Making Sustainable Fashion the New Normal
Global Sustainability Report 2017

At C&A, we believe everyone should be able to look and feel good every day, without compromising the quality of life of those who make our clothes, or the planet we source from. We want our customers to trust us to do the right thing, so they can buy our products without having to choose between what's sustainable and what’s not.

Driving more sustainable cotton

We are the world's largest buyer of organic cotton. 67% of the cotton we source is certified organic or Better Cotton - taking us closer to our 2020 goal of 100%

Transparency in focus

We have publicly disclosed our tier-1 and tier-2 suppliers' factories worldwide. 55% of the workers in our supply chain work in top-rated factories.

Circular fashion first

We have brought over 1.3 million pieces of our revolutionary Cradle-to-Cradle Certified™ apparel to market across the world. The most sustainable collection in the industry.

Fewer natural resources

Through our sourcing of more sustainable cotton, we have reduced water consumption by 43% when compared with conventional cotton.

Inspired by women

78% of C&A employees from Brazil, Mexico and our sourcing countries participated in our Inspiring Women campaign to promote gender equality.

Towards a new normal

We are working towards a vision of the new normal - where sustainability is just another word for normal. To achieve our vision of fashion with a positive impact, our sustainability work is focused on the areas that are most relevant to our business and where we can have the biggest impact - our products, our supply chain and people’s lives.
Caring for generations

C&A is one of the most enduring and pioneering retailers in global apparel. We provide quality and affordable clothing to 3.5 million customers every day. With 51,000 employees worldwide and more than 1 million apparel workers in our supply chain, we recognise our influence and the responsibility we have to use it positively.

Read more about C&A

About C&A

Caring for generations

C&A is one of the most enduring and pioneering retailers in global apparel. A leading retail fashion business, providing quality, affordable clothing to 100 million customers each year. With 51,000 employees worldwide, our retail business encompasses 18 countries

Europe, Brazil, Mexico and China.

Founded by Clemens and August Brenninkmeijer in 1841 in Sneek, Holland, C&A has been defining the way people choose and buy their clothes for 177 years. The C&A retail business is part of the COFRA Group, headquartered in Zug, Switzerland.

Still family-owned after six generations, our values are deeply rooted. We want our customers to feel good about shopping at C&A, and our employees to feel proud of our
contribution on the community, society and environment.

From the beginning, we focused on making ready-to-wear, quality clothing available to everyone. Now, we’re building on this vision by making beautiful, sustainable clothing, at a price point that works for everyone. Our cornerstone commitment, for all our cotton to be more sustainable by 2020 and our focus on circular apparel is creating fashion with a positive impact for people and the environment.

Convergence and amplification

We are calling on other fashion brands to join our journey towards a future where circular fashion becomes the standard reality. As an industry, we have an opportunity to move away from the current ‘take, make, waste’ model to a circular model. C&A’s goal is to foster the adoption of these innovations across our supply chain and to provide our Cradle-to-Cradle innovations in an open source to the wider industry to make change happen.

Our corporate foundation compliments our global sustainability strategy to create a fair and sustainable apparel industry in which everyone – from farmer to factory worker – can thrive, making fashion a force for good. C&A Foundation’s initiatives work broadly across the entire apparel industry to amplify the systemic change needed in the social and environmental conditions across the apparel industry. For more information, visit C&A Foundation's website or read the C&A Foundation 2017 Annual Report.

C&A at a glance
Europe

We have a strong presence in Europe, with nearly 1,500 stores across 18 countries. As the hub of our sustainability leadership, C&A Europe’s work in our products and supply chains is often adapted for other regions. As part of its sustainability work, our European region leads initiatives on driving supply chain responsibility and transparency, eliminating harmful chemicals and developing more sustainable products.
**Sustainable Products**

- In 2017, C&A brought the first GOLD level Cradle-to-Cradle Certified™ products to market in stores across Europe, and have since developed many new products and collections, which reached the selling floor later in the year. In Europe, we will deliver more than two million Cradle-to-Cradle pieces over the next two seasons.
- We were the first brand partner of Fashion for Good, where we are collaborating to drive circular economy approaches into our supply chain with other leading brands. In 2017, we shared our learnings from the development of our Cradle-to-Cradle Certified™ products with the industry through the Good Fashion Guide.
- In Summer 2017, we launched a new BIO COTTON campaign across all our European stores, running in-store, online and via social media. The region also supports the Organic Cotton Accelerator, a multi-stakeholder initiative focused on building a prosperous organic cotton sector that supports farmers.
- Man-made cellulosics such as viscose make up 7.5% of the fabric we use and are derived from dissolving wood pulp made from trees. In 2017, C&A Europe committed to source 100% of our man-made cellulosic fibres from suppliers who have practices in place to prevent ancient or endangered forest products entering their supply chain.
- In 2017, C&A Europe started taking meaningful steps to increase our use of recycled fibres in our collection. We have used recycled polyester in outerwear and blouses, recycled nylon in lingerie and have continued using recycled cotton in denim.
- In October 2017, we launched our second Europe-wide campaign to communicate our commitment to 100% responsible down to our customers and sold 89% of our Responsible Down Standard-certified down jackets within two weeks.
- Our European in-store take-back programme, WeTakeItBack, was expanded from the Netherlands – where it has collected more than 278,000 kg of clothing for reuse or recycling since 2012 – to Belgium, Luxembourg and Switzerland.
- All our European products are free from perfluorinated compounds, and we have eliminated chromium from our leather tanning process.

**Sustainable Supply**

- Because most of C&A Europe’s suppliers are based in Asia, the region drives our work to source responsibly. C&A Europe works with partners such as the Bangladesh Water Partnership for Cleaner Textiles (PaCT) to strengthen environmental practices in our supply chain.
- Europe led the C&A regions in setting water goals, committing in 2016 to reduce water in the production of our raw materials by 30%, and to reduce the water we use in stores, distribution centres and head offices by 10%.
- We’ve been actively working with Ethical Trading Initiative, Fair Labor Association, and other brands to support the Syrian refugee workforce in Turkey’s garment industry. In 2017, we have continued our unannounced audit protocol for every production unit in order to ensure that no workers are abused.
**Sustainable Lives**

- Europe was the first region to launch C&A’s new global, multi-channel sustainability communications campaign, #WearTheChange, in February 2018. The campaign was launched across in-store, online and print touchpoints, featuring products with verifiable sustainability claims. Although #WearTheChange has only just been launched, it is already attracting positive feedback from employees and customers alike.

- During the Inspiring Women 2017 campaign, 12,801 C&A Europe employees mobilised to make a difference for charities that help women live safe and successful lives.

- Between January 2017 and April 2018, C&A customers donated over €408,000 to Save the Children to help refugees in Europe, and another €225,000 to other emergencies worldwide. Donation boxes were available in 1,150 C&A stores in Germany, France, Belgium, the Netherlands, Switzerland, Spain, Portugal and Italy.

- Customers in our European retail countries voted to decide how C&A Foundation should allocate a €300,000 donation between GoodWeave, Remake and Canopy – all working to make fashion a force for good.

- Between March 2017 and February 2018, C&A Foundation funded 142 initiatives in 18 European countries, donating €2.9 million through store giving. The recipients of the money were chosen by our employees via our C&A Together community giving programme.

**Brazil**

C&A Brazil has played a leading role in the Brazilian retail market, including on sustainability issues. We’ve reported on sustainability since 2010, and were the first fashion retailer in the country to report in accordance with the Global Reporting Initiative (GRI) guidelines. We were also the first company in Brazil to have an eco-store with LEED certification for sustainable buildings, and the first to disclose its supplier list. We have been monitoring our supply chain since 2006, and contributed to the creation of the ABVTEX (Brazilian Association of Textile Retailers) Qualification Program for Retail Suppliers, which aims to ensure suitable labour conditions for workers employed by suppliers and their subcontractors.
The Brazilian textile supply chain is complex, informal and fragmented, with hundreds of suppliers and subcontractors. Suppliers may work with up to 20 different sewing workshops, which reduces visibility into the extended supply chain. These subcontractors are often small entities operating in residential areas and lack strict building and fire safety practices. Some of them, especially in large cities, employ immigrant workers from Bolivia and Paraguay, who often work illegally in unsafe conditions, and without a full understanding of their labour rights. We’re working hard to ensure this does not happen in C&A Brazil’s supply chain.

**Sustainable Products**

- Although a high quantity of Better Cotton is grown in Brazil, few Brazilian retailers buy and use it in their clothes, so most of it is currently exported. Working with our biggest spinners, we have accelerated uptake significantly in just over two years, increasing the number of BCI members in our Brazilian supply chain by 180% and inspiring other brands to begin sourcing Better Cotton.
- In 2017, C&A Brazil brought to market our revolutionary GOLD level Cradle-to-Cradle Certified™ T-shirts, reaching 14 million people through newspapers, magazines and online.
- C&A Brazil launched a pilot to understand how our Forest & Fabric policy can be implemented in its domestic supply chains, and found that suppliers’ management systems needed to be improved in order to comply. We plan further rollout of the approach in our Brazilian supply chain in 2018.

*Read more*

- C&A Brazil launched a pilot in-store take-back programme, Movimento ReCiclo, in 2017. In just five months, 31 stores collected 1,076 garments for reuse or recycling.
- We have shared responsibility for taking back and disposing of the cell phones and batteries we sell in Brazil. In 2017, a total of 40,736 items were collected in our stores.
- We were recognised with the Eco AMCHAM Award, one of the most prestigious sustainability prizes in Brazil, for our work on more sustainable cotton.

**Sustainable Supply**

- C&A Brazil has had an audit programme since 2006. Today, we continue to ensure our suppliers and authorised subcontractors comply with the social and environmental standards in our global Supplier Code of Conduct, which is sometimes higher than the local legal requirements.
During 2017, 57 suppliers and subcontractors from C&A Brazil’s supply chain joined the Value in Chain project. The course, supported by Instituto C&A and UniEthos, teaches participants about management, leadership, finance and sustainability. 59% of participants increased their sales after completing the course, and 41% reduced their energy consumption.

We are also part of a supplier certification programme managed by the Brazilian Association of Textile Retailers (ABVTEX), which monitors suppliers on social responsibility and labour conditions. And we continue with a ‘green light’ on NGO Repórter Brasil’s app 'Moda Livre' that monitors how Brazilian retailers improve labour conditions.

In 2017, Instituto C&A worked with local NGO partner Missão Paz to help 2,673 immigrant workers obtain the documents they needed to live and work legally in Brazil.

Instituto C&A partnered with non-profit centre Centro de Apoio e Pastoral do Migrante, that supports immigrants. Together, they helped 3,712 immigrants register as Brazilian residents and made 906 visits to factories and homes to provide advice on social welfare and labour conditions.

We were the first Brazilian retailer to engage suppliers in chemical safety issues and are rolling out our Sustainable Chemicals Management approach in the region.

Sustainable Lives

In 2017, we were delighted to be recognised by our Brazilian customers as the most sustainable retail fashion brand for the third year in a row.

We integrated communications on the Employee Code of Ethics into our induction process for new employees, training 4,849 employees in 2017.

C&A Brazil ran a full employee engagement survey in 2017. The number of participants taking the survey was 11,564, and 87% of employees said they felt proud of C&A’s contribution on the community, society and environment.

Our survey partner Hay Group placed C&A Brazil in their P75 group of companies following our high employee engagement scores on sustainability - meaning that we are ranked in the top 25% of companies in Brazil on this issue.

In August 2017 we created a Diversity Committee, which will work on diversity across ethnic origin, gender and LGBTQ+.

In partnership with Instituto C&A, our head office volunteering programme continued into its second successful year. A record 157 employees took part – more than double the number in 2016 – supporting five NGOs that help women, immigrants, refugees and fashion entrepreneurs.

We launched #VistaAMudança (#WearTheChange), our first global, multi-channel sustainability communications campaign, in Brazil in April 2018.

Mexico

We operate 72 stores in 40 cities across Mexico. We’re working to expand the sourcing of more sustainable cotton, improve supplier performance, reduce our environmental impacts and engage and inspire employees and customers on sustainability issues.
Sustainable Products

- C&A Mexico brought our revolutionary GOLD level Cradle-to-Cradle Certified™ T-shirts to market in September 2017.
- Historically, there has been a relatively low uptake of Better Cotton within the supply chain in Mexico. But in just over a year of active engagement and procurement, Better Cotton now accounts for a significant proportion of the cotton we source in Mexico. To get there, C&A Mexico mapped its supply chain, developed a 2020 sourcing roadmap, and delivered BCI training to employees, suppliers and mills.

Sustainable Supply

- Over 60% of C&A Mexico’s suppliers are based in Mexico, and we share the others with C&A Europe. In 2017, we worked with 160 domestic production units to implement the global Sustainable Supply Chain programme guidelines and audit process, in line with C&A’s global Supplier Code of Conduct.
- Because our new requirements are unique for the supply chain in Mexico, 37% of the workers in our supply chain work in D- and E-rated factories. We are working closely with each supplier and factory to build their capacity and improve ratings over time to meet our Supplier Code of Conduct requirements.
- We are one of the only international brands implementing a Sustainable Chemicals Management approach in Mexico, and are rolling out our global programme in the region.

Sustainable Lives

- In 2017, our employee engagement survey was extended to 1,027 employees in C&A Mexico, our largest sample size to date in this region. 92% of employees said they felt proud of C&A’s contribution on the community, society and environment.
- C&A Mexico delivered training to all commercial department employees on Better Cotton, and employees receive regular updates on how they can play their part in realising our vision.
- Customer perception of C&A’s sustainability in Mexico improved on multiple topics, including organic cotton and recycled materials. Our overall position on sustainability among fashion brands remained stable compared to 2016.
- We celebrated International Women’s Day in our Mexican stores, launching a collection of T-shirts in collaboration with local artist Motoko. On the same day, employees learned about C&A’s commitment to the UN Women’s Empowerment Principles through a short
film.

- In response to two devastating earthquakes in September 2017, C&A employees raised €6,000 (matched by C&A Foundation) and C&A Mexico donated 40,000 garments to victims.
- In Yucatan, Mexico, children from 13 schools took part in a drawing competition. Designs from the winners were printed on children’s shoes and puzzles to raise money for Save the Children.
- We will launch #WearTheChange, our first global, multi-channel sustainability communications campaign, during 2018.

## China

C&A China, which began operations in 2007, has 66 stores across 21 cities. Internet shopping is growing fast in China. C&A China launched its online platform in March 2014 with good results. Sales revenue has increased fourfold after only three years. E-commerce represents 15% of our retail business in China, achieving a record 300,000 visitors to our online channel every day.

### Sustainable Products

- Only a small proportion of the cotton product in China is organic. Working with C&A Foundation and CottonConnect, we are piloting a project in Shandong to support 105 farmers in their transition from conventional to organic cotton. The cotton will be used to make 145,000 T-shirts and 60,000 pairs of jeans.
- Man-made cellulosics such as viscose make up 7.5% of the fabric we use and are derived from dissolving wood pulp made from trees. In 2017, C&A China committed to source 100% of our man-made cellulosic fibres from suppliers who have practices in place to prevent ancient or endangered forest products entering their supply chain.
- To strengthen our supply network and improve our implementation of the Responsible Down Standard (RDS), our down supply chains in China are subject to careful scrutiny. In 2017, we conducted additional due diligence visits to RDS-certified supply chains to find out where further improvements could be made.

### Sustainable Supply
• 45% of the suppliers we work with in C&A China we share with C&A Europe. 15 of these suppliers provide 60% of our products in China. We have been working to raise the standards across all our suppliers.

• In September 2017, 20 C&A employees from buying, design, marketing, sourcing and sustainability spent two days on a farm in Binzhou learning about organic cotton farming. The team picked cotton, spoke to farm workers and spent time with farm leaders to gain a better understanding of cotton farming in practice.

Sustainable Lives

• In China, we saw trust in C&A’s brand improve in 2017, supported by customer recognition of our For the Planet campaign, which generated interest in organic cotton among customers.

• 87% of employees in China told us they feel proud of C&A’s contribution on the community, society and environment, and 79% of survey respondents strongly agreed with the statement “I understand how sustainability practices are related to my job.”

• C&A China delivered strong sustainability training and communications in 2017, training 118 new employees, 80 colleagues in the buying and design, store management and marketing departments, and launching company-wide online training in August 2017.

• C&A China is using WeChat, a popular instant messaging app, to raise awareness and understanding of organic cotton and C&A China’s Sustainability Commitment among its 1,466 employees.

• The region also conducted e-learning on the Employee Code of Ethics, with 90% of employees completing the training and test.

• Participation in the third year of our Inspiring Women campaign was above 80% in China. A group of employees visited the Beijing SOS Children’s Village on behalf of C&A Foundation to donate funds to the ‘mothers’ working with orphans to provide care, healthcare, education and vocational training.

• We launched #WearTheChange, our first global, multi-channel sustainability communications campaign, in China in April 2018.

Our Values

Trust us to do the right thing

With 177 years of history, our values are an important foundation for how we do business everyday with our colleagues, customers, and suppliers.
Our values are embodied in the following 5 principles:

- **Passion for our customer** – We are committed to helping them look and feel good
- **Responsibility with trust** – We respect the trust our customers place in us to do the right thing
- **Delivering together** – We collaborate across our global business and with stakeholders throughout the apparel industry
- **Integrity** – We operate with the highest levels of ethics and integrity
- **Continuous commitment** – We never stop seeking ways to improve

**Supplier Code of Conduct**

**How we manage performance and leadership in our supply chain**

Sustainability is something we do together, every day. It’s important that our employees, partners, and suppliers share our values. In 2015, we updated our global Supplier Code of Conduct and have implemented it throughout our supply chain.

Read about how we rate our suppliers

The code provides a uniform set of expectations for suppliers on legal compliance, labour practices and environmental performance, supported by a comprehensive set of guidelines. The code itself focuses on compliance, but our approach goes further: building capacity amongst our key suppliers so they can proactively take ownership of key issues. Our Supplier Ownership Programme includes a strong focus on capacity building and management systems to drive our approach beyond auditing. This is supported by capacity building programmes amongst employees: giving them the support they need to report and act on key issues that affect them.

We have also revised our audit programme. With more than 40 members, our compliance team is able to audit 100% of our suppliers’ production units at least once a year, conducting approximately 3,400 audits annually. They also work closely with suppliers to improve their performance and leadership over time.

**Employee Code of Ethics**
Holding ourselves to high standards

Our Employee Code of Ethics creates a single set of requirements for how employees should behave. Our leaders are responsible for creating a working environment that encourages appropriate conduct and must lead by example in ethical behaviour. Employees are encouraged to report behaviours not aligned with our values at our Fairness Channels – the portals for both employees and suppliers to raise awareness of violations to C&A management.

Read more about engaging employees
Read more about equality and diversity

Other important considerations

Responsible marketing

We want to create products everyone can enjoy, regardless of age or size, and recognise the need to reflect this in our advertising campaigns. When we develop new advertising campaigns, we will continue to avoid content that could be seen as discriminatory, defamatory, or hurtful.

