

Questions for garment brands re Syrian refugees in Turkey

October 2016

Company: KiK

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

Our Code of Conduct which is available on our website prohibits discrimination and exploitative practices against any worker. The KiK CSR department visited Turkish agents and suppliers twice in 2014 (March and August) and once in May 2016. The aim of these visits was to raise awareness of our agents as well as suppliers and sub-suppliers in Turkey for the current situation of Syrian refugees and to point out to the strict adherence of our Code of Conduct.

We established a specific policy on employment of migrant workers in April 2016 which has in the meanwhile been signed by all of our suppliers in Turkey.

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

In total 36 suppliers.

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

90% of our supplier base in Turkey has been audited, mainly on semi-announced basis as we learned from the past that we had to face lots of denied accesses when the audit is not announced before.

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?

As the number of tier 2 and 3 is varying we stand between 80% and 82% audited factories depending on placed order volume. Most of the audits are on semi-announced basis as well.

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?

Arabic-speakers are available.

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

The social audit questionnaire requires capacity checks, agencies and suppliers are bound by contracts to report sub-contracting with an additional sub-contracting penalty if not reported adequately and additionally QC controls and CSR checks will be done physically by own staff.

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

So far, we found three factories with Syrian workers.

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 child refugees have been found.

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.

KiK's general Code of Conduct requires at least local minimum wage and prohibits discrimination and abuse of workers. According to our policy on employment of migrant workers it is not allowed to terminate working contracts due to origin or other legally void reasons. All suppliers and sub-suppliers are required to support migrant workers to apply for working permission. Most recent disclosures of the Turkish government announced that Syrian refugees should get the possibility to receive the Turkish citizenship soon if they want.

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.

In general, remediation is part of the social auditing procedure and is especially stressed in customized third party capacity building measures on a regular basis. This applies accordingly to Syrian refugees.

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

We participated in the UN multi stakeholder conference in Istanbul in May 2016 where we went in contact with International Medical Corps (IMC). We also have focused a meeting with a local refugee organization named International Refugee Rights Association in July 2016 but we postponed the meeting due to the current political unrests in Istanbul. We hope that we can schedule the meeting in August/ September 2016.

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

As already mentioned we established a policy on employment of migrant workers. This policy contains an emergency number which can be dialled by everyone in case that human right violation is suspected. Apart from the flyer (pls. refer to below link) refers to penalty payments which ensures that social security benefits to all workers will be granted. Link: <http://www.calismaizni.gov.tr/media/1049/bilgilendirme-broşuerue-ilo.pdf>

Furthermore the Turkish government published several guidelines regarding rights to receive social benefits especially for migrant workers/ refugees. These guidelines are supported by our policy. For further information pls. refer to attached official guidelines published by the government.

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

The CSR department conducted two trips in 2014 and one trip in May 2016 to Turkey to address and underline the urgency of particular issue and sensitize the agency and

suppliers. Furthermore KiK is working together with local experts who are specialised in training and qualification programs. The visits are conducted on a regular basis and address the migrant workers issue specifically.

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

- Step 1: Status quo verification by social audits.
- Step 2: Follow-up phase via agency to start improvement of findings.
- Step 3: Qualification visits and capacity building via third party expert teams to give a helping hand on a regular basis.

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?

KiK participated in the UN multi stakeholder conference in Istanbul in May 2016 to learn more about the situation of Syrian workers in Turkey to address lessons learned and share experiences with other brands and stakeholders. In the past there were some exchanges with the Labour Ministry of Turkey. A meeting with a local refugee organization named International Refugee Rights Association was focused for July but has to be postponed due to political unrests in Istanbul.

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

Not yet, see “other information”.

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

Not applicable yet, if found capacity building measures will be tailored and applied.

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

As above mentioned the CSR department participated in the UN multi stakeholder conference in Istanbul to learn more about the framework and to stay in general exchange with relevant representatives.

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

Since 2014, KiK has been addressing the unique situation of refugees from Syria and other countries of origin who have sought refugees in Turkey. For that purpose, our Social Compliance department has visited our suppliers thrice. During these visits, an investigation of the workforce with a particular focus on refugee employment took place. In addition, we have reminded the factory management that these workers must not be treated any different from all other workers in the factory. Especially for that reasons we found that it is essential to establish an official policy on employment of migrant workers. Furthermore we have planned another trip to Turkey in July 2016 but have to be cancelled due to political unrests and terror warnings one day before departure. Nevertheless we will tackle these issues in a later trip, hopefully in August/ September 2016.

We hope that our membership in the German Partnership for Sustainable Textiles gives us enough leverage in the future to have an influence on national issues concerning

human rights. This is independent from the fact whether we find them in our supply chain. As we found that this issue is a hot spot we want to use our engagement in the working group on Social Standards which also addresses the migrant workers situation in Turkey in future.

After the first evaluation of the BHRRC's recommendations we found many of the recommendations very helpful for our strategic and operational business. On that basis we established an internal Action Plan to tackle the specific situation in Turkey.