



Company Engagement Questions:

KnowTheChain Apparel & Footwear benchmark

Companies can use these questions to provide additional information relevant to KnowTheChain's benchmarking of companies' commitments and programs targeted at addressing human trafficking and forced labor in the supply chain.

Please note that answers to these questions will be made publicly available on the [website of Business & Human Rights Resource Centre \(BHRRC\)](#), one of the partners in KnowTheChain. The project will maintain a strict standard of only including information provided via a company's public website or BHRRC's website in the evaluation.

Please send your answers to Felicitas Weber, KnowTheChain project lead: weber@business-humanrights.org, with a cc to Megan Wallingford, Senior Advisor, Advisory Services, Sustainalytics: megan.wallingford@sustainalytics.com.

We encourage companies to answer as many of the questions as possible. You may wish to focus particularly on those for which your company currently does not have information available on its website.

Name of company: Gap Inc.

Name of respondent:

Position of respondent:

Respondent's contact information (email):

Note: For companies with vertically integrated supply chains, any reference to 'suppliers' in the following questions includes manufacturing and production sites owned by the company.

Documents

1. Please share links to any policy statements, reports, or other documents that you would like to be taken into account in a review of your company's approach to managing forced labor risks in the supply chain.

Note: You may be aware that the [Corporate Human Rights Benchmark \(CHRB\)](#) is analyzing companies' broader human rights policies and performance. Where the KnowTheChain benchmark indicators are related to [indicators of the CHRB](#), this is indicated under each engagement question.

We welcome that some companies have disclosed information on their human rights policies and practices for the [Corporate Human Rights Benchmark \(CHRB\)](#). Where companies have disclosed information on specific CHRB indicators, as well as any links available from the

company website, these will be considered in the KnowTheChain analysis. Third party information and links to third parties websites will not be considered.

[Code of Vendor Conduct](#)

[Human Rights Policy](#)

[Forced Labor Information](#)

[Gap Inc. Sustainability](#)

[2013 - 2014 Report](#)

Commitment and governance

Awareness and commitment

2. Has your company made a formal commitment (e.g. adopted a policy) to address human trafficking and forced labor? Please include a link to the commitment.

Related to indicator A.1.2 of the CHRB

Gap Inc. has a Code of Vendor Conduct (COVC or “Code”) that applies to all facilities that produce goods for Gap Inc. or any of its subsidiaries, divisions, affiliates or agents, which states that the company prohibits the use of “involuntary labor of any kind, including prison labor, debt bondage, slave labor or forced labor by governments”.

Additionally, Gap Inc. has a Human Rights Policy, which states the company’s commitment to respecting all human rights (as articulated in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Labor Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work)—which includes the elimination of slavery and forced and compulsory labor. (Publically available)

[Code of Vendor Conduct](#)

[Human Rights Policy](#)

3. Does your company have a supply chain standard that requires suppliers to uphold workers' fundamental rights and freedoms, including the elimination of forced labor? Please include a link to the standard, and provide information on how frequently the standard is updated.

Related to indicator A.1.2 of the CHRB

Gap Inc. has a Code of Vendor Conduct that applies to all facilities that produce goods for Gap Inc. or any of its subsidiaries, divisions, affiliates or agents. This Code is based on internationally accepted labor standards and guidance, including the International Labour Organization (ILO)’s core conventions, the Universal Declaration of Human Rights, and the UN Guiding Principles for Business and Human Rights. The Code addresses the fundamental rights and freedoms: freedom of association, prohibition of child labor, prohibition of forced labor, and the elimination of discrimination. The Code is reviewed and updated annually.

