

C&A Foundation's commitment to transparency

C&A Foundation aspires to a fair and sustainable apparel industry. We believe that fashion has the power to work better for the millions of people who make the clothes we wear.

Right now, the apparel industry contributes to profound social injustice and environmental degradation – problems sustained by systemic market forces. In everything we do, we aim to address these deeply-rooted challenges of the sector.

One of our goals is to improve working conditions for the millions of garment workers who depend on this industry for their livelihoods. Reaching this goal, however, is hampered by the complexity of the global apparel supply chain. The components of a T-shirt, for example, often pass through at least a dozen hands (farmer, ginner, spinner, dyer, trimmer, sewer, packer) before landing in a retail store. And in many instances, retailers do not even know all of the companies involved in making their products.

Such opacity can conceal conditions that result in workers not being respected or treated with dignity. We believe that working conditions will improve only when all stakeholders are held accountable for workers' well-being. By shining a light on apparel supply chains, through transparency and traceability, we can help to achieve greater accountability, and ultimately, the behavior change necessary to ensure workers are treated fairly.

Transparency for accountability

The complexity of the global apparel supply chain, from cotton field to retail outlet, leads to weak accountability, for example:

- Information about working conditions is documented by manufacturers and buyers but rarely shared with workers, government or the public – the parties most likely to exert pressure for improvement;
- Customers, brands and governments are often unaware of the locations and conditions in which products and raw materials are produced.

Without this information, it's difficult for people – whether customers, buyers, civil servants, factory owners or workers – to act to improve working conditions. By supporting the global apparel industry to become more transparent, C&A Foundation is working to increase accountability that motivates action.

For example, in Bangladesh we are working with BRAC University to develop a real-time database of all of the garment factories in the country. This initiative will allow civil servants to identify unregistered factories and rectify the situation. It will help buyers discover and take responsibility for working conditions in outsourced locations. Such information might even give workers a chance to make better choices on where to work.

Principles guiding our support of transparency initiatives

Public disclosure is an essential part of transparency. C&A Foundation supports initiatives that gather and publicly disclose information in a manner that both enables users to act and incentivises improvements in working conditions.

Specifically, we support transparency initiatives that:

- 1) Publish previously undisclosed information about working conditions, provenance of garments or raw materials, and/or purchasing practices;
- 2) Provide disaggregated, standardised and comparable information regarding specific products, organisations, or practices;
- 3) Include mechanisms to check the accuracy of data (for example, independent vetting or quality control);
- 4) Ensure that the information is presented in an accessible format and reaches all audiences who can contribute to change;
- 5) Have a country or industry-wide scope; and
- 6) Incorporate feedback, and acknowledge and celebrate positive actions that have been taken.

We do not support transparency initiatives that:

- 1) Provide visibility to one or more stakeholders, but fall short of public disclosure;
- 2) Unfairly target or discriminate against one group of people or entities;
- 3) Disclose commercial information, or information that does not enable improvement of working conditions within the garment, footwear, accessory and textile production; and
- 4) Are purely research focused without mechanisms for disseminating information or incentivising change.

We recognise that public disclosure of data is the first step towards increased accountability and behavior change across the supply chain. While it can work well, for example, to encourage factories to make positive changes (as evidenced by Better Work in Cambodia), it must be complemented with other mechanisms in order to be embedded in the industry. These include systems to encourage dialogue, tools to support key actors to make changes, and the strengthening of workers to negotiate for these changes.

Avoiding conflicts of interest

The foundation's affiliation with C&A, a leading global clothing retailer, allows us to test, replicate and scale programmes. We acknowledge that this relationship leaves the foundation vulnerable to alleged charges of conflict of interest. To protect against this, the foundation's grant agreements specifically disallow any special favor or consideration given to the C&A business, and contractors or subcontractors within the C&A supply chain. In all cases, grantees shall treat C&A in the same manner as any other brand or retailer would be treated.