



**February 2018**

To Mrs. Isabel Ebert and Mrs. Jennifer Teufel  
Business & Human Rights Resource Center

Dear Mrs. Ebert and Mrs. Teufel,

This response is referring to the allegations of freedom of movement and living conditions in hostels in India in connection with the report 'Labour without liberty' by ICN/CCC and GLU. The report mentions C&A as one of the fashion retailers sourcing from suppliers with production units in the Bangalore region.

C&A adheres to the Guiding Principles on Business and Human Rights which are embedded in our diligence process to manage risks in the supply chain, such as the ones highlighted in the report by ICN. C&A expects suppliers to conduct their operations in a responsible manner, and make every effort to protect people and the environment.

It is important to raise awareness on workers' wellbeing and living conditions in Bangalore so that all key actors (brands, government, suppliers) can foster improvements in the region. This is why C&A welcomes the publishing of the report 'Labour without Liberty' as it also acknowledges that this issue is complex and challenging to resolve due to a wide spectrum of aspects including culture and caste system among others, which are embedded in the Indian society.

For C&A, securing fair recruitment, decent work and labour rights is one of our top priorities as a business. This report comes as a support to our ongoing efforts towards the improvement of workers' rights in our sourcing countries such as India. We are also glad to see that ICN has taken into consideration the efforts C&A has done so far and have highlighted those among other brands.

### **Collaborative efforts**

We acknowledge that only through collaboration we will be able to have the desired impact. After ICN issued the first report 'Unfree and unfair' in 2016, we took immediate actions to understand the root cause of the issue and how we can tackle it in order to improve migrants' life and work. Hence, we joined efforts with other two international brands in order to conduct a context evaluation of freedom of movement, health & safety and workers' wellbeing in general. As mentioned in the ICN report, the three brands ran a scoping study to help us understand the issues affecting workers' wellbeing in our supply chain. This study represents a substantial piece of facts collected throughout process. The key findings were in line with the findings of the report 'Unfree and unfair' which was referring to the lack of system approach of factories to address the issues of migrant workers, language barriers, hygiene of hostels etc.

Based on results of the workers' survey in the Scoping Study and a supplier roundtable, two main issues were prioritized for specific actions: a) Migrant – Living Quarters & Assimilation and b) Prevention and Mitigation of Sexual Violence and Harassment at workplace.



The three brands have started working on priority area (b) which is focusing on creating guidelines for migrant workers on sexual harassment and also for living quarters. Both sets of guidelines are developed for factory management as well as for workers. The content is based on the Business for Social Responsibility (BSR) kit on sexual harassment. Together with BSR, we are finishing the adaptation of the guidelines and we are currently planning the implementation in factories. As we have already applied similar guidelines in factories and hostels in the Tamil Nadu region, we will be learning from the experience there in order to ensure efficient implementation of the guidelines in our Bangalore factories.

In addition, we are putting together a conceptual plan on worker assimilation & integration (priority area (a)). As part of the development and the implementation of the programme, we will engage with Ethical Trading Initiative (a multi-stakeholder organisation), local trade unions and ICN among others in order to consult our plans with them and obtain their expert opinion on how we can drive bigger impact.

### **Individual efforts**

It is important to highlight, that according to the ICN report, brands' individual efforts differ substantially from one another. We are glad to see that ICN has taken into consideration the efforts C&A has done among other brands. C&A has been one of the few who has acknowledged the limitations of social audit and is committed to search for alternatives, which may bridge the gaps that audits have. That is why we are investing resources and efforts in our capacity-building program. We believe that educating our suppliers on social sustainability is key so that they can take ownership of their supply chain. We practice this approach under our Supplier Ownership Program (more information [here](#)). This is the most efficient way to address the core challenges in India in general to drive a long-term change. As it is highlighted in the report, C&A *"elaborates on its work beyond auditing, which they label as 'capacity building' or 'supplier engagement'. In its response, C&A explicitly acknowledges the limitations of social audits and states that the company is committed to searching for alternatives. C&A works to equip suppliers with "systems and tools to work proactively for their social sustainability and monitor their supply chain for noncompliance".* Some of our factories in Bangalore are already engaged and our goal is to include more factories there in our Supplier Ownership Program.

As a result of the ongoing improvement dialogue between brands and one of our main suppliers in Bangalore, the supplier has assigned the day-to-day management of its hostels to a suitable local NGO Janodaya. The organisation is specialised in working with women sharing accommodation with expertise in handling Health & Safety, Woman Safety, Literacy Program, Nutrition Programs and provides legal assistance when necessary. ICN report criticises the involvement of this NGO by pointing out that not a lot of progress has been made. We acknowledge that there is still a room for improvement but the reality is that Janodaya is the only NGO in the region addressing those type of issues and so far we have not come across with another organisation doing such work.

Last but not least, in January 2018, we have become a member of the newly launched ETI India Platform. Together with ETI, we have had consultations with NGOs and Trade Unions and have



received positive responses from them to establish such Multi-stakeholder Ethical Trade Platform in India. The ETI India Platform will be divided into one for North India and the other one for South India. This is to ensure that local challenges are addressed in the most coherent manner. The purpose of the platform is to facilitate tri-partite discussions to promote industry-based solutions on critical labour rights issues such as the ones described in the report.

We are happy to provide you with further information if needed. If you want know more about our effort in ensuring safe and fair labour in our supply chain, we invite you to review our [annual sustainability report](#).

If you have questions, do not hesitate to contact me.

Best regards,

Aleix Busquets Gonzalez

Head of External Stakeholder Engagement - Global Sustainability



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