsu participated in District Monitoring Board meetings in Düzce in cooperation with the Young Lives Foundation and shared the social and economic risks in seasonal agricultural work with public institutions.	

	<p>Balsu, according to the survey results conducted in worker trainings since 2017, observed that the average working hours between 2017 and 2023 were 10,42 hours. However, in 2024, the average working hours decreased to 9,15 hours.</p> <p>Balsu provided training to 109 agricultural labour contractors within the scope of the B.E.S.T Program during the harvest period, the duties and responsibilities of the labour contractors were explained in detail during these trainings. In 2025, it is aimed is to train 115 agricultural labour contractors and to include 30 agricultural labour contractors in the certification process.</p> <p>The Sustainable Hazelnut Farming Supplier Handbook including includes a table titled “Problems Experienced by Seasonal Migrant Agricultural Workers, Solution Suggestions for the Problems, and the Responsible Institution or Person to Be Contacted in Case of Problems.” Corrective actions and responsible persons are specified through sample scenarios.</p> <p>In the handbook, there is a table with expenses for workers. Both the farmer, the worker and the agricultural labour contractor can follow the expenses here.</p> <p>For the 2025 harvest season, the implementation of seasonal agricultural work contracts among farmers, workers, and agricultural labor contractors will be increased. The goal is to facilitate the signing of 80 new seasonal agricultural work contracts in 2025, in addition to the 60 written contracts signed in 2024. All contracts include key elements such as working conditions, wages, and working hours.</p>
<b>Output indicators</b> (targeted results)	Farmers will be able to clearly calculate their expenses for seasonal workers, and it will be determined whether there is any wage discrimination between local and seasonal workers.
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Marital or Pregnancy-Related Discrimination	
Benchmarks	Compliance Status
<p><b>ND.5.1:</b> 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><b>ND.5.2:</b> Employers shall not threaten female workers with dismissal or any other employment decision that negatively affects their employment status in order to prevent them from getting married or becoming pregnant.</p> <p><b>ND.5.3:</b> 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>	Risk of noncompliance in all farms

<p><b>ND.6.1:</b> 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 breast-feeding breaks and facilities.</p> <p><b>ND.6.1.1:</b> 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>		
<b>Findings/Noncompliance Explanation</b>	<p>Monitors reported that the majority of hazelnut farmers are male, and they are not checking the pregnancy condition of the workers, which they perceive to be an off-limit topic.</p> <p>Monitors met a pregnant worker during assessments at one farm working as a cook.</p> <p>Farmers do not know the legal requirements related to employing such workers, or the special working conditions identified in the law such as working hour limits and breaks.</p> <p><u>Source:</u> Interviews and observations</p>	
<b>Company Action Plan</b>		
<b>Activity</b>	<p>Balsu trained 109 agricultural labour contractors and 1,992 seasonal agricultural workers, including 1, 135 women, during the 2024 harvest period and 2,062 farmers throughout the year. In these trainings, working conditions of pregnant and breastfeeding workers were explained. In this context, at least 115 agricultural labour contractors, 1,500 workers, and 2,000 farmers will be trained in 2025.</p> <p>Even if farmers cannot clearly state that a pregnant or breastfeeding worker can work for a maximum of 7.5 hours, they show that they have received this training by stating that they will work in lighter jobs.</p> <p>Workers do not prefer to work when they are pregnant or breastfeeding and do not come to the harvest area. If they do, they help with daily work in the accommodation areas.</p>	
<b>Output indicators (targeted results)</b>	To ensure that farmers are more aware of the working conditions of pregnant or breastfeeding workers.	
<b>Timeline and Deadline Date</b>	January 2025 – September 2025	
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security	
<b>Responsible staff (title/department)</b>	Sustainability group manager, associate social sustainability manager, and social worker	

## Harassment or Abuse

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	H/A.1.1	Risk of Noncompliance	All farms
	H/A.1.2	In Compliance	
Discipline	H/A.2	In Compliance	
	H/A.3	In Compliance	
	H/A.4	In Compliance	
	H/A.5	In Compliance	
	H/A.6	In Compliance	
	H/A.7	In Compliance	
	H/A.13	In Compliance	
Violence	H/A.8.1	In Compliance	
	H/A.8.2	In Compliance	
	H/A.8.3	In Compliance	
Sexual Harassment	H/A.9.1	In Compliance	
	H/A.9.2	In Compliance	
	H/A.9.3	In Compliance	
	H/A.9.4	In Compliance	
Security Practices	H/A.10	In Compliance	
	H/A.10.1	In Compliance	
	H/A.10.2	In Compliance	

## Harassment or Abuse Assessment Summary

General Compliance		
Benchmarks		Compliance Status
<p><b>H/A.1.1:</b> Employers shall comply with all national laws, regulations and procedures concerning discipline, violence, harassment or abuse.</p> <p><b>H/A.1.2:</b> Workers at the farm shall not be subject to any corporal punishment, sexual harassment, oppression, coercion, or any other kind of mental or physical abuse or intimidation, disregarding whether they are family members without a formal contract or hired staff.</p>		Risk of noncompliance in all farms
Findings/Noncompliance Explanation	<p>No cases of verbal or physical abuse were detected or reported. However, awareness about the applicable regulations and penalties was low.</p> <p>The risk of harassment and abuse is higher in groups where there are no parents, and young workers are working on their own at farms, such as farms 9, 11, and 12.</p> <p><u>Source:</u> Interviews and observations</p>	
Company Action Plan		
Activity	<p>Balsu provides the farmers in its supply chain with a Sustainable Hazelnut Farming Supplier Handbook, including the Disciplinary Procedure. It monitors and evaluates violations that will include disciplinary offences such as physical, psychological harassment, abuse, verbal, physical violence, threats, coming to work under the influence of alcohol, theft, repetition of continuous violations, low performance, etc. ;it monitors these violations both in its own organisation and in its supply chain with the Grievance Procedure and evaluates them within the scope of this procedure.</p>	

	<p>Workers do not prefer to work when they are pregnant or breastfeeding and do not come to the harvest area. If they do, they help with daily work in the accommodation areas.</p> <p>Balsu organised a Discrimination, Violence and Harassment Training within the scope of the Contribution to Social Transformation Project, which was attended by nearly 250 workers in cooperation with the Yanındayız Association under the B.E.S.T Program. During the training, workers were provided with detailed information on harassment and violence that they may encounter in the work environment and raised awareness on ways to handle such situations. In addition, the importance of workers learning their rights and creating a safe working environment was emphasised.</p> <p>In accordance with the Grievance Procedure, Balsu examines and records notices/ grievances and suggestions that may come from various circles, including corporate social responsibility issues, without requiring identification information. The Support and Grievance Line is regularly checked and grievances are recorded.</p> <p>Balsu provided Occupational Health and Safety Training to 1,992 workers during the 2024 harvest season, and emergency numbers and Balsu's Support and Grievance Line numbers were placed in workers' accommodation areas.</p> <p>The main reason why young workers come alone is that their families continue to work in the construction and reconstruction industries that increased after the earthquake in their provinces of origin. This situation necessitates families to take part in the construction sector in order to sustain their livelihoods and leads to young people working in agricultural areas without their parents.</p> <p>Balsu refers unaccompanied children to the Young Lives Foundation as part of the B.E.S.T Program.</p>
<b>Output indicators</b> (targeted results)	Raising awareness among farmers and workers about all national laws, regulations and procedures regarding discipline, violence, harassment or mistreatment.
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

