**NKD response to “Exploitation – Made in Europe” report**

*Business & Human Rights Resource Centre invited NKD to respond to the following item:*

*-* [*Exploitation made in Europe*](https://cleanclothes.org/file-repository/exploitation-made.pdf/view)*, Clean Clothes Campaign, 24 April 2020*

*In response, NKD**sent the following statement:*

Thank you for your e-mail dated 06th May 2020 addressing the topics raised in the report “Exploitation – Made in Europe”, published on April 24, 2020 by Clean Clothes Campaign.

NKD is a member of Amfori and received the report through Amfori on Thursday, 23rd April 2020. Since NKD was mentioned in the report as one of the companies procuring from Serbia, the allegations mentioned in the report made us very concerned.

As an immediate response NKD liaised with Amfori and further concerned competitors mentioned in the report, to discuss on how to get engaged and take action to address any possible violations where applicable. However, the report does not link NKD to a specific factory or case, so that it is not clear to us, where the investigation for the report was conducted. This makes it impossible for NKD to address remediation activities in a specific factory.

Since November 2014 NKD is an engaged member of the Partnership for Sustainable Textiles. The Partnership for Sustainable Textiles was founded by the German Federal Ministry for Economic Cooperation and Development as a call for action to improve working conditions throughout the global supply chain. Despite NKD not operating their own production facilities, we take our responsibility towards workers in the supply chain very seriously by conducting our own internal audits (Factory Evaluations) before allowing any production to take place and additionally require production facilities to undergo a 3rd party audit e. g. against an internationally accepted and accredited standard like Amfori BSCI = Business Social Compliance Initiative. In case non-conformities are raised during an internal or external audit, we follow-up and closely monitor remediation by working jointly with our suppliers to find sustainable solutions. If a supplier is not willing to undertake appropriate measures to sustainably remediate non-conformities, we reserve the right (as a last option and after all efforts are exhausted) to sanction the supplier by not allowing any further production or orders to be placed for NKD. In addition to continuous auditing and monitoring, NKD conducts a broad variety of CSR-related capacity building measures and regularly trains workers and mid-level management to raise awareness.

Our membership in the Partnership for Sustainable Textiles is a commitment to take all possible measures that are within our scope as a trading company to improve working conditions throughout the global supply chain and at the same time obliges us to regularly report about our extensive efforts. Evidence in form of Roadmaps outlining our annual goals and progress reports documenting our activities are publicly available on the website of the Partnership for Sustainable Textiles. These combined efforts are in line with the development-oriented approach Amfori is taking.

NKD wishes to address any possible violations that are possibly linked to our company. However, due to the lack of detailed factory information in the report and the ongoing COVID-19 pandemic, it is impossible for us to conduct own investigations at site or to appropriately give a statement against the raised allegations. We believe in a fair and constructive dialogue with NGOs and take any allegations raised against our company very seriously. Hence, we are sincerely hoping for further information that could be provided to us, so that we can get involved and improve the situation in factories working on the production of our products where applicable.