

Turkey Earthquake Response: Questionnaire

This short questionnaire aims to understand in more detail the engagement apparel brands have had with their suppliers in the aftermath of the February 2023 earthquake. It aims to see how brands are meeting this challenging situation, in the context of reports that some buyers have adjusted their purchasing practices in the wake of the disaster.

Please answer all questions and provide YES, NO or numerical answers where requested. We also welcome additional information and context, and any supporting documentation you think it would be useful to provide.

In the period since the February 6, 2023, earthquake that affected a major textile and garment producing region in Turkey, with respect to your suppliers in that region:

1. Have you, as a matter of policy, directed your sourcing team to forgive delivery delays resulting from the earthquake and suspend the imposition of penalties until the region has recovered?

Y- C&A accepted any delays resulting from the earthquake without any penalties or further consequences for our affected suppliers.

2. Has your company imposed any penalty on a supplier in the region as a result of delayed delivery?

N – Please refer to our answer on question 1.

3. Have you as a matter of policy directed your sourcing team, in the case of delivery delays resulting from the earthquake, to pay the affected suppliers no later than the date on which they would have been paid had on-time delivery been feasible?

Y – C&A has one largely affected supplier in that region. For that supplier we conducted payments immediately after product shipment.

4. Have you, as a matter of policy, directed your sourcing team not to seek price concessions from suppliers in the affected region on new orders negotiated subsequent to February 6, 2023?

Y – C&A continued price negotiations including setting final prices for products also after the earthquake. However, we had a very close dialogue with our affected supplier to ensure to adjust prices and lead times if needed.

5. Has your sourcing team negotiated prices on any new order from the region that are lower than those paid to the same supplier for like product during the prior season?

N – C&A has not negotiated lower prices for like products compared to the prior season.

6. To the extent that textile producers in the affected region are among those that your brand directs apparel suppliers to utilise, have you taken steps to ensure that these producers will be paid in full and on schedule regardless of delivery delays?

Y – Please refer to the answer on Q3.

7. Has your company provided any of the following forms of assistance to suppliers in the region in order to help them survive and fulfil their obligations to workers?

a. Accelerated payment on orders recently delivered, in transit, or in production?

Y – All outstanding invoices for our one largely affected supplier in that region were paid immediately.

b. Improved payment terms on new orders?

N – For new orders, payment terms remain the same. However, we stay in close contact with the supplier to adjust whenever needed.

c. Providing low-interest or no-interest financing to suppliers?

Y – C&A has a supply chain finance program which is accessible for suppliers in Turkey. Within the finance program, suppliers receive payments for shipped goods at competitive rates.

d. Direct financial assistance to suppliers?

Y – C&A and its employees made donations to set up a container living area for the workers of our affected supplier. We are currently in the finalisation of the legal and technical implementation.

8. Are you taking concrete steps at supplier factories, aside from standard periodic auditing, to ensure that vulnerable workers (e.g. migrants, refugees, unregistered workers, pregnant workers) are not facing discrimination in terms of wage reduction or layoffs?

Y – C&A has one supplier affected by the earthquake. No other supplier was directly affected by the earthquake. Our local team regularly follows-up with the supplier on the situation and addresses potential risks for workers or non-compliances.

9. Have you taken steps to ensure that all Tier 1 and Tier 2 supplier factories in the in your supply chain, and within the earthquake affected regions, are structurally safe?

Y – Right after the earthquake the C&A local Social Compliance team connected with all suppliers in the affected region to understand their general situation, how much they are directly affected and collected appropriate documents to ensure stability of the buildings. As mentioned before, only one of our suppliers in the region is directly affected.

10. Have you provided the families of Tier 1 and Tier 2 workers in your supply chain who were killed during the earthquake with any form of financial assistance?

Y – Through grant-making and direct financial contributions, we provided funding for emergency aid and housing containers to address short-term needs on the ground. Additionally, C&A facilitated an employee fundraising campaign for Turkey.

a. If yes, what form has this assistance taken?

Please refer to our answer in Q10.