[Code of Vendor Conduct](#)

4. Who within your company is responsible for the implementation of your company's supply chain policies and standards relevant to human trafficking and forced labor? Please indicate the committee, team or officer, and describe the scope of their responsibility and how they interact with other internal teams, groups or departments

Related to indicator B.1.1 of the CHRB

The Gap Inc. Board's Governance and Sustainability Committee oversees the company's sustainability programs and practices. Dan Henkle, Senior Vice President, Global Sustainability and President, Gap Foundation, updates and engages the committee on our sustainability programs and progress quarterly. They regularly discuss our efforts to address key social, labor and environmental issues for our business, including our programs to improve labor practices and working conditions as well as environmental sustainability at the factories that make our clothes. Dan reports to Bobbi Silten, Executive Vice President, Global Talent & Sustainability, who reports directly to Gap Inc. CEO Art Peck.

Gap Inc.'s Global Sustainability team is responsible for the implementation of our supply chain policies and standards relevant to human trafficking and forced labor. These policies and standards are reflected within the COVC. Assessment & Remediation Specialists – who are frequently locally hired and speak local languages – assess and validate that suppliers are meeting the COVC. The team is led by the Senior Director of the Gap Inc. Supplier Sustainability Team, who reports to the VP of Global Sustainability.

The Global Sustainability Team collaborates with key departments across the company including Supply Chain, Corporate Affairs, Legal and Gap Foundation departments.

Training

5. Does your company conduct training programs for internal decision-makers and suppliers' management teams on risks, policies and standards related to human trafficking and forced labor (this may include training on elements such as passport retention, payment of wages, and vulnerable groups such as migrant workers)? Please describe.

Related to indicator B.1.5 (internal training) and B.1.7 (training of suppliers) of the CHRB

Gap Inc.'s Supplier Sustainability team is trained to recognize situations where a facility may be using forced or involuntary labor, and is also trained to assess compliance with our company's Foreign Contract Worker (FCW) standards.

Gap Inc. works to build supplier capability by conducting worker trainings, participating in multi-stakeholder initiatives, and forging partnerships with expert stakeholders and suppliers to address specific human rights issues. Gap Inc. has helped suppliers improve their capabilities for more than a decade, and created two separate field teams for social & labor and environmental capability building that are dedicated to helping suppliers manage and improve the sustainability of their own operations.

In 2015, we held a number of trainings for our Supplier Sustainability team (the team responsible for our Assessment & Remediation, Capability Building, and Workforce Engagement programs). In August 2015, we held a team-wide training in Vietnam, during which time Verité facilitated a multi-day session on evaluating contract labor requirements, management systems and effective approaches to worker interviews. In addition, in November 2015 we organized a five day workshop, delivered by Better Work's global training staff, to train our Capability Building team on the Workplace Cooperation Program (WPC). Gap Inc. has

adopted Better Work's WPC as the basis for our new Capability Building program. A subsequent 5-day training was held in February 2016, during which time our Assessment & Remediation and Capability Building teams were trained on conducting Freedom of Association (FOA) investigations, and how to establish and/or improve the function of bi-partite committees in our facilities.

There are also on-going awareness building trainings that the Global Sustainability team delivers to the Global Supply Chain employees pertaining to COVC and how sourcing decisions can potentially impact working conditions.

Stakeholder engagement

6. In the last three years, has your company engaged on human trafficking and forced labor, especially as it relates to the supply chain a) with local stakeholders such as NGOs, trade unions or policy makers or b) in multi-stakeholder initiatives? Please describe with whom your company has engaged, the purpose of the engagement and how it relates to forced labor and human trafficking in the supply chain, and your company's role and level of engagement.

Related to indicator A.1.4 of the CHRB

Our efforts to address human trafficking and forced labor in the apparel industry are guided by our *Human Rights Policy*, which is founded on the principles outlined in the United Nations Universal Declaration of Human Rights (UDHR) and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (often referred to as the "ILO Core Conventions"). Our policy applies to both our wholly owned operations and our branded apparel supply chain.

Due to the complexity of these issues, we know that confronting it requires collaboration across industries and must include partnerships among the public, private, and nonprofit sectors. Accordingly, we have a long history of supporting and working with a number of entities that are actively addressing various facets of human trafficking problems, including the *Interfaith Center on Corporate Responsibility*, the *Not For Sale Campaign*, the *Responsible Sourcing Network*, and the *UN Global Initiative to Fight Trafficking*.