## Child Labor

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	CL.1	Noncompliance	1,2,3,4,5,9,11,14
Minimum Age	CL.2	Noncompliance	2,3,4,5,11,14
Light Work	CL.3	Noncompliance	2,3,4,5,11,14
Right to Education	CL.4.1 (PR)	In compliance	
Young Workers	CL.5	Noncompliance	9,11,12
	CL.6.1	Noncompliance	All farms except farms 7, 15
	CL.6.2	Noncompliance	All farms except farms 7, 15
	CL.7	Noncompliance	1,2,6,9,12,13
Apprenticeships and Vocational Training	CL.8.1 (PR)	Not Applicable	
	CL.8.2 (PR)	Not Applicable	
Children on Premises	CL.9	In Compliance	
Removal and Rehabilitation of Child Laborers	CL.10.1	In Compliance	
	CL.10.2 (PR)	In progress	All farms

## Child Labor Assessment Summary

### Notable Good Practices

Within the scope of the 2024 B.E.S.T Program activities, child labor remediation activities were conducted. These included:

- Summer school and mobile workshop models were used to the access children at risk during the 2024 harvest;
- A total of 849 children were provided safe space during the 2024 harvest;
- 609 families were identified, 730 farmer interviews were conducted, and 793 children were followed up with to ensure their continuation in formal education after the harvest; ad
- Within the scope of the Balsu's Child Labor Remediation and Case Management Procedure, immediate intervention was made in 21 cases where child labor was detected. The monitoring and follow-up processes of the cases are ongoing.

General Compliance		
Benchmarks		Compliance Status
CI.1: Employers shall comply with all national laws, ratified international conventions, fundamental labor rights, regulations, and procedures concerning the prohibition of child labor.		Noncompliance in farms 1,2,3,4,5,9,11, and 14
Findings/Noncompliance Explanation	Monitors identified workers under the age of 15 at six farms (farms 2, 3, 4, 5, 11, and 14). These workers were employed together with adult workers, and they were reported collecting hazelnuts from the ground. They receive the same daily wage as adult workers. Additionally, six farmers consider 14 years old the minimum working age (farms 1, 4, 5, 9, 11, and 14). <u>Source:</u> Interviews and observations	
Company Action Plan		
Activity	Balsu has a seven-stage intervention plan in accordance with the Child Labor Procedure. Child labor cases detected as a result of Harvest Internal Observations are recorded by creating Case Tracking Forms. Garden, location information and relevant Case Tracking Forms are directed to the	

	<p>Young Lives Foundation. Balsu has directed workers in six gardens to the Young Lives Foundation within the scope of the B.E.S.T Program. Workers are monitored, followed up with, and evaluated according to the Case Management Guide prepared by Young Lives Foundation experts.</p> <p>Balsu has implemented effective and appropriate intervention methods against child labor by strengthening its sustainability committees and through all garden visits and internal harvest observations during the harvest period. The observation results were conveyed to the sustainability committees and their influence was used effectively. In addition, WhatsApp groups were created to aim for rapid action, and field communication was strengthened through these groups. In this way, a faster and more effective solution process was provided in the fight against child labor.</p> <p>Within the scope of the B.E.S.T Program, Balsu participated in the meetings of District Monitoring Boards in Düzce in cooperation with the Young Lives Foundation and shared the risk of child labour in seasonal agricultural work with public institutions. Monitoring Board Decisions were influenced by the relevant institutions to provide the necessary facilitation and support to Balsu and Young Lives Foundation, which carry out field work in cooperation with the Ministry of Labour and Social Security, General Directorate of Labour within the scope of preventing child labour in seasonal agriculture.</p> <p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labour, seasonal agricultural work contract, working hours, work breaks, and leaves were carefully examined. Guidance was provided to farmers, workers and agricultural labour contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p> <p>Balsu contributed to the guidance of nine children to formal education during the 2024 harvest season within the scope of the B.E.S.T Program carried out in cooperation with the Young Lives Foundation.</p>
<b>Output indicators</b> (targeted results)	<ul style="list-style-type: none"> <li>• Prevention of child labor.</li> <li>• Monitoring and following up on identified children throughout the year.</li> <li>• Ensuring public mobilization on child labor through participation in Provincial and District Monitoring Boards.</li> </ul>
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu Staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Minimum Age		
Benchmarks		Compliance Status
CL.2: Employers shall comply with ILO Convention 138 and shall not employ anyone under the age of 15 or under the age for completion of compulsory education, whichever is higher. Suppose a country has a specified minimum age of 14 due to an insufficiently developed economy and educational facilities. In that case, employers might follow national legislation but must work to raise the minimum age to 15 progressively.		Noncompliance in farms 2,3,4,5,11, and 14
Findings/Noncompliance Explanation	<p>In total, 227 local and migrant workers who visited the orchard. Interviews were conducted with 102 of these workers, and 16 child workers under the age of 15 were detected:</p> <ul style="list-style-type: none"><li>• Farm 2 (girls aged 12, 12, 14, and 14)</li><li>• Farm 3 (girl aged 14)</li><li>• Farm 4 (girl aged 14)</li><li>• Farm 5 (girls aged 13 and 14 and boys aged 13, 14, 14, and 14)</li><li>• Farm 11 (girls aged 12, 12, 13, and 14)</li><li>• Farm 14 (girl aged 14)</li></ul> <p>Monitors observed that most farmers are highly aware of the legal minimum working age. However, both farmers and workers attributed the cases of child labor to the poor economic conditions of seasonal migrant workers and the constantly increasing costs of living in the country.</p> <p><u>Source:</u> Interviews and observations</p>	
Company Action Plan		
Activity	<p>Balsu has a seven-stage intervention plan in accordance with the Child Labor Procedure. Child labor cases detected as a result of Harvest Internal Observations are recorded by creating Case Tracking Forms. Garden, location information and relevant Case Tracking Forms are directed to Young Lives Foundation. Balsu has directed workers in six gardens to Young Lives Foundation within the scope of the B.E.S.T Program. Workers are monitored, followed up and evaluated according to the Case Management Guide prepared by Young Lives Foundation experts.</p> <p>Balsu has implemented effective and appropriate intervention methods against child labor by strengthening the sustainability committees and through all garden visits and internal harvest observations during the harvest period. The observation results were conveyed to the sustainability committees and the committee's influence was used effectively. In addition, WhatsApp groups were created to aim for rapid action and field communication was strengthened through these groups. In this way, a faster and more effective solution process was provided in the fight against child labor.</p> <p>Within the scope of the B.E.S.T Program, Balsu participated in the meetings of District Monitoring Boards in Düzce in cooperation with the Young Lives Foundation and shared the risk of child labour in seasonal agricultural work with public institutions. Monitoring Board Decisions were influenced by the relevant institutions to provide the necessary facilitation and support to Balsu and Young Lives Foundation, which carry out field work in cooperation with the Ministry of Labour and Social Security. General</p>	

