

Questions for garment brands re Syrian refugees in Turkey

October 2016

Company: Primark

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

We have been a member of the ETI working group on Turkey since January 2015 and the group has collaborated with the Fair Labor Association and the Fair Wear Foundation to ensure garment brands sourcing from Turkey use their combined leverage to have an effective, cohesive response to this issue.

Primark's Code of Conduct is underpinned by the ETI Base Code and the ILO Declaration on Fundamental Principles and Rights at Work that seek to ensure workplace rights are afforded and respected. This forbids any discriminatory or exploitative practices.

Compliance with Primark's Code of Conduct forms part of our General Terms of Business and we require all our supplier factories, including those in Turkey, to comply with the Primark Code of Conduct as a condition of doing business with us. All proposed factories are audited against the Code, and must demonstrate they meet these requirements before they are approved for production of Primark products. Once production has been approved, we continue to carry out frequent inspections to monitor Primark's Code of Conduct is being applied.

The Code can be found on our website in English, Turkish and

Arabic: <http://www.primark.com/en/our-ethics/workplace-rights/code-of-conduct>

Our team on the ground in Turkey communicates with our suppliers continuously, as well as through our auditing and monitoring programme. A letter was sent to all our Turkish suppliers in February 2015 reminding them of the requirement for all workers to have the necessary 'right to work' documentation, and this was followed by workshops in Turkey for our suppliers where we reinforced necessity of 'right to work' documentation for migrants, and highlighted the particular vulnerability of refugees.

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

Turkey is a relatively small sourcing country for Primark, currently representing approximately seven per cent of our total volume. Regardless of this, we have a robust auditing and monitoring programme in place, supported by a local team on the ground, and a programme of engagement with relevant stakeholders and international agencies to ensure we are aware of, and are addressing, any risks within the supply chain.

We have increased our team in Turkey specifically in response to the situation on the ground. Our Ethical Trade team in Turkey now comprises four full-time ethical trade experts, supported by our global Ethical Trade team based across our sourcing countries and the UK (77 in total). Our teams on the ground in our key sourcing regions are one of our most important resources in ensuring workers' rights are respected. They have been recruited from a range of different organisations, including other companies, development agencies, and NGOs, thereby ensuring we are resourced to address the risks in the supply base effectively. They function as our eyes and ears on the ground, and are

able to build direct relationships with workers in our supply chain, as well as local stakeholders, including NGOs and trade unions.

Since January 2016 we have also formalised partnerships with two Turkish-based local NGOs which have experience and expertise in supporting Syrian refugees within the country to assist us in the remediation of issues found in our supply chain.

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

100% of our suppliers' sites were audited during 2015. In response to the situation in Turkey, and as reported in January 2016, we doubled the frequency of our audits in Turkey, which now take place every six months, or more frequently where there is need for enhanced diligence.

All of our follow-up audits in Turkey are now unannounced, meaning suppliers have no indication of when an audit may take place. (Only initial audits of new proposed facilities are announced; these are for the purpose of building a trusting relationship with our suppliers, and to allow for Primark to use this meeting to explain our Code of Conduct and ethical trade standards.)

Primark pays for the cost of all its audits, and this enables us to retain control of the audit protocol and process, and more effectively address risk by adapting the audit process as needed (for example, increasing frequency and moving from semi-announced to announced, as detailed above). It removes the potential for any conflict of interest in relation to transparency and integrity of information that could occur if the supplier paid for the audit (a model commonly used within the garment industry). This in turn enables

us to include more depth and detail in our audit reports, particularly on worker testimony, where confidentiality and protection of workers is paramount. Also see response to Q5 on how we conduct confidential worker interviews.

During the audit, we conduct thorough documentation reviews including employment contracts, 'right to work' records, working hour records, payroll records, production records, business licences, and health and safety certificates. The physical workplace of the factory, and all structures that are in the same site or compound, are checked.

Unannounced spot checks are also conducted on an ad-hoc basis where we suspect a lack of transparency or where we suspect a specific breach or issue. Also see response to Q6.

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?

We are continuing to extend our audits to include tier two sites; as reported in Q3, all our follow-up audits are now unannounced.

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?

Worker interviews are mandatory and form a critical part of the audit process. These are always conducted in confidence and in a way as to protect the worker and their testimony. For example, only the corrective action plan is shared with the factory management. The full audit report remains confidential to Primark.

Since January 2016 we have formalised partnerships with two Turkish-based local NGOs which have experience and expertise in supporting Syrian refugees within the country to assist us in the remediation of issues found in our supply chain, and this includes translation support offered in Arabic for confidential worker interviews.

During the interviews workers are also informed that they can contact the Primark team at their discretion whenever they wish to do so, and are given direct contact details.

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

Our Terms and Conditions of Trade require all suppliers to declare all sites manufacturing our products. Sub- contracting to unapproved sites would be a breach of these conditions and could lead to Primark discontinuing its trading relationship with the supplier. It should be noted that any such action would be carried out in line with the guidance set out by the ETI for its members on responsible exit.