Respecting human rights

C&A respects the human rights of everyone we work with. In partnership with C&A Foundation, we’re working hard to drive better practice across the entire industry. Our Supplier Code of Conduct and Employee Code of Ethics are guided by best practice on human rights, including the UN Guiding Principles for Business and Human Rights and the International Labor Organization (ILO). For instance, our approach to underage workers sets a standard that is higher than national legislation and many leading brands.

We have conducted a human rights gap assessment and a thorough due diligence of our sourcing & buying practices to see how this could affect those in our supply chain.

Promoting fairness and transparency

We work in a fair and transparent manner, and expect the same of our suppliers. For 10 years, our compliance hotlines, which we call Fairness Channels, have enabled us to deal with any issues that arise about situations in our offices, stores, or supply chain. In 2015, we updated our Fairness Channels to accommodate our more rigorous Supplier Code of Conduct and Employee Code of Ethics.

To ensure that the workers in our supplier's factories understand our requirements, we require our suppliers to train all workers and to prominently post our Code of Conduct and the contact our Fairness Channels in local language.

Our stores clearly display the names of C&A contacts, who can be contacted regarding concerns or questions. We deal with any issues rapidly, seeking the best solutions for all parties.
Our Approach

Accountability drives performance

We use our size, scale and global reach to expand our positive impact, with an overarching governance structure that drives performance, leadership and transparency. Direction comes from our most senior management, supported by a centralised decision-making body, and regional committees led by the retail market management teams. This global governance structure enables us to make better decisions quicker, and with lasting results.

Towards a new normal

We want to normalise sustainable fashion. We believe everyone should be able to look and feel good every day, without compromising the lives of those who make their clothes, or the planet we source from.

Nearly 55% of the workers in our supply chain work in top-performing, A/B-rated production units. And our commitment to sourcing 100% more sustainable cotton by 2020 has already allowed us to make some significant carbon and water reductions. And there is still more to do. As we continue to strive towards circular fashion, convergence across the apparel industry – partnering with the right organisations and initiatives – will be key for all of us to take the bold steps necessary for real, and lasting change.

Words from our leaders

Dear C&A stakeholders,

For the past few years, we have demonstrated our progress against our 2020 Global Sustainability Framework in this annual Sustainability Report. 2017 marks the midpoint in our strategy: our mission has created a groundswell of interest and action within our company and with our customers, but we still have a long way to go.
Our strategy was developed with the aim of mainstreaming sustainability, taking it from niche to normal. Not a series of pilots. Not a luxury for those who can afford it. Ultimately, we want to be at a point where consumers do not need to make a choice between looking good, feeling good and doing good.

Over the years, we have learned that to make sustainability the norm in apparel, we need to push the boundaries of what is possible. We have to take a leap of faith, setting bold goals that may seem impossible to achieve in order to push ourselves and the industry further.

That’s how we approached our commitment to certified organic cotton, in collaboration with C&A Foundation. We started this commitment in 2005 with only 1 million garments made of organic cotton. Today, we are the largest volume buyer of certified organic cotton worldwide, with over 170 million pieces sold in 2017. We’ve reached a leadership position that we had not envisioned was reachable – or even possible – when we started out.

We see the same possibilities with the work we are doing right now.

**Our C2C collection.** We launched 1.3 million pieces of Cradle-to-Cradle Certified™ apparel in 2017, maintaining the most sustainable fashion collection currently on the market at this scale. It is only by taking this leap of faith that we will prove that it can be done, engage our customers and inspire the industry to take action. Eventually, we want to create a new norm in how clothing is designed for its next life: non-toxic, made with 100% renewable energy and 100% recycled water – and produced in a way that affords dignity and fairness to workers.

**Man-made cellulosics.** In 2017, in our Europe and China retail markets, we have taken the bold step of committing to source 100% of our man-made cellulosic fibres from suppliers whose practices prevent ancient or endangered forest products from entering
their supply chain. We are shifting the market towards sustainable man-made cellulosics, and encouraging other brands to follow our lead.

**Bringing customers on our sustainability journey.** We launched #WearTheChange, our first global, multi-channel sustainability brand campaign, across our major markets. All products advertised under #WearTheChange are produced and sourced in a way that is more sustainable than conventional methods. This permanent campaign is accompanied by an in-store take-back programme, allowing customers can bring back unwanted clothing.

**Supporting Global Frameworks.** With the emergence of the United Nations Sustainable Development Goals, our long standing commitment to the 10 principles of the United Nations Global Compact and our support of key industry initiatives like Ellen MacArthur Foundation's Make Fashion Circular, we will evolve our strategy a new high by facilitating collaboration across the apparel value chain.

As one of the leading mainstream fashion brands, we have a duty to make sustainability the norm. To get there, we’ll need to keep on taking leaps of faith – challenging orthodoxies, demonstrating leadership and catalysing convergence in the industry.

This is our role, and we’re committed to playing it until sustainable fashion is the new normal.

**Jeffrey Hogue, Chief Sustainability Officer, C&A Global**

**Edward K. Brenninkmeijer, Chairman Global Sustainability Board. Chairman C&A Foundation Board.**

**Our 2017 performance**

**Strong performance towards our 2020 goals**

We made strong progress towards our 2020 sustainability goals in 2017. 67% of the cotton we source is now either organic cotton or sourced as Better Cotton. We developed our first global, multi-channel sustainability communications campaign, #WearTheChange, which launched in early 2018.
We continue to focus on strengthening our programmes across the rest of our supply chain to meet our 2020 goals for top-rated suppliers, particularly in relation to safe and fair labour practices and zero discharge of hazardous chemicals.

We remain committed to our sustainability goals and are determined to strengthen our efforts when it comes to leading industry-wide change.

**Our performance overview**

**Sustainable Products**

- Over two-thirds of the cotton we source is certified organic cotton or sourced as Better Cotton, up from 53% in 2016 and 40% in 2015. We remain the world’s leading buyer of certified organic cotton.
- Over one-quarter of the cotton we source is sourced as Better Cotton, making us one of the largest contributors to the Better Cotton Initiative in the world.
- 44% of the raw materials we use in our collections—such as cotton, viscose, and polyester—are now sourced more sustainably.
- In Europe and China, we have taken the bold step of committing to source 100% of our man-made cellulosic fibres from suppliers who have practices in place to prevent ancient or endangered forest products entering their supply chain.
- We were the first brand partner of Fashion for Good, where we are collaborating to drive circular economy approaches into our supply chain with other leading brands by implementing new technologies from innovative start-ups.
- We are sharing our learnings from the development of our Cradle-to-Cradle Certified™ products with the industry through Fashion for Good’s Good Fashion Guide, an open-source roadmap.
- We have now brought over 1.3 million pieces of our revolutionary Cradle-to-Cradle Certified™ apparel to market in Europe, Brazil, and Mexico.
- We were recognized by Ethical Corporation with the Sustainable Innovation of the Year award for our Cradle to Cradle GOLD Certified™ T-shirts.
- We introduced our first recycled nylon products in early 2018: around 80,000 pieces of lingerie certified to the Global Recycled Standard (GRS).
- 100% of our down and feathers meet the Responsible Down Standard, and we are working to strengthen the standard.
- We are working with the Organic Cotton Accelerator, CottonConnect, and C&A Foundation to improve the business case for organic cotton for 300 farmers in India.
- Following its successful launch in the Netherlands, we rolled out our in-store take-back programme to Belgium, Luxembourg, and Switzerland, and piloted a program in Brazil.

**Sustainable Supply**

- We disclose 100% of our tier-1 and tier-2 suppliers across all four regions. The names and addresses of the factories of our 757 suppliers are plotted on a supplier map.
- We continued to work with 24 suppliers through our Supplier Ownership Programme, covering 60,000 workers.
- We continued to deliver a strong and constantly evolving audit process on safe and fair labour. In 2017, nearly 55% of the workers in our supply chain work in top-performing, A- and B-rated factories that adhere to our high standards on working hours, minimum
wages, discrimination, violence or abuse and undisclosed production.

- We are among the leading brands for remediation in line with the Bangladesh Accord. C&A was one of the first to sign the Accord, and five years on, 92% of the issues identified across C&A's supplier operations have been corrected. Corrective Action Plans (CAPs) are in place for the remaining operations.
- We are one of the only fashion brands to disclose our entire greenhouse gas (GHG) inventory and cradle-to-grave water footprint.
- We completed our third hybrid Life Cycle Assessment to measure our carbon and water footprints from cradle to grave. Compared to our estimate for 2016, we have reduced our carbon footprint by 15% and our water footprint by 14% in 2017.
- In 2017, we committed to new global 2025 goals to reduce water in the production of our raw materials by 30%, and to further reduce the water we use in stores, distribution centres and head offices by 10% compared to 2015.
- Our facilities were given a Sustainable Chemicals Management performance score for the first time in 2017. 29% of facilities were already meeting our requirements, and the remaining facilities were given a clear timeframe for raising their performance.
- We are leading industry-wide convergence on a standardised environmental and social assessment tool called the Higg 3.0 Facility Environment Module (FEM) as part of our collaboration with other brands in the Sustainable Apparel Coalition.
- We were recognized by the Thomson Reuters Foundation as a 2017 winner of the Stop Slavery Award.

**Sustainable Lives**

- C&A was recognised as the most sustainable retail fashion brand in the Netherlands and Brazil in our third annual customer survey. In unprompted responses from over 6,000 customers, we also remained ‘top of mind’ for sustainability in Germany.
- We reached a key milestone in our sustainability journey with the launch of #WearTheChange, our first global, multi-channel sustainability communications campaign, in Europe, Brazil and China. The campaign will launch in Mexico later in 2018.
- 92% of employees in Mexico, and 87% in Brazil and China, told us they feel proud of C&A’s contribution on the community, society and environment.
- 13,920 employees in Europe and China took part in the third year of our Inspiring Women campaign. In many of our countries – including Italy, Switzerland and China – participation was above 80%, and we raised €574,000 for charities supporting women’s safety, leadership and voice.
- Over €408,000 was raised by customers to help refugees across Europe, and employees raised €6,000, matched by C&A Foundation, to help earthquake victims in Mexico.
- Between March 2017 and February 2018, C&A Foundation funded 142 initiatives in 18 European countries, donating €2.9 million through store giving. The recipients of the money were chosen by our employees via our C&A Together community giving programme.

**Progress towards our 2020 goals**
### Sustainable Products

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<td>57%</td>
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<td>138,724,326</td>
<td>126,786,229</td>
<td>125,458,179</td>
</tr>
<tr>
<td>% of certified cotton that was produced in areas where the Better Cotton Initiative (BCI) endorsed</td>
<td>103,848,584</td>
<td>80,573,731</td>
<td>69,748,390</td>
<td>69,034,914</td>
</tr>
<tr>
<td>% of our raw materials are more sustainable*4</td>
<td>63%</td>
<td>51%</td>
<td>25% (23% - 26%)</td>
<td>39% (54% - 58%)</td>
</tr>
<tr>
<td>Goal: Develop roadmaps for other raw materials in 2017 (w/ ongoing effort until 2019)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Goal: Develop approach to block-out economy, including goals in 2017 (w/ ongoing effort until 2019)</td>
<td>Circular economy goals developed</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Sustainable Supply

| Goal: Zero Discharge of Hazardous Chemicals*5 | 261 | 171 | 64 | - |
| Goal: 25% reduction in carbon footprint of CA3 stores, distribution centers and efficient electricity use*5 | 14% | 9% | 27% | - |
| Goal: 20% reduction in water footprint*6 | -2% | -9% | -18% | -37% |
| Goal: 50% reduction in our carbon footprint*7 | 226,204 | 182,745 | 204,307 | 203,600 |
| Goal: 50% reduction in our carbon footprint*7 | 814,351 | 819,820 | 98,500 | 94,719 |
| Goal: 100% of our products sourced from BSI certified supplier*8 | 20% | 20% | 20% | 20% |
| Goal: Build capacity within our supply chain** | 29% | 29% | 29% | 29% |

### Sustainable Lives

| Goal: Continuous increase in employment engagement programs** | - | - | - | - |
| Goal: Continuous increase in employment engagement programs** | - | - | - | - |
| Goal: Develop guide for gender equality in 2017** | - | - | - | - |
| Goal: Continuous increase in employment engagement programs** | - | - | - | - |

---

*100% of our raw materials are more sustainable if at least 90% of our raw materials are produced in areas where a leading sustainability standard is endorsed. 

**Goal: Develop roadmaps for other raw materials in 2017 (w/ ongoing effort until 2019).

---

*100% of our products sourced from BSI certified supplier.

---

*Continuous increase in employment engagement programs. 

---


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*Continuous increase in employment engagement programs.
Our Strategy

**Mainstreaming sustainability to become the new normal**

At C&A, we want to bring sustainability to the mainstream. We want our customers to trust us to do the right thing, so they can buy our products without having to worry about how they were made.

In 2015, we developed our first global sustainability strategy towards 2020 that would embed sustainability across our business and increase our sustainability leadership in our retail markets. Through creating this global alignment on the top-level goals, we have also created flexibility in how the goals are achieved in our retail markets, to meet local needs and to drive innovation.

**Our pillars translated into measurable goals**

To achieve our vision of fashion with a positive impact, our sustainability work is focused on areas that are the most relevant for our business and where we can have the biggest impact – our products, our supply chain and people’s lives.
Sustainable Products

We don’t want our customers to have to choose between what’s sustainable and what’s not. To ensure that we can achieve this vision, sustainability is an integral part of how we design and source our clothing. We focus on sustainable materials – especially cotton, one of our largest volume raw materials. We ensure that our clothing has been sourced and made in a way that respects people, the environment and animals.

To succeed in our goals, we recognize that we must collaborate across the industry to create a movement towards doing more good and creating innovative and open-source circular models for garment production.

Learn more about how we’re building sustainable products and working in collaboration

Learn more about our approach to the circular economy

Sustainable Supply

The apparel supply chain is complex: C&A’s encompasses around 1 million people,
employed through 757 global suppliers, with more than 2,000 production units. That means our supply chain accounts for a significant proportion of our footprint: for example, 90% of our water footprint. This is why our focus on the supply chain is so important. We focus much of our efforts on sustainable agriculture, supply chain social and environmental performance, and how innovation can revolutionise the production system.

Learn more about how we're developing sustainable supply chains

Learn more about our work in sustainable agriculture

Sustainable Lives

C&A is a global retail fashion company that touches the lives of 51,000 employees, 1 million apparel workers and 100 million customers each year. What we do and the way we do it has a large impact on many different groups of people. That is why we focus on empowering our customers to make more sustainable shopping decisions, support the livelihoods of the workers in our supply chain and seek to engage our employees and create sustainability ambassadors.

Learn more about how we're promoting sustainable lives

Learn how we are impacting the lives of the workers in our supply chain

Developing our strategy

Defining our material issues

We developed our current sustainability strategy in 2015, which involved a detailed materiality assessment. The four steps involved in the development of our strategy are summarised below. We evaluate this mapping each year to ensure that new material issues and impacts are identified and included in our strategic review.

Read about our material issues

Research: We interviewed 40 key stakeholders, including development experts, researchers, and business leaders. We reviewed our historical sustainability performance, data from our Life Cycle Assessment and research generated by customer interviews and focus groups.

Value chain impacts: We worked with external experts to develop a hybrid Life Cycle Assessment (LCA) model to fully understand the water and carbon footprint of our value chain. We also determined our social impacts through our Sustainable Supply Chain programmes and our human rights impact assessment.

Exploration: To determine those areas where we could make the biggest impact, we evaluated the success of existing C&A sustainability programmes and forecast industry trends over a 15-year period. Key initiatives like the UN Sustainable Development Goals and the UN Guiding Principles for Business and Human Rights informed this exploration.

Strategy: Using our material issues as an input, we developed our integrated sustainability strategy. It has three pillars: Sustainable Products, Sustainable Supply, and Sustainable Lives. We strive to address and include all material issues within our
sustainability framework. Other issues, such as quality, product safety and responsible marketing remain part of our core business approach.

We are continuously reviewing and developing our material issues and our strategies for addressing them. This ongoing review is based on our progress towards our goals, and the changing conditions of the world around us. In 2017, several important developments occurred that influenced our ongoing strategy:

- **Rohingya crisis in Myanmar and Bangladesh:** As the refugees of the northern Rakhine State of Myanmar fled from their homes, C&A evaluated its sourcing strategy in Myanmar. We engaged other brands and the Government of Myanmar on the issue. We continue to source from Myanmar, but are carefully monitoring the situation to determine whether changes in our strategy should be made. C&A Foundation has supported this region for many years, and took the decision in February 2018 to pause philanthropic work in Myanmar and increase support to the growing refugee population in Bangladesh. Read more about our response to the refugee crisis
- **Increased focus on the circular economy:** As the topic of the circular economy becomes more important in the fashion industry, we are creating additional commitments to develop Cradle-to-Cradle Certified™ products and to deeply engage the innovators of Fashion for Good to accelerate and scale circular technologies in our supply chain. Read more about our approach to the circular economy
- **Science-based climate targets:** To contribute to the commitments of the Paris Agreement on climate change, C&A will create science-based climate targets for our value chain, including our Scope 3 emissions. We have started to model our impacts to begin setting our goals beyond 2020. Read more about how we combat climate change
- **UN Women’s Empowerment Principles:** Because women are so important to our business – and make up the majority of our customers, employees and supply chain workers – we have committed to creating action plans on gender parity and the empowerment of women for all retail markets, starting in 2017. Read more about our new commitment
- **Approaches to excessive working hours:** Apparel workers are often subject to long working hours, due in part to the way that clothing is purchased by brands. In 2016, we developed a stringent policy on the avoidance of excessive working hours. In 2017, we examined the approach and recognised that it was not driving the change that we wanted to see. In 2018, we will focus on purchasing practices and supplier ownership to drive additional progress on this important topic. Read more about how we are reducing excessive working hours

Read more about stakeholder engagement

Governing sustainability
Accountability drives performance

We use our global reach to drive positive impacts for our employees, our supply chains and our customers. Our governance structure centralises decision-making, while enabling our local markets to customise their programmes to better address local issues and audiences.

Sustainability teams

Around 135 full-time employees work in sustainability across C&A. Our Global Sustainability team, led by our Chief Sustainability Officer (CSO) and based in Europe, sets the direction for our global sustainability strategy. A network of regional sustainability leaders and team members work to embed sustainability within each market. Each region is equipped with a Sustainable Supply Chain (SSC) team that works operationally for the business and is led strategically by the CSO. The regional SSC teams manage the day-to-day implementation of our Supplier Code of Conduct, Supplier Ownership Programmes and Sustainable Chemicals Management programmes in each region.

Global Sustainability Board

Sound governance helps us operate transparently and with accountability. The Global Sustainability Board (GSB), led by Chair of the Global Sustainability Board and C&A Foundation Board, drives our decision-making process and accountability across our retail
markets. The GSB includes regional CEOs and other global functions who have responsibilities for making key global decisions. The Board sets policy and strategy while monitoring and managing accountability of our performance towards the 2020 sustainability goals.

