



Survey: Jordan garment sector supply chain due diligence (2018)

Company: PVH

1. Please explain your approach to mapping human rights risks in your Jordanian supply chain and whether you work with any local partners in doing so.

In order to address human rights risk in PVH's Jordanian supply chain we partner with our factories and the Better Work Program (BW). BW is a partnership between the United Nation's International Labor Organization (ILO) and the International Finance Corporation (IFC), a member of the World Bank Group that works in collaboration with local and international stakeholders.

All of Level 1 factories located in Jordan are officially registered in BW and receive the full package of BW services – assessment, advisory services and training – throughout their annual cycle.

PVH receives and reviews BW's annual comprehensive assessment and interim progress reports for all its suppliers in Jordan. The BW assessment aligns with the PVH's A Shared Commitment, code of conduct. The conditions and improvement in each factory are assessed by BW's enterprise advisors based on the Compliance Assessment Tool which covers core international labor standards and the local regulations on working conditions

The PVH Corporate Responsibility (PVH CR) team also conducts regular engagements with BW Jordan, the BW global team and with the factories that we source from in Jordan to track their compliance status (through monitoring

progress via their corrective action plans) and discuss updates related to countrywide human rights and social compliance topics.

Additionally, the PVH CR team participates in the annual BW Buyers' Forum, which includes representatives from brand owners, local stakeholders and the Jordanian Government and serves as an industry-wide platform to discuss different topics affecting the Jordanian supply chain. Such efforts help alert PVH of any potential human rights' risk in the supply chain.

PVH partners with BW because the program unites the expertise of the ILO in labor standards with that of the IFC in private sector development and has proven to be s a comprehensive program bringing together all levels of the garment industry to improve working conditions and respect labor rights for workers.

For more information on PVH assessment program in general, please see the following links:

[PVH Corp. Slavery and Human Trafficking Statement Under the California Transparency in Supply Chains Act and UK Modern Slavery Act; Monitoring and Addressing Risks.](#)

[PVH 2016 Corporate Responsibility Report](#), pg. 17.

[PVH's 2016 KnowtheChain Response](#)

2a. Does your company have a human rights policy which addresses worker rights in your supply chain?

[A Shared Commitment](#) is our code of conduct for all of our business partners, including suppliers, contractors, vendors, licensees and agents. This code is of utmost importance to PVH Corp. and embodies our commitment to the workers who manufacture our products and their communities. Adherence to the

human and labor rights standards in this code by those who seek to do business with us, and by their business partners in our supply chain, is a prerequisite for establishing or continuing a relationship with our company.

2b. Does your company have a specific policy prohibiting discrimination and exploitative practices against migrant workers and refugees?

[Supplier Guidelines](#): PVH provides all suppliers with our Supplier Guidelines, which outline our standards and expectations of our business relationships with suppliers. These standards include a policy on forced labor and migrant workers that aims to address slavery and forced labor directly by (i) providing directives on agency fees, document withholding, contracts, and fair treatment, (ii) educating suppliers on forced labor and (iii) giving guidance for preventing the practice.

2c. Does your company have a specific policy on migrant worker recruitment that specifies: no payment of recruitment fees, no document confiscation, a written employment contract?

Please see the [Supplier Guidelines](#) , and the response to part b.

Additionally, for more information, please see PVH Corp. [Slavery and Human Trafficking Statement Under the California Transparency in Supply Chains Act and UK Modern Slavery Act.](#)

3. How many first tier suppliers based in Jordan does your company have and have you traced your supply chain beyond the first tier?

At present, PVH sources from two factories in Jordan. Additionally, PVH's licensees source from five factories in Jordan. With regard to mapping beyond the first tier, PVH currently is expanding its assessment program deeper into our supply chain for greater transparency. We are starting with our strategic Level 2 suppliers, including fabric mills, trim facilities, and wet processing facilities. In 2017, we began assessing our key nominated trim suppliers through our PVH CR assessment and the Higg Index Facility Environmental Module. In 2018, we are onboarding key mills, dye houses, laundries, and additional wet processing facilities into our CR program. This allows us to gain greater visibility into their practices and current social and environmental impacts. PVH will be working with these suppliers to help them improve their effectiveness moving forward.