Beyond our Tier 1 facilities, we have also engaged stakeholders to address the risk of forced labor deeper in the supply chain. For example, Gap Inc. has played a significant role in collaborative efforts to identify and implement lasting solutions to address employment practices and working conditions, including forced labor, in the garment industry in Tamil Nadu, India. Gap Inc. initiated a meeting for Brands Ethical Working Group (BEWG) members and the Tirupur Exporters Association (TEA) that resulted in the formation of the Tirupur Stakeholders Forum (TSF). The TSF has since agreed upon a set of guidelines for factories to use to help eliminate unacceptable employment practices.

Gap Inc. also helped to develop the ETI Tamil Nadu Multi-Stakeholder Program (TNMS) with the Ethical Trading Initiative (ETI), alongside 15 other major Brands and Retailers, key local and international NGOs and trade unions, including Anti-Slavery International and IndustriALL, to address the *Sumangali scheme* and other exploitative labor practices in southern India, particularly forced labor. These efforts were undertaken even though there is no established link between Gap and the facilities where these practices were found. For more information: <http://www.gapinc sustainability.com/forced-labor-0>

Additionally, considering the evidence on forced labor in Uzbekistan's cotton industry, we have signed the *Cotton Pledge* led by the *Responsible Sourcing Network* and have worked to educate and influence our suppliers and factories on this issue, making it clear that we will not accept any clothing manufactured with fabrics that were knowingly made from Uzbek cotton.

To further address the risk of forced labor in our supply chain, we engaged *Verité* in 2015 to develop a robust policy for ensuring that FCWs working in facilities producing for Gap Inc. are not being exploited or discriminated against.

We also welcomed the California Transparency in Supply Chains Act, enacted in 2012, which requires companies of a certain size to publicly communicate their efforts to identify and eliminate forced labor in their supply chains. We have a policy to comply with this legislation, which is an important lever in the global fight against human trafficking.

More recently, in Myanmar, we have actively supported opportunities for private sector collaboration and have played a leadership role in Business for Social Responsibility's (BSR) Myanmar Responsible Sourcing Working Group (MRSWG). The MRSWG focuses on key challenges in Myanmar garment sector, especially child and forced labor which remains key issues in the country. As a founding member of the MRSWG, we also helped to develop BSR's *Principles of Responsible Sourcing for Myanmar's Garment Sector*. The Principles were informed by the U.N. Guiding Principles on Business and Human Rights, ILO conventions and consultations with more than 20 local stakeholders.

Traceability and risk assessment

Traceability

7. Please describe your company's supply chain tracing processes.

Does your company publicly disclose a) the names and locations of first-tier suppliers, and b) some information on suppliers beyond the first tier? If yes, please provide a URL.

Related to indicator D.2.3 of the CHRB

Gap Inc. monitors all first tier supplier facilities (and those of approved subcontractors) for forced labor and human trafficking, and is in the process of establishing social criteria which will enable us to evaluate working conditions at the mill level.

Risk assessment

8. Please describe your companies' risk assessment processes. Please include specific examples of when your company has conducted forced labor risk or impact assessments focused on a particular commodity, region or group (e.g. migrant workers in a specific context), as well as the forced labor risks identified through these risk assessment processes (e.g. high risk commodities or high risk sourcing countries).

For examples of commodities where forced labor risks have been identified - such as cotton from Brazil, silk from Uzbekistan or leather from the Bangladesh - see Verite (2016) – [“Strengthening protections Against Trafficking in Persons in Federal and Corporate Supply Chains Research on Risk in 43 Commodities Worldwide”](#).

Related to indicator B.2.1 of the CHRB

Gap Inc. has a country risk assessment process to evaluate the overall risk level and specific risks in its key sourcing countries—risk of forced labor, child labor, migrant workers, and trafficking in persons are included in this risk assessment. Through this country risk assessment, we are able to identify the most salient human rights risks in our key sourcing countries, and to develop country-specific strategies to address them.

