

Questions for garment brands re Syrian refugees in Turkey

October 2016

Company: G-Star

1. Does your company have a policy specifically prohibiting discrimination & exploitative practices against Syrian refugees? How is this policy communicated to vendors in Turkey?

Prohibiting discrimination & exploitative practices is part of our Code of Conduct (CoC) and related policies to ensure that G-Star products are made under fair and safe circumstances; this applies to everyone working in factories where G-Star products are made. We are fully aware of the position of the Syrian refugees in Turkey and their situation requests extra monitoring and attention in the garment supply chain.

Please click [this link](#) to find our CoC and [this link](#) for an explanation of our compliance process. The CoC and policies are communicated to our suppliers before we place our first order. After that, compliance is monitored during the regular contact we have with our supplier (e.g. visits, internal and external audits, written correspondence) and we closely engage with suppliers to help them integrate good social and environmental performance into their business.

2. How many first tier Turkish vendors does your company have?

We have 1 supplier in Turkey located in the Zonguldak area with 1 subcontractor in the same area.

3. How many have been audited since in the last year? What percentage of audits have been unannounced?

The last announced audit is done end of August 2016 and follow-up is scheduled for February 2017. We have not conducted any unannounced audits at this supplier.

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

Yes, we do conduct audits beyond the first tier. The 1 subcontractor of our supplier is also scheduled for an audit before the end of October, 2016.

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?

The external audit team includes Arabic-speaking auditors upon our request.

For assessments by our internal team we need to connect with local organisations to support us with the Arabic language. For the next audit we will assure this is taken into account.

6. How does your company address the possibility of undeclared subcontracting in its supply chain?

G-Star has a subcontracting control process in place. Subcontracting is only allowed under strict requirements and supervision by G-Star. Our internal compliance experts carefully check whether G-Star orders accepted by the supplier meet the supplier's

capacity, skill level and available technology to be sure orders can be produced in-house. If outsourcing is needed due to product specifications or the size of the order, the supplier to which the order is outsourced has to comply with G-Star's social and environmental standards and is included in our compliance system.

Subcontracting policy

G-Star wants to ensure that our products are manufactured in a responsible way throughout the supply chain. That is why we aim to build a long term relationship with our suppliers. When we place an order with one of our direct sourcing partners, the production is done in-house at their factory. We understand that in exceptional cases it might be necessary for our direct sourcing partners to subcontract part of their work to complete an order. It is only allowed to subcontract processes such as printing, embroidery, dyeing, finishing and laundry under strict requirements, with full transparency of the locations and prior written approval of G-Star. Although there is no direct contractual relationship with G-Star, we require the subcontracting facility to be compliant with our G-Star Supplier Code of Conduct. Subcontractors are included in the monitoring process that applies to all our suppliers; they have to pass through an entry process and are monitored regularly.

Subcontracting Control Process

To prevent that subcontracting takes place without our knowledge, we have set up a strict subcontracting control process. We closely monitor the G-Star production taking place at our suppliers and have a system in place to check orders against real time production. When we place an order at a supplier, we check whether the supplier has the

machinery and capacity in place to produce this order in house, and during production we constantly check whether the production planning matches the actual production taking place at the factory. This results in regular visits to all our suppliers by local G-Star teams and close monitoring of the situation and production in the factories.

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

We have not identified Syrian refugees working for our Turkish supplier or subcontractor.

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

No, please see the answer under number 7.

9. 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.

[G-Star answered questions 9-12 together]

As mentioned earlier, we do not accept unfair or illegal working conditions for any of the workers in factories where G-Star products are made.

The policies of our Turkish supplier and subcontractor are fully in line with our CoC and related policies, indicating that all workers must be treated equally and subject to fair working conditions. This includes fair wages as well as the need to have a legal residence and work permit. Up till now no legal Syrian refugees are working for our direct supplier and subcontractor.

The supplier is fully aware of the challenges of immigrants and has a program in place to support legal workers with arranging permits for relatives migrating to Turkey. Within this program the relatives are assisted getting the legal residence & work permits. The program also includes seminars to provide information about keeping business relations on a professional level while maintaining a good work environment, as well as tolerating the gender, age, ethnicity or background differences and work in sync to serve a greater goal.

10. 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.

[G-Star answered questions 9-12 together]

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11. Does your company work with any local NGOs or trade unions to provide remediation services to refugees?

[G-Star answered questions 9-12 together]

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12. As Syrian refugees cannot receive social security benefits at this time, is your company taking steps to ameliorate the impact of this?

[G-Star answered questions 9-12 together]

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13. Has your company undertaken any specific training with its first tier suppliers on this issue?

[G-Star answered questions 13 & 14 together]

We have not undertaken specific training on the matter of Syrian refugees next to the policies that are in place at our supplier and its subcontractor. Due to our small supplier base in Turkey, we are in direct and continuous dialogue on this topic with our supplier and subcontractor. We are aware that our policies and capacity building work need to be strengthened on this specific topic in case our supply base increases in Turkey.

14. What steps has your company taken to ensure that your policies/approach are being implemented by suppliers beyond the first tier?

[G-Star answered questions 13 & 14 together]

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15. 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?

[G-Star answered questions 15 - 18 together]

Due to our small supplier base in Turkey, we have direct dialogue on this topic with our supplier and subcontractor. We have not (yet) extended our engagement into this area but will continue to monitor the situation closely and will take appropriate measures if needed.

16. Does your company work with trade unions on identifying health & safety risks for Syrian refugees (where communication may be difficult)?

[G-Star answered questions 15-18 together]

Due to our small supplier base in Turkey, we have direct dialogue on this topic with our supplier and subcontractor. We have not (yet) extended our engagement into this area but will continue to monitor the situation closely and will take appropriate measures if needed.

17. Does your company work with trade unions or other partners to offer training and education programmes for refugees?

[G-Star answered questions 15-18 together]

Due to our small supplier base in Turkey, we have direct dialogue on this topic with our supplier and subcontractor. We have not (yet) extended our engagement into this area but will continue to monitor the situation closely and will take appropriate measures if needed.

18. Has your company engaged the Turkish Government regarding the legal framework for Syrian refugees?

[G-Star answered questions 15-18 together]

Due to our small supplier base in Turkey, we have direct dialogue on this topic with our supplier and subcontractor. We have not (yet) extended our engagement into this area but will continue to monitor the situation closely and will take appropriate measures if needed.

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

Our website provides more information about our Responsible Supply Chain, where will continue to communicate developments; https://www.g-star.com/en_gb/corporate/responsibility/responsible-supply-chain/index.htm.

In addition, we report our sustainable performance via the MODE Tracker ([g-star.modetracker.org](http://star.modetracker.org)) that was launched by MADE-BY. MODE Tracker is a holistic, transparent and verified progress tracking tool to support brands and retailers in improving their sustainability performance through measuring and communicating year-on-year progress. We report our progress via this tool.