4. What steps does your company take to ensure that your policies and standards are implemented by first tier suppliers and suppliers beyond the first tier in your Jordanian supply chain?

Please see Question 12 of [PVH's KnowtheChain 2016 response](#).

5. How does your company monitor the compliance of first tier suppliers and suppliers down the supply chain with your policies and standards?

As noted above, all Level 1 PVH factories located in Jordan are part of BW. For more information, please reference our response to Question 1 of this questionnaire. For more information on PVH assessment program in general, please see the following links:

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[PVH 2016 Corporate Responsibility Report](#), pg. 17.

6. Please explain how you monitor recruitment systems used by your suppliers to employ migrant labour.

As noted above, all Level 1 PVH factories are a part of BW. As such, the recruitment processes of Jordanian factories are verified through BW assessments, which contain indicators, including but not limited to, recruitment policies and procedures, recruitment fees, contracts and other related issues.

BW is currently discussing with the national stakeholders in the garment sector the adoption and implementation of a zero recruitment fees policy to ensure that workers in the Jordanian garment sector pay no recruitment fees, in line with the ILO General Principles and Operational Guidelines for Fair Recruitment.

7a. In the last year has your monitoring uncovered instances of inadequate, unsafe or unsanitary worker accommodation?

PVH takes any findings related to health and safety, excessive overtime and sexual harassment seriously. PVH's assessment tool and current supplier guidelines address all categories of violations that are monitored in our regular assessment program, as well as through BW assessments. PVH believes that remediation best serves the interests of workers by enabling suppliers to develop safe, compliant and respectful workplaces. BW factories continuously receive advisory services from the BW Jordan team through regular visits. During advisory visits, the BW enterprise advisor provides guidance on remediation and discusses sustainable solutions with the factory management for each finding.

The advisory process focuses on enabling the bipartite committee which is comprised of workers and factory management to address issues listed in the improvement plan established to correct selfdiagnosed issues and those that identified during a BW assessment. Factories are supported through tailored factory visits; issue specific seminars with peers from other factories; and training appropriate to the factory's specific needs. For more information on remediation, please see [PVH's 2016 KnowtheChain Response](#).

7b. In the last year has your monitoring uncovered instances of health & safety violations in the workplace?

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7c. In the last year has your monitoring uncovered instances of workers being forced to work excessive overtime or not paid overtime at the correct rate?

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7d. In the last year has your monitoring uncovered instances of workers being subjected to sexual harassment or other abuse?

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8a. In the last year has your monitoring uncovered instances in your supply chain where migrant workers have been charged recruitment fees?

PVH takes any findings related to recruitment fees, document retention, and wages seriously. PVH's assessment tool and current supplier guidelines address all categories of violations that are monitored in our regular assessment program, as well as through BW assessments. PVH believes that remediation best serves the interests of workers by enabling suppliers to develop safe, compliant and respectful workplaces.

BW factories continuously receive advisory services from the BW Jordan team through regular visits. During advisory visits, the BW enterprise advisor provides guidance on remediation and discusses sustainable solutions with factory management for each finding. The advisory process focuses on enabling the bipartite committee to address issues listed in the improvement plan - this includes selfdiagnosed issues and those that were identified during the BW assessment. Factories are supported through tailored factory visits; issue specific seminars with peers from other factories; and training appropriate to the factory's specific needs.

8b. In the last year has your monitoring uncovered instances in your supply chain where migrant workers have not been paid the minimum wage (or contractually agreed amount)

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8c. In the last year has your monitoring uncovered instances in your supply chain where migrant workers have had their passports retained by factories or other agents?