Additionally, our global team of Assessment & Remediation Specialists is in factories on a regular basis, and is critical in surfacing forced labor risks so that we can take action.

Our team found that many factories in the Middle East, Asia, and Southeast Asia employed FCWs, and that they were particularly vulnerable to exploitation. As a result, we took steps to develop and implement stringent policies for factories FCWs so that their rights are protected. Please also see response to Question 5 on Training above.

Purchasing practices

Purchasing practices

9. Does your company make an effort to avoid purchasing practices that increase the risk of human trafficking and forced labor in the supply chain (e.g. short-term contracts, excessive downward pressure on pricing, sudden changes of workload?) Please elaborate.

Related to indicator D.2.2 of the CHRB

Gap Inc.'s Global Sustainability Department sets shared goals with our Global Supply Chain department focused on building closer relationships with a smaller, select group of preferred suppliers (which allows us to focus our resources on suppliers that have the greatest alignment with our sustainability and business goals.) We track the percentage of business placed with these strategic suppliers over time. Additionally, we conduct a capacity analysis prior to authorizing a facility for production, which allows us to evaluate whether a facility has the necessary equipment and number of lines to produce the quantity of the product ordered, without subcontracting.

<http://www.gapinc sustainability.com/people/improving-factory-working-conditions/driving-business-integration>

Our sourcing teams have developed longer term business relationships with a select pool of "Preferred" suppliers for each product category. Memorandums of Understanding (MOUs) are signed with "preferred" suppliers who meet pre-defined requirements. Gap Inc. commits to longer term sourcing arrangements with preferred suppliers, which include allocating specified order amounts to suppliers over a 2-3 year timeframe. This enables suppliers to plan better and manage their operations in a more predictable and efficient manner. As a result, suppliers are also more willing to make longer term investments in their operations, management systems, machinery, etc. due to more predictable, stable, longer term business. In certain cases, Gap Inc. also places orders farther in advance to help suppliers shift production to low production seasons. This helps to reduce excessive overtime for workers by smoothing out production and reducing pressure in peak production months.

Supplier selection

10. Does your company assess risks of forced labor at potential suppliers prior to entering into contracts with them (this may include aspects such as passport retention and payment of wages)? Please describe.

Related to indicator B.1.7 of the CHRB

Yes, Gap Inc. has a vendor approval process that requires all new suppliers to undergo an assessment against the COVC as well as technical capability evaluation prior to beginning production for Gap Inc. After the initial assessment of working conditions, the facility either earns approval or is placed in pending status while it addresses outstanding issues. The COVC that is used for the assessments contains provisions related to forced labor, child labor, foreign contract workers, and identity document retention, and can be found here:

Code of Vendor Conduct

11. How does your company take into consideration the capacity of suppliers to meet fluctuating demands (to reduce the risk of undeclared subcontracting)?

Please see answer to #9.

Integration into supplier contracts

12. Does your company integrate its supply chain standards addressing forced labor and human trafficking into supplier contracts?

Related to indicator B.1.4.b of the CHRB

Before Gap Inc. begins working with a supplier, the supplier must sign a Vendor Compliance Agreement and "agree to be bound by" the company's COVC.

Cascading standards

13. Does your company have a process to cascade standards on forced labor down the supply chain (e.g. requiring first-tier suppliers to ensure that their own suppliers implement standards that are in line with the company's standards)? Please describe.

Related to indicator A.1.2 of the CHRB

Gap Inc. requires that facilities that produce goods for Gap Inc., including sub-contractors, shall operate in full compliance with the laws of their respective countries and with all other applicable laws, rules and regulations as a condition of doing business with Gap Inc.

As part of the COVC that all vendors must abide by, facilities that engage subcontractors (including handwork) are expected to engage in monitoring and verification of their subcontractors to assess and address any risk associated with all sections of the COVC.

