Questions for garment brands re Syrian refugees in Turkey

Policy:

1. Does your company have a policy specifically prohibiting discrimination & exploitative practices against Syrian refugees? (If so please provide a link to this policy or provide it as an attachment). How is this policy communicated to suppliers in Turkey?

As per our own Code of Conduct and the BSCI code of conduct, Esprit does not accept any discrimination or exploitive practices in our supply chain. Specifically for Syrian refugees, Esprit does not have a written policy but we have reinforced our position through direct contact with our suppliers in general and, in particular, on the single occasion we encountered Syrian workers in one of our supplier's factories.

Audits/risk assessment:

- 2. How many first tier Turkish suppliers does your company have? 48
- **3.** How many have been audited since 1 Jan 2015? What percentage of audits has been unannounced?

19 BSCI audits (semi announced)
7 internal audits (unannounced)
110 spot checks (not full audits, but rather visits to check progress on specific issues between audits-unannounced)

4. Does your company carry out audits beyond the first tier? If so what percentage of second & third tier Turkish suppliers have been audited since 1 Jan 2015 and what percentage of these audits have been unannounced?

Esprit carries out unannounced audits in second and third tier suppliers and we are in a mapping process to fully systematize the cross-tier audit process.

Esprit has three audit methodologies:

- Semi announced (1 month window) for BSCI audits
- Unannounced internal follow up audits.
- Unannounced internal spot checks. These are short, unannounced visits where Esprit staff checks progress on specific issues that require continuous monitoring and where unannounced visits are more likely to confirm actual conditions, such as locked fire exits, child labor, workers without work permits and casual workers, etc. The auditor checks improvements since the last audit.
- **5.** Do the audit & monitoring teams have Arabic-speakers who have received special training tailored to the situation of Syrian refugees, and do they speak with the workers confidentially?
- Esprit uses a 3rd party audit partner in Turkey that has Arabic speaking auditors.

- The sole occasion where Esprit found Syrian migrants in our factory was an unauthorized subcontractor, which our internal staff audited (not 3rd party). We engaged the Association for Solidarity with Asylum Seekers and Migrants (ASAM), and will do so again if refugees are found.
- **6.** How does your company address the possibility of undeclared subcontracting in its supply chain?

Esprit clearly states in our Code of Conduct (part of our standard supplier agreement), standard operating procedures and the BSCI Code of Conduct to which all suppliers agree to adhere that undisclosed subcontracting is not tolerated. We are very much aware of the risks and Esprit conducts subcontracting evaluations during audits, supplier visits and spot checks. All Esprit internal and designated external auditors in Turkey are trained to detect undisclosed subcontracting.

Esprit reserves the right to terminate suppliers that engage in unauthorized subcontracting but, given that subcontracting is an integral part of the Turkish production model, we have found that a hard line on the issue leads to subcontractors being hidden, rather than revealed. The attitudes of other brands make our work harder in this regard. We are currently undertaking a mapping exercise to confirm all first, second and third tier suppliers in the interest of transparency.

Has your company identified supplier factories employing Syrian refugees in 2015? If the answer is yes please state how many factories, if possible. *None in 2015*.

7. Has your company identified supplier factories employing Syrian child refugees in 2015? If the answer is yes please state how many factories, if possible

None in 2015. One juvenile Syrian worker was encountered in 2013.

Remediation:

When Syrian refugees are identified at a supply factory, what process does your company expect the supplier to follow? In particular please state whether they remain in employment.

Esprit's priority is helping the workers in our factories, which means that dropping a factory for social compliance violations is a final step that we seek to avoid. We engage in remediation programs together with our suppliers and other stakeholders. Esprit has only encountered one case, in 2013, where Syrian refugees were found in one of our subcontractors. A remediation process was carried out together with ASAM. The workers remained employed during the remediation.

Does your company have a remediation plan that addresses instances of discrimination/abuse against Syrian refugees in its supply chain? If yes please provide details of the plan, how it is communicated to refugees, and examples of outcomes if available.

The remediation process for Syrian refugees is a very sensitive issue, since until recently strict adherence to local law stood to harm the workers we were trying to help. For this reason, Esprit works with a local NGO to address the issue on a case by case basis as we encounter it.

The main outline of the remediation program would be:

• Esprit and the master supplier ensure that the Syrian workers have a written employment contract (in Arabic or Kurdish and Turkish), will be able to get health and safety training in

their own language, and benefit from regular health checks and medical care where necessary.

- Turkish classes for all Syrian workers
- Possible legal assistance for obtaining work permits or access to asylum camps (for applicable cases)
- Syrians must be paid the same as local people doing the same work.
- **8.** Does your company work with any local NGOs or trade unions to provide remediation services to refugees?
- We have worked with the Association for Solidarity with Asylum Seekers and Migrants (ASAM)
- **9.** As Syrian refugees cannot receive social security benefits at this time, is your company taking steps to ameliorate the impact of this?
- The remediation plan that we implemented included an initial health check for all workers in the factory and an agreement between the supplier and Esprit for the provision of medical care where necessary.

Capacity building

- 10. Has your company undertaken any specific training with its first tier suppliers on this issue?
- Meetings were held with each supplier in relation to zero tolerance, undisclosed subcontracting and migrant labor with the participation of top management. Esprit is now training our suppliers' compliance personnel on auditing and detection of major compliance issues.
- A joint vendor summit was held in 2015 to train suppliers and their key subcontractors on Social Compliance and Quality. Issues related to Syrian refugees were discussed.
- **11.** What steps has your company taken to ensure that your policies/approach are being implemented by suppliers beyond the first tier?

We are implementing the Cascading Principle of the new BSCI Code of Conduct, and are mapping our suppliers to assure that it is applied.

Stakeholder engagement

- **12.** Does your company engage with local civil society groups and trade unions on this issue, for instance, in negotiating a policy position & carrying out risk mapping?
- Esprit is a member of the BSCI, Better Work and ACT
- In Turkey, we frequently meet with the FLA and the ETI
- We maintain informal contacts with other brands and trade unions at the local level, as well as in Europe

- **13.** Does your company work with trade unions on identifying health & safety risks for Syrian refugees (where communication may be difficult)?
- We are in contact with trade unions both in Turkey and in Europe for a variety of reasons, including wage, benefit and health and safety issues for Turkish workers as well as Syrians.
- **14.** Does your company work with trade unions or other partners to offer training and education programs for refugees?
- Association for Solidarity with Asylum Seekers and Migrants (ASAM)
- **15.** Has your company engaged the Turkish Government regarding the legal framework for Syrian refugees?
- Esprit has been a part of the brand collaboration group on Syrian Refugees. Additionally we taken part in FLA and ETI collaboration to lobby the Turkish Government to provide work permits for Syrian Refugees.

Other information

Please provide any further information regarding your company's activities on this issue which you think are relevant.