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8d. In the last year has your monitoring uncovered instances in your supply chain where migrant workers have been deceived in the recruitment process regarding salary level and/or employment conditions?

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9. What process does your company expect the supplier to follow when breaches of its policies or applicable regulations are identified and how do you verify corrective action has been taken?

Please see the response to Question 1.

10. How does your company ensure that it engages effectively with workers in its Jordanian supply chain?

As part of our official partnership with BW, PVH supports BW Jordan's engagements with factory workers and managers. PVH tracks BW's engagements with the workers through the annual assessment reports and interim progress reports that summarize the BW team's work with the factory, i.e., worker interviews, worker training, PICC meetings, etc. The worker interviews are conducted in private rooms without the presence of management.

BW staff speaks the vast majority of the languages spoken by the workers in the sector.

11. Do any of your company's suppliers in Jordan currently employ Syrian refugees?

Not to the best of our knowledge.

12. What (if any) steps is your company taking to help integrate Syrian refugees into your supply chain?

PVH is currently mapping the efforts of our suppliers in both Jordan and Turkey to support the recruitment and integration of the Syrian Refugees into factories and their neighbouring communities. Please also see [PVH's 2016 KnowtheChain Response](#) regarding our work with the FLA.

13. How are you safeguarding (or planning to safeguard) the rights of Syrian refugees working in your supply chain and what steps are you (will you be) taking to ensure other local or migrant workers have decent access to work as employing Syrian refugees becomes more common?

All our suppliers receive on-boarding training and are provided with PVH's "A Shared Commitment" and Supplier Guidelines. We build our relationships with our suppliers based on shared commitment, accountability, partnership and transparency principles. Through our engagements with factories, we will continue to emphasize that all workers, regardless of nationality, have decent working conditions and equal opportunities.

In addition, we will work with BW, peer brands and the factories on capacity building programs to facilitate the successful integration of the Syrian refugee worker into the workforce.

14. How does your company evaluate the impact of its purchasing practices on the capacity of your suppliers or factories in Jordan to ensure decent working conditions including a living wage?

PVH CR works in partnership with relevant cross-functional teams to help them adopt responsible practices that enable our suppliers, including those in Jordan, to plan production effectively and improve working conditions. By enhancing our business processes and maintaining an open dialogue with suppliers, we aim to explore the root causes behind recurring challenges, including the role of our business practices, and provide tools to improve transparency and working conditions while minimizing risk in our supply chain. For example, by improving the accuracy of our supply forecasting, we can better ensure that suppliers have sufficient time to meet our delivery dates. This reduces the risk of suppliers contracting work to unauthorized companies or subjecting workers to excessive working hours or other unfair treatment. We raise awareness of these issues with relevant internal teams, support them with training materials, and work with them to create a culture of transparency and accountability within our company and with our suppliers. For more information about how we are promoting responsible business practices and building our suppliers' capabilities, please see our [2016 PVH CR Report \(pages 17- 19\)](#).

15. How does your company ensure freedom of association for all workers in its supplier factories in Jordan?

Jordan has a unique structure with respect to Freedom of Association (FOA), as they have implemented a model of one union per sector. Workers, therefore, are not free to form and join a union of their choice and, as such, by abiding by Jordanian law, all apparel factories are in violation of Freedom of Association according to international labor standards and "A Shared Commitment."

Despite this structure, there has been progress on FOA in Jordan specifically with respect to the relations between the employers and the sector trade union. The garment sector in Jordan succeeded in signing and implementing a sector CBA between the employers and the trade union. Three industry-wide CBAs have been signed in 2013, 2015 and 2017, respectively. All factories abide by the CBA provisions. This is verified through BW assessments and local labor inspectors. All workers, regardless of their union membership status benefit from the CBA provisions. All PVH factories in Jordan have workermanagement bipartite committees available at the workplace.