	<p>Directorate of Labour within the scope of preventing child labour in seasonal agriculture.</p> <p>Balsu provided trainings to a total of 2,062 farmers and 1,992 workers in the processes, including a post-harvest training in 2023 and a pre-harvest training in 2024. During these trainings, working conditions, payments, responsibilities of the garden owner and agricultural labor contractors were conveyed to farmers and workers in the supply chain with the Good Social Practices Module.</p>
<b>Output indicators</b> (targeted results)	<ul style="list-style-type: none"> <li>• Prevention of child labor</li> <li>• Monitoring and following up on identified children throughout the year</li> <li>• Ensuring public mobilization on child labor through participation in Provincial and District Monitoring Boards</li> </ul>
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Immediate Family Members	
Benchmarks	Compliance Status
<p><b>CL.3:</b> In accordance with national laws and ILO Convention 138, children of producers not younger than 12 years may be involved in light work on their parents' farm provided that:</p> <p>The work is not dangerous and not harmful to their health or development, and specifically</p> <ul style="list-style-type: none"> <li>• Should not involve the use of or exposure to chemicals;</li> <li>• Should not involve carrying heavy loads (children should not lift loads more than 15% of their body weight at any time);</li> <li>• Should not involve the use of farm equipment, dangerous tools, plows, tractors, machetes, sharp tools, saws, or power engines;</li> <li>• Should not involve working on heights (not more than 6 feet) such as in trees or on ladders, or in confined places such as silos or storage areas, and</li> <li>• Should not involve strenuous work and extreme conditions such as standing or bending for several hours, working in high temperatures, and not having breaks.</li> </ul> <p>The work does not prejudice their attendance at school and is done within reasonable time limits after school or during holidays. Specifically:</p> <ul style="list-style-type: none"> <li>• Working hours should not exceed 14 hours per week,</li> <li>• No work should take place before 6:00 am and after 8:00 pm, and</li> <li>• There should be at least one full day (24 hours) of rest per week.</li> </ul> <p>The work is appropriate to the child's age and physical condition and does not jeopardize the child's social, moral, or physical development.</p> <p>The child's parents provide supervision and guidance and maintain all documents as required by the law.</p> <p>Other criteria specific to in-scope commodities or as defined by the national government in the country that are not lower than the ILO standard on light work.</p>	<p><b>Noncompliance in farms</b> 2,3,4,5,11,14</p>

<b>Findings/Noncompliance Explanation</b>	<p>Monitors observed that farmers, working parents, and working children had little understanding of the concept of light work. During the interviews, farmers and workers stated that the identified children were engaged in collecting hazelnuts. Monitors noticed that collecting hazelnuts from the ground and the branches were the main work activities in hazelnut harvesting and these were considered light work by the farmers. It was also observed that identified children were working in the same conditions as adult workers.</p> <p><u>Source:</u> Interviews and observations</p>
<b>Company Action Plan</b>	
<b>Activity</b>	<p>Balsu provided trainings to a total of 2,062 farmers and 1,992 workers in the processes including post-harvest training in 2023 and pre-harvest training in 2024. During these trainings, working conditions, payments, and responsibilities of the garden owner and agricultural labor contractors were conveyed to farmers and workers in the supply chain with the Good Social Practices Module.</p> <p>The main reason why young workers come alone is that their families continue to work in the construction and reconstruction activities that intensified after the earthquake in their provinces of origin. This situation forces families to take part in the construction sector to sustain their livelihoods and leads to young workers having to work in agricultural areas without their parents.</p> <p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labour, seasonal agricultural work contract, working hours, work breaks and leaves were carefully examined. Guidance was provided to farmers, workers and agricultural labour contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p> <p>Balsu refers unaccompanied children to the Young Lives Foundation under the B.E.S.T Program.</p> <p>Balsu has a Child Labor Procedure. The procedures and principles in this procedure are implemented within the framework of the procedures and principles specified in the "Regulation on the Procedures and Principles Regarding the Employment of Child and Young Workers."</p> <p>Balsu directs children who are at risk of working or identified as child laborers within the scope of the B.E.S.T Program to the Young Lives Foundation and initiates case follow-up.</p> <p>The participation of identified children in formal education continues to be monitored throughout the year, and they are monitored and guided according to the Case Management Guide prepared by the Young Lives Foundation.</p>

<b>Output indicators</b> (targeted results)	<ul style="list-style-type: none"> <li>• Prevention of child labor</li> <li>• Monitoring and following up on identified children throughout the year</li> <li>• Awareness of the farmer and worker about working conditions and laws about.</li> </ul>
<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input (budget/resources)</b>	Balsu Staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Young Workers	
Benchmarks	Compliance Status
	<b>Noncompliance</b>
<b>CL.5:</b> 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.	<b>In farms 9,11, and 12</b>
<b>CL.6.1:</b> 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. <b>CL.6.2:</b> Employers shall maintain a list of all young workers, their entry dates, proof of age, and a description of their assignment.	<b>in all farms except farm 7, and 15</b>
<b>CL.7:</b> No person under the age of 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. An adult must supervise every activity performed by a young worker.	<b>In farms 1,2,6,9,12, and 13</b>
<b>Findings/Noncompliance Explanation</b>	<p>The monitors verified that neither farmers nor labor intermediaries know the concept of young workers and the legal requirements.</p> <p>Monitors identified 40 young workers working under the same terms and conditions as adult workers. These performed the same work activities, such as collecting hazelnuts from the ground, picking from branches, bending and shaking trees, and working on steep slopes. Farmers and labor intermediaries do not keep records of young workers regarding their employment.</p> <p>The monitors reported that young workers were working without their parents at three farms (farms 9, 11, and 12).</p> <p>Young workers at 2 farms (farms 6 and 13) reported that they took sprouts before working at harvest. One of the young workers (farm 13) showed the monitors that he had been injured in his hand while cutting a sprout. This job was considered dangerous because it involved cutting the newly emerged sprouts at the roots of the hazelnut tree using cutting tools. Additionally, young workers shaking branches, which is considered</p>

	<p>hazardous work, were noticed at three farms (farms 1, 2, and 12), and a young worker carrying heavy sacks was noticed at one farm (farm 9).</p> <p><u>Source:</u> Interviews and observations</p>
<b>Company Action Plan</b>	
<b>Activity</b>	<p>Balsu provided trainings to a total of 2,062 farmers and 1,992 workers in the processes including post-harvest training in 2023 and pre-harvest training in 2024. During these trainings, working conditions, payments, responsibilities of the garden owner and agricultural labor contractors were conveyed to farmers and workers in the supply chain with the Good Social Practices Module.</p> <p>The main reason why young workers come alone is that their families continue to work in the construction and reconstruction activities that intensified after the earthquake in their provinces of origin. This situation forces families to take part in the construction sector to sustain their livelihoods and leads to young workers having to work in agricultural areas without their parents.</p> <p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labour, seasonal agricultural work contract, working hours, work breaks and leaves were carefully examined. Guidance was provided to farmers, workers and agricultural labour contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p> <p>Balsu has a seven-stage intervention plan in accordance with the Child Labor Procedure. Child labor cases detected as a result of Harvest Internal Observations are recorded by creating Case Tracking Forms. Garden, location information and relevant Case Tracking Forms are directed to the Young Lives Foundation. Balsu has directed workers in six gardens to the Young Lives Foundation within the scope of the B.E.S.T Program. Workers are monitored, followed up and evaluated according to the Case Management Guide prepared by Young Lives Foundation experts.</p> <p>Balsu has a Child Labor Procedure. The procedures and principles in this procedure are implemented within the framework of the procedures and principles specified in the "Regulation on the Procedures and Principles Regarding the Employment of Child and Young Workers."</p>
<b>Output indicators (targeted results)</b>	<ul style="list-style-type: none"> <li>• Ensuring that farmers, agricultural intermediaries and workers know the concept of hazardous work</li> <li>• Prevention of child labor</li> <li>• Monitoring and following up on identified children throughout the year</li> </ul>
<b>Timeline and Deadline Date</b>	January 2025 – September 2025