Recruitment

Recruitment approach

14. Please describe your company's recruitment approach, including a) whether your company requires recruitment agencies in its supply chain to uphold workers' rights (this may include aspects such as written contracts, access to passports, and regular payment of wages), b) whether it has a policy on direct employment (i.e. a policy prohibiting suppliers in its supply chain from using recruitment agencies), and c) whether it requires suppliers to disclose to the company the recruiters that they use.

Related to indicator D.2.5.b of the CHRB

As described in our COVC, facilities are expected to use recruitment agencies only under the following conditions:

- The agency is licensed by the home country government, and where applicable the host country government.
- A written contract exists between the facility and the recruitment agency that clearly defines all hiring practices.

- Recruitment agency discloses all the information regarding the use of any sub-contractors, sub-agents or any individual for recruiting workers for the facility.
- The facility (including its employees and representatives) does not accept any reimbursements, kickbacks or other amounts from the recruitment agency or other person involved in the recruiting process.

Recruitment fees

15. Please describe your company's approach to recruitment fees in the supply chain, including whether your company requires that no fees be charged to supply chain workers during recruitment processes, and whether and how your company ensures that fees paid by workers are reimbursed.

Related to indicator D.2.5.b of the CHRB

Gap Inc.'s FCW standards require that the supplier facility "pays all fees and costs payable to the host government for the documentation of FCW's employment in the host country, including any levies, fees for work permit, fees for renewing work documents. The facility may not at any point deduct from wages, charge workers or otherwise accept reimbursements to re-coup these fees. Facility or the recruitment agency does not collect from FCWs a deposit or bond or withhold part of FCWs' earnings at any point of their employment. The facility prohibits recruitment agencies from charging FCWs any illegal fees and/or fees payable to the host government, such as levy, legal work document fees, and fees for renewing work documents."

In cases where it has been found that recruitment fees have been paid by workers, we required and verified that the affected workers were reimbursed. This work is conducted by the Supplier Sustainability team.

Recruitment audits:

16. Does your company audit recruiters used in its supply chain, to assess risks of forced labor and human trafficking, and/or require suppliers to audit their recruiters?

For further information, see Verité – [Fair Hiring Toolkit. Conducting Interviews with Labor Recruiters](#).

Gap Inc. requires that if suppliers use labor recruiters, they maintain necessary documentation to prove that they are legally registered and in compliance with all legal requirements. Facilities must have a mechanism to ensure that all third-party employment agencies (in sending and receiving countries, as applicable) recruit workers ethically, and in compliance with relevant laws and the COVC. The facility must maintain documentation demonstrating third-party employment agencies' requirement with relevant laws and COVC, including any assessment reports.

Worker voice

Communication of policies to workers

17. Please describe how your company communicates its human trafficking and forced labor related policies and standards to workers in its supply chain, and whether your company makes its policies and standards available in the languages of suppliers' workers (including migrant workers).

Related to indicator B.1.4.b of the CHRB

We require factories to post our COVC in a location that is regularly accessible to workers, in languages that workers understand. Our COVC posters are translated into 27 local languages where our branded clothing is manufactured.

Worker voice

18. Please describe how your company engages with workers in its supply chain on labor related issues and rights outside of the context of the factories/farms in which they work? (whether directly or in partnership with stakeholders).

[Example available here](#)

Related to indicator B.1.8 of the CHRB

We announced two new ambitious goals in 2015 to expand our P.A.C.E. (Personal Advancement and Career Enhancement) program for advancing women:

1. Improve the lives of one million women in Gap Inc.'s supply chain and other manufacturing and community settings through the Gap Inc. P.A.C.E. program by 2020; and
2. Expand P.A.C.E. to a suite of learning programs that provides multiple entry points for addressing the needs of adolescent girls and women leaders by 2020.

