

## Gap response

10 November 2016

*Business & Human Rights Resource Centre invited Gap to respond to:*

“1,000 workers cry rescue from layoff”, Manila Times, 23 Oct 2016  
<http://www.manilatimes.net/1000-workers-cry-rescue-layoff/292750/>

“1,200 jobless as garments firm closes”, Inquirer (Philippines), 29 Oct 2016  
<http://newsinfo.inquirer.net/835692/1200-jobless-as-garments-firm-closes>

*Gap responded with the following statement:*

Hansoll made a business decision to close its Philippines facility, Faremo International Inc., in October 2016. This information was shared with Gap Inc. in September, during which time we implemented our facility closure protocol to ensure all aspects of the closure are in compliance with local laws and Gap Inc. policies. Hansoll has shown, with sufficient evidence, that this decision was driven by their global business strategy.

Hansoll has committed to adhere to the legal process of the factory closure, including all severance and wage payments. Further, Hansoll has committed to provide outplacement plan for impacted workers and help impacted workers find job placement in nearby factories. Hansoll has committed that this will be applied equally to both union and non-union members, and our field team will be working with Hansoll to oversee this effort.

All production at Faremo International Inc. was completed in October, and our understanding is that the facility will officially close down on November 21<sup>st</sup> 2016 with full payments to workers, inclusive of those they are obligated to pay under the guidelines of the 30-day notice rule.

Gap Inc. has reiterated to Hansoll that they should continue to have regular and ongoing dialogue with the workers in good faith to reach an amicable settlement.

Further, Hansoll has stated that it is willing to engage in meaningful dialogue with the stakeholders involved in this case. We support this direct conversation and will be facilitating an introduction so Hansoll can respond to this inquiry directly.