<b>Input (budget/resources)</b>	Balsu Staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff (title/department)</b>	Sustainability group manager, associate social sustainability manager, and social worker

## Health, Safety and Environment

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	HSE.1.	Risk of Noncompliance	All farms
Document Maintenance, Permits, and Certificates	HSE.2 (PR)	In progress	
	HSE.3.1	Risk of Noncompliance	All farms
	HSE.4 (PR)	In progress	
Evacuation Requirements and Procedure	HSE.5.1 (PR)	Not initiated	
	HSE.5.2	Risk of Noncompliance	All farms
Safety Equipment and First Aid	HSE.6.1 (PR)	In compliance	
	HSE.6.2 (PR)	In progress	
	HSE.16.3 (PR)	In compliance	
Personal Protective Equipment	HSE.7 (PR)	In compliance	
	HSE.8	In Compliance	
Chemical Management	HSE.9.1	In Compliance	
	HSE.9.2	In Compliance	
	HSE.9.2.1	In Compliance	
	HSE.10	Not Applicable	
	HSE.11.1	In Compliance	
	HSE.11.2	In Compliance	
Protection Reproductive Health	HSE.12.1	In Compliance	
	HSE.12.2 (PR)	In compliance	
Infrastructure	HSE.13 (PR)	Not Applicable	
	HSE.17.1	Noncompliance	9.13
	HSE.17.2 (PR)	Not initiated	
	HSE.19 (PR)	In progress	9.13
	HSE.21 (PR)	In progress	All farms
	HSE.22 (PR)	Not initiated	1,4,5,9,11,14
Machinery Safety	HSE.14.1	Noncompliance	6.13
	HSE.14.2	Noncompliance	6.13
	HSE.14.3	Risk of Noncompliance	6.13
	HSE.14.4	Risk of Noncompliance	6.13
Ergonomics and Medical Facilities	HSE.15.2 (PR)	In progress	
	HSE.16.2	Risk of Noncompliance	All farms

General Compliance		
Benchmarks		Compliance Status
HSE.1: Employers shall comply with all national laws, regulations, and procedures concerning health, safety, and the environment.		Risk of Noncompliance in all farms
Findings/Noncompliance Explanation	Interviewed parties were found to have basic knowledge about HSE issues. However, farmers do not verify whether there is a pregnant worker, ill worker, or any person with disabilities among the workers. The farmers have no knowledge or limited knowledge about the local regulations related to HSE issues, what conditions workers (especially the disadvantaged workers) could work in, and there is no procedure related to HSE issues at the farm level.  Source: Interviews and observations	
Company Action Plan		
Activity	Balsu publishes an information board every month as part of the B.E.S.T Program. This board includes a special page dedicated to occupational health and safety issues and provides detailed information on all data related to occupational accidents. The board is updated in 62 different regions and shared with farmers in more than 150 WhatsApp groups. The number of these groups increases with the trainings and new farmers are included in the program. In addition, visual shares and regular content updates ensure that these dashboards and up-to-date information are actively followed by farmers.  Within the scope of the B.E.S.T Program, disaster and first aid training was organised for 52 seasonal migrant agricultural workers in Düzce/Gölyaka/Zekeriya in collaboration with the Young Lives Foundation and the same trainings will continue to be organised in 2025.	
Output indicators (targeted results)	<ul style="list-style-type: none"><li>Increasing farmers' knowledge on occupational health and safety</li><li>Increasing the knowledge of workers on occupational health and safety</li></ul>	
Timeline and Deadline Date	January 2025 – September 2025	
Input (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security	
Responsible staff (title/department)	Sustainability group manager, associate social sustainability manager, and social worker	

Document Maintenance, Permits, and Certificates		
Benchmarks		Compliance Status
<b>HSE.3.1:</b> Employers shall notify the relevant national and/or local authorities of all illnesses, accidents, and environmental emergencies as required by applicable laws		<b>Risk of Noncompliance in all farms</b>

<b>Findings/Noncompliance Explanation</b>	<p>The monitors collected data through interviews with workers and farmers and could report that the farmers take the workers to hospitals when needed.</p> <p>However, farmers do not maintain records of these cases and do not report them to any authorities other than those recorded at the hospital.</p> <p><u>Source:</u> Interviews and observations</p>
<b>Company Action Plan</b>	
<b>Activity</b>	Balsu provides its Sustainable Hazelnut Farming Supplier Handbook, including the Disciplinary Procedure, to the farmers in the supply chain. In the Handbook, there is a table of “Problems Experienced by Seasonal Migrant Agricultural Workers, Suggestions for Solution of Problems and Responsible Institution or Person to be Contacted in Case of Problems.” Corrective actions and responsible persons are indicated through sample scenarios.
<b>Output indicators (targeted results)</b>	Recording all activities carried out for seasonal migrant agricultural workers
<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff (title/department)</b>	Sustainability group manager, associate social sustainability manager, and social worker

Evacuation Requirements and Procedure		
Benchmarks		Compliance Status
HSE.5.2: Where appropriate, workers shall be trained in evacuation procedures at least once per year.		Risk of noncompliance in all farms
Findings/Noncompliance Explanation	Some farmers' land is scattered across the region, and they stated that it is not possible to have fire-fighting equipment on all of the farms. Major reported risks in the area are floods, landslides, and earthquakes. The farmers apply simple measures, such as stopping work when the rain starts and returning to their accommodations when the rain stops. None of the farms have emergency or evacuation procedures.  <u>Source:</u> Interviews and observations	
Company Action Plan		
Activity	Within the scope of B.E.S.T Program, disaster and first aid training was organised for 52 seasonal migrant agricultural workers in Düzce/Gölyaka/Zekeriya in collaboration with the Young Lives Foundation and the same trainings will continue to be organised in 2025.  Balsu publishes an information board every month as part of the B.E.S.T Program. This board includes a special page dedicated to occupational health and safety issues and provides detailed information on all data related to occupational accidents. The board is updated in 62 different	