Our company has a well-organised and streamlined business planning and decision-making process, where sustainability is integrated and embedded. Our Global Sustainability team collaborates with each of our regional teams to develop plans with annual milestones and associated KPIs that will help us progress towards our 2020 targets. Each regional business and the GSB sign off on these action plans each year and include sustainability objectives in their annual bonus compensation.

**Materiality**

**What's material matters**

Our global sustainability strategy, launched in 2015, sets goals for 2020 for our products, our supply network, and our employees and customers. We developed the strategy with the input of many external and internal stakeholders.

**Approach to materiality**

In 2013, we began a three-phase project to benchmark our current position, determine material issues, and develop a unified approach internally:

1. **Research** - We interviewed 40 key stakeholders, including development experts, researchers, and business leaders. We assessed sustainability performance, reviewed existing research, and developed an initial mapping of our material issues. We also utilised key data from our Life Cycle Assessment process, our historical sustainability performance, customer research and interactions, and stakeholder input over the past three years to validate aspects identified.

2. **Value Chain Impacts** - For the first time we also focused on assessing our environmental impacts further to ensure that we are focusing in the right areas, regardless of our influence. We developed a Life Cycle Assessment model to determine our water and carbon footprints from the fields to the end of use of our products. We also assessed our social impacts across our value chain through our SSC programs and in our human rights gap assessment.

3. **Exploration** - We then evaluated the success of existing C&A sustainability programmes, reviewed major industry initiatives and explored how the industry might look in 15 years, with a goal of determining where and how C&A could make a difference. Key initiatives like the UN Sustainable Development Goals and the UN Guiding Principles on Business and Human Rights provided additional context for consolidating and focusing the material issues for greater global impact. From this, we prioritised the aspects where C&A has a key role in creating positive change and also where these issues are priorities for our stakeholders.

4. **Strategy** - We developed an integrated strategy incorporating our material issues with three pillars for action: Sustainable Products, Sustainable Supply, and Sustainable Lives.
Moving beyond materiality matrices, in this report we strive to address all of the material issues identified and report with both narratives and KPIs whenever possible. Most of the material issues have been incorporated into our new sustainability framework, and others like quality, product safety and responsible marketing will remain part of our ongoing business approach.

Our material topics

Sustainable Products

- Trends and value
- Sustainable raw materials and products
- Circular economy
- Recycling and material reutilization
- Animal welfare
- Responsible marketing
- Quality and product safety

Sustainable Lives

- Employee engagement
- Consumer empowerment
- Discrimination/inequality
- Gender equity and equality

Sustainable Supply

- Codes of conduct including anti-corruption
- Water stewardship/Clean water and sanitation
- Chemical management
- Climate change
- Auditing
- Transparency
- Capacity building
- Labour practices and human rights including living wages
- Health and safety
- Waste management including recycling
- Labour relations
- Freedom of association
- Partnerships
- Gender equality and equity

Stakeholder engagement
Maintaining active dialogue to drive change

We engage with stakeholders to understand their perspectives on key issues in the apparel industry. Through this engagement we can work together to find solutions and to continually improve our strategy.

Our stakeholder engagement process consists of six steps:

- We **identify** stakeholders to understand their relevance to our objectives and material issues.
- We **prioritise** our most important stakeholders.
- We **analyse** each stakeholder and take their perspective into account to determine the appropriate level of engagement.
- We maintain an **active dialogue** with our most relevant stakeholders to understand their views.
- We **include** our stakeholders in the implementation process of new strategies and programmes.
- We **incorporate** their feedback where appropriate to help us continually improve our strategy.

Our key stakeholder groups
We have identified 64 stakeholder groups across eight main focus areas. These areas include sustainable sourcing, the circular economy, our environmental impact, safe and fair working conditions in our supply chains, and inspiring and enabling our customers to act sustainably and to engage our employees.

While this list includes many stakeholder groups that we engage on a regular basis, we invite anyone to start a conversation with C&A on any topic. To contact us, please click here.

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business &amp; Human Rights Center</td>
<td>Human Rights due diligence</td>
</tr>
<tr>
<td>Centre for Research on Multinational Corporations (SOMO)</td>
<td>Workers’ rights</td>
</tr>
<tr>
<td>Cividep</td>
<td>Workers’ rights in India</td>
</tr>
<tr>
<td>Clean Clothes Campaign</td>
<td>Workers’ rights</td>
</tr>
<tr>
<td>Ethical Trading Initiative (ETI)</td>
<td>Workers’ rights and living wage</td>
</tr>
<tr>
<td>Freedom Fund</td>
<td>Workers’ rights and bonded labour</td>
</tr>
<tr>
<td>Four Paws</td>
<td>Animal welfare</td>
</tr>
<tr>
<td>Greenpeace</td>
<td>Sustainable Chemicals Management</td>
</tr>
<tr>
<td>Human Rights Watch</td>
<td>Workers’ rights and freedom of association</td>
</tr>
<tr>
<td>Indian Committee of the Netherlands</td>
<td>Workers’ rights and migrant labour</td>
</tr>
<tr>
<td>IndustriALL</td>
<td>Workers’ rights and living wage</td>
</tr>
<tr>
<td>International Labor Organization (ILO)</td>
<td>Global partnership for workers’ rights</td>
</tr>
<tr>
<td>Responsible Sourcing Network</td>
<td>Cotton sourcing</td>
</tr>
<tr>
<td>Solidaridad</td>
<td>Workers’ rights</td>
</tr>
</tbody>
</table>
We involve our key stakeholders in setting the direction of major strategies and programmes, and keep them updated on our progress.

In 2017, we have expanded our engagement with stakeholders as we updated our Sustainable Supply Chain (SSC) strategy. The Ethical Trading Initiative (ETI) reviewed and provided input for the development of the strategy. As they are a tripartite organisation, they also voiced the perspective of workers and civil society.

In the past year, our Sustainable Chemicals Management programme has evolved to become one of the core elements of our SSC strategy. We recognise that it is crucial to involve our key stakeholders, update them on the implementation of the programme, and discuss the lessons learned. Our first stakeholder dialogue meeting on chemicals management took place in May 2018. We gathered feedback on the current strategy and created a platform for collaboration and dialogue between C&A and our key stakeholders.

**Partnering for change**

The United Nations’ 17th Sustainable Development Goal recognises the value of global partnerships in creating sustainable development. Our partners are critical to helping us develop and achieve our sustainability ambitions and goals. We work with them to inform our strategy and to amplify our work, which aims to drive change across the broader apparel industry.

**C&A Foundation**

Our most significant partner is C&A Foundation, who have been on a mission to make fashion a force for good since 2013. They believe that fashion can be fair and sustainable, but that radical change is needed across the industry to reach this goal. Together, we deliver groundbreaking projects that make a real difference. The Fashion for Good innovation hub is the latest example: launched in Amsterdam in March 2017, it is an industry-wide initiative supporting the development of circular fashion, with other leading partners such as the Sustainable Apparel Coalition, the Ellen MacArthur Foundation and sustainable trade initiative IDH.

Read more about C&A Foundation here

Read the C&A Foundation 2017 Annual Report

**The Sustainable Apparel Coalition (SAC)**

The Sustainable Apparel Coalition’s vision is of an apparel, footwear, and home textiles industry that produces no unnecessary environmental harm and has a positive impact on the people and communities associated with its activities. It plans to achieve this through promoting supply chain transparency and pioneering assessment tools. Our industry focus as one of the founding members of the SAC has led C&A to become one of the main
drivers of an update to the Higg Index – a key sustainability tool – which will benefit the apparel sector as a whole. Industry convergence by way of the widespread adoption of the Higg Index is key to the success of the SAC.

Read more about SAC here

**Zero Discharge of Hazardous Chemicals (ZDHC)**

The ZDHC programme aims to advance towards zero discharge of hazardous chemicals in the textile and footwear value chain to improve the environment and people's wellbeing. The ZDHC programme includes a collaboration of 24 signatory brands, 53 value chain affiliates and 15 associates. Together, we are working to support implementation of safer chemical management practices. C&A was an early signatory to the programme and a founding member of the ZDHC academy.

Read more about ZDHC here

**ACT (Action, Collaboration, Transformation)**

ACT is an industry-wide collective bargaining agreement working to ensure living wages for garment workers in key sourcing countries. Now in its second phase, the multi-stakeholder initiative is establishing programmes and developing responsible purchasing practices for the industry. C&A is a founding member.

Read more about ACT here

**The Bangladesh Accord for Fire and Building Safety**

C&A are a founding member of the Bangladesh Accord. We were one of the first to sign the Accord, along with 220 other brands, international unions and NGOs in response to the Rana Plaza disaster. The Accord is an independent, legally-binding agreement, designed to create a safe and healthy garment industry in Bangladesh. We've played an active role in the steering committee, and in June 2017 we helped define how the agreement should be extended past its five-year anniversary.

Read more about the Bangladesh Accord

**Dutch Textile Covenant**

In 2016, we joined the Dutch Textile Covenant, led by the Government of the Netherlands, industry federations, labour organisations and civil society. The covenant works to address the most pressing issues in textile-producing countries, such as preventing child labour and improving conditions and wages in Bangladesh, India, Pakistan and Turkey.

Read more about the Dutch Textile Covenant here

**German Partnership for Sustainable Textiles (Textilbündnis)**

Since 2015, we have played an active role in sharing best practice and developing the agenda of the German Federal Government’s Partnership for Sustainable Textiles. This multi-stakeholder initiative seeks to improve social, economic and environmental outcomes across garment industry supply chains. In 2017, as part of our commitment to
the partnership, we submitted our roadmap with specific goals.

Going forward, we would like to see such national initiatives co-ordinated at a higher level and incorporated in one Europe-wide initiative that co-ordinates national efforts and creates convergence in actions and resource allocation for greater impact.

Read more about Textilbündnis here

**CottonConnect**

CottonConnect is on a mission to transform the cotton industry for good. It works with brands and retailers such as C&A to enable them to develop a more robust and resilient cotton supply chain. In 2007, C&A and the Shell Foundation founded CottonConnect. CottonConnect promotes transparency in the supply chain, trains farmers in agro-economic practices and supports the enhancement of farmer livelihoods and strong farming communities. Before moving to Better Cotton, we ran the REEL programme with CottonConnect to improve conventional cotton growing through sustainable approaches. We continue to work with them to develop testing methods for organic cotton and improve conditions for the farmers.

Read more about Better Cotton here

**International partnerships summary**

<table>
<thead>
<tr>
<th>Collaboration or partnership</th>
<th>Since</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changing Markets</td>
<td>2018</td>
<td>Signatory</td>
</tr>
<tr>
<td>Make Fashion Circular</td>
<td>2018</td>
<td>Signatory</td>
</tr>
<tr>
<td>United Nations Women's Empowerment Principles (WEP)</td>
<td>2018</td>
<td>Signatory</td>
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<tr>
<td>Cradle to Cradle Products Innovation Institute</td>
<td>2017</td>
<td>Board member</td>
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<tr>
<td>Fashion for Good</td>
<td>2017</td>
<td>First corporate partner Innovation committee member</td>
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<td>Prince of Wales Cotton Communiqué</td>
<td>2017</td>
<td>Signatory</td>
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<tr>
<td>Science Based Targets Initiative (SBTi)</td>
<td>2017</td>
<td>Signatory</td>
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<tr>
<td>Ellen MacArthur Foundation Circular Economy 100 (CE100)</td>
<td>2016</td>
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<tr>
<td>Ellen MacArthur Foundation Make Fashion Circular</td>
<td>2018</td>
<td>Participant</td>
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<tr>
<td>Dutch Covenant for Sustainable Apparel and Textile</td>
<td>2016</td>
<td>Member</td>
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<td>Action, Collaboration, Transformation (ACT)</td>
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<td>Amsterdam Coalition</td>
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<tr>
<td>Better Cotton Initiative (BCI)</td>
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<td>CanopyStyle Initiative</td>
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<td>Member</td>
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<tr>
<td>Save the Children</td>
<td>2015</td>
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<tr>
<td>The German Partnership for Sustainable Textiles</td>
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<td>Member</td>
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<tr>
<td>UN Global Compact</td>
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<tr>
<td>Collaboration or partnership</td>
<td>Since</td>
<td>Role</td>
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<td>-----------------------------------------------</td>
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<td>Organic Cotton Accelerator (OCA)</td>
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<td>Bangladesh Accord for Fire and Building Safety</td>
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<td>Better Mill Initiative</td>
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<td>Forum for the Future</td>
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<td>Zero Discharge of Hazardous Chemicals (ZDHC)</td>
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<td>Brazilian Association of Textile Retailers (ABVTEX)</td>
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<td>Partnership for Cleaner Textiles</td>
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<td>CottonConnect</td>
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<td>Global Social Compliance Programme</td>
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<td>Textile Exchange</td>
<td>2004</td>
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</table>

**How We Report**

**Leading industry standards and a balanced view**

Each year we report our performance against our 2020 Global Sustainability Framework using the Global Reporting Initiative (GRI) Standards, the 10 principles of the UN Global Compact and the UN Sustainable Development Goals (SDGs). In 2017, we have transitioned from GRI G4 Guidelines to GRI Standards.

Read about how we use global frameworks here

Use our GRI, UNGC and SDG Index to navigate the report

**About our report**
Unless otherwise stated, all data relates to our global performance for the business year 2017. Our data is based on science – and where that is unavailable, we take a precautionary approach. 2015 is our baseline year for measuring progress against our goals. Where possible, we have compared our performance to that of previous years and reported regional and global figures. We’ve also tried to present a more balanced view; for every major topic we talk about our challenges as well as the progress we’ve made.

**Reporting scope and boundaries**

As a privately-held company, we do not report on economic performance. We strive to report on all other standard disclosures as specified in the G4 guidelines.

Unless otherwise specified, we report on our entire value chain. We work with our tier-1, tier-2 and tier-3 suppliers to disclose information, where available. We are working closely with supply chain partners to create a closer link between farmers and farm groups and our tier-3 and 4 supply chain.

**Uncertainty**

We strive to provide accurate and precise data. However, there are inherent uncertainties in certain data sets. All our data has been collected and consolidated with Credit 360. Internal subject matter experts have validated data points. We have used state-of-the-art Life Cycle Assessment (LCA) methods to calculate greenhouse gas emissions and water use data, however, uncertainties may rise due to the assumptions used in the model.

In 2017, we used data from garment care instructions and a customer survey on garment use. This information helped significantly reduce uncertainty compared to last year. The customer survey collected data on actual (1) washing/drying habits of C&A customers by garment type, (2) washing machine technology used and (3) the number of wears per wash for high impact garment categories. Assuming a random sample, the margin of error for each of these parameters was quite small (+/-3% or less depending on the market).

The carbon and water footprints associated with cotton, specifically Better Cotton (sourced via a system of mass-balance and self-reported by fabric mills) is derived from a weighted average of BCI’s results indicators. The methodology used and results presented have not been verified by BCI.

**Standards of practice**

When collecting data or calculating impacts, we only use industry recognised or multi-stakeholder developed guidelines and standards:

- **Employee data**: Obtained from our transactional Human Resource systems. Practices follow industry standards for identification of gender, management levels and contract types. The employee engagement survey was rolled out to more than 25,000 colleagues by an independent third party to ensure anonymity and confidentiality.
- **Cotton and raw material data**: Obtained from our internal systems for order placement and sales.
- **Climate and carbon footprint data**: Obtained from core financial data and modelled using hybrid, input/output Life Cycle Assessment (LCA) methods, combined with C&A business data, using LCA software SimaPro by Aligned Incentives. All methods used
followed the WBCSD/WRI Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. In the case of water, we applied both the Aligned Incentives hybrid LCA methodology and the Water Footprint Networks methodology for green, blue and grey water impacts.

- **Customer data**: Obtained through interviews of over 6,000 consumers in our major markets. Survey design and analysis was conducted by GlobeScan.

- **Human rights information**: We work to identify human rights issues through our internal SSC processes and by employing third parties like Deloitte to conduct independent reviews. Our human rights due diligence follows the UN Guiding Principles for Business and Human Rights.

- **Chemicals data**: Wet processing units are audited using our internal audit protocol and rating system, as we migrate to the Sustainable Apparel Coalition’s HIGG 3.0 module.

- **Materiality**: Our analysis follows the GRI definition of materiality. We have not used the International Accounting Standards Board (IASB) definition in determining material aspects. We reassess materiality each year. The material aspects of our work have not changed in 2016 from 2015.

Read about our material issues

**What we mean when we say...**

C&A is a buying and retailing organisation; we do not own our own factories. It is important to understand what we mean when we use the following terms:

- **C&A, the company, us or we**: This refers to our owned legal entities that fall under the C&A brand. Unless specified it refers to all retail and sourcing markets for C&A. It does not refer to our holding entity, COFRA Holding AG or any of their non-C&A-related subsidiaries.

- **C&A Foundation**: C&A Foundation is a private corporate foundation associated with the C&A brand. Their work supports the entire apparel industry, of which C&A is a part.

- **Suppliers**: This refers to independent third parties that we have a contractual relationship with. Our suppliers operate their own businesses and manage factories.

- **Factories or production units (PUs)**: These are the actual locations where garments are produced under the control of our contracted suppliers.

- **Global Sustainability team**: This includes our leadership team comprised of internal leaders in sustainability and our retail market colleagues. This team owns the global sustainability strategy and the policies that govern risk management, compliance and sustainability performance and leadership.

- **Sustainable Supply Chain (SSC)**: This refers to our social and environmental auditing function where the policy and strategy is led by our Chief Sustainability Officer and the execution is owned by each regional CEO. SSC is an execution function that is governed by second- and third-party oversight.

- **Sustainable Chemicals Management (SCM)**: This refers to the topic of management related to Zero Discharge of Hazardous Chemicals (ZDHC) within our supply chain.

**Transparency**

We believe that being transparent helps to drive better practices across the industry. Transparency is important to our stakeholders and is becoming increasingly important to our customers. In this report, we strive to cover not only positive progress and detailed
analyses of our supply chain, but also the challenges that we have faced along the way.

In this light we have been ranked 28 out of 198 brands, including 734 of their suppliers, who were assessed in the third annual Corporate Information Transparency Index (CITI). C&A was also placed in the top 10 most transparent brands in the 2018 Fashion Revolution Transparency Index. We increased our score by 19% since the 2017 index and received the highest possible score for our governance.

We collaborate and share information with our partners, suppliers and other brands. Each year, we publish a list of our suppliers' tier-1 and tier-2 factories and locations.

See the full list of our suppliers' factories here

**External review**

C&A’s vision is to make sustainable fashion the new normal. This is a bold and ambitious vision, which will require this key player in the global apparel system to not only transform itself, but the actual system around it. A new normal won’t flow from incremental change, it will require systemic change, in other words the emergence of a different operating model for apparel.

So, how does one business, albeit a pretty large one operating in Europe, China, Mexico and Brazil, transform a system? This sustainability report gives us lots of clues, and tells me that C&A absolutely has the potential to shift the apparel system. Why do I think this?

