

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?

At the time of this response, Gap Inc. is not currently sourcing product from Turkey. We are however, exploring re-entry into the country. Gap Inc. is extremely cognizant of the heightened vulnerabilities faced by migrant and foreign contract workers, and consequently we have developed a set of policies to protect their human rights and safety as part of our Code of Vendor Conduct (COVC). The most relevant policies include those that prohibit forced labor and discrimination of any kind, and a set of policies specifically addressing migrant and foreign contract labor. We expect all suppliers to follow the provisions contained in the COVC and conduct regular trainings on the requirements.

At a high level, these policies require that supplier facilities that recruit or employ foreign contract workers shall ensure that these workers are treated fairly and on an equal basis with its local workers. More specifically, the policy states that: *"Migrant workers shall not be subject to any form of forced, compulsory, bonded, or indentured labor. All work must be voluntary and workers must be free to terminate their employment at any time, without penalty. Migrant workers (or their family members) shall not be threatened with denunciation to authorities to coerce them into taking up employment or preventing them from voluntarily terminating their employment, at any time, without penalty."* Through the policies contained in the COVC, Gap Inc. outlines requirements and safeguards for migrant workers regarding employment contracts and terms, orientation and training, use of recruitment agencies, control of passports, foreign contract worker discrimination, documentation and registration. While the policy does not specifically address Syrian refugees, the scope and intent would apply to any Syrian refugees working in any factory in Turkey we were to source from in the future.

Audits/risk assessment:

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

Gap Inc. does not currently source product from Turkey, so does not have any first tier suppliers in the country. We are exploring re-entry and as part of our exploration, we have engaged with several vendors, which are in the initial stages of our vendor approval process.

3. How many have been audited since 1 Jan 2015? What percentage of audits have been unannounced?

Gap Inc. is exploring re-entry into Turkey, and we have initiated engagement with six factories. These factories have been audited since January 1, 2015—all in Q4 2015 and Q1 2016. The audits were all announced, as they are part of our new vendor approval process. Because these

are new factories, the coordination requires that they be announced. Subsequent assessments that take place beyond the initial new factory assessment can be 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?

As Gap Inc. does not currently source product from Turkey, we have not audited any 2nd or 3rd tier Turkish suppliers since January 1, 2015. We are, however, exploring re-entry into Turkey in the future. In those countries where we do source, we conduct assessments of second-tier suppliers, such as free-standing laundries, embroidery, screen-printing facilities, etc.

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?

As we are currently exploring re-entry into Turkey, we have conducted a very limited number of initial audits (as part of our new vendor approval process). In those countries where we do source, we work with local interpreters whenever deemed necessary to conduct audits. Vendors are required to submit a factory profile prior to the assessment, and this includes information about the worker population. If a factory employs foreign contract workers, they are required to submit relevant details, nationalities, and numbers. Based on the factory profiles received (and lack of foreign contract workers employed), as well as our on-site assessments and verifications, it was not deemed necessary to work with Arabic-speakers for these assessments. Our auditing team (and interpreters) do speak with workers confidentially in their local language, and to verify during these conversations that there are no foreign workers employed.

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

Generally speaking, for every country in which we source, we have a rigorous process to check for unauthorized subcontracting during on-site assessments, and quality checks. We thoroughly inform suppliers about our subcontracting policy so that they are aware of expectations (and consequences), and as a result, one of the facilities we have assessed in Turkey is a subcontracted cut-and-sew facility (although not producing for Gap Inc.). If unauthorized subcontracting is found, we conduct an analysis to determine the root cause—the results of which are used to determine the appropriate remediation plan and penalty. It is important to note here that our production has not yet started in Turkey, so unauthorized subcontracting is not yet a focus / issue there.

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

As we explore re-entry into Turkey, we have not identified any factories employing Syrian refugees in the initial assessments completed. We check for this through management

disclosure at the beginning of the assessment, visual check during factory tour, and through confidential individual / group worker interviews.