	<p>regions and shared with farmers in more than 150 WhatsApp groups. The number of these groups increases with the trainings and new farmers are included in the program. In addition, visual shares and regular content updates ensure that these dashboards and up-to-date information are actively followed by farmers.</p> <p>Balsu provided personal protective equipment support to 115 worker groups in 2024. Each worker group was provided with a total of 3 first aid kits, one in the garden, one in the accommodation areas, and one in their vehicles.</p>
<b>Output indicators</b> (targeted results)	Raising awareness of seasonal migrant agricultural workers and farmers against natural disasters
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Machinery Safety		
Benchmarks		Compliance Status
<p><b>HSE.14.1:</b> All production machinery, equipment, and tools shall be properly guarded and regularly maintained.</p> <p><b>HSE.14.2:</b> Where appropriate, workers shall receive training in the proper use and safe operation of machinery, tractors, equipment, and tools they use.</p>		Noncompliance in farms 6, 13
<p><b>HSE.14.3:</b> Employers shall ensure safety instructions are either displayed or posted near all machinery or are readily accessible to the workers in language(s) spoken by workers. Where workers are illiterate, the instructions should be depicted by pictograms.</p> <p><b>HSE.14.4:</b> Workers shall not suffer any negative consequences for refusing to work with machinery, equipment, or tools that are not properly guarded or reasonably considered unsafe.</p>		
Findings/Noncompliance Explanation	<p>Young workers at two farms (farms 6 and 13) reported that they took sprouts before working at harvest. One of the young workers (farm 13) showed his injured hand while cutting sprouts. This job was considered dangerous because it involved cutting the newly emerged sprouts at the roots of the hazelnut tree using a cutting tool.</p> <p><u>Source:</u> Interviews and observations</p>	
Company Action Plan		
Activity	<p>Balsu has a seven-stage intervention plan in accordance with the Child Labor Procedure. Child labor cases detected as a result of Harvest Internal Observations are recorded by creating Case Tracking Forms. Garden, location information, and relevant Case Tracking Forms are directed to the Young Lives Foundation. Balsu has directed workers in six gardens to the Young Lives Foundation within the scope of the B.E.S.T Program. Workers</p>	

	<p>are monitored, followed up and evaluated according to the Case Management Guide prepared by Young Lives Foundation experts.</p> <p>Balsu publishes an information board every month as part of the B.E.S.T Program. This board includes a special page dedicated to occupational health and safety issues and provides detailed information on all data related to occupational accidents. The board is updated in 62 different regions and shared with farmers in more than 150 WhatsApp groups. The number of these groups increases with the trainings and new farmers are included in the program. In addition, visual shares and regular content updates ensure that these dashboards and up-to-date information are actively followed by farmers.</p> <p>These panels provide detailed information on what to consider when using the machines.</p> <p>Balsu provided personal protective equipment support to 115 worker groups in 2024. Each worker group was provided with a total of three first aid kits: one in the garden, one in the accommodation areas, and one in their vehicles.</p>
<b>Output indicators</b> (targeted results)	<ul style="list-style-type: none"> <li>Increasing farmers' knowledge on occupational health and safety.</li> <li>Increasing the knowledge of workers on occupational health and safety.</li> </ul>
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Infrastructure		
Benchmarks		Compliance Status
<b>HSE.17.1:</b> Safe and clean potable water for drinking shall be freely available at all times, within a reasonable distance of the workplace. For farm settings in water-stressed regions where access to potable water is not always guaranteed, employers shall work with local authorities and other partners to provide clean water in sufficient volume and quality to guarantee the well-being of hired and family workers.		<b>Noncompliance in farms 9, 13</b>
<b>Findings/Noncompliance Explanation</b>	Workers at two farms (farms 9 and 13) reported that the drinking water was not of pure color and healthy. Some workers reported experiencing stomach problems since they had to drink it.  <u>Source:</u> Interviews and observations	
<b>Company Action Plan</b>		
<b>Activity</b>	Meetings will be organized with the local government, water administration and relevant institutions to evaluate the drinking water problem in the	

	village in detail and to determine solutions. The public will be mobilized to analyze the situation of drinking water resources in detail. Balsu will participate in district monitoring committees and share our observations from summer work. The findings we observe in the field, such as water problems, will be shared with the relevant public units at this meeting.
<b>Output indicators</b> (targeted results)	Communicating with the public regarding drinking water problems
<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Ergonomics and Medical Facilities		
Benchmarks		Compliance Status
HSE.16.2: Medical facilities shall be established and maintained as required by applicable laws. If there is no local law, the employer shall ensure that the workers can utilize local service providers in case of medical emergencies and have the local medical officer's contact address available to them. In the case of a medical emergency, e.g., injury or sudden illness, growers will not unreasonably delay allowing a worker to have access to medical treatment.		Risk of Noncompliance in all farms
Findings/Noncompliance Explanation	No responsible person has been identified for any possible health case or accident. There is no professional emergency plan to access the medical facilities; the farmers report that they will take the worker to the hospital themselves or call an ambulance.  <u>Source:</u> Interviews and observation	
Company Action Plan		
Activity	Balsu provided Occupational Health and Safety training to 1992 workers during the 2024 harvest season, and emergency numbers and Balsu's Support and Grievance Line numbers were placed in workers' accommodation areas.  Labor contractors and farmers are responsible contacts for emergencies. They provide support for workers to be taken to hospital in case of illness.  Balsu provided personal protective equipment support to 115 worker groups in 2024. Each worker group was provided with a total of 3 first aid kits, one in the garden, one in the accommodation areas, and one in their vehicles.  Within the scope of the B.E.S.T Program, disaster and first aid training was organised for 52 seasonal migrant agricultural workers in Düzce/Gölyaka/Zekeriya in collaboration with the Young Lives Foundation and the same trainings will continue to be organised in 2025.	

<b>Output indicators</b> (targeted results)	Facilitating the organization and access of workers and farmers to health facilities.
<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

## Hours of Work

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	HOW.1.1	Noncompliance	All farms
	HOW.1.2	Noncompliance	1,2,3,4,5,6,9,12,13,14
	HOW.1.3	Noncompliance	1,2,3,4,5,6,9,13,14
	HOW.1.4	In Compliance	
Rest Day	HOW.2	Noncompliance	11,13,14
Meal and Rest Breaks	HOW.3	In Compliance	All farms
Protected Workers	HOW.4.1	Noncompliance	All farms except 7 and 15
	HOW.4.2 (PR)	In progress	
	HOW.4.3	Noncompliance	All farms except 7 and 15
Overtime	HOW.5.1	Noncompliance	1,2,3,4,5,6,9,13,14
	HOW.5.2 (PR)	Not initiated	
	HOW.6.1	Noncompliance	All farms
	HOW.6.2	Noncompliance	All farms
	HOW.6.3 (PR)	Not initiated	
	HOW.7	Noncompliance	All farms
Public Holidays and Leave	HOW.8.1	Not Applicable	
	HOW.8.2	Not Applicable	
	HOW.8.3	Not Applicable	
	HOW.9	Not Applicable	
	HOW.10.1	Not Applicable	
	HOW.11 (PR)	Not Applicable	
	HOW.12.1 (PR)	Not Applicable	
	HOW.12.2 (PR)	Not Applicable	
	HOW.13	Not Applicable	
	HOW.14	Not Applicable	
	HOW.15 (PR)	Not Applicable	
	HOW.16 (PR)	Not Applicable	