First, the business understands that it needs to respond to future trends impacting its business in different ways. When it comes to the impact of long-term mega trends on day to day business, which for apparel are significant (and include water scarcity, high temperatures putting pressure on textile production; rural depopulation etc etc) then the response needs to be one of adaptation. This is why the business is working hard to reduce its water and carbon footprint, for example, and is investing heavily in creating resilient, future-proofed supply chains, particularly when it comes to cotton.

There are then the faster moving trends which impact day to day operations, and for the broader retail and apparel industry is a very long list, with the continued march of omni-channel, changes in shopping patterns and preferences for example, all putting incredible pressure on day to day operations in the apparel system. C&A is working hard to respond to these trends by launching initiatives such as #WearTheChange, their first global, multi-channel sustainability communications campaign.

And there are the dynamic and fast moving trends bubbling away at the niche of any system, which for apparel include technologies such as block chain and regenerative approaches to agricultural production. These are the innovations, if harnessed with passion, that offer huge opportunities to create new normals, and is where, when it comes to the circular economy, the C&A business is blazing a trail – being the first mainstream apparel brand to bring the first GOLD level Cradle-to-Cradle (C2C) Certified products to market in stores around Europe.
The second proof-point indicating a business serious about creating a new normal is C&A's commitment to collaboration. As the first brand partner for Fashion for Good, for example, the business is helping to scale potential game-changing social, environmental and technological innovations across the broader industry. And the business has a deep and productive relationship with the C&A Foundation, a pioneering Foundation working across the entire apparel industry, tackling systemic challenges in a way that is designed to create the enabling conditions for the system to transform.

The third proof point? Values and integrity. This report oozes authenticity, honesty and a clear values-led approach.

When it comes to how all these future trends might interact, there are clearly different possible futures for apparel. There is one possible future where all the current trends interact to create a much more sustainable apparel system, where technologies such as blockchain have been harnessed to increase transparency, and hence access to capital and other services for small holders, where regenerative agriculture has scaled and we are seeing truly sustainable production, where the retail model and consumer attitudes have both shifted and we see fast fashion replaced by a closed loop model where recyclability and re-usability are the common attributes (think C2C everywhere).

Equally, while each of these future trends might have positive sustainability outcomes in isolation, the prevailing status-quo might mean that these positive outcomes don’t manifest in a systemic way, and the system remains unchanged, with the well-known negative impacts we see today scaling, to leave a system that is not sustainable, and might never be so.

The C&A business has the potential to harness the dynamism in the system around it, and play a key role in the transformation of apparel, and make sustainable fashion the new normal. This will need the business to consider one more proof-point – create a compelling long-term strategy to sit under the vision, a strategy which is clear about all the levers the business can pull, acting alone and in collaboration, to make sustainable fashion the new normal.

In turn, this will need the business to lean into its 177 year heritage, and play the long-game. Being an apparel retailer today, with a large portfolio of high street stores, is tough. There may well be a temptation to focus on fighting the fires of today, at the expense of not fuelling the flames of longer-term business plays. Transforming apparel will require deft navigation of some very real short-term pressures, experimenting and failing fast, and the courage of conviction that it is not possible to have a sustainable business in an unsustainable system. There is a compelling logic to create a sustainable apparel system, I would urge the C&A business to continue to embrace this challenge.
Global frameworks

Global frameworks provide a compass on sustainability

We know that our challenges aren’t unique: increasingly governments, consumers and businesses recognise that business must create positive change for society. We’ve aligned our strategy with global frameworks that are relevant to our business and industry and help guide our approach.

We’re a signatory to the United Nations Global Compact (UNGC), a set of universal principles addressing human rights, labour, environment, and anti-corruption for business.

C&A has applied the Global Reporting Initiative’s (GRI) Standards for this report. Our assessment of materiality has been used to determine the indicators that we have elaborated on in this report.

We support the UN Sustainable Development Goals (SDGs), which provide a framework for advancing the sustainability agenda. In 2016, we further developed our approach to integrating the SDGs into our operations, innovations, and partnerships.

To navigate our report using these three frameworks, see our GRI, UNGC and SDG Index.

Six global goals that guide our strategy and reporting framework

The work we do to create fashion with a positive impact contributes to the Sustainable Development Goals in many ways. The following six goals are particularly relevant to our business, our impacts and the contribution we can make. Our main partner, C&A Foundation, works across the entire apparel value chain to bring about systemic change in the apparel sector. Together, we are generating long-term solutions. Over the coming years, we will continue to develop and enhance our approach to these goals.

C&A’s contribution to the Sustainable Development Goals
SDG #5 - Gender equality

Achieve gender equality and empower all women and girls

Goal 5 states that gender equality is not only a fundamental human right, but the basis for a peaceful, prosperous, and sustainable world. When women are educated, healthy and economically empowered, families and communities thrive.

Women are the driving force behind our industry. The majority of our customers and employees are women, as are most of the people who make our clothes. We are working to empower women and achieve gender equality across our supply chain, from the farming of raw materials through to the manufacture and sale of our clothes.

We have incorporated this SDG into our overall strategy in the following ways:

**Sustainable products**
- We want to create products everyone can enjoy, regardless of their gender. We recognise the need to reflect this in the products we design for both men and women, and the way in which we market them.
Sustainable supply

- We're increasing transparency across our supply chain, publicly disclosing our tier-1 and tier-2 suppliers' factories every year. Nearly 55% of the workers in our supply chain, who are predominantly women, work in top-performing, A/B-rated factories that adhere to our high standards on working hours, minimum wages, discrimination, violence or abuse and undisclosed production.
- We're collaborating with other organisations, such as the Ethical Trading Initiative, GoodWeave and C&A Foundation, to protect the most vulnerable and abolish Sumangali, a form of bonded labour in India.

Sustainable lives

- C&A signed the UN Women’s Empowerment Principles in March 2018, committing us to creating action plans on gender parity and the empowerment of women for all retail markets, starting in 2017.
- Our global Inspiring Women campaign engaged over 80% of our employees in countries including Italy, Switzerland and China in raising awareness of gender equality. It raised €574,000 for charities supporting women’s safety, leadership and voice.
- We contribute to strengthening communities with a focus on mothers and children, through partnership with Save the Children and C&A Foundation.

SDG #6 - Clean water and sanitation

Ensure availability and sustainable management of clean water and sanitation for all

Water scarcity affects more than 40% of the world's population and is projected to rise. Goal 6 looks at how we provide access to clean water and basic sanitation to billions of people who currently live without it. 2017 is the third year we have undertaken a detailed scientific assessment of our entire life cycle to understand where our impacts lie and where we can make the greatest contribution.

We have incorporated this SDG into our overall strategy in the following ways:

Sustainable products

- Our cornerstone goal to source 100% more sustainable cotton underpins our approach to water, as more sustainable cotton – and organic cotton in particular – uses considerably less water than conventional cotton.
- We are a member of CottonConnect, the Organic Cotton Accelerator (OCA) and Better
Cotton Initiative (BCI). All three are industry-wide initiatives that support cotton farmers in adopting more sustainable agricultural practices including using less water.

**Sustainable supply**

- We continued to realise significant water reductions during 2017, reducing our total water footprint by 14% compared to 2016. These savings resulted from a 29% reduction in blue water consumption, a 15% reduction in green water consumption and a 13% in grey water consumption.
- As part of our commitment to Zero Discharge of Hazardous Chemicals, we closely monitor the quality of wastewater from our suppliers' factories and report publicly on the results. In 2017, we conducted wastewater testing at 234 facilities in 14 countries.

**SDG #8 - Decent work and economic growth**

**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

Goal 8 calls for more jobs that not only provide decent pay but stimulate the economy and provide equal opportunities for men and women, while protecting the environment. The apparel industry has an important role to play in providing quality jobs that stimulate development.

We work with our suppliers' production units to ensure the quality of jobs in our sector – everywhere we operate and source from – uphold labour rights and the safe and fair working conditions that are central to decent work. We also create jobs in the communities where we have C&A stores and offices.

We have incorporated this SDG into our overall strategy in the following ways:

**Sustainable supply**

- We believe safe and fair working conditions should be the norm for all garment workers. We have identified the top four labour issues facing our suppliers and have created long-term strategies for each challenge: working hours and compensation, building and fire safety, freedom of association and undisclosed production.
- We are actively involved in ACT, a global initiative on Action, Collaboration, Transformation to unite stakeholders in improving wages through collective bargaining in key production countries, world-class manufacturing standards and responsible purchasing practices to lift the wage floor.
- Working with our suppliers, we want to help build capacity and ownership of the issues they face. Our bespoke Supplier Ownership Programme cover 24 key C&A suppliers with responsibility for over 60,000 workers.
• In many places, workers may not be used to being able to influence decision-making. The right to freedom of association or the acknowledgement of workers’ rights can be unknown. We are changing that by supporting fair contracts and social dialogue.

Sustainable lives

• We listen to our employees to understand and act on the issues that matter to them. In our global engagement survey, we ask employees to give us their thoughts on C&A's values, strategy, our approach to sustainability, and how we're doing as an employer.

SDG #12 - Responsible consumption and production

Ensure sustainable consumption and production patterns

Goal 12 asks us to think twice about the things we use, the waste we create and how that impacts our planet – it's about doing more (and better) with less.

This principle is at the heart of our global sustainability strategy, from the work we do on clean environment in our supply chain to our commitment to a new normal where we sell only circular fashion products, designed with their next use in mind. Our vision is one of a restorative circular economy, where nothing is wasted in the creation or disposal of our clothing.

We have incorporated this SDG into our overall strategy in the following ways:

Sustainable products

• In 2017, C&A launched the first GOLD level Cradle-to-Cradle CertifiedTM T-shirt – a recyclable garment made of 100% organic cotton, with safe materials and chemicals and are produced in a socially and environmentally responsible way. Since then, C&A has launched additional Cradle-to-Cradle Certified TM products in both Men and Ladies.
• For the fifth year, we have been named the world's largest buyer of organic cotton, and our commitment to 100% more sustainable cotton – including organic and Better Cotton – will help to ensure we use significantly fewer natural resources, while emitting less CO², when compared with conventional cotton.
• In Europe and China, we have taken the bold step of committing to source 100% of our man-made cellulosic fibres from suppliers who have practices in place to prevent ancient or endangered forest products entering their supply chain.
• We continue to develop other innovative clothing collections including sustainable denim made with organic cotton and recycled PET made from plastic bottles.
• We’re supporting customers to give their clothes a second life through our in-store take-back programme. Following its successful launch in the Netherlands, we rolled out take-back in Belgium, Luxembourg and Switzerland, and piloted a program in Brazil.
Sustainable supply

- Our Sustainable Chemicals Management strategy is guiding our work to eliminate hazardous chemicals from our supply chain by 2020. Our facilities were given their first performance score in 2017.

SDG #13 - Climate action

Take urgent action to combat climate change and its impacts

Goal 13 is about finding solutions to climate change. It will take actions from all of us to create a significant impact. We're working to reduce our carbon emissions across our value chain.

In 2017, we completed our third detailed, hybrid Life Cycle Assessment (LCA), to better understand where our impacts lie and where we can make the greatest contribution. Thanks to improvements in modelling, we have been able to set a new and more accurate baseline to measure our reductions going forward.

We have incorporated this SDG into our overall strategy in the following ways:

Sustainable products

- We actively source organic and Better Cotton to meet our goal of 100% more sustainable cotton by 2020. Cotton makes up 57% of the materials we use, so it's where we can have the biggest impact. We're over two-thirds of the way to meeting our goal: 67% of the cotton we source is more sustainable, and with that come many benefits, both social and environmental.
- We have reduced our total carbon footprint by 15% in 2017 compared to 2016. This reduction was influenced strongly by reductions in sourced materials and the sourcing of more sustainable materials.
- Our membership of the Organic Cotton Accelerator and Better Cotton Initiative allows us to support more cotton farmers in adopting more sustainable agricultural practices that use fewer pesticides, look after the health of the soil and conserve natural habitats and biodiversity.

Sustainable supply

- Our cornerstone commitment to source 100% more sustainable cotton underpins our approach to combating climate change. We estimate that our sustainable cotton mix in 2017 contributes 12% less CO$_2$ than the equivalent amount of conventional cotton.
- Textile production is a significant source of CO$_2$ emissions in our supply chain. We are a
member of the Partnership for Cleaner Textiles (PaCT), which focuses on cleaning up the wet processing industry in Bangladesh. In 2017, C&A saved nearly 40,000 MWh of energy through the partnership.

- The use and disposal of clothing by our customers makes up 12% of our total carbon footprint. In 2017, we investigated our customers’ habits to dig deeper into this number, and found that a high proportion (60-85%) of our customers line-dry their clothes, and a majority wear articles such as trousers, shirts and blouses multiple times before washes.

**SDG #17 - Partnership for the goals**

**Strengthening the means of implementation and revitalise partnerships for sustainable development**

This goal recognises that a successful sustainable development agenda requires partnerships between government, the private sector and civil society.

At C&A, collaboration and partnerships are central to our approach. We strongly believe we need convergence around common standards, and between initiatives and organisations, to drive coherence throughout the value chain and work towards achieving the global goals. We participate in multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources in support of the SDGs.

See a full list of our partnerships here

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**Awards**

**Recognising our commitments**

We want to do the right thing for our business and inspire and challenge others in our industry to embrace a sustainable vision. We don’t work on sustainability to win awards, but we’re always delighted when our efforts are recognised externally.

In 2017:

- We were recognised as the world’s largest purchaser of organic cotton for the fifth year, and the number one buyer of preferred (ecologically and/or socially progressive) man-made cellulosic fibres by Textile Exchange.
- We were ranked third in the 2017 Sustainable Cotton Ranking commissioned by WWF, Solidaridad and Pesticide Action Network UK, who assessed 75 brands on their practices to source sustainable cotton.
• We were awarded the prestigious Sustainable Innovation of the Year Award at the 2017 Ethical Corporation Responsible Business Awards in London, for our GOLD level Cradle-to-Cradle Certified™ products.
• We were selected as a Finalist for The Circulars 2018 in The Accenture Strategy Award in the Circular Economy Multinational category.
• We were recognised for our leadership in preventing forced and bonded labour by the Thomson Reuters Foundation through the Stop Slavery Award 2017.
• We were ranked the eighth most praised company by activists in the 2017 Sigwatch Report on Activism Trends, alongside companies such as Unilever and Nestle.
• We were placed in the top 10 most transparent brands in the 2018 Fashion Revolution Transparency Index.
• C&A Brazil was recognised with the Eco AMCHAM Award, one of the most prestigious sustainability prizes in Brazil, for our work on more sustainable cotton.

**CASE STUDY**

**Stop Slavery Award**

In November 2017, C&A was awarded the prestigious Stop Slavery Award by Thomson Reuters Foundation at its fifth annual Trust Conference in London. The award aims to demonstrate that businesses can play a critical role in putting an end to forced and bonded labour worldwide, and is given to companies that are taking concrete steps in this area.

C&A was presented with the award in 2017 for our best-in-class demonstration of integrity and innovation in detecting, preventing and remediating forced labour in our supply chain. We were described by the jury as “exemplary” for the transparency used to address and resolve supply chain issues, and praised for embedding anti-slavery into our overall business practice.

We are proud to receive this recognition for our work, but we recognise there is much more to be done to eliminate forced and bonded labour in the apparel value chain.

Read more about the Stop Slavery Award 2017

**Sustainable Products**

**Acting for our customers**

We want to bring sustainable fashion to the mainstream. That’s why we strive to make our clothes responsibly and sustainably, and to make it highly visible in our collections. This means that we’re always looking to make the best choices we can for our customers, so
they don’t have to choose between what’s sustainable and what’s not. We focus on a variety of sustainable and recycled fibre sources, pioneer new circular fashion products, and ensure that the workers in our supply chain are treated with dignity and respect. In 2017, over 40% of the clothing offered in our stores was more sustainable and was certified or verified to credible third-party standards.

Our cornerstone commitment to certified organic cotton supports the sector, as does our work sourcing Better Cotton, buying 100% of our down from the Responsible Down Standard (RDS) and the viscose we source through the CanopyStyle initiative. By shifting a significant part of the market, we can begin to make sustainability the new normal.

We made good progress towards our 2020 goals in 2017, sourcing 67% of our cotton more sustainably and creating the world’s first affordable GOLD level Cradle-to-Cradle Certified™ products. Our strong record of driving positive change in the apparel industry, together with a 177-year history of giving our customers the best clothing, makes us confident that we can achieve our ambitious goals. To succeed we will need to continually consolidate our approaches, accelerate our efforts and keep challenging the status quo.

**Our ambition: fashion with a positive impact**

We want a future where sustainable apparel isn’t the alternative – it’s the norm. We can help create this by always working in a way that respects people, nature and the environment. Normalising sustainability means reimagining production processes throughout our supply chain. The fashion industry must embrace the circular economy, starting with designing products for their next use, while protecting ecosystems and providing dignified work for people. Products will be designed and created for their next life, and fashion will have a positive impact on our planet and its people.

Read more about our work on circular fashion

Our 2020 goals put us on the right track to achieving this ambition. We strive to:

- Offer the most sustainable products we can, made with respect for those in our supply chain.
- Always use credible, peer-reviewed third-party standards to manage the integrity of our claims. Conduct due diligence on the ground.
- Continue to drive supply and demand for organic cotton and Better Cotton.
• Source sustainable raw materials and use fewer unsustainable raw materials where possible.
• Always respect animal welfare.
• Pioneer circular fashion solutions and continue to incorporate circular design principles in our design and production.
• Collaborate with other leading brands, initiatives and innovators to drive sustainable and scalable change.

Our 2020 goals

100%
of our cotton will be more sustainable by 2020.

67%
of all our raw materials, such as cotton, viscose and polyester will be from more sustainable sources by 2020.

Continually increase Cradle-to-Cradle-Certified™ products in our retail markets.

Support circular innovations in our value chain through our partnership with Fashion for Good.

Our 2017 performance

Toward 100% more sustainable cotton

Our goal to use 100% more sustainable cotton forms the cornerstone of our approach to sustainability. Cotton is the raw material we use the most worldwide, making up 57% of the materials we use (or approximately 120,000 metric tons in 2016). That means our work on sustainable cotton makes a significant contribution to reducing our overall carbon, water and chemicals footprint throughout our value chain.

We continued to work on improving our supply of organic cotton in 2017. For example, we have been working with the Organic Cotton Accelerator (OCA), implementation partner
CottonConnect and supplier Pratibha Syntex to launch a sourcing pilot in India with 300 farmers who are part of C&A Foundation’s Organic Cotton programme. The aim of this pilot is twofold: to improve the business case of organic cotton for smallholder farmers, and to enhance the integrity of organic cotton at farm level through securing fibre at source and improving farming practices. The cotton produced is expected to represent a million pieces across different product categories in 2018.

Because we’re determined to meet our goal while underlining our commitment to industry collaboration, we source Better Cotton in addition to organic cotton.