The model for expanding P.A.C.E. to achieve these goals is based on three components:

- Collaborating with new and existing partners, including others in the garment industry, corporations, development agencies, and NGOs, to reach one million women in both manufacturing and community settings;
- Opening the proprietary program to select partners, through a no-fee, franchise-type model. These new partners will receive extensive training on the P.A.C.E. curriculum in order to replicate the program's success; and
- Expanding the scope of the P.A.C.E. curriculum to create a suite of learning programs, including a new educational program for girls in the community, ages 13-18, and a new women's leadership curriculum.

At the core of P.A.C.E. is the belief that every woman in the program is connected to many more people – whether in her workplace, her family, her community and even far from her home – and this power of connection is also guiding how we think about expanding the program's reach. Because we believe that new collaborations hold the key to bringing P.A.C.E. to more women, we are committed to partnering with other companies, industry leaders, NGOs, development agencies, funders and others.

The new suite of learning programs for adolescent girls and women's leadership curriculum are both designed to meet the needs of women and girls wherever they are in their lives. For younger participants, P.A.C.E. will provide life skills education at a critical time in their personal development, when it could change the trajectory of their lives. For women in the leadership program, P.A.C.E. will offer the chance to deepen their development by focusing on such areas as managing vision and purpose, influencing others, driving for results, and leading change.

Worker empowerment

19. Please explain how your company encourages its suppliers to ensure workplace environments where workers are able to organize, including through alternative forms of organizing, where there are regulatory constraints on freedom of association.

[For additional information on worker empowerment, see context in “Responding to Challenges of Freedom of Association” chapter of Ethical Trading Initiative’s practical guide on “Freedom of Association in Company Supply Chains”, and related company example on page 35](#)

Related to indicator D.2.6.b of the CHRB

Gap Inc. provided ILO Better Work with a grant of \$320,000 to evolve and scale its Workplace Cooperation Program. Workplace cooperation refers to arrangements for establishing and improving relations between managers, workers, and their elected representatives at all levels within a factory - between workers and line supervisors at the shop floor, workers and section managers in structured meetings and training sessions, as well as between worker representatives and senior managers in meetings and negotiations. Interaction means that worker and management representatives come together to talk, listen, discuss, plan, compromise, negotiate and make decisions. The aim of this interaction is to resolve and prevent problems of concern for workers and management, thereby promoting the needs and interests of both parties.

We also decided to adopt the curriculum as the basis for our rebooted Capability Building program since we believe workplace cooperation provides a number of key benefits to workers and suppliers.

The vendors and facilities that we have sought to partner with were chosen because of their importance to Gap Inc., and because of their willingness to collaborate and innovate. Gap Inc.’s role in this program will be to help facilitate committee meetings, to assist the bi-partite committee members in identifying important issues, and to share best practices. Our goal is to enable the participants to not only reduce any workplace-related conflicts, but to identify workplace-related opportunities that go beyond compliance. Our next steps for 2016 include:

- Helping establish committees where they do not already exist
- Facilitating the work of committees in developing and implementing an Improvement Plan
- Boosting the abilities of workers and managers to solve problems together
- Helping address root causes and finding sustainable solutions to workplace issues
- Identifying training needs and delivering trainings on relevant issues

This intensive approach to capability building is being rolled out to over 30 facilities across seven different countries this year. We are also exploring how we can utilize mobile technology to either provide information about workplace communication to participating or represented workers, as well as how we can collect information from workers to understand the program’s impact. We are presently scoping how exactly mobile technology will support this initiative, but look forward to providing updates to you during the next reporting cycle.

We believe the level of this challenge is ambitious because the current level of workplace cooperation in so many garment facilities remains unacceptably low. However, we believe that by taking a long-term, sustained approach, we will be able to enable workers and management to take more ownership of the issues they face in their workplace. We are fortunate to have forged a strategic partnership with ILO Better Work in helping us train our team on how to most effectively deliver this training, and ILO Better Work will remain a crucial partner as we move

into execution of the program. We believe the workplace cooperation is an issue that can benefit any working environment. Through partnering with ILO Better Work and utilizing their vast experience and expertise, we feel that we will be able to transform many of the facilities with which we work.