General Compliance	
Benchmarks	Compliance Status
	Noncompliance
<b>HOW.1.1:</b> Employers shall comply with all national laws, regulations and procedures concerning hours of work, public holidays and leave.	In all farms
<b>HOW.1.2:</b> In countries where local law does not set out hours of work specific to the agriculture sector, the participating Company shall consult with locCompanyeholders 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-day period; and (4) shall be fully compensated according to legal requirements or worker agreements, whichever is more favorable to workers.	In farms 1,2,3,4,5,6,9,12,13, and 14
<b>How.1.3:</b> 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.	In farms 1,2,3,4,5,6,9,13, and 14
<b>Findings/Noncompliance Explanation</b>	<p>Neither farmers nor employees are aware of the national laws, regulations, and procedures concerning hours of work, public holidays, and leave on assessed orchards.</p> <p>All farmers, in general, had basic knowledge about legal requirements for disadvantaged groups. However, monitors detected that young workers were working the same hours as adult workers at all farms.</p> <p>Working hours were noticed to be longer than the legal requirements on all farms except for five farms (farms 7, 8, 10, 11, and 15). The worker groups had two hours breaks. The working hours were as follows after deducting breaks:</p> <ul style="list-style-type: none"> <li>• 8:00-18:00 on farms 7, 8, 10, 11, and 15 (8 hours)</li> <li>• 7:30-18:00 on farm 12 (8,5 hours)</li> <li>• 7:00-18:00 on farms 1, 2, 3, 6, 8, and 14 (9 hours)</li> <li>• 7:00-18:30 on farms 4 and 5 (9,5 hours)</li> <li>• 7:00-19:00 on farms 9 and 13 (10 hours)</li> </ul> <p><u>Source:</u> Interviews, documentation, and observations</p>
Company Action Plan	
<b>Activity</b>	<p>Balsu, according to the survey results conducted in worker trainings since 2017, observed that the average working hours between 2017 and 2023 were 10,42 hours. However, in 2024, the average working hours decreased to 9,15 hours.</p> <p>Within the scope of the B.E.S.T Program, Balsu participated in District Monitoring Board meetings in Düzce in cooperation with the Young Lives Foundation and shared the social and economic risks in seasonal agricultural work with public institutions.</p>

	<p>Balsu also shared the risk of child labor in seasonal agricultural work with public institutions.</p> <p>The Monitoring Board decisions were influenced in terms of providing the necessary convenience and cooperation for the work carried out by the General Directorate of Labor of the Ministry of Labor and Social Security and carrying out field work in cooperation with Balsu and Young Lives Foundation within the scope of preventing child labor in seasonal agriculture by the relevant institutions.</p> <p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labour, seasonal agricultural work contract, working hours, work breaks, and leaves were carefully examined. Guidance was provided to farmers, workers and agricultural labour contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p> <p>Balsu provided trainings to a total of 2,062 farmers and 1,992 workers in the processes, including a post-harvest training in 2023 and a pre-harvest training in 2024. During these trainings, working conditions, payments, and responsibilities of the garden owner and agricultural labor contractors were conveyed to farmers and workers in the supply chain with the Good Social Practices Module.</p> <p>Balsu trained 1,992 workers in 2024, of which 1,135 were women workers and 540 were young workers.</p>
<b>Output indicators</b> (targeted results)	<ul style="list-style-type: none"> <li>Reducing the working hours of seasonal migrant agricultural workers</li> <li>Raising awareness among farmers, workers and agricultural intermediaries about the working hours of young workers</li> </ul>
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Protected Workers (pregnant or nursing women, young workers)	
Benchmarks	Compliance Status
<b>HOW.4.1:</b> 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.	<b>Noncompliance in all farms except farm 7, 15</b>

<b>HOW.4.3:</b> If not provided by law, employers must protect 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.	
<b>Findings/Noncompliance Explanation</b>	Assessors detected that young workers work the same working hours, more than eight hours a day, same as all other adult workers. No regulation has been implemented for protected and disadvantaged workers.  <u>Source:</u> Documentation, Interviews, and observations
<b>Company Action Plan</b>	
<b>Activity</b>	<p>Balsu trained 109 agricultural labour contractor and 1,992 seasonal agricultural workers, including 1,135 women, during the 2024 harvest period and 2,062 farmers throughout the year. In these trainings, working conditions of pregnant and breastfeeding workers were explained. In this context, at least 115 agricultural labour contractors, 1,500 workers and 2000 farmers will be trained in 2025.</p> <p>Even if farmers cannot clearly state that a pregnant or breastfeeding worker can work for a maximum of 7.5 hours, they show that they have received this training by stating that they will work in lighter jobs.</p> <p>Workers do not prefer to work when they are pregnant or breastfeeding and do not come to the harvest area. If they do, they help with daily work in the accommodation areas.</p> <p>Balsu, according to the survey results conducted in worker trainings since 2017, observed that the average working hours between 2017 and 2023 were 10,42 hours. However, in 2024, the average working hours decreased to 9,15 hours.</p> <p>Balsu conducted 233 internal harvest observations in cooperation with the Young Lives Foundation within the scope of the B.E.S.T Program. With 233 observations, critical issues such as working conditions in the supply chain, child labour, seasonal agricultural work contract, working hours, work breaks and leaves were carefully examined. Guidance was provided to farmers, workers and agricultural labour contractors for necessary improvements in line with the identified situations. Internal harvest observations were digitised and used effectively in the field. Immediate intervention was carried out with internal harvest observations and action was taken in cooperation with the Young Lives Foundation. Balsu aims to carry out at least 240 internal harvest observations in 2025.</p>
<b>Output indicators (targeted results)</b>	Farmers have control over working hours for protected worker groups
<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff (title/department)</b>	Sustainability group manager, associate social sustainability manager, and social worker

## Overtime

Benchmarks		Compliance Status
		Noncompliance
<b>HOW.5.1:</b> Where national laws, regulations, and procedures allow it, employers may calculate regular hours of work as an average over a period of 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 overtime calculation, regular hours of work may not exceed 48 hours per week, irrespective of whether national law provides or not a limitation.		Noncompliance in farms 1,2,3,4,5,6,9,13, and 14
<b>HOW.6.1:</b> Employers shall not require workers to work more than the overtime hours allowed by the law of the country where the workers are employed. <b>HOW.6.2:</b> All overtime work shall be voluntary. <b>HOW.7:</b> 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 them.		On all farms
Findings/Noncompliance Explanation	Worker groups at nine farms (farms 1, 2, 3, 4, 5, 6, 9, 13, and 14) were working more than 60 hours weekly. These workers are not paid for any overtime hours above the legal regular working hours. The farmers and workers verbally agree on total days of work against the agreed daily wage without calculation of premium for any overtime hours. The workers have to accept this deal in order to be able to work on the farm.  There is no awareness of working hours and overtime hours among farmers and workers.  The interviewed workers stated that the working hours are long.  <u>Source:</u> Documentation, Interviews, and observations	
Company Action Plan		
Activity	Within the scope of the B.E.S.T Program, Balsu participated in District Monitoring Board meetings in Düzce in cooperation with the Young Lives Foundation and shared the social and economic risks in seasonal agricultural work with public institutions.  Balsu also shared the risk of child labor in seasonal agricultural work with public institutions.  The Monitoring Board decisions were influenced in terms of providing the necessary convenience and cooperation for the work carried out by the General Directorate of Labor of the Ministry of Labor and Social Security and carrying out field work in cooperation with Balsu and Young Lives Foundation within the scope of preventing child labor in seasonal agriculture by the relevant institutions.  Balsu provides its Sustainable Hazelnut Farming Supplier Handbook'to the farmers in its supply chain. In this handbook, there is a "Worker Registration List" where seasonal workers can record information such as age, number of days worked, and wages.	