Read more about our work on certified organic cotton

Read more about our work on Better Cotton

100% responsibly sourced down

In 2016, we reached our target of sourcing 100% RDS-certified down and have continued in 2017. To take our commitment one step further, in 2017 we have conducted visits to RDS-certified suppliers that had supplied C&A in the previous 12 months. We wanted to better understand how the standard was implemented and where improvements could be made. We were pleased to confirm that RDS is effective in preventing many harmful practices including force feeding and live plucking. However, we also found that the standard could be improved to ensure requirements are detailed enough in countries where animal welfare legislation is less strong. We have shared the findings of our investigation with Textile Exchange, and are working with them to drive improvements to the standard. We are also consolidating our down supply chain to work with fewer suppliers. C&A remains committed to the RDS as the best way to source our down responsibly.

Read more about our work on responsible down and feathers

Starting our journey with recycled fibres

In 2017, C&A Europe started taking meaningful steps to increase our use of recycled fibres in our collection. We have used recycled polyester in outerwear and blouses, recycled nylon in lingerie and have continued using recycled cotton in denim.

Read more about our work on polyester

Protecting natural resources

Having made significant strides in sourcing sustainable cotton, our most-used material, we are now focusing on man-made cellulosics such as viscose, which comprise 7.5% of the fabric we use.

Following our commitment to the CanopyStyle initiative and adopting a Forest & Fabric policy in 2015, C&A Europe and C&A China committed in 2017 to source all man-made cellulosic fibres from producers that are third-party verified suppliers of cellulosics and have been confirmed as ‘low risk’ of controversial fibre.

C&A Brazil launched a pilot to understand how our Forest & Fabric policy can be
implemented in its domestic supply chains, and found that suppliers’ management systems needed to be improved in order to comply. We plan further rollout of the approach in our Brazilian supply chain in 2018.

Read more about our work on man-made cellulosics

**Sustainable materials**

**Supporting the uptake of sustainable raw materials**

Our long-term goal is to help the apparel industry become circular, where our products are designed and sourced with their end of use in mind.

We are proud of what we’ve achieved in 2017: making significant progress towards our target of sourcing 100% more sustainable cotton by 2020 and increasing the sustainability of our raw materials to 67% by 2020. In 2017, 67% of the cotton we sourced and 44% of the raw materials we used were more sustainable, and we remained the world’s leading buyer of certified organic cotton.

**Why sustainable materials are so important**

Our clothing is made from a wide variety of raw materials, including cotton, polyester, viscose, wool, linen and leather. In particular, C&A can drive change in how cotton, polyester and viscose are grown and manufactured, which we buy in large quantities. To ensure the materials we use to make our clothes are more sustainable, we strive to source them from farms and work with manufacturers that use fewer natural resources, respect nature and people, and protect the welfare of animals. From sourcing fibres and dyeing fabrics to cutting and sewing clothing, we’re working hard to reduce the impacts of our materials and design more innovative products.
The range of impacts for different materials

<table>
<thead>
<tr>
<th>Material</th>
<th>CO₂ emissions per kg of fibre</th>
<th>Water in use per kg of fibre</th>
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<tr>
<td>Cotton</td>
<td>3.4</td>
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</tr>
<tr>
<td>Polyester</td>
<td>9.2</td>
<td>7,000</td>
</tr>
<tr>
<td>Viscose</td>
<td>16.2</td>
<td>473</td>
</tr>
</tbody>
</table>

Who we’re working with


How we’re working to make sustainable materials the norm

Using the most sustainable materials possible in our products is how we ensure our customers feel good and do good. We believe in making our clothing responsibly: creating products that are the best they can be without compromising the welfare of those in our supply chain. To do this, we:

- Set targets across the business, so everyone has a stake in ensuring our materials meet the highest standards.
- Conduct due diligence that goes beyond simply relying on third-party standards.
- Work with stakeholders and industry leaders who champion best practice to make our products the best they can be. And we don’t stop there – we look to take the industry with
• Use industry and multistakeholder-developed standards and initiatives rather than develop our own standards and initiatives. We believe common frameworks at a global level are the only way of shifting the whole industry towards best practice.
• Work to reduce the water and chemical use, carbon and waste impacts of the apparel industry, while ensuring people’s rights in our supply chain are protected.

Read more about cultivating supply and demand for organic cotton in China

More sustainable cotton
Leading the way in more sustainable cotton

Our 2020 goal is for 100% of the cotton we use to be more sustainable. In 2017, 67% of the cotton we sold was either certified organic cotton or sourced as Better Cotton. By sourcing more sustainable cotton, we are normalising better practices across the cotton industry and demonstrating that sourcing 100% more sustainable cotton is possible.

Certified organic cotton is the most sustainable option, and accounts for 40% of the cotton we use. For the fifth year, C&A is the world’s leading buyer of organic cotton. We never blend organic cotton with non-organic cotton when it goes into our collections, and we make sure all the organic cotton we use is certified to third-party standards (Organic Content Standard (OSC) or Global Organic Textile Standard (GOTS)).

Why focus on cotton?

Cotton is used by nearly everyone, every day, and supports 250 million people’s livelihoods [SOURCE: BCI]. Cotton makes up 57% of the materials we use in our clothing, so it’s where we can have the biggest impact with the right interventions.

Conventional cotton farming and production processes have a much bigger impact than more sustainable cotton:

• Water use: A regular cotton T-shirt takes 2,700 litres of water [SOURCE: WWF] to make, most of which is needed to grow the cotton. Cotton grown organically needs 91% less
freshwater than when grown conventionally, because most of it is rain-fed [SOURCE: Textile Exchange].

- **Pesticide use:** Conventional cotton uses around 5% of all the herbicides and 16% of all insecticides applied globally in agriculture [SOURCE: International Cotton Advisory Committee]. This poses risks to the environment and to farmers’ health. Organic cotton eliminates the application of synthetic pesticides and fertilisers.

- **Carbon emissions:** Organic cotton produces 46% fewer carbon emissions than conventional cotton [SOURCE: Textile Exchange].

- **Labour:** Forced and bonded labour is a key challenge in the cotton industry. Better Cotton has a strong focus on ensuring decent work, covering freedom of association, non-discrimination, child labour and forced labour, and health and safety [SOURCE: BCI].

- **Supply issues:** Cotton farmers are moving away from cultivating cotton in favour of more profitable crops such as tobacco, soybeans or pulses, partly due to plunging cotton prices and difficulties accessing quality seeds [SOURCE: OCA]. Growing more sustainable cotton provides them better access to markets as well as training and learning opportunities to adopt more environmentally, socially and economically sustainable production practices.

Read more about certified organic cotton

Read more about BCI cotton

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**Our 2017 actions**

Work towards our 2020 goal for 100% of our cotton to be more sustainable.
Implement our redefined cotton strategy and accelerate Better Cotton uptake.

Our 2017 performance

Progress towards our 2020 goal

Our use of more sustainable cotton has improved, with 67% used across the business in 2017, up from 53% last year. In 2018, we will focus on closing the gap to 100% by engaging with our entire cotton supply chain, including those who may be harder to reach but are no less important when it comes to achieving our target and creating change across the sector.

Organic and more sustainable cotton (REEL & Better Cotton) as a % share of total cotton sourced

Leading in more sustainable cotton

C&A was named the leading buyer of organic cotton in the world for the fifth time in 2017 [SOURCE: Textile Exchange]. We were also ranked third in a new sustainable cotton report commissioned by WWF, Solidaridad and Pesticide Action Network UK. The research covers 75 fashion brands and assesses their performance on sustainable cotton [SOURCE: WWF].

Signing the Prince of Wales Cotton Communiqué

In 2017, we joined the Prince of Wales Cotton Communique, the first cross-standard initiative for more sustainable cotton. The communiqué, set up by the Prince of Wales International Sustainability Unit in partnership with Marks & Spencer and the Soil Association, asks brands and retailers to procure more sustainable cotton and to pledge to source 100% sustainable cotton by 2025. Our own goal is to be sourcing 100% more sustainable cotton by 2020 and, as the world’s top buyer of certified organic cotton and third top buyer of more sustainable cotton, we have the opportunity to share our learnings with our industry and to encourage collaboration between sustainable cotton standards.
Membership of the Better Cotton Growth and Innovation Fund

As well as driving demand for Better Cotton through procurement, we also want to be a part of its future. We are part of the Better Cotton Growth and Innovation Fund, which exists to propel the Better Cotton Initiative (BCI) towards its 2020 target to train over five million farmers by 2020. This will support increasing supply and speed up implementation.

Read more about Better Cotton

Tackling climate change

Organic cotton reduces the global warming potential of cotton production by 46% [SOURCE: Textile Exchange] and is therefore a key component of our climate change strategy and how we will be developing our approach to science-based targets.

Read more about our action on carbon and climate change here

Supporting cotton workers in our supply chain

Buying organic cotton has a direct positive impact on the health and safety of farming communities who are no longer exposed to hazardous chemicals. We also have a history of taking concrete steps to support cotton workers when required. In 2007, we signed the Cotton Pledge against forced labour, committing to end the practice of forced labour in the cotton sector in Uzbekistan.

Read more about how we support cotton workers in our supply chain

Who we’re working with

Better Cotton Initiative, Textile Exchange, Organic Cotton Accelerator, CottonConnect, C&A Foundation

Making more sustainable cotton the norm

Our journey to more sustainable cotton started more than 10 years ago. It’s a cross-functional effort, embedded in our day-to-day activities. Driven by targets, owned by the business and reported on at the highest level, it is the cornerstone commitment for C&A. Our efforts reach beyond our operations: we seek to improve cotton agriculture, the lives of farmers and the environment. We are doing this by increasing global demand for organic cotton and Better Cotton, as well as building capacity from the ground up – from the grower to the garment maker – across our supplier network.

We believe in creating more sustainable cotton products for our customers without passing on any additional cost or making the choice difficult for them.
Certified organic cotton
A cornerstone business objective

Organic cotton has been at the heart of our sustainable materials strategy for more than 10 years. It is significantly better for the environment and the people who work with it. We are committed to buying and selling organic cotton and taking a stronger role in supporting the organic cotton sector and have developed a leadership position in scaling our procurement of certified organic cotton. Since 2005, we have increased the number of certified organic cotton garments from 1 million to more than 170 million pieces.

Organic cotton also protects soil quality, biodiversity and water supply, while preventing water pollution. And it’s safer for farmers and their communities’ health. From the grower to the garment maker, our organic cotton supply chain is certified to the Organic Content Standard (OCS) or Global Organic Textile Standard (GOTS) and never blended with conventional cotton. So, whenever you find a product labelled with our BIO COTTON seal in one of our stores, OCS and GOTS guarantee that the supply chain of the cotton is thoroughly checked and monitored right from source to the final product.
Our 2017 performance

Increasing our sales of certified organic cotton

In 2017, 40% of the cotton we used was certified organic. By offering organic cotton garments and communicating the benefits to our customers, we can continue to help drive demand for it. It is important to note that we began to consolidate global organic cotton volumes for all retail markets in 2015. Prior to 2015, only Europe's certified organic volumes were reported.

Historic organic cotton sales (millions of pieces)

Organic cotton as a % share of total cotton sourced
Reducing our impact

In 2017, the Textile Exchange estimated that through the purchase of organic cotton in 2016, C&A saved 136.8 billion litres of water, avoided the use of 126 tons of hazardous pesticide and improved the quality of over 140,000 hectares of soil.
Continuing our work to strengthen the sector

We have continued our partnerships with industry bodies such as C&A Foundation and the Organic Cotton Accelerator (OCA) throughout 2017, to help bolster and secure the organic cotton sector.

Case Study

Expanding organic cotton farming in China

Supporting the growth of organic cotton worldwide is a key commitment of both C&A and C&A Foundation. In 2017, both organisations worked closely with CottonConnect to launch an organic cotton pilot at Binzhou farm, Shandong, China.
As part of this project, C&A China committed to buy cotton in the first transition year to organic, which is one of the most challenging and risky years for the farmers moving from conventional crops. This commitment was made before the sowing season, giving market access and additional incentives and security to the farmers. In addition, C&A China offered to pay the farmers a premium to secure their income and compensate for any loss of yield.

C&A China bought the entire crop of all 105 farmers involved in the project: around 80 tons. The cotton will be used to make 145,000 T-shirts and 60,000 pairs of jeans, the first of which reached stores in April 2018.

During 2018, C&A China plans to expand the project to a total of 300 farmers.

Collaborating to address market challenges

Less than 1% of cotton produced globally is organic, and the sector faces challenges such as a lack of availability and access to quality non-GMO seeds, few incentives for farmers to transition, limited access to the market, and lack of supply chain traceability and transparency. Despite a growing demand for organic cotton, farmers are moving out of production, and the whole sector is at risk if we are unable to address these issues effectively. So we are continuing our work to strengthen the organic cotton sector, working with trusted partners to create a common vision for the sector.

Since 2014, we have supported the Organic Cotton Accelerator (OCA), which aims to create an organic cotton market that benefits everyone, from the farmer to the customer. C&A is a founding partner and C&A Foundation has provided core financial support for the first four years. With our fellow OCA members – brands, retailers, non-profit organisations, and social enterprises – we’re working to find the best ways to strengthen the organic cotton sector and support healthy supply and demand. Plans include:

- Making better seeds available.
- Improving the business case for growing organic cotton.
- Promoting best practices throughout the organic cotton supply chain.
- Improving integrity and market transparency.

**Behind the scenes with OCA: Higher income,**
“Our communities tend to heavily use pesticides for agriculture. A neighbouring village with roughly 800 families has 16 families with cancer patients. I feel blessed to have switched to organic farming. My family’s health is much better, we are eating more nutritional food and all of my children are in school or college.”

Baliram, farmer in Modhapura (a small village in the Kheda District of Gujarat, India)

For years, it has been difficult for cotton farmers to justify the costs associated with transitioning from conventional cotton farming to organic methods. The Organic Cotton Accelerator (OCA) was started in 2014 to address exactly these barriers – not by increasing demand for organic cotton, but by working with farmers to making it a more rewarding enterprise.

In 2017, C&A piloted a program in collaboration with C&A Foundation to support 300 organic cotton farmers in India by committing to procure their crop at the time of sowing. This meant less risk, better income, more security and more trust for the farmers at the beginning of the season.

C&A worked with the Vasudha Farms Initiative, an on-the-ground intermediary that works with 35,000 cotton farmers in India on transitioning to organic or the Better Cotton Initiative (BCI) methods.

“We started with the premise that every participating farmer would get a 10% premium for their cotton price by transitioning to organic. But we quickly realised that that was not the right incentive for the farmers, given that only 25% of their annual revenue comes from cotton. So we quickly switched approaches – we offered them the seeds upfront at no cost on the condition that they would invest in multi-cropping techniques,” says Avinash Karmarkar, VP for Vasudha Farms Initiative.

“When you switch to multi-cropping, you’re making your farm more sustainable and resilient to climate change. You’re earning year-round. You’re using biopesticides so the environment is cleaner, which leads to fewer health problems. And, for the first time, you’re also producing essential nutritious food for your families instead of buying all of it from the market,” explains Avinash.

A year later, the hard work has paid off.

While organic cotton has brought revenue, the vegetables and spices have brought supplemental income and nutritional security. “My wife quipped that she’s having to cook different dishes every day for the first time because of all the crop we harvested last year. We have made do on simple lentils and wheat rotis for most of our lives. This time, we ate vegetables and proteins for almost two months,” says Sardar Methu, one of the participating farmers.

As a result of this project, his income has increased substantially. Moving forward, he aims to expand multi-cropping, including organic cotton, to all three acres of his land. For Baliram, partnering with OCA, C&A Foundation and Vasudha – and by association, C&A – has brought better health for his family and a more sustained income. “My daughters go to college and are aware of the benefits of organic farming. They are proud of my work...
today and that brings me endless joy,” he says. 

For Avinash, the key ingredient of the pilot’s success was the ability to make it completely farmer-centric. “We were able to really understand their challenges and struggles. OCA helped us be holistic in our approach and that has yielded results. Next year, we also plan to address the issue of incredibly abusive moneylending practices by introducing microlending, so they don’t end up stuck in an endless cycle of debt,” he says.

Our partnership with C&A Foundation to help organic cotton farmers

In addition to funding the OCA, C&A Foundation is supporting farmers in the organic sector through partners like CottonConnect, Rare, Action for Social Advancement (ASA), WWF, the Aga Khan Foundation, GIZ, Solidaridad and Esplar. In 2017, C&A Foundation provided over €6.2 million to social and environmental programmes in India, China, and Pakistan. Every initiative is designed to improve farmers’ incomes and livelihoods, and contribute to the environment and local communities. In 2017-2018, C&A Foundation helped 38,512 farmers adopt organic cotton cultivation practices.

One of the key leadership moves on our more sustainable cotton journey was to form CottonConnect. CottonConnect was created by C&A, the Shell Foundation and Textile Exchange in 2009 to help smallholder farmers move from conventional, high-impact farming to more sustainable methods. Designed to link farmers with the international cotton market, CottonConnect helps encourage retailers to source more sustainable cotton from smallholder farmers. Because of our shared vision to bring more sustainable cotton to market, CottonConnect has helped 18,063 cotton farmers convert to organic cultivation practices since its launch.

Read more about CottonConnect
Read about C&A Foundation’s Sustainable Cotton programme

Where next?
Bolstering the industry

Industry initiatives must align on global standards to provide the vision and drive needed for the industry to thrive. We support OCA’s Call for Collective Action to accelerate the development and realisation of a unified sector vision and agenda. It is only through collective action that we will be able to capitalise on the growing enthusiasm for organic cotton – and ensure that together we can take the sector from strength to strength.

Ensuring the certified organic cotton we buy is really organic

We do everything we can to secure the integrity of our organic cotton – going beyond certification and what’s required legally, with strict due diligence and third-party assessment. These additional checks include supply chain mapping, spinner nomination, farmer and supply chain training and genetically modified organism (GMO) testing. We are also continuing our testing of organic cotton for contamination at the farm (with the help of CottonConnect), at spinner level and in the end product.

Reaching out to customers: Certified organic cotton range in Europe

We made significant strides in 2017 to bring our BIO COTTON products closer to our customers and more visible in our stores and beyond. In Summer 2017, we launched a new BIO COTTON campaign across all our European stores. The campaign ran in-store, online and via social media, connecting C&A with our customers as the world’s largest retailer of organic cotton. All our BIO COTTON products now carry a product hangtag to ensure easier identification by customers.

In line with this campaign, we also participated in KidIX, a family fair in Belgium inviting kids of all ages to learn about organic cotton and communicating with parents on our responsible sourcing efforts.

In February 2018, we launched our first global customer-facing sustainability campaign #WearTheChange, an umbrella campaign that covers all our more sustainable products and communicates their environmental product benefits in-store and online. BIO COTTON is the sustainability attribute most broadly represented in #WearTheChange.

