

“C&A’s response”, 11 July 2022

**Mingalar Sumbiri Garment Co., Ltd.:** On 30 November 2021, 86 workers were told they were being dismissed, and that the factory would deduct one month from their compensation pay. The factory reportedly told workers if they did not agree, the factory would close, and they would not receive their compensation.

We have discussed and solved this matter with Sumbiri Nov/Dec 2021 and it was a very easy discussion with Sumbiri due to their general positive attitude and all dismissed 86 workers have been compensated.

**GTIG EASTAR Garment (Myanmar) Co. Ltd.:**

- In October 2021, the factory announced its closure, seven months after it was badly damaged by a fire. Over 1,900 workers have been left without compensation.
- In May 2022, it was reported that the factory had fired a worker who had been physically assaulted by her supervisor.

Due to the fire from March 2021 we had no production in this completely damaged facility anymore. This factory was removed from our system already early August 2021. We learned from GTIG that they repaired the damage and started operations again in August 2021 with limited number of workers but C&A did not work in this factory any longer. According to GTIG, the affected workers did receive subsidies with the support of SMART Myanmar in August/October 2021 and January 2022. We cannot comment on the case occurring in May 2022 since C&A did not produce any new good in Myanmar

**Honour Apparel Garment:**

- On 14 March 2021 the factory was burnt down by a fire and subsequently closed for six and a half months. During the closure, workers reportedly struggled to make ends meet as the factory did not continue to pay wages or provide compensation. In January 2022, the factory paid over 400 workers partial compensation for only three months. Workers have demanded that they be compensated for the entire duration the factory was closed.
- In March 2021, labour groups report that the military sought to arrest the president of the factory’s union, Sai Min Theta.
- In May 2022, it was reported that workers were facing excessive production targets which was causing them difficulties, verbal abuse, wage deductions and unsanitary conditions in the factory.

All compensation terms were agreed through the ACT Dispute Resolution Mechanism by Worker representatives lead by the local trade union IWFM and with the support of an external mediator engaged through ACT secretariat.

The case of Sai Min Theta, is new to us since we never received any accusation although we followed this case very closely with IWFM, IndustriALL and ACT. Sai Min Htet's dismissal was solved and compensation has been paid though to the ACT Dispute resolution mechanism.

As in the case above, the May 2022 incident we cannot comment on the case since C&A did not produce any new good in Myanmar