

Questions for garment brands re Syrian refugees in Turkey

October 2016

Company: H&M

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

According to the Worker's Rights section of our Sustainability Commitment, migrant workers shall have exactly the same entitlements as local employees. In addition to this, no employee shall be discriminated against in employment or occupation on the grounds of sex, race, color, age, pregnancy, sexual orientation, religion, political opinion, nationality, ethnic origin, disease or disability. (Refer to ILO Conventions 100 and 111).

Please check the attached H&M Sustainability Commitment as a reference. Every supplier must sign this document before starting to work for H&M.

H&M requires all employees to have a legal work permit. However, in the case of finding a migrant worker without work permit at suppliers producing for H&M, we engage with expert NGOs in order to find the best solution for the worker.

H&M is in constant communication with the active suppliers regarding the issues related to Syrian Refugees Employment. Together with other brands, we sent a letter to suppliers to inform them about the requirements for the employment of Syrian refugees and our

positive approach towards working with refugees under temporary protection. Please see attached [letter](#).

In addition, our specific policy for Syrian refugees as an ETI member, and as a member of the Turkey garments working group within the ETI, is as agreed in the ETI November 2014 Position Statement. Please also check this statement [attached](#).

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

H&M has 72 active suppliers with 210 production units located in Turkey.

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

All active tier 1 units were audited and/or HIGG assessed in 2015. 40% of these visits were unannounced. In 2016, 42 out of 210 units have been assessed with an announced visit based on our new assessment program SIPP (Sustainable Impact Partnership Program). The rest of the assessments will be conducted before the end of the year according to our plans based on the risk levels.

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?

Tier 2 units (processing units) are always audited by H&M. However, due to our audit cycle of two years between the head audits, 75 percent of them were audited unannounced in 2015. We started to audit Tier 3 (fabric mills and dye houses) in 2014. 60 tier 3 units (50%) have been audited as announced in 2015.

In Turkey, there are 36 approved processing units and all of them were assessed in 2016. In addition, 45 SRM (Supplier Relationship Management) graded tier 3 units have been audited as announced in 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?

H&M use surveys in different languages, including Arabic, to understand the conditions in the work place. We handle audits with our internal teams and they receive training on special cases related to migrant labour. Moreover, we are in contact with NGOs such as ASAM (Association of Solidarity with Asylum Seekers and Migrants) and CYDD (Association for the Support of Contemporary Living) when we need to interview Syrian refugees in their mother tongue. Confidentiality is always the crucial rule during our audits/assessments and the same rule is valid with the 3rd parties we are working with.

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

According to H&M's Sustainability Commitment, all suppliers and other business partners are obliged to keep H&M informed at all times of where each product is being produced, including subcontracting and homework. H&M issues a Letter of Concern after the 1st undeclared subcontracting case and if there is a second case within 2 years the business relation is terminated. We also provide our H&M colleagues and our suppliers with training in order to avoid undeclared subcontracting. Furthermore, we have strict processes and systems for capacity and order management which help preventing

undeclared subcontracting. Lastly, our focus on close supplier relationships and not using any agents as middlemen also reduces the risk.

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 identified Syrian refugees at 4 units in 2015. We have not identified any Syrian refugees at any approved units in 2016. Currently, no Syrian refugees work at any approved units.

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

In 2015, we identified Syrian child refugee at 1 unit. After identifying child labor, we informed CYDD (Association for the Support of Contemporary Living) to get their support on the remediation activities. CYDD contacted the families of the children and created the action plan aligning with our policy by identifying the most suitable education option based on the needs and aspirations of the children.

There is no child labor case in 2016.

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.

H&M requires all employees to have a legal work permit. However, in the case of finding a migrant worker without work permit at a production unit, we engage with expert NGOs in order to find the best solution for the worker.

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.

H&M asks the suppliers to prepare a corrective action plan in case of discrimination/abuse against any worker, including Syrian refugees. We review the action plan and follow up closely to ensure effective implementation.

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

H&M collaborates with ASAM (Association of Solidarity with Asylum Seekers and Migrants) for Syrian refugee cases. For potential child labor cases, we work with CYDD (Association for the Support of Contemporary Living).

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

As per new legislation, Syrian workers can have legal work permit. This means that they will receive the same entitlements as local workers, such as social security.

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

H&M has a regular sustainability meeting at the beginning of the year to share regional and global goals and projects with all suppliers. Also, H&M provide training with all new suppliers in order to share values, policies and sustainability procedures.

Other than these, we communicate our expectations regarding critical subjects such as Syrian Refugee Employment during assessments.

In addition, we collaborate with other brands and have delivered a letter to our suppliers in order to share updates on legislation and positive approach towards working with refugees under temporary protection.

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

All our trainings cover processing units as well. Therefore, same procedure is applicable.

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?

Yes, H&M works with other brands, local groups such as ASAM, and NGOs such as FLA and ETI on this issue. (FLA is a non-profit organization that combines the efforts of business, civil society organizations, and colleges and universities to promote and protect workers' rights and to improve working conditions globally through adherence to international standards. The Ethical Trading Initiative (ETI) is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe.)

In the past year, there have been efforts by multi-stakeholder initiatives, brands and civil society groups to foster dialogue on the topic of working conditions for Syrian refugees and to lobby the government to bring in work permit legislation; this productive collaboration which ETI, FLA and member brands were part of, played a key role on bringing in the new legislation which was issued on 11 January 2016.

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

Since no Syrian refugees work in any of the approved units, we have not started any engagement activity on this subject. However, we continuously conduct our regular assessments for health and safety checks.

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

No. Since no Syrian refugees work in any of the approved units, we have not started any engagement activity on this subject.

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

Together with FLA and ETI, we sent a letter to the Turkish Government to expedite the process related to legal framework for Syrian refugees.

H&M meet with the Head Advisor of the Prime Minister of Turkey and representatives of other relevant governmental institutions who is in charge of Syrian refugee crisis together with FLA and ETI. This resulted in the new regulation issued on 11th January 2016.

It should be noted that H&M is continuing the already established co-operation with FLA and ETI around the Syrian refugee issues.

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

After the Regulation on Work Permits of Foreigners under Temporary Protection was issued, Labour Law Rights Booklet for Syrian workers, both in Turkish and Arabic, was prepared by Ministry of Labour to be shared with Syrian refugees all around Turkey. H&M contributed financially for printing the booklet. We are currently sharing the booklets with our suppliers.