The Better Cotton Initiative
A sustainable mainstream commodity

C&A joined the Better Cotton Initiative (BCI) in 2015. BCI is transforming the cotton sector by working toward its objective of making a third of the world’s cotton more sustainable by 2020 [SOURCE: BCI].
Currently, Better Cotton is produced in 23 countries and reaches 1.6 million farmers. The initiative trains farmers to produce cotton in ways that respect the environment, boost their incomes and strengthen the industry. To earn a Better Cotton license, farmers must demonstrate that they adhere to six principles:

- Minimising their use of harmful pesticides.
- Using water efficiently.
- Caring for the health of the soil.
- Conserving natural habitats and biodiversity.
- Preserving and caring for the health of the fibre.
- Promoting decent work.

These principles help reduce the impact of growing cotton significantly.

Read BCI's 2015-16 Harvest Report on impacts

The standard can be applied to farms of all sizes and complements other standards for sustainable cotton.

While it does not replace our commitment to organic cotton, sourcing Better Cotton is not only vital to our cornerstone commitment of sourcing 100% more sustainable cotton by 2020, it is also a prudent approach to mitigate impacts where organic cotton is not feasible or available. It can be produced in greater quantities than organic cotton as it advocates a more ‘inclusive’ approach alongside other farming methods. It works via a mass balance system, meaning that each unit of Better Cotton that we buy supports the production of a unit of Better Cotton somewhere in the world. It also means that the costly segregation process is not necessary, making Better Cotton easier to adopt in the chain and as a result more scalable.

In 2017, 28% of the cotton we bought was sourced as Better Cotton, supporting better social and environmental conditions on the ground and contributing more rapidly and extensively to transforming the industry for the better.
Creating a market in Brazil

Although Better Cotton is grown in Brazil, few Brazilian suppliers and retailers buy it so most of it is currently exported. By working with our biggest spinners and engaging our supply chain, we accelerated uptake significantly in just over two years, allowing Better Cotton grown on our doorstep to be used locally. We were the first brand in Brazil to engage our supply chain on the use of Better Cotton and, in 2017, we increased the number of BCI members in our supply chain by 180%.

We have already inspired other brands to begin sourcing Better Cotton in the Brazilian market and were recognised with the Eco AMCHAM Award, one of the most prestigious sustainability prizes in Brazil, for our work on more sustainable cotton.

Driving momentum in Mexico

In 2017, C&A Mexico mapped its supply chain to understand its purchasing practices, and developed a 2020 sourcing roadmap to guide the purchase of more sustainable cotton. The team also delivered BCI training to all commercial employees, suppliers and mills in its supply chain, raising awareness among suppliers about C&A’s commitment to sustainability. In just over a year of active engagement and procurement, imported Better Cotton now accounts for a significant proportion of the cotton we source in Mexico.
Communicating mass balance

The Better Cotton Initiative works using a mass balance system. Mass balance is a difficult system to explain to both customers and suppliers. Simply put, it means what comes out must balance with what went in. For example, if a retailer places an order for finished garments like T-shirts and requests one metric tonne of Better Cotton be associated with this order, a cotton farmer somewhere must produce one metric tonne of cotton to the Better Cotton Standard. This is then registered on BCI’s supply chain system and credits for the order are passed through the supply chain for that same weight in cotton, from one factory to the next. The result is the equivalent amount of cotton that the farmer produced as Better Cotton, but it has been mixed in with conventional cotton in its journey from field to product.
Where next?

Helping drive industry-wide change

By joining the Better Cotton Initiative – along with many mainstream industry partners – we are increasing demand for cotton made in better ways. Along with the other 82 retail and brand members of the BCI, we increased uptake of Better Cotton by 60% compared to 2016, from 461,000 metric tons to 736,000 metric tons [SOURCE: BCI]. We continue to encourage other brands in key sourcing regions to join the initiative.

Other more sustainable raw materials

Sourced with respect for people, nature and animals

Our clothing is made from a wide variety of raw materials, including natural fibres such as cotton, down, linen and wool, as well as synthetic fibres such as polyester, and man-made cellulosics like viscose. Ensuring they’re more sustainable means the materials are grown and manufactured in ways that use fewer natural resources, respect nature and people, and ensure the welfare of animals throughout the supply chain.

We want our customers to feel good about the clothes they buy at C&A. We started our journey with more sustainable cotton – our most-used material – and are using what we’ve learnt to develop and implement best practice for other raw materials.

Our 2020 goal is for 67% of our raw materials to be more sustainable. In 2017, we made good progress against that goal, achieving a total of 44%. The vast majority of this progress has been driven by our work in more sustainable cotton.
Why we focus on man-made fibres

- Man-made fibres account for more than 40% of the materials we use at C&A.
- 14.2kg of CO₂ is generated to make one kilogram of polyester fibre [SOURCE: WWF] and demand has been growing rapidly since the 1990s at 7% every year [SOURCE: Water Footprint Network].
- 120 million trees are felled each year to make cellulosic fabric in the clothing we all wear [SOURCE: Canopy].

Why we focus on animal welfare

Animal welfare is a key issue for our customers and C&A as a business. The mistreatment of animals is still prevalent across the world and materials can be hard to trace back to the farm where the animals were born and live. Animal materials appear in a number of our products, from the down in our jackets to the wool in our sweaters, and we work hard to ensure that these materials do not come from mistreated animals. We also offer our customers the choice to select a synthetic substitute and always have an alternative in-store.

Our 2017 actions

Work towards our 2020 goal for 67% of our raw materials to be more sustainable.
Continue sourcing 100% RDS-certified down and conduct additional supply chain due diligence.

Roll out our sourcing policy for man-made cellulosic fibres in Europe and China, and conduct a pilot in Brazil.
Increase the uptake of recycled fibres in Europe.

Our 2017 performance

An animal welfare policy that captures the strength of our commitment

At the end of 2016 we launched our new comprehensive animal welfare policy to further our commitment to treating animals with care and respect. Building on our proven track
record, we have developed principles that will build upon our strong buying and sourcing practices for animal-based materials.

Read more about our animal welfare policy

**100% Responsible Down Standard-certified down**

We have been sourcing 100% RDS-certified down since 2016. In 2017, we brought over 1.3 million products containing down to market, all certified to RDS. In October, we launched our second Europe-wide campaign to communicate this effort to our customers and sold 89% of our RDS-certified down jackets within two weeks.

Read more about down and feathers

Read more about man-made cellulosics

Read more about polyester

**Who we’re working with**

Textile Exchange, Canopy, Control Union

**Collaborating to make sustainable raw materials the norm**

To meet our 2020 targets around raw materials, we have formed or joined partnerships with leading industry stakeholders seeking to implement change faster and more effectively. We use tried and tested, independently audited initiatives to improve our performance. Once we have achieved those best practice standards, we seek to collaborate further, taking the industry with us along the way.

Our cornerstone commitment on cotton has formed the basis of our approach to responsible down and we have used our learnings to shape and adopt the Responsible Down Standard (RDS) and the CanopyStyle initiative.

**Animal welfare**

**Treating animals with care and respect**

C&A has a long-standing commitment to high standards of animal welfare. We believe that animals should be treated with care, respect and dignity, as per the Five Freedoms. We work hard with partners and our suppliers to make sure this approach is standard practice across our supply chain. This involves focusing on all the raw materials involved in the production of our clothing.
Our animal welfare policy

Our policy on animal welfare states that we will:

- Expect our suppliers to abide by the internationally-accepted Five Freedoms for animal welfare.
- Never use products for which animals have been slaughtered or harmed in any way for their skin, fur or feathers.
- Strive to increase traceability from the farm to the final product.
- Only use raw materials that come from animals used for meat production.
- Never accept materials from exotic, threatened or endangered species, as defined by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the International Union for Conservation of Nature (IUCN) red list of threatened species.

Our approach is collaborative, working hand in hand with others who are tackling similar issues. We set, define and implement industry level solutions with animal welfare organisations, fellow brands, retailers, our suppliers and independent auditors.

We also actively listen, welcoming challenges and criticism that can help us improve. Ensuring high standards of animal welfare means that the apparel industry must be accountable for the promises we make.

For the last 10 years, we have worked hard to eradicate animal welfare issues from our supply chain. We started banning fur in the 1990s and have been a Fur Free Retailer since 2013. To date we have banned the following materials and practices:

- Live-plucking and force-feeding geese and ducks for down and feather production
- The use of angora, real fur and mohair*
- The practice of mulesing merino sheep
- Bovine based leather from India, or leather with hair attached from China or India

*we will stop using mohair after the Autumn/Winter season in 2018

Read our animal welfare policy here

Our 2017 performance

Maintaining our Responsible Down Standard-certified supply chain
We have been sourcing 100% RDS-certified down since 2016. In 2017, we brought over 1.3 million products containing down to market, all certified to RDS. In October, we launched our second Europe-wide campaign to communicate this to our customers and sold 89% of our RDS-certified down jackets within two weeks.

In 2017, we conducted additional due diligence visits to RDS-certified supply chains to find out where further improvements could be made. Our visit showed that, in the future, we should rely less on local legislation to define our minimum requirements, instead implementing our own standards in markets where legislation is not stringent. We should also strengthen our standard requirements over time to ensure continuous improvement in animal welfare practices, and include a training module in our programme to drive awareness among suppliers.

Read more about Responsibly Sourced Down

**Listening, investigating and taking action**

We are constantly seeking to improve our practices. When legitimate concerns are raised, we take them extremely seriously. We listen and investigate to ensure the necessary action is taken. For example, when we discovered violations in our angora wool supply chain in 2013, we eliminated it from our entire product range because the supply chain was opaque and we understood that it would be difficult for us to ensure the welfare of all animals in the process.

**Taking action on mohair**

We have banned the use of mohair from the angora goat from Spring/Summer season 2019.

**Responsibly sourced down**

**Independently certified and traceable from farm to shop floor**

The Responsible Down Standard (RDS) is an independent voluntary global standard owned by Textile Exchange and certified by Control Union. It is designed to be a global benchmark for best practice, preventing practices such as force-feeding and live-plucking and creating strict requirements on issues like food and water quality, outdoor access, animal health and hygiene. It also allows us to track the fibre from farm to end product: every time an RDS down changes ownership, a Transaction Certificate (TC) is issued, identifying the material from the source to the final product. The process is audited at every stage of the supply chain. We undertake this process so our customers can feel confident that the material in their clothing was made to meet the standard’s requirements.
Our 2017 performance

Auditing to ensure best practice

No standard is a guarantee, but it is the best possible tool to ensure industry expectations are being met. Control Union conducts yearly audits of our suppliers to check they are following the RDS standard.

In 2017 we conducted visits to RDS-certified supply chains in order to better understand how the standard was implemented and where improvements could be made. We were pleased to confirm that RDS is effective in preventing many harmful practices including force feeding and live plucking – practices we have banned for a number of years.

However, we also found that the standard could be improved to ensure requirements are detailed enough in countries where animal welfare legislation is less strong. We have shared the findings of our investigation with Textile Exchange, and are working with them to drive improvements to the standard. We are also consolidating our down supply chain to work with fewer suppliers. C&A remains committed to the RDS as the best way to source our down responsibly.

Traceability to hatchling

Today, the RDS applies to the welfare of birds that are the direct source of certified down and feathers. Certifying parent farms is optional for now, because making it compulsory could affect the standard’s ability to scale. The difficulty in certifying for chain of custody between parent farms, hatcheries, and raising farms would make it either impossible or very costly to apply to supply chains in all key down producing regions. But we know this needs to change and are committed to help overcome the challenge.
Where next?

Supporting the RDS Standard

In 2018, we will work with the International Working Group of the Responsible Down Standard on the next revision of the standard, strengthening its requirements and encouraging improvements in industry practices.

Consolidating our down supply chain

C&A is consolidating its down supply chain, aiming to work with fewer suppliers. This will allow us greater control and increase our ability to work in partnership with our down supply chain to improve practices.

Recycled Polyester

Accelerating use in our collections

Polyester is made from petroleum derived from crude oil, a finite non-renewable resource, and accounts for 19% of the material we use. Since the 1990s, demand for polyester has grown at a steady rate. Because polyester is an important material in our collections, we will increase our use of certified recycled sources over time and reduce the impact of extraction and processing of non-renewable resources.

Our 2017 performance

Innovating products to use recycled polyester

In 2016, we recognised the need to increase our use of certified recycled polyester. In 2017, we developed new products with polyester certified to the Global Recycled Standard (GRS) or the Recycled Content Standard (RCS). Over 100,000 pieces were launched in stores in early 2018, in both outerwear and Ladies’ blouses. Most of the recycled polyester in our products is made from recycled PET bottles from multiple sources.
Read more about circular fashion

**Where next?**

**Increasing uptake of recycled polyester**

We will continue to find ways of using more certified recycled polyester in our products, increasing demand for this more sustainable resource.

**Preferred man-made cellulosics**

**Protecting endangered forests**

Viscose (also known as rayon), modal and lyocell are derived from cellulose made from the dissolved wood pulp of trees. They account for 7.5% of the materials used at C&A.

Less than 20% of the world’s ancient forests remain in tracts large enough to maintain biological diversity [SOURCE: Canopy]. We have a responsibility to protect what is left. And we need to do it quickly – at current rates, 55% of the Amazon rainforest could be gone by 2030.

We are working with the CanopyStyle initiative to tackle the logging of the world’s ancient and endangered forests, alongside 160 other brand partners. We joined the initiative in 2015 and published our Forest & Fabric policy the same year.

Our global commitment, means we will assess our sourcing of cellulose based fibres and:

- Eliminate the sourcing of fabrics made from pulp from ancient and endangered forests, and other controversial sources.
- Show a preference for suppliers who are working to preserve endangered forests or use FSC-certified methods.
- Train and engage suppliers on the Canopy Style Initiative, encouraging them to conduct verification audits and share their results publicly.

We also recognize that viscose production impacts do not stop at the forest. In this light,
we are committed to the Changing Markets Foundation roadmap toward cleaner viscose production and are committed to working with ZDHC on developing standards and protocols for assessing performance and driving continuous improvement in fibre production.

**Our 2017 performance**

**Taking bold steps to lead the market**

In 2017, all C&A Europe and C&A China suppliers signed an agreement to source viscose from two suppliers only – Birla and Lenzing – when producing garments for C&A. Both companies are third-party verified suppliers of cellulosics and have been confirmed as ‘low risk’ of controversial fibre. This verification gives us confidence that they have the right practices in place to prevent ancient or endangered forest products entering their supply chain. We constantly monitor the sources of our raw materials and publish the suppliers of the viscose fibre used in our garments on an annual basis.

We are one of the only large brands to have taken this significant step, and we did so in order to send a clear signal to the market that we are serious about protecting the world’s forests. Since C&A Europe accounts for the majority of viscose used within the company, our new agreement will make a real difference.

From 2018 onwards, all products containing man-made cellulosic fibres that are delivered to C&A stores in Europe and China will be sourced from producers that are free from ancient and endangered forests.

**Piloting more sustainable cellulosics in Brazil**

C&A Brazil launched a pilot to understand how our Forest & Fabric policy can be implemented in its domestic supply chains, and found that suppliers’ management systems needed to be improved in order to comply. We plan further rollout of the approach in our Brazilian supply chain in 2018.

**Helping to shift the market**

The CanopyStyle initiative aims to shift the entire man-made cellulosics market and eliminate the sourcing of fabrics made of pulp from ancient and endangered forests, and other controversial sources. To achieve this, producers must go through the CanopyStyle verification audit and publish their results.

To date, CanopyStyle has confirmed through audits that 25% of the global production of man-made cellulosics is at low risk of sourcing from ancient and endangered forests. An additional three producers, representing 30% of global production, are now in the CanopyStyle audit process. Publication of their results is expected in 2018.

We need brands and retailers to continue supporting the initiative and send a strong signal to the market. For this reason, C&A Foundation is supporting Canopy to help strengthen the initiative, so it can bring more brands on board.
Cutting carbon through more sustainable viscose

We estimate that our sourcing of more sustainable viscose in 2017 avoided 20,124 metric tons of CO$_2$e emissions, a reduction of 19% compared to conventional viscose.

Read more about how we reduce our CO$_2$ emissions

Where next?

Rolling out our global commitment

In 2018, based on the learnings from the first pilot, C&A Brazil will increase its procurement of cellulosic materials from producers that have been verified as having a low risk of controversial fibre. C&A Mexico will develop its approach, investigating its supply chain as a first step.

Looking at the environmental management practices of man-made cellulosic producers

Raw material sourcing is only one of the many challenges in the production of man-made cellulosics. In February 2018, the Changing Markets Foundation authored a report about the steps to be taken to address these challenges. We are committed to the roadmap and to working with the industry and with producers to improve chemical and environmental practices at cellulosic fibre production, and to remediate current challenges. More concretely, we are working with ZDHC on their development of standards and protocols for the viscose industry, collaborating with like-minded brands and working directly with Lenzing and Birla on a continuous improvement plan. The areas of focus as outlined in the roadmap are as follows:

1. compliance with laws and workplace regulations
2. recognition, respect for, and upholding of human rights and the rights of communities
3. raw materials are sourced from plantations, forests, or farms that are responsibly managed through our Canopy commitment
4. consideration for biodiversity
5. waste is prevented, reused, recycled, recovered and/or disposed of in an environmentally sustainable way
6. greenhouse gas emissions are reduced;
7. air emissions from processing plants are reduced, with appropriate air pollution control systems
8. in place;
9. impacts on water are mitigated by implementing water management plans and additional measures in water-stressed areas, including:
   - establishment of impact assessments, including water resource assessment
   - minimisation of water withdrawal from the environment
   - prevention of water pollution, in particular the cessation of release of any priority hazardous substances with the ZDHC MMCF Roundtable
○ deployment of dedicated wastewater treatment systems appropriate to the volume of wastewater produced, so that chemicals used in the production of viscose are discharged in compliance with best practice

• implementation of precautionary measures to reduce/eliminate release of toxic chemicals, including accident-prevention measures and regular surveillance
• development of a plan for zero discharge of hazardous waste through leaks, spills, regular operations, uncontrolled discharges etc.
• transparent communication on environmental track record, e.g. making monitoring data available online

Circular fashion
Doing more good

With the global population set to reach nine billion people by 2030, nature will struggle to meet human demands like never before. That means there’s an urgent need to achieve our goal of making circularity the norm across the value chain.

Sustainability means rethinking how we design our products for their next use. We want to evolve the apparel industry to a future where every material is used and reused safely, where ecosystems are protected and where people are provided with dignified work. This means making products that are ‘made with their next use in mind’ and where we no longer talk about ‘end of life,’ but rather ‘end of use.’ This is the philosophy of circular fashion.

For the apparel sector to become truly circular, each part of the value chain must evolve. We are partnering with Fashion for Good to bring this aspiration to life.

Why we need to develop circular fashion

In 2017, the Ellen MacArthur Foundation released a new report, entitled A New Textiles Economy. The report demonstrates the growing momentum in the industry to move
towards a circular economy, and gives us a strong environmental, social and business case for doing so:

- In 2015, around three-quarters of the plastic used in clothing ended up in landfill or was incinerated.
- Less than 1% of the material used to produce clothing is recycled into new clothing, equivalent to a loss of more than $100 billion of materials a year.
- The textile industry’s share of the global carbon budget will rise from 2% in 2015 to 26% by 2050 if it continues on its current path. Moving away from a linear and wasteful system is crucial to keeping within the 2ºC global warming limit set by the Paris Agreement on climate change.
- With current production systems, the weight of plastic microfibres in the oceans could increase to 22 million tons by 2050. That’s equivalent to two-thirds of the fibres currently used to produce garments every year.
- 20% of industrial water pollution globally is attributable to the dyeing and treatment of textiles.