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

As we explore re-entry into Turkey, we have not identified any factories employing Syrian child refugees in the initial assessments completed. We check for this through management disclosure at the beginning of the assessment, visual check during factory tour, and through confidential individual / group worker interviews.

Remediation:

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.

If Syrian refugees were identified at a supplier factory, we would expect that the supplier ensure that they enjoy the same rights and protections as domestic workers (following our COVC), and take measures to enable them to work legally (i.e. provide support to obtain necessary work permits). This has not become an issue, as we are not currently sourcing in Turkey, and our initial assessments did not reveal any Syrian refugees in facilities under consideration.

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.

We do have remediation plans that address instances of discrimination / abuse against foreign contract workers, which would cover and be adapted for any Syrian refugees found. However, we have not found any Syrian refugees in factories under consideration so far. If we move forward in establishing and expanding sourcing relationships in Turkey, we recognize that there may be a need to develop targeted communications and plans for suppliers on employment of Syrian refugees.

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

Gap Inc. does not currently source product from Turkey. As we explore re-entry into the country, we have not encountered situations requiring remediation.

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

Gap Inc. does not currently source product from Turkey. While we are exploring re-entry into Turkey in the future, we have not found Syrian refugees in factories undergoing initial

assessments. Accordingly, we are in the early stages of better understanding the challenges around social security benefits for Syrian refugee workers.

Capacity building

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

Gap Inc. does not currently have any first tier suppliers in Turkey. While we are exploring re-entry into Turkey, we have not yet undertaken any training with suppliers on this issue, as we are still in the initial stages of assessing and approving facilities. However, consistent with our approach in other sourcing countries, upon approving any facility in Turkey, we will utilize our internal capability building resources to provide relevant trainings to our suppliers.

In the meantime, we have spoken with prospective factory management before each assessment to discuss whether they have employed Syrian refugees. Thus far, all have confirmed that they did not have Syrian refugees working in factories manufacturing for international brands.

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

Generally speaking, for any country in which we source, as part of our Code of Vendor Conduct (COVC), vendors are responsible for ensuring that their suppliers, including second-tier suppliers such as free-standing laundries, embroidery, screen-printing facilities, etc. also meet the COVC requirements. We have not focused on this in Turkey to date, as we do not have any first-tier suppliers there.

Stakeholder engagement

For questions 15 – 18 (below), we have not engaged in these activities in Turkey, as Gap Inc. is not currently sourcing product from Turkey. If and as we re-enter Turkey, we are open to discussing opportunities to collaborate with other industry partners and stakeholders on these issues as we view partnerships as a way to make sustainable change.

- 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?
- 16.** Does your company work with trade unions on identifying health & safety risks for Syrian refugees (where communication may be difficult)?
- 17.** Does your company work with trade unions or other partners to offer training and education programmes for refugees?
- 18.** Has your company engaged the Turkish Government regarding the legal framework for Syrian refugees?

Other information

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

Beyond Turkey, we are exploring other shorter- and longer-term opportunities for Gap Inc. to support the Syrian refugee population. We partnered with CARE to expand our [Gap Inc. P.A.C.E.](#) program to a community-setting in Jordan with the goal of helping Syrian refugees. This included adapting the core curriculum and translating it into Arabic. The P.A.C.E. program offers an opportunity for both education and social connection and engagement in refugee environments which are lacking in intellectual, vocational or social outlets.

We are also examining our presence in current and projected destination countries, and exploring opportunities to work with vendors, franchise partners, NGO partners, and This Way Ahead partners (our youth employment program, which includes participation by immigrants and refugees) to support humanitarian and job placement efforts for Syrian refugees. We have donated GapKids coats / jackets to Save the Children to be distributed to refugee children in Europe. By way of our internal internet, we have explicitly encouraged our employees to offer support by making a financial donation to one of the non-profit organizations working directly with the refugees, with a commitment by Gap Foundation to match donations of \$25 or more.