Unannounced spot checks are conducted on an ad-hoc basis where we suspect a lack of transparency or where we suspect a specific breach or issue. This could be, for example, following a grievance raised by a worker directly to our team. We have carried out an increased number of unannounced spotchecks in Turkey since January 2016; these have included where we suspected our products were being made in illegally sub-contracted sites, and where we suspected workers were present without 'right to work' documentation.

In addition, we consider the capacity, quality, ethical compliance, design, and delivery capabilities of new and existing suppliers. This is used to assess whether a factory has the

capacity and capability to produce our orders, helping to mitigate the risk of undeclared sub-contracting.

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

In the last 12 months, our audits and spotchecks have identified a small number of Syrian workers who did not have the necessary 'right to work' documentation in six of our supplier factories in Turkey.

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

We have not identified any Syrian child refugees working in our supplier factories.

However, we are aware that this remains a critical risk and we are taking the necessary due diligence steps within our programme.

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.

We follow the approach agreed at the ETI and Fair Labor Association joint roundtable in March 2015. We require suppliers to demonstrate that their workforce has the correct documentation. If this is lacking, suppliers are responsible for assisting and supporting workers in their application for the correct 'right to work' documentation.

Workers would remain in employment while the proper documentation is obtained with support from our team on the ground to ensure that this is done within an appropriate timeframe.

Our partnership with the Turkish-based local NGO, which has experience and expertise in supporting Syrian refugees within the country, also provides assistance in the remediation of issues found in our supply chain.

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 take our responsibility for workers in our supply chain extremely seriously and any issues of discrimination and abuse of any workers would be dealt with swiftly, and where necessary with support from external partners including trade unions, NGOs and worker rights organisations.

In our view, the first line of protection for Syrian refugees working in garment factories is having the correct 'right to work' documentation. Since January 2016 we have formalised partnerships with two Turkish-based local NGOs which have experience and expertise in supporting Syrian refugees within the country to assist us in the remediation of issues found in our supply chain, and this includes support for vulnerable workers to access 'right to work' documentation.

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

See response to Q5 regarding our partnerships with local NGOs.

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

Yes, our focus is on ensuring that eligible workers have formal employment in order to secure their rights. As a result, as described in Q10, we are reinforcing the message to suppliers that workers should have the necessary 'right to work' documentation, ensuring that correct wages are paid, and we have a partnership in place with a Turkish NGO to provide support and advice to our suppliers and any undocumented Syrian workers in our supply chain.

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

See response to Q1.

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

See response to Q4 regarding our approach to tier two audits.

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?

The UN Guiding Principles provide a useful framework for outlining the role and responsibilities of state and business, and also call upon engagement with all relevant stakeholders to ensure that human rights are respected. Our strategy, policies, and

programmes are continually informed through extensive stakeholder engagement which includes the ILO, ETI, trade unions, NGOs, and civil society groups and governments.

We have identified relevant stakeholders including local NGOs and trade unions, as part of our wider stakeholder mapping and due diligence process. See response to Qs 2, 5, 9, 10 and 12 regarding our partnerships with local NGOs.

Specifically within Turkey, Primark is a member of a newly launched ETI platform, bringing together business, trade unions and civil society, and Primark has committed funding to support the initiative. This platform will raise business and human rights awareness within the country, promote workplace social dialogue, and address the root causes of human rights issues in the apparel sector, including the issues faced by Syrian refugees, as one of the most salient risks within the Turkish textile and garment supply chain.

These partnerships and platforms help Primark to remain informed about risk, enable us to collaborate to increase leverage, and offer remediation where appropriate.

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

Health and safety risk assessments form a critical part of our audit and remediation programme. As outlined in our response to Q5, our partnerships with local NGOs includes translation support in Arabic to enable us to address any communication issues within the audit and monitoring programme. Within Turkey, we are a member of the newly launched ETI platform which will bring together stakeholders including trade unions to address key risks within the garment and textile supply chain (see our response to Q15 for more detail).

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

Please refer to responses to Qs 2, 5, 9, 10 and 12 regarding our partnerships with local NGOs.

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

As described in our response dated January 2016, we are a member of the ETI working group on Turkey, and the group has collaborated with the Fair Labor Association and the Fair Wear Foundation to ensure garment brands sourcing from Turkey use their combined leverage to have an effective, cohesive response to this issue.

In January 2016, for example, brands, including Primark, met with the Chief Advisor to the PM to discuss the recent decision to issue work permits to Syrian refugees. The regulation on work permits was published in the days following this meeting and we are continuing to monitor the implementation of this.

In May 2016, Primark attended a UNHCR Roundtable on Refugees and Partnerships with the Private Sector in Istanbul, where the Ministry of Labour and Social Services and the Turkish Labour Agency detailed Turkey's work permit regulations and highlighted the importance of employment opportunities for refugees.

Our involvement in ETI's new platform in Turkey (see Q15) will enable us to be part of formalised private sector engagement with the Turkish Government. Through this platform we intend to ensure we are part of a collaborative effort that uses brands'

collective leverage to regularly communicate with Turkish authorities about the rights and needs of Syrian refugees in Turkish supply chains.