Throughout the value chain – from raw material extraction to end of use – the apparel sector has a huge impact on the environment. To truly create the pathway to a new normal, we must reimagine much of what we do.

In a circular model, products are designed and developed with their next use in mind. This means they are produced with pure materials, using safe chemicals. This way, fibres can be reclaimed at the end of the garment’s use to be reused or recycled into new clothing, carpets or other products – or safely returned to nature through composting. Social justice, including safeguarding health and safety and fair labour, water stewardship and the use of renewable energy, are also an integral part of the circular model.

In 2018, we have joined the Ellen MacArthur Foundation's Make Fashion Circular initiative as a participant to to mobilise the recommendations of the report, and turn theory into action. The Make Fashion Circular initiative drives collaboration between industry leaders and other key stakeholders to create a textiles economy fit for the 21st century. Its ambition is to ensure clothes are made from safe and renewable materials, new business models increase their use, and old clothes are turned into new.

Read more about chemicals
Read more about safe and fair labour

Why circular fashion is necessary for sustainable apparel production
Our vision

We believe in ‘circular fashion’. Our vision is one of a restorative circular economy, where nothing is wasted in the creation or disposal of our clothing.

We believe that there are six enablers of a circular fashion industry and are currently working on all of them through our own programmes or in partnership with Fashion for Good. Our commitment is demonstrated through our GOLD level Cradle-to-Cradle Certified™ products – all supported by our emerging in-store take-back programme that allows customers to recycle clothing that has reached its end of use. The following graphic explains the areas of focus required to drive a circular fashion industry, but more importantly where we need to partner for systemic change.

The 6 enablers to a circular fashion industry
Our 2017 actions

To become a partner of Fashion for Good, focused on incubating and accelerating circular technologies in the apparel industry – aiming to create endless flows of fibres and clothing.

Develop and launch the first circular collections in our retail stores.
Launch our in-store take-back programme in new geographies.
Our 2017 performance

Pioneering circularity in stores

In 2017, C&A brought the first GOLD level Cradle-to-Cradle Certified™ products to market in stores across Europe, Brazil and Mexico. We have since developed many new products and collections, which reached the selling floor later in the year. In total we have brought over 1.3 million pieces of Cradle-to-Cradle Certified™ apparel to market so far.

In 2017, we also expanded the Cradle-to-Cradle Certified™ collection from Ladies to include Men, Kids and Teens, and have brought to market new innovations such as stripes, embroideries, and prints to add richness to our offer.

Following its successful launch in the Netherlands, we rolled out our in-store take-back programme to four additional retail markets – Belgium, Luxembourg, Switzerland and a pilot in Brazil – with a view to expanding the programme further by 2020.

Read more about our circular fashion products
Read more about our in-store take-back programme
Read more about product innovation

Accelerating change through Fashion for Good

In March 2017, C&A Foundation launched Fashion for Good in Amsterdam, with C&A as one of its first brand partners. Fashion for Good’s single focus is to transform the apparel sector, making ‘good fashion’ the norm by convening brands, producers, retailers, suppliers, non-profit organisations, innovators and funders to make this happen. The initiative has started well and gained tremendous momentum, with new brands including adidas, Zalando and Target joining during the year.

In 2018, C&A will continue to work with Fashion for Good to help transform the apparel sector by supporting:

• The Fashion for Good-Plug and Play Accelerator Programme to help start-ups grow.
• The Scaling Programme to scale up innovations and encourage their widespread adoption.

The Good Fashion Fund to catalyse access to finance where it is needed.

Read more about our partnership with Fashion for Good

Who we work with

Normalising circular fashion

Although we are proud to have brought the first GOLD level Cradle-to-Cradle Certified™ products to market, we know circular fashion is still a long way from being ‘normal’.

One of the most important things we can do to change this is continue sharing what we've learnt about circular fashion with the rest of our industry. For example, true circularity involves looking at how products are designed, developed and manufactured. We know our certified T-shirts have been designed this way, making them better for the environment, workers and their communities.

These products prove that circularity is possible today. We want to encourage others to join us so that attributes like this become part of the new normal. Since the launch of our circular products, Stella McCartney and G-Star have both launched Cradle-to-Cradle Certified™ materials, showing that momentum is growing.

From wood waste to T-shirt: The Fashion for Good-Plug and Play Accelerator in action

“Up to 50% of every tree cut down is considered waste. Timber companies are looking for ways to use this waste because there is too much of it. Often it is left to rot, which sends CO₂ into the atmosphere, or it is burned, which also creates problems and can lead to climate change.”
Jane Palmer, President, Nature Coatings

In comes Nature Coatings and its first prototype: a high performing and inexpensive black pigment made from wood waste. Jane, who has worked in textiles her whole career, including owning and operating a dye house, wanted to identify a way to shift the textile industry away from petroleum-based ingredients - and reduce unnecessary waste along the way. Most pigments,she discovered, are petroleum-based, don't biodegrade and use complex chemistry that has been linked to DNA mutations in fish and cancer in humans.

Nature Coatings’ black pigment offers a solution that is easy to substitute in the apparel supply chain. “There is no new technology required, no new costs. It actually stays ahead of the Restrictive Substances List (RSL) so saves any unintentional sales loss,” says Jane.

And now, thanks to the Fashion For Good-Plug and Play Accelerator, the pigment should be in market in the next few months. Since its launch, the Accelerator has awarded two cohorts of start-ups and innovators, working closely with them on transforming blue-sky breakthroughs into scalable innovations through an intensive start-up programme.

Nature Coatings was part of the 2017 intake. And, as Jane puts it, the Accelerator has been everything it promised to be. “We came in with a semi-finished product. We had a solid product and a business development plan, but the Accelerator forced us to make some decisions, evolve our business plan, generate interest from investors and gave us critical access to big apparel brands to test our product,” she explains.

Connecting with C&A has been especially useful, she points out. Over a series of meetings,
her team has had multiple opportunities to collect feedback and refine their value proposition. And the company has had the opportunity to work with one of C&A’s suppliers to test its pigment with one of their products.

“Our message wasn’t very clear when we entered Fashion For Good. Today, we have a clear value proposition, we’ve been able to open multiple doors among investors and partners, and generated overall excitement among the apparel sector for what we have to offer,” says Jane.

A circular fashion first
Circular fashion for everyone

In June 2017, we launched the world’s first GOLD level Cradle-to-Cradle Certified™ T-shirts in stores in Europe, followed by September launches in Brazil and Mexico. These garments are made of 100% organic cotton with safe materials and chemicals, and produced in a socially and environmentally responsible way. Even the stitching is made from organic cotton and the dyes are 100% non-toxic. The T-shirts are therefore fully compostable in a home composting heap.

Since then, C&A has launched additional Cradle-to-Cradle Certified™ products in both Men and Ladies in Europe, Mexico and Brazil. All these products are made by two Indian manufacturers, Pratibha Syntex and Cotton Blossom, who share our vision for a circular economy and worked closely with us to make the products a reality.

Read more about our work on sustainable supply

The Cradle-to-Cradle Certified™ product standard is the only holistic, third-party standard able to certify circular products. It certifies all aspects of product manufacturing, from the sourcing of raw materials through the chemicals, water or energy used in manufacturing and how the product is designed for material reutilisation, to the social conditions in the value chain.

Read more about the Cradle-to-Cradle Certified™ Standard
The standard is organised around five criteria, each of which is assessed and certified.
GOLD certification requires that:

- Products are made of 100% organic cotton using chemicals optimised for safe recycling.
- Products can be recovered via composting, reuse or recycling.
- 100% of the energy used in the production of the products has been renewably sourced.
- Suppliers completely recover and recycle waste water.
- The product manufacturing facility protects all of its stakeholders, by operating to the highest national social and labour standards available and by conducting programmes to benefit workers and community.

Our goal is for all C&A Cradle-to-Cradle Certified™ products to be of the highest possible level of certification and trust that the GOLD level represents a product optimised for circularity. Currently, some of the T-shirts in our stores have achieved SILVER certification because of the inks we use in all over prints, which had not yet been optimised. We have worked hard during 2017 to bring these inks in line with GOLD certification, and this will come into effect in 2018.

Our 2017 performance

Bringing Cradle-to-Cradle Certified™ products to market

As the first brand to bring affordable Cradle-to-Cradle Certified™ products to market, we recognise the importance of the way in which we communicate this new concept to customers – not only for C&A, but for the apparel industry as a whole. Our launch campaigns in Europe and Brazil included in-store material, a dedicated window, video, PR and media activity, and social media campaigns. In addition, our European stores produced a brochure while our Brazilian stores featured the products on in-store audio and video.

The response to the products has been very positive. Cradle-to-Cradle Certified™ T-shirts sold well, particularly in countries where it was promoted through window displays and brochures. It was also good for sales, driving an increase of 10% in average basket size during the campaign. Survey results also showed that the Cradle-to-Cradle Certified™ campaign had a very strong positive impact on customers’ intention to visit C&A and on its overall brand image.

Our key learnings from this launch were that although customers reacted well, our messaging and storytelling could be improved. Customers also told us that they would like more choice in terms of styles, colours and cuts – something we have been focusing on in the more recent collections.

Case study: Launching the Cradle-to-Cradle Certified™ T-shirt in Brazil

In 2017, we launched the first Cradle-to-Cradle Certified™ T-shirt collection in Brazil. The launch event generated over 100 articles in newspapers, magazines and online and reached 14 million people. Our customer service and store employees were trained to explain the environmental impact of the T-shirt. An internal communication to employees
and training sessions on the T-shirt generated a high level of engagement and pride in working for our company. Launching the Cradle-to-Cradle Certified™ T-shirt alongside an in-store take-back programme in 31 stores helped to amplify our circular message to customers.

**External recognition for our Cradle-to-Cradle work**

For the launch of these products, C&A was awarded the prestigious Sustainable Innovation of the Year Award at the 2017 Ethical Corporation Responsible Business Awards in London. In addition, C&A was selected as a Finalist for The Circulars 2018 in The Accenture Strategy Award in the Circular Economy Multinational category.

In addition, we have shared our experience and learnings from the development and launch of Cradle-to-Cradle Certified™ products with the wider industry, at events and through press coverage and case studies.

**Partnering to accelerate change in the fashion industry**

Fashion for Good is a global initiative that convenes apparel producers, suppliers, retailers, non-profit organisations, innovators and funders. The initiative offers practical action in the form of support, funding and roadmaps, and fosters a sector-wide collaboration. Its goal is to reimagine how fashion is designed, made, worn and reused so that people, companies and the planet can all thrive.

C&A was one of the first brand partners of Fashion for Good, joining the Sustainable Apparel Coalition (SAC), the Ellen MacArthur Foundation and IDH, the sustainable trade initiative. Since then, brands including adidas, Zalando, Kering, Galeries Lafayette and Target have joined Fashion for Good.

In 2018, the initiative will focus on supporting start-up innovators through its start-up accelerator operated by Plug and Play from Silicon Valley, California. The Good Fashion Fund will catalyse access to finance where required to shift the industry to more sustainable production methods.

From its first hub in Amsterdam, Fashion for Good houses a Circular Apparel Community co-working space, creating open-source tools like its Good Fashion Guide and welcoming new visitors to the Experience to join a collective movement to make fashion a force for good.

**Good Fashion Guide: An open-source roadmap to Cradle-to-Cradle Certified™ products**

As part of our ambition to move towards sustainable fashion, we’re supporting and promoting Fashion for Good’s Good Fashion Guide, which helps suppliers understand what it takes to make Cradle-to-Cradle Certified™ products. The open source guide is the first of its kind to make information on how to develop circular fashion products freely available. It covers all the elements of the Cradle-to-Cradle Products Programme from chemicals to social fairness, as well as a roadmap and a complete list of materials.

The roadmap has been available online since March 2017 to help other organisations
comply with the Cradle-to-Cradle Products Programme requirements. The learnings from producing our Cradle-to-Cradle Certified™ GOLD level T-shirt form the basis of the guide; we think it is important to share our learnings to support the acceleration of Cradle-to-Cradle Certified™ concepts across the apparel sector.

Read how to replicate our Cradle-to-Cradle T-shirts here

**A call to action for the supply chain**

Through the process of creating the first GOLD level Cradle-to-Cradle Certified™ T-shirt, we recognised that in order to increase the uptake of this holistic method in the apparel value chain, we needed manufacturers to embrace the basic concepts of a circular economy. As a result, Fashion for Good created a self-assessment tool for suppliers to use on their journey toward creating Cradle-to-Cradle Certified™ products.

Learn more about the Fashion for Good Cradle-to-Cradle Self-Check

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**Specific material and component challenges in circular fashion**

We know there’s a long way to go to make circular fashion the norm. As ever, the first step in our journey has been to learn from others and then pilot our own flagship programmes across our network. Along the way, we have identified several roadblocks to Cradle-to-Cradle Certified™ apparel, which we will work to overcome by collaborating with Fashion for Good and other partners.

In 2017, to help evolve the apparel sector toward making circular fashion the norm, we
worked with partners to develop:

- Nearly 200 Cradle-to-Cradle Certified™ or assessed dyes, inks and process chemicals.
- New Cradle-to-Cradle-assessed fibres such as modal, lyocell or elastane.
- More Cradle-to-Cradle Certified™ or assessed trims and embellishments such as buttons, zippers or rivets.

Many of these new products are now ready for commercial use.

**In-store take-back programmes**

The transition to a fully circular apparel industry will be challenging and time intensive as the industry shifts its entire operating model to adopt a more holistic systems approach. One of the most important steps on this journey is the development of an effective collection and sorting system around the globe to increase the collection rate of used garments, which currently stands at just 25% worldwide [SOURCE: Ellen MacArthur Foundation]. If the industry doesn’t develop a strong collection system, we will not be able to build a circular industry.

In several countries, we offer an easy way for customers to dispose of their unwanted clothes responsibly through our stores. By reusing or recycling garments, we aim to take responsibility for our products beyond their first product life. Offering consumers a return option is grounded in the idea that we must shift our industry from a model of ‘take, make, use and dispose’ to a circular model where every apparel product is designed with its second life in mind.

In Europe, our take-back programme is called WeTakeItBack and is run in collaboration with I:CO, a global solutions provider for clothing, footwear and other textiles collection, reuse and recycling. For every full bag of clothes and shoes they bring back, customers receive a 15% discount on their next C&A item.

Since 2012, our first WeTakeItBack programme in the Netherlands has collected more than 278,000 kg of clothing, ensuring these items will be reused or recycled. Currently, around 60% of collected apparel is reused and 40% is recycled. Particularly absorbent textiles are used for the production of cleaning cloths while others are used to make insulation materials and stuffing for furniture. In 2017, we expanded the programme to around 230 stores in Belgium, Luxembourg and Switzerland.

In 2017, we launched Movimento ReCiclo, a pilot take-back programme in Brazil. In just five months, 31 stores in Brazil collected 1,076 garments weighing over 200 kg. Two-thirds of the garments were in good condition and donated to local organisation Centro Social Carisma for reuse. The remaining one-third will be recycled in partnership with Retalhar. We are proud of these early results, which show that Brazilian customers are already engaged in the reuse and recycling of their clothes.

Read more about WeTakeItBack

Read more (in Portuguese) about Movimento ReCiclo
Where next?

**Further innovation to create ‘good fashion’**

Within its Innovation Platform, Fashion for Good will keep focusing on:

- Continuing the Fashion for Good-Plug and Play Accelerator Programme to help start-ups grow.
- Continuing its Scaling Programme to encourage the widespread adoption of good fashion by scaling innovations.
- Introducing the Good Fashion Fund to help catalyse access to finance to allow a shift to more sustainable production methods at scale.

Fashion for Good will act as a convener for change by:

- Expanding upon its Good Fashion Guide to share best practices and open-source tools on how good products can be produced at scale.
- Expanding the active Circular Apparel Community of partners, experts, investors and mentors.
- Relaunching its visitor-facing Fashion for Good Experience in Autumn 2018 to engage, inspire and activate people from around the world.

**More Cradle-to-Cradle Certified™ products in-store**

In Europe, we will deliver more than two million Cradle-to-Cradle Certified™ pieces over the next two seasons, alongside campaigns showcasing the products. We will develop Cradle-to-Cradle Certified™ products in more categories during 2018, rolling out production to additional suppliers and production countries.
In Brazil and Mexico, we will develop a Cradle-to-Cradle roadmap to build on the success of the launch. In 2018, we also plan to continue monitoring campaign results across markets to understand if and when we need to revisit and refine messaging to sustain enthusiasm and customer awareness.

**Rolling out in-store take-back**

In 2018, we will continue to expand the programme to new geographies globally as well as expand our current pilot in Brazil from 31 stores in 2017 to 80 stores.

**Product innovation**

**The new normal of tomorrow**

We want to normalise sustainable fashion, and one of the most effective ways to do this is through product innovation. We’re constantly pushing the boundaries with our products by expanding the Cradle-to-Cradle Certified™ product range. Beyond our own products, our engagement with Fashion for Good helps to grow and scale innovations across the industry.

C&A was at the forefront of leading best practices – such as chrome-free leather and phasing out the use of PVC and PFCs – that have since become normalised. We hope that the same will happen with circular fashion.

Read more about chrome-free leather and PVC

**Our 2017 performance**

**Finding innovative ways to save water**

In Europe, we’ve developed new innovative denim collections that are made with less water. In 2017, we continued our Saving Water Programme that allows us to use 65% less water in the final wash of denim production and brought to market 500,000 pieces for both
Men and Ladies.
Read more about our water footprint

**Increasing the use of recycled fibres**

In December 2016, the first of our recycled denim Ladies’ jeggings hit our European stores. Made from pre-consumer waste left over from the production process, the products contain 20% recycled content certified to the Global Recycled Standard (GRS). Around 200,000 of these garments were sold in 2017.

We also introduced our first recycled nylon products alongside the #WearTheChange campaign in early 2018: around 80,000 pieces of lingerie containing 58% recycled nylon, certified to GRS. Since then, we have introduced outerwear and Ladies’ blouses with recycled polyester certified to the Recycled Content Standard (RCS).

**Product quality and safety**

**Delivering what our customers want**

Our customers' health, safety, and enjoyment of our products is fundamental. We work hard to ensure product quality and safety, aiming to meet or exceed industry standards, legal requirements and our customers' expectations. We also collaborate with others in our industry to raise standards across the apparel sector.

Our Quality, Assurance and Development teams in Europe, Brazil, Mexico and Asia oversee every aspect of product safety and quality. They examine our goods to determine their physical, chemical, and mechanical properties as well as measurements and workmanship, applying especially strict criteria for baby and children’s clothing. Product testing is carried out by C&A and in cooperation with external laboratories like SGS,
Intertek and Bureau Veritas, to ensure that our collections meet the latest legal, chemical and safety standards. The team also helps our suppliers, factories, and colleagues understand safety risks and coordinates with legal bodies and industry associations.