	<p>In all gardens, the entry and exit times of the garden are monitored by both farmers, workers and agricultural intermediaries, and for each day of delay, the delayed time is added to the end of work hours for that day.</p> <p>Balsu, according to the survey results conducted in worker trainings since 2017, observed that the average working hours between 2017 and 2023 were 10,42 hours. However, in 2024, the average working hours decreased to 9,15 hours.</p> <p>Balsu will continue to provide information about working hours, wages and payments, public holidays, and the right to leave the garden during the 2025 harvest.</p>
<b>Output indicators</b> (targeted results)	Improving working conditions and ensuring the implementation of legal working hours
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

## Compensation

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	C.1.1	Risk of Noncompliance	All farms
	C.1.2	Risk of Noncompliance	3,4,5,6,8,9,13
	C.1.3	Noncompliance	5,14
	C.1.4	In progress	
Minimum Wage/Fair Compensation	C.2.1	Noncompliance	5,14
	C.2.2	Noncompliance	5,14
	C.2.3	In Compliance	
	C.2.4 (PR)	In progress	
	C.2.5 (PR)	In progress	
	C.2.6 (PR)	Not initiated	
	C.3	Not Applicable	
Farmer/Producer Income	C.4 (PR)	Not initiated	
	C.6	In Compliance	

Wage Payment and Calculation	C.7.1	In Compliance	
	C.7.2	In Compliance	
	C.7.3 (PR)	Not initiated	
	C.7.4 (PR)	Not initiated	
	C.7.5	Noncompliance	All farms
	C.8.1	Noncompliance	All farms
	C.8.2	Noncompliance	All farms
	C.8.3	Noncompliance	All farms
	C.8.4 (PR)	Not initiated	
	C.9 (PR)	Not Applicable	
	C.10.1	Not Applicable	
	C.10.1.1	Not Applicable	
	C.10.2	Not Applicable	
	C.10.3	Not Applicable	
Workers Awareness	C.11.1.1	In Compliance	
	C.11.1.2	Not Applicable	
	C.11.1.3	In Compliance	
	C.11.1.4	Not Applicable	
	C.11.1.5	Risk of Noncompliance	All farms
	C.13 (PR)	In progress	
Fringe Benefits	C.12.1	In Compliance	
	C.12.2 (PR)	Not initiated	
	C.12.3	In Compliance	
	C.12.4	In Compliance	
	C.12.5	In Compliance	

## Compensation Assessment Summary

General Compliance		
Benchmarks		Compliance Status
<b>C.1.1:</b> Employers shall comply with all national laws, Collective Bargaining Agreements in force, regulations, and procedures concerning the payment of compensation to workers.		Risk of noncompliance in all farms
<b>C.1.2:</b> 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		Risk of noncompliance in farms 3,4,5,6,8,9, and 13
<b>C.1.3:</b> In countries where local law does not specify compensation specific to the agriculture sector, the participating Company shall consult with locCompanyeholders representing the employers (farmers), workers, local government and commissions, and civil society to define the appropriate wage level. As a general principle, employers shall follow the minimum wage standards set for other sectors in the same region.		Noncompliance in farms 5 and 14
<b>Findings/Noncompliance Explanation</b>	<p>The monitors found the farmers were aware of the minimum legal wage during the 2024 harvest.</p> <p>The practice of deductions in the wages of the seasonal migrant workers persisted in 2024 too. These workers are recruited through a labor contractor who deducts about 10% of their wages in exchange of his</p>	

	<p>service (farms 3, 4, 5, 6, 8, 9, and 13). This deduction is a prerequisite for finding a job and working that farm since the labor contractor reaches an agreement with the farmer a couple of months before the harvest. At two farms (farms 5 and 14), the farmer and the workers had no information about wages.</p> <p><u>Source:</u> Documentation, Interviews, and observations</p>
<b>Company Action Plan</b>	
<b>Activity</b>	<p>The minimum wage increases in the last two years and the expectation that this situation will continue have increased the problem of wage uncertainty.</p> <p>Balsu transfers the daily wage amount to both farmers and workers through training modules after the minimum wage announced every year. The commission decisions are followed by Balsu with participation in the provincial/district monitoring boards.</p> <p>During the 2024 harvest period, Balsu received the certification request of 33 agricultural labour contractors within the scope of the B.E.S.T Program and started certification activities. Contractors with agricultural labour contractor certificates are not allowed to take commission from the workers.</p> <p>Balsu provided training to 109 agricultural labour contractors within the scope of the B.E.S.T Program during the harvest period; the duties and responsibilities of the labour contractors were explained in detail during these trainings. In 2025, Balsu aims to train 115 agricultural labour contractors and to include 30 agricultural labour contractors in the certification process.</p> <p>Balsu will share the information note titled, "Obligations of Agricultural Labor Contractors" in the Operations Manual prepared by ISKUR during the trainings to be given to agricultural labor contractors within the scope of the B.E.S.T Program in 2025.</p>
<b>Output indicators</b> (targeted results)	<ul style="list-style-type: none"> <li>• Employees receive at least minimum wage</li> <li>• Farmers, workers and agricultural intermediaries are informed about the cuts</li> <li>• Agricultural intermediaries are informed not to make deductions</li> </ul>
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Minimum Wage/Fair Compensation	
<b>Benchmarks</b>	<b>Compliance Status</b>

<p><b>C.2.1:</b> 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 minimal wage, the prevailing industry sector wage, or the wage pursuant to Collective Bargaining Agreements that are in force, whichever is higher. The employer should also inform workers about the legal minimum wage applicable to them.</p> <p><b>C.2.2:</b> Employers shall provide all legally required benefits to all workers.</p>		Noncompliance in farms 5 and 14
Findings/Noncompliance Explanation	<p>Monitors verified that at 15 visited farms, just one farmer (farm 7) was working only with local worker groups, one other farmer (farm 8) was working with both local and seasonal migrant workers, and one farmer (farm 15) was harvesting with family labor. The remaining 12 farmers had worked with only seasonal agricultural migrant workers. Local worker groups do not have a labor contractor. It is an uncommon practice for them, whereas seven seasonal migrant worker groups were recruited through a labor contractor. It was determined that at seven out of the 13 farms working with seasonal migrant worker groups, the labor contractors deducted their commissions from the daily earnings of the workers (farms 3, 4, 5, 6, 8, 9, and 13).</p> <p>Farmers who had hired seasonal agricultural migrant workers were paying 800-1,000 TL/day to the agricultural labor contractor. The brokerage commission of the labor contractor was generally known as 10%. After the labor contractor commission is deducted, workers receive a daily wage of 800-900 TL after deduction of labor commissions. The lowest wage was 760 TL. This was found to be above the announced gross daily minimum wage of 666.75 TL and below the 800 TL/day wage announced by the local commission.</p> <p>At two farms (farms 5 and 14), workers and the farmer were not sure about the wages to be paid yet.</p> <p><u>Source:</u> Documentation, Interviews, and observations</p>	
Company Action Plan		
Activity	<p>The minimum wage increases in the last two years and the expectation that this situation will continue, have increased the problem of wage uncertainty.</p> <p>Balsu transfers the daily wage amount to both farmers and workers through training modules after the minimum wage announced every year. The commission decisions are followed by Balsu with participation in the provincial/district monitoring boards.</p> <p>During the 2024 harvest period, Balsu received the certification request of 33 agricultural labour contractors within the scope of the B.E.S.T Program and started certification activities. Contractors with agricultural labour contractor certificates are not allowed to take commission from the workers.</p> <p>Balsu provided training to 109 agricultural labour contractors within the scope of the B.E.S.T Program during the harvest period, the duties and responsibilities of the labour contractors were explained in detail during these trainings. In 2025, it is aimed is to train 115 agricultural labour</p>	