Bipartite committees are an effective method of promoting worker organization in environments where there are constraints upon freedom of association. The main differences between a bipartite committee and a trade union are as follows:

- Legal Status: The committee is temporary, consultative in nature and does not have a permanent status
- Legal Protection of Representatives: No official legal protection of committee Worker representatives, unless they are also trade union representatives.
- Affiliation with outside organizations: No legal basis for affiliation to outside organization, but if union present in factory, union should have communication link with the committee.(WPC Resource and Talking Points)

Due to the above lack of legal protections for participants, Gap Inc. is very thoughtful about the locations and vendors to whom we roll out the Workplace Cooperation Program.

Grievance mechanism

20. Please describe your company's grievance mechanism, and clearly indicate whether it is available to workers in the supply chain, and how it is communicated to workers in the supply chain. Please also note whether you require your suppliers to establish a grievance mechanism, and to convey the same expectation to their suppliers.

Related to indicator C.1 and C.5 of the CHRB

The Gap Inc. hotline is made available for employees and others to raise concerns about potential violations of our Code of Business Conduct. Any concerns are addressed using a robust internal process, and we regularly update our policies and practices based on our findings. At the factory level, we support worker committees where grievances can be expressed, and we check that they are present through our Assessment & Remediation program.

We require factories to provide a confidential and anonymous channel for workers to express any grievances that protect them from retaliation. Factories must have a process for addressing grievances in a timely manner that includes documenting grievances and actions that management takes to address them. Our field team trains factory workers and managers on establishing and using grievance mechanisms. If our team identifies any issues, we require factories to implement corrective action plans and evaluate their performance against this overarching standard.

In 2015, we provided all of our suppliers with best practices information on how to effectively operate and manage grievance mechanisms. Key elements include information on how effective grievance mechanisms can play an important role in identifying, preventing and remediating issues of concern on the facility floor, and how facility-level grievance mechanisms can help support workers' ability to raise concerns and seek remedy in the workplace. They can also enable facility management to understand and address those issues before they escalate into bigger issues. Our recommendations include:

- Implementing a Help Line as another method for workers to confidentially voice concerns. Issues identified through the Help Line should go before the grievance/communication committee.
- Actively seeking ideas for improvement through the communication system/suggestion boxes and exit interviews.
- Conducting worker satisfaction surveys periodically to measure worker morale and help identify other opportunities for facility and dormitory improvements.
- Holding regular worker feedback meetings to discuss issues and problems affecting workers in the day-to-day operations of the supplier and to ask for their suggestions on how to address problems or improve procedures. The meetings can be either formal or informal.
- Using a formal worker performance management system as a basis for promotions and pay increases.
- Specifying and communicating to workers how long it will take for management to respond to worker grievances. When responses to grievance are delayed, the supervisor or manager handling the complaint should communicate the reason for the delay.

Going forward, we are focusing on improving factories' capabilities to implement properly functioning grievance mechanisms and ensure workers are able to use them to advocate for their rights and well-being. We are also evaluating ways to use mobile technology to help protect human rights and empower the workers who make our clothes. For example, such technology could offer an anonymous platform for workers to provide direct, real-time feedback about labor practices and could educate workers about their rights.

Monitoring

Auditing process

21. Please describe your company's supplier auditing process including whether the process includes a) scheduled and non-scheduled visits, b) a review of relevant documents (documents may include wage slips, information on labor recruiters, contracts, etc.)ⁱ, and c) interviews with workers.

For further details on document reviews see Verite – [Fair Hiring Toolkit. Conducting a Review of Documentation.](#)

Related to indicator B.1.6 of the CHRB

Gap Inc. conducts announced and unannounced audits of all factories that manufacture our branded apparel. All audits include review of relevant documents, interviews with management, and interviews with workers. All interviews are conducted in the local language, with use of translators if needed.

