

# Survey on fashion brands and retailers' approach to human rights due diligence in Myanmar

Business & Human Rights Resource Centre (BHRRC) is collecting information on fashion brands and retailers' approaches to heightened due diligence in Myanmar as a sourcing country.

This survey provides you with the opportunity to detail your approach to human rights due diligence beyond any responses you have made to BHRRC's Myanmar Allegation [Tracker](#). Your answers will be analysed for our upcoming report on how brands have adapted operational strategies in Myanmar after the military takeover as well as their impacts on garment workers.

Please feel free to provide any supporting information on your practices in any of the questions below (including tick box questions).

The survey will take 15 minutes and will be open for 3 weeks, from the 6th April to the 27th April 2023.

We thank you for your time and cooperation!

## Part I: General information

1. Company name: Matalan
2. Your name: Ian Butcher
3. Your role: Ethical Compliance & Manufacturing Manager
4. Your department: Sourcing/ Technical Services

## Part II: Operation history in Myanmar

5. When did your company start sourcing from Myanmar? In recent times; 2016
6. Do you still source from Myanmar, as of the 6th April 2023?

Yes

Yes, but we have announced that we plan to stop sourcing from Myanmar

No, we have now left and no longer have any ongoing production in Myanmar

## Part III: Heightened human rights due diligence approach in Myanmar

This section will explore your approach and practices to human rights due diligence in the high-risk context of Myanmar.

7. Which of the below mechanisms do you currently utilise in the context of Myanmar?\*

	Yes	No	Not sure
Human rights due diligence guideline in conflict-affected contexts like Myanmar			X
Public disclosure of an up-to-date list of direct and indirect suppliers in Myanmar	X		

	Yes	No	Not sure
Requirement for suppliers to undertake a human rights self-assessment questionnaire (SAQ)	x		
Supplier code of conduct that includes human rights	x		
Your company has its own field office in Myanmar			
Regular field visits/inspection to your suppliers in Myanmar	x		
Requirement that third-party audit to be undertaken across your Myanmar suppliers	x		
Involvement of the Factories and General Labour Laws Inspection Department		x	
Institution of remediation and grievance mechanisms at each supplier site			X <b><i>This is to be reviewed during the next Myanmar visit.</i></b>
Training for suppliers on human rights	x		

*\*Please feel free to add any further comments*

8. How often do you undertake field visits/inspection to your suppliers in Myanmar? Please tick as many as apply.

- Annually
- Regularly (more than once per year)
- In case of reported allegations
- Never
- Not sure

*Please feel free to provide any further information on how you undertake field visits/inspection to your suppliers in Myanmar: **Currently we undertake announced visits to Myanmar. It's not possible to carry out ad-hoc visits due to visa requirements. Visas are very restrictive; however, the plans are for an ethical team member to visit at least 2 times per year, and sometimes along with MCRB and British diplomats.***

9. How often do you have a third-party factory audit in Myanmar? Please tick as many as apply.

- Annually
- Regularly (more than once per year)
- In case of reported allegations
- Never
- Not sure

*Please feel free to provide any further information on third-party auditing in Myanmar: **Only SMETA audits carried out by a limited number of nominated 3<sup>rd</sup> Party audit companies is required.***

10. Which stakeholders do you engage in your due diligence process? Please tick as many as apply.

- Workers
- Trade unions in Myanmar
- Workplace Coordinating Committee (WCC)
- Global union federations (eg IndustriALL Global Union)
- Multi-stakeholder initiatives (MSIs)
- Civil society organisations
- SMART Myanmar
- MADE in Myanmar
- Other. Please specify: **MCRB**

*Please detail how you engage with the above stakeholders: **We are collaborating with MCRB, Who kindly set up a meeting with SMART Myanmar, however this meeting was cancelled due to visa issues at the time. This will take place within 2023, providing arrangements can be made to obtain a visa.***

11. Do you have a grievance mechanism that workers in Myanmar can access? Please tick as many as apply.

- Yes, through our company's grievance mechanism
- Yes, through Myanmar's Dispute Resolution system
- Yes, through multi-stakeholder grievance mechanisms
- No
- Not sure
- Other. Please specify:.....

*Please provide further details on how the grievance mechanism (if any) is communicated with workers: **This is something that is to be reviewed during an upcoming visit to Myanmar.***

12. How are you made aware of human rights concerns in your supply chain? Please tick as many as apply.

- Through factory owners
- Through existing grievance mechanism
- Through civil society organisations
- Through trade unions
- Through Workplace Coordinating Committee (WCC)
- Other. Please specify: **MCRB**

13. When an allegation is raised, what is your standard procedure to address the issue?
14. Please feel free to provide any further information on how you undertake human rights due diligence that you would like us to know. ***A full explanation of the issue is demanded from the supplier that uses the factory in question. If a breach of policy is found, a corrective action will be given along with a fixed timescale to complete. If the Issue violates the Matalan zero tolerance policy, it is expected that if no viable solution is agreed, the responsible exit plan will be implemented for that factory.***

#### Part IV: Business decision in Myanmar

15. We understand that the decision as to whether to remain or to discontinue sourcing from Myanmar is complex. Please provide any information on how your company has reached its current business decision in Myanmar. ***We have decided that although exit from Myanmar would probably be less troublesome in the long run, it is not necessarily the right thing to do for the textile workers there. Also, there are some sourcing benefits for our suppliers. In this instance we can support nations such as Myanmar, as we have done for many years in other countries such as Bangladesh and Cambodia. This way there are no losers. Matalan margins are relatively low, therefore we don't expect any lower prices than what some of our retail competitors do. During our next visit we are to review the issues surrounding the rise in inflation and payment of a more reasonable living wage. But of course, all retail brands would have to do the same to make it work.***

#### Part V: Responsible exit from Myanmar

*We are asking brands to answer this section if you have either already stopped sourcing from Myanmar, or have announced that you will stop sourcing from Myanmar in the future. **If you plan to continue to sourcing from Myanmar, please skip this section.***

16. Final order placement and final shipment dates (Anticipated if you are planning your exit)
17. Total number of workers being laid off in all suppliers (Anticipated if you are planning your exit)
18. How long in advance have you let your suppliers know about the exit before stopping your orders?
19. Which stakeholders do you engage in your decision and preparation of the exit? Please tick as many as apply.

- Workers
- Trade unions in Myanmar
- Workplace Coordinating Committee (WCC)
- Global union federations (eg IndustriALL Global Union)
- Multi-stakeholder initiatives (MSIs)
- Civil society organisations
- SMART Myanmar
- MADE in Myanmar

Other. Please specify:.....

20. How do/did you mitigate the impacts of the exit on workers? Please tick as many as apply.

Maintain open lines of communication with relevant supply chain partners

Require suppliers to report their plans for terminations in advance to review these in line with your Codes of Conduct

Seek evidence of payment of workers at the end of the exit plans, including all severance and benefits payable for those affected

Other. Please specify:.....

Thank you for your continued engagement with BHRRC on our work in Myanmar!

Please contact Hanh Nguyen - Senior Labour Rights Researcher at [nguyen@business-humanrights.org](mailto:nguyen@business-humanrights.org) and Natalie Swan - Head of Labour Rights Programme at [swan@business-humanrights.org](mailto:swan@business-humanrights.org) if you have any questions following this survey.