	contractors and to include 30 agricultural labour contractors in the certification process.
<b>Output indicators</b> (targeted results)	<ul style="list-style-type: none"> <li>• Employees receive at least minimum wage</li> <li>• Farmers, workers and agricultural intermediaries are informed about the cuts Agricultural intermediaries are informed not to make deductions</li> </ul>
<b>Timeline and Deadline Date</b>	January 2025 – September 2025
<b>Input (budget/resources)</b>	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

Wage Payment and Calculation	
Benchmarks	Compliance Status
<p><b>C.7.2:</b> FLA affiliates shall ensure that farmers/producers receive payments and certification premiums through a traceable and reliable payment system.</p> <p><b>C.8.1:</b> Employers shall compensate workers for all hours worked.</p> <p><b>C.8.2:</b> 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 unappealing.</p> <p><b>C.8.3:</b> Workers shall be informed in writing or orally, where necessary, in language(s) spoken by workers, about overtime wage rates prior to undertaking overtime.</p>	<b>Noncompliance in all farms</b>
<b>Findings/Noncompliance Explanation</b>	<p>There are no active unions in agricultural labor or other kinds of memberships of organizations. Therefore, no related deductions are applicable.</p> <p>The workers were not informed about the overtime and overtime rates prior to agreeing to the overtime work, and they were also not paid for the overtime.</p> <p>The farmer agrees to one wage for total daily working hours with labor contractors or workers directly without any agreement for overtime payments.</p> <p>Farmers working with seasonal agricultural workers make the payment either to the agricultural labor intermediary or to the supervisor. It was determined that the payments to be transferred to the workers were not followed.</p> <p><u>Source:</u> Documentation, Interviews, and observations</p>
Company Action Plan	
<b>Activity</b>	For the 2025 harvest season, the implementation of seasonal agricultural work contracts among farmers, workers, and agricultural labor contractors will be increased. The goal is to facilitate the signing of 80 new seasonal agricultural work contracts in 2025, in addition to the 60 written contracts signed in 2024. All contracts include key elements such as working conditions, wages, and working hours.

	<p>Balsu will continue to provide information about working hours, wages and payments, public holidays and the right to leave the garden during the 2025 harvest.</p> <p>Balsu provides the farmers in its supply chain with the “Sustainable Hazelnut Farming Supplier Handbook.” This handbook includes a “Worker Registration List” where seasonal workers can record information such as age, number of days worked and wages.</p>
<b>Output indicators</b> (targeted results)	Ensure that farmers pay workers for all hours worked
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025
<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

<b>Workers Awareness</b>	
<b>Benchmarks</b>	<b>Compliance Status</b>
<p><b>C.11.1:</b> Employers shall make every reasonable effort to ensure workers understand their compensation, including:</p> <p><b>C.11.1.5:</b> 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.</p>	<b>Risk of Noncompliance in all farms</b>
<b>Findings/Noncompliance Explanation</b>	<p>Most workers are aware of the legally entitled minimum wage for the hazelnut harvest but there were instances where the workers did not know the exact daily wage they would receive.</p> <p><u>Source:</u> Documentation, Interviews, and observations</p>
<b>Company Action Plan</b>	
<b>Activity</b>	<p>The minimum wage increases in the last two years and the expectation that this situation will continue have increased the problem of wage uncertainty.</p> <p>Balsu transfers the daily wage amount to both farmers and workers through training modules after the minimum wage announced every year. The commission decisions are followed by Balsu with participation in the provincial/district monitoring boards.</p> <p>Within the scope of the B.E.S.T Program, Balsu participated in District Monitoring Board meetings in Düzce in cooperation with the Young Lives Foundation and shared the social and economic risks in seasonal agricultural work with public institutions.</p>
<b>Output indicators</b> (targeted results)	Ensuring that daily wage information is communicated from farmers to workers in advance
<b>Timeline and Deadline</b> <b>Date</b>	January 2025 – September 2025

<b>Input</b> (budget/resources)	Balsu staff, including temporary social workers; the B.E.S.T Program in collaboration with Young Lives Foundation and Ministry of Labour and Social Security
<b>Responsible staff</b> (title/department)	Sustainability group manager, associate social sustainability manager, and social worker

# Overview - Farms vs. Non-compliances

<b>Total number of Farms</b>	<b>15</b>
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	ER	ND	H/A	FL	CL	FOA	HSE	HO W	C	Total
<b>% of farms with one or more non-compliances or risk of non-compliances</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>87%</b>	<b>0%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	
<b>Total number of benchmarks (excl. progressive benchmarks)</b>	48	14	19	19	9	25	16	19	27	196
Farm 1	21	8	1	0	4	0	4	11	6	55
Farm 2	18	8	1	0	6	0	4	11	6	54
Farm 3	21	8	1	0	5	0	4	11	7	57
Farm 4	26	8	1	0	5	0	4	11	7	62
Farm 5	24	8	1	0	5	0	4	11	10	63
Farm 6	20	8	1	0	3	0	8	11	7	58
Farm 7	16	8	1	0	0	0	4	6	6	41
Farm 8	22	9	1	0	2	0	4	8	7	53
Farm 9	23	8	1	0	5	0	5	11	7	60
Farm 10	16	8	1	0	2	0	4	8	6	45
Farm 11	18	8	1	0	7	0	4	9	6	53
Farm 12	23	8	1	0	4	0	4	9	6	55
Farm 13	23	8	1	0	3	0	9	12	7	63

Farm 14	21	8	1	0	5	0	4	12	9	60
Farm 15	13	8	1	0	0	0	4	6	6	38
<b>Total</b>	<b>305</b>	<b>121</b>	<b>15</b>	<b>0</b>	<b>56</b>	<b>0</b>	<b>70</b>	<b>147</b>	<b>103</b>	<b>817</b>
<b>Average % of compliance per code element</b>	57.63	42.3 8	94.7 4	100.0 0	58.52	100.0 0	70.83	48.4 2	74.57	72.21

### Code Element Abbreviations

Employment Relationship – ER	Forced Labor – FL	Health, Safety, and Environment – HSE
Nondiscrimination – ND	Child Labor – CL	Hours of Work – HOW
Harrassment or Abuse – H/A	Freedom of Association – FOA	Compensation – C