A) Scheduled and non-scheduled visits

Gap Inc. conducts 3 types of assessments, as follows:

- Announced Assessments:
 - Facilities are contacted prior to the assessment in order to set a mutually acceptable date and time to conduct the assessment, or
- Unannounced Assessments
 - Facilities are not contacted prior to the assessment
- Semi-Announced Assessment:

- Facilities are informed that the assessment will take place within a particular month or two-week window

B) Review of Relevant documents

Document and record review is conducted for a number of purposes including, but not limited to: gathering information regarding wages and benefits, hours of work, company policies, discrimination, health and safety, environment, child labor, contract labor, and migrant labor; evaluating level of compliance to standards; and assessing effectiveness of policies and procedures. All required observations, calculations, and/or data collection must be executed during the course of the assessment.

C) Interviews with workers

Assessors are instructed to crosscheck information gathered from other sources against information provided by workers in order to detect potential areas of concern. Facilities are required to protect workers selected for interviews from retaliation and encourage them to be open and honest throughout the process. The number of workers selected for interviews is dependent on the number of workers at the facility. The assessor must select all workers that will be interviewed, and will use his/her discretion as to whether interviews should be conducted on-site or off-site. Selection by facility management is not permitted under any circumstance. The objective in selecting workers is to obtain a sample that represents the different perspectives and profile of the facility's workforce.

Audit disclosure

22. Does your company disclose

- a) the percentage of suppliers audited annually
- b) the percentage of unannounced audits
- c) information on who carried out the audits (this may include further information on the expertise of auditors such as relevant certifications, in cases where third-party audits are used, the names of the auditors, and in cases where internal auditors are used, details on department/team/group within which the auditor(s) sits), and
- d) a summary of findings, including details of any violations revealed?

Please provide a URL with the relevant information.

Related to indicator B.1.6 of the CHRB

Gap Inc. discloses the percentage of suppliers audited, the percentage of announced vs. unannounced audits and a summary of findings here:

<http://www.gapinc sustainability.com/people/improving-factory-working-conditions/partnering-factories>

Remedy

Corrective action plans

23. Does your company have a process for creating corrective action plans when violations are discovered through an auditing process? Please describe this process and the elements of a corrective action plan.

Related to indicator B.1.6 of the CHRB

One of the tenets of our approach to partnering with factories is that we work to fix what we find—through the creation and verification of completion of a corrective action plan. We work with factories to agree on specific, time-bound plans to correct issues that do not meet our requirements for legal compliance, labor and working conditions, and management practices. We have devoted additional resources to fixing key issues at factories that pose higher risks to workers' rights and well-being as well as our business.

We monitor progress through follow-up visits and on-site meetings with unions if they are present in a factory. We also collaborate with local stakeholders to help identify and address factory issues when they may have more direct access and influence. This often leads to corrective actions that improve working conditions and protect workers' rights.

<http://www.gapinc sustainability.com/people/improving-factory-working-conditions/partnering-factories> (Section "Helping Fix Issues at Factories")

Remedy

24. Does your company have a process to provide remedy to workers in its supply chain in cases where violations are discovered, including for responding to instances of forced labor and human trafficking? If yes, please provide examples of outcomes.

Related to indicator C.7 of the CHRB

Through proactive due diligence aligned with the UN Guiding Principles on Business and Human Rights we seek to avoid adverse human rights impacts and complicity in the adverse impacts caused by others. We are committed to providing access to effective remedy in the event that we cause or contribute to an adverse impact. Our ongoing work is to embed human rights considerations in all relevant business decisions. This commitment applies globally to our own operations, our products and services, and our business relationships, including our supply chain.

We also have comprehensive remediation plans that are implemented if we identify violations related to our COVC. For example, if an underage worker is found working in a facility that makes our branded apparel, that person must be immediately removed from the workplace, given access to schooling, paid an ongoing wage, and guaranteed a job at the factory upon reaching the appropriate age. The vendor responsible for this violation pays for the costs associated with this remediation, which provides further incentive for our suppliers to ensure that their age-verification systems are comprehensive and effective.

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