**Quality down to the last detail**

Our commitment to quality extends throughout the manufacturing chain, beginning with fibre manufacture and continuing through production to the final random sampling of individual products in our stores.

**Auditing of our products**

These quality audits ensure that only appropriate production units that meet all our requirements are allowed to produce garments for C&A according to all our quality standards.

**Product sample inspection**

Whether a certain product can be sold at C&A is determined after a sample of the item has been examined according to stringent criteria, such as workmanship and physical properties (resistance to tearing, shrinkage, colour fastness), chemicals, and various legal safety requirements (small parts or the restrictions on the use of cords that could pose a danger to babies or children). Once these and other criteria have been met, an item may be manufactured for C&A.

**Quality and conformity inspection**

These inspections take place during and after production so we can determine whether the product matches our requirements. Workmanship, measurements and safety checks must be passed before items are allowed into C&A stores.

**Structured quality and due diligence checks**

To ensure the greatest possible safety for our customers, C&A also performs random due diligence checks on products to ensure they meet our expectations.

**Activating our restricted substance list**

To support the development of safe clothing with no hazardous chemicals present, we have implemented a restricted substances policy. We are also active members of voluntary industry groups such as the AFIRM Group (Apparel & Footwear International RSL Management Group) and CADS (Cooperation Against Dangerous Substances in Shoes). In 2017, approximately 25% of our collections in Europe achieved the OEKO-TEX® Standard 100 rating, an independent testing and certification system for textile raw materials and intermediate and end products at all stages of production. This confirms that our fabric, yarn, components and trims have undergone a rigorous test for harmful chemicals. Strict
controls on fixing agents, dyes and impregnating agents used to make clothes more
durable or flexible are in place for all our clothing.

Garment manufacturers apply PFCs to garments to repel liquids and stains. However,
research by organisations like the US Environmental Protection Agency has indicated a link
between PFCs and damage to human health and wildlife. Globally, we eliminated two per-
and poly-fluorochemicals (PFCs) from all products in 2015.

Towards zero discharge of hazardous chemicals

The C&A Chemical Policy also contains the Zero Discharge of Hazardous Chemicals’
(ZDHC) Manufacturing Restricted Substances List (MRSL), which focuses on the elimination
of hazardous chemicals in the supply chain. C&A is a founding member of ZDHC, a
coalition of 23 global brands and retailers with a shared commitment to zero discharge of
hazardous chemicals in their supply chains.

Learn more about our work to eliminate hazardous chemicals in our supply chain

Download our Chemical Policy here

Moving towards chrome-free leather

We don’t use a lot of leather in our products. But when we do, we want to make sure it is
produced responsibly. One way we do this is by striving to buy leather for our clothing that
is chrome-free tanned.

Recalling potentially unsafe products

We had no product recalls across our retail markets in 2017.

Sustainable Supply

Raising standards and building capacity

Our supply chain encompasses more than 1 million people, employed through 757 global
suppliers, who run more than 2,000 production units, across four entirely different
sourcing regions and many different cultures. Even though these numbers appear to be
very large, our part of the supply chain represents only a very small part of the entire
apparel and textile industry. On one hand, this represents a real opportunity to help
normalise sustainable behaviour amongst diverse populations. On the other, it requires
vigilance and dedication to better practices. We must identify issues and build capacity for
change, working in close partnership with our suppliers and stakeholders.
We start with our supplier relationships because we understand that we can, collectively, create positive impact. We always look for ways to collaborate and improve standards further, driving sector-wide change on important issues, together with other industry partners that think alike. We focus on two main areas: ensuring that the people who make our clothes are safe and treated fairly, and that we foster and support a clean environment to support healthy communities in our sourcing countries.

**Our ambition**

**A sustainable supply chain from farmer to customer**

Sustainability means moving towards a circular model where clothing is designed with it's next use in mind - clothing that is also made with fewer, safer chemicals, renewable energy, clean water, and safe and dignified working conditions.

To normalise sustainable behaviour, we believe in building capacity across our supply chain - from the farmer’s field to the factory floor. We see compliance as the starting point but not the ultimate goal: we must collaborate with our suppliers and their factories to create change. We’re also making steps towards our goal of circular fashion – where we create endless flows of materials and clothing in a fair and restorative manner. We are focusing on how to design sustainability considerations in from the start - rethinking how we design products with their next use in mind. This means carefully selecting materials and chemicals that are safer from the beginning and by working with our suppliers’ factories to ensure that working conditions are safe and fair. We’re also seeking to expand the ‘end of use’ solutions we offer our customers.
Our 2020 goals

100%
of our products will be from top-performing, A-and B-rated suppliers.

We will build capacity and supplier ownership within our supply chain going beyond auditing to engage our suppliers and their workers.

Zero discharge of hazardous chemicals.

20%
reduction of carbon footprint in C&A stores, distribution centres and head offices (from 2012 baseline).

30% reduction of water use in the production of our raw materials (from 2015 baseline).*

10% reduction of water use in C&A stores, distribution centres and head offices (from 2015 baseline).*

Zero waste to landfill in our retail operations chain.*

*2025 goal
Auditing and transparency

Making transparency the norm

The apparel industry’s supply chain is notoriously complex; ours spans around 2,000 tier-1 and tier-2 production units. This creates challenges, but also a huge scope for impact and creating change. By re-evaluating our own standards and influencing the development of shared ones, we’re taking the industry with us, embedding good practice as we go.

Being transparent is one part of the solution. We need to create traceability and accountability across the apparel industry’s supply chains. That way, we can collaborate with stakeholders including other brands, to understand shared challenges, offer the right kind of support, reward good behaviour and drive the change we want to see in the industry. We continually increase the scope of our supply chain transparency and publish a list of our tier-1 and tier-2 suppliers’ factories at least once a year.

Our overall approach

An important first step to achieving greater transparency in our supply chains is to make sure we are gathering accurate data about our suppliers’ performance – for everything from chemical, energy and water use, to issues such as wages or safety in the workplace – and assessing their ongoing actions and results. The more comprehensive and accurate the information is, the more targeted and effective support we can offer.

Different monitoring and assessment tools are currently being used by different businesses and organisations in the apparel industry. However, we believe – as do many of our stakeholders – that we must create convergence and use standardised tools to increase the quality of our data, the efficiency of our actions and therefore, the rate of change.

The Sustainable Apparel Coalition’s (SAC) Higg Index provides that centralised standard of assessment. It is already used by many major brands, including C&A, and is growing in its scale and effectiveness. C&A is currently piloting the Higg 3.0 Facility Environment Module (FEM), which, once operational by the end of 2017, will act as a full environmental assessment tool for the entire apparel supply chain. We are also part of the Social and Labour convergence project within SAC that aims to develop an assessment tool for human and labour rights.

In the meantime, we are using a combination of our own auditing and assessment tools, existing Higg modules, and the ZDHC’s audit protocol. We will continue to use and/or supplement these tools as long as necessary, and to avoid any ‘gaps’ in coverage, driving towards one solution endorsed by all brands in a multi-stakeholder consultation process.
Transparency Pledge

In 2016, the NGO Human Rights Watch approached 72 global apparel brands including C&A, to commit to the newly created Transparency Pledge. The pledge is part of an initiative to encourage brands to adopt a consistent approach towards transparency in their supply chains. The pledge will help the apparel industry reach a common minimum standard for supply chain disclosures, requiring them to publish standardised information on all factories in the manufacturing phase of their supply chains. We committed to the Pledge in February 2017, and have since aligned fully with the requirements and provided this information in a consistent manner.

Read more about the Transparency Pledge

Our Supplier Code of Conduct

What we expect of suppliers is clearly laid out and communicated through our Supplier Code of Conduct and checked using regular audits by our Sustainable Supply Chain (SSC) team, which comprises over 100 people worldwide, including 42 auditors and 29 development officers. In 2017, we updated the standards expected within the Supplier Code of Conduct on fire safety, environment and working hours, making them more stringent. When there are breaches of our Supplier Code of Conduct we invite suppliers, C&A employees and workers in our suppliers' factories to let us know through our Fairness Channels, where breaches can be escalated to management in an anonymous fashion. All of our suppliers are required to sign our code of conduct as part of our contractual relationship and purchasing agreements.

How we rate suppliers

When it comes to rating our suppliers on sustainability, our first guiding principle is transparency, supported by our commitment to capacity building. This is reflected in our ratings. Sustainability criteria makes up 20% of our overall supplier ‘scorecard’ rating and has the same weight as price, quality, delivery and product execution. Each production unit is rated from A to E based on a set of assessment criteria for the elements of our Supplier Code of Conduct.
Production units rated A and B are those that have no serious violations as rated against weightings that correspond to each element of our Supplier Code of Conduct. As an example, the discovery of a serious issue like insufficient firefighting equipment or repeatedly missing fire drill will result in a D rating, while the discovery of any zero-tolerance issue will result in an E rating.

A supplier’s overall rating is calculated as the average of the total number of production units used for C&A production. However, if a supplier has one E-rated production unit, the overall supplier rating will become E. It is our policy not to place production orders with E-rated suppliers – although we work closely with them to address these issues and improve their rating over time so they are able receive new orders in the future. New suppliers and production units must be able to demonstrate that they meet our sustainability criteria, and if needed, make improvements before they can start working with us.

**Relationship termination**

In cases where suppliers and the factories are on-compliant with our Code of Conduct, we seek to work with the supplier, factory management and our internal teams to improve. Unless the non-compliances are serious and of a zero tolerance nature, we maintain our business relationship to avoid unintended consequences to workers.

If a supplier maintains a non-compliant factory (E-rated) for longer than 6 months, the relationship with the supplier and associated factories is suspended. Because every situation is unique, potential exit strategies must be tailored to each situation. In all cases, we ensure that the workers are not adversely impacted by a potential termination of our business relationship – at a minimum, by following the local laws.

**Our zero-tolerance criteria**

To continually improve our auditing process and drive the right behaviour, we update our audit protocols every year to raise the bar on our standards over time. For example, C&A's code for underage workers is set at the ILO standard (16 years of age) that can be above national regulations (14 years of age). In 2018, we will work with a new set of zero-tolerance issues to keep improving working conditions in our supply chain.

The box below shows the complete list of our zero-tolerance issues and their rationale:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tbody>
<tr>
<td>Forced, bonded, indentured or prison labour</td>
<td>Forced work – by actual or perceived threat</td>
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<tr>
<td>Serious forms of child labour</td>
<td>A worker under 16 years old who is subject to slavery, forced or compulsory labour, prostitution, pornography, drug trafficking or other work which is likely to harm the worker’s health, safety or morals</td>
</tr>
<tr>
<td>Child labour/underage workers</td>
<td>Workers who are below 16 years old</td>
</tr>
<tr>
<td>Abuse</td>
<td>Any evidence of physical, sexual, verbal or mental abuse</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Failure to pay minimum wages</td>
<td>If less than 50% of sampled workers do not receive the legal minimum wage</td>
</tr>
<tr>
<td>Failure to pay probationary wages</td>
<td>If &gt;50% of sampled workers do not receive the legal probationary wage</td>
</tr>
<tr>
<td>Foreign or migrant workers without legal work permits</td>
<td>Workers do not have the right to work or have a valid work permit</td>
</tr>
<tr>
<td>Unauthorised homeworking</td>
<td>Production which is placed in an unauthorised home production unit</td>
</tr>
<tr>
<td>Denied audit</td>
<td>Not granting unrestricted access to workers, records, all areas of the production unit and dormitories, without unreasonable delay for a second time</td>
</tr>
<tr>
<td>Working hours</td>
<td></td>
</tr>
<tr>
<td>Paid overtime</td>
<td>Any case where workers work over 91 hours/week and are not paid for all overtime hours worked in accordance with legal requirements and at a premium rate</td>
</tr>
<tr>
<td>One day off per week</td>
<td>Any case where workers work 31 days or more consecutively</td>
</tr>
<tr>
<td>Workplace Health &amp; Safety</td>
<td></td>
</tr>
<tr>
<td>Sandblasting</td>
<td>The use of manufacturing practices that propel very fine bits of material at high velocity to clean or etch a surface. This process often uses sand with crystalline silica that could lead to silicosis</td>
</tr>
<tr>
<td>Building safety</td>
<td></td>
</tr>
<tr>
<td>Production unit located in a multi-tenant building where four minimum criteria are not met</td>
<td>Minimum criteria: 1. The entire building has a valid fire licence 2. The entire building has a valid building certificate 3. A common fire drill has been conducted for the entire building 4. A centralised fire alarm system is installed and operational for the entire building</td>
</tr>
<tr>
<td>No legal building certificate or permit</td>
<td>A building certificate/permit allowing legal use and occupancy is not available, not valid or does not cover the entire building and/or the building does not have approval for industrial use</td>
</tr>
<tr>
<td>Structure and use of the building are not aligned with the legally approved building plan</td>
<td>For example, items like incorrect or addition of floors, number of buildings included in the legal approval and the roof of the building is not constructed or used in accordance with the legally approved building plan.</td>
</tr>
<tr>
<td>Business licence not valid</td>
<td>The production unit address does not match the address on the business licence</td>
</tr>
<tr>
<td>Fire safety</td>
<td></td>
</tr>
<tr>
<td>No fire licence</td>
<td>Fire licence is not available, not legally valid or does not cover the whole building</td>
</tr>
</tbody>
</table>
In our Supplier Code of Conduct we describe in more detail what C&A expects from our suppliers regarding legal compliance, labour practices, environmental performance, and anti-corruption. The provisions in the Code constitute the minimum, never the maximum standards. These are different to the zero tolerance issues outlined above. For instance, in the Supplier Code of Conduct when we outline our expectations for working hours, our suppliers should meet the following minimum standards:

- Suppliers must define standard working hours by contract, at a number that is in line with national law or collective agreements, with a maximum of 48 hours per week including overtime.
- Suppliers must make use of overtime work responsibly, not request overtime work on a regular basis, and accept that overtime is voluntary, and therefore not coerce workers to work overtime.
- Working hours must not exceed 60 hours in any seven-day period, except in truly exceptional, unforeseeable circumstances. And only if all the following conditions are met: 1) allowed by national law, 2) allowed by collective agreement, and 3) safeguards are taken to protect workers’ health and safety.
- Suppliers must allow workers to take breaks, to have a least one day off in every seven-day period, and to take statutory holidays.

Read more about our Supplier Code of Conduct
Read more about the guidelines for implementation of our Supplier Code of Conduct

Our 2017 performance

The majority of our production (93%) is concentrated in nine sourcing countries.

Garment sourcing countries by % share of volume of product made
2016 was the first year we reported our global supplier ratings by production unit and by percentage of workers. Throughout 2015, Brazil and Mexico began implementing the global Sustainable Supply Chain (SSC) programme guidelines and audit process. As a result, 2016 was the first year the new Supplier Code of Conduct was in effect in all sourcing regions, allowing us to provide global figures.

It is important to note that Brazil and Mexico have sizeable domestic supply chains. 80% of products sold in Brazil and 50% of the products in Mexico are produced domestically. Because our new requirements are unique for the supply chain in Brazil and Mexico, we are working closely with each supplier and factory to build their capacity and improve ratings over time to meet our Supplier Code of Conduct requirements.

**Proportion of products sourced from A/B rated suppliers (% volume/region)**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>65.0%</td>
<td>77.8%</td>
<td>90.8%</td>
<td>80.6%</td>
</tr>
<tr>
<td>EU</td>
<td>65.1%</td>
<td>89.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BR</td>
<td>68.1%</td>
<td>41.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CN</td>
<td>68.2%</td>
<td>52.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MX</td>
<td>48.4%</td>
<td>35.9%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Tier-1 and tier-2 production unit rating of percent volume sourced by country of origin

Proportion of workers in production units by rating and country of origin
In 2017, nearly 55% of the workers in our supply chain work in A- and B-rated factories. This is a reduction of six percentage points since 2016, when 61% of workers were in top-rated factories. The reduction is a result of the re-categorisation of 11 crucial questions into a higher severity level, causing a drop in ratings for many suppliers.

14% of the total still work in D- and E-rated factories, an increase of seven percentage points since 2016 – again, due to the re-categorisation of questions. To continually improve ratings over time, all D- and E-rated factories have corrective action plans (CAPs), are monitored by local teams, and have order placements restricted until their performances improve significantly.

In Brazil and Mexico, 41% and 37% of supply chain employees work in D- and E-rated factories respectively in 2017. These regions adopted the full Supplier Code of Conduct for the first time in 2016, meaning that we now have a single global standard for suppliers in all regions. In 2018, the teams working with the domestic supply chains of Brazil and Mexico will focus on building capacity and technical know-how in all production units to progress towards our goal.

**Validating our programme**

Our Sustainable Supply Chain (SSC) team is made up of expert practitioners and located in different sourcing hubs – including China, Bangladesh, India, Turkey, Hong Kong, Cambodia, Brazil and Mexico. They are supported by the Global Sustainability team, who share learnings and drive the implementation of sustainability across all our sourcing countries and retail markets. This allows the SSC team to focus on driving the SSC programme on the ground, supporting production units through their continuous improvement journey.
In 2015, C&A set up a third-party relationship with a professional services provider to carry out ongoing human rights due diligence in our supply chain, using the UN Guiding Principles for Business and Human Rights to verify whether the current SSC programme is fit for purpose against the requirements outlined in the C&A Supplier Code of Conduct.

Through the process, extensive testing and analysis was conducted to assess our progress in implementing the SSC strategy, examining how it was rolled out through all our sourcing countries in Asia, Europe, EMEA, Brazil and Mexico. We took a phased approach, beginning in 2016 with C&A Europe and following with C&A Brazil and Mexico in 2017.

This analysis covers the company’s supplier portfolio, audit programme, capacity building programme and approach to minimising human rights risks. As part of this ongoing due diligence process, shadow and validation audits are conducted in different sourcing countries to assess the accuracy, precision and repeatability of our audit processes. In addition, desk assessments and interviews are conducted with the Sourcing, buying and Sustainability teams.

The due diligence was designed to test our SSC operations against ten strategic pillars:

1. Programme governance
2. Implementation of our Supplier Code of Conduct
3. Supplier registration and onboarding process
4. Implementation and follow-up of the audit program
5. Supplier rating and performance management
6. Corrective action plan (CAP) implementation and remediation
7. Building capacity in our supply chain
8. System integration, processes and accuracy
9. Organisational structure and resources
10. Programme impact and reporting

The assessment showed that the SSC programmes have different levels of maturity. Europe and Brazil are the most advanced and their programmes are working effectively within their mandate. The programme in Mexico is in the process of improvement, and the leadership team is committed to addressing the gaps.

The third-party auditor concluded that, to effectively address the human rights risks in our supply chain, C&A should continue moving towards a more strategic and systematic approach. We have taken note of the individual recommendations and have built an integrated, transparent approach through an online real-time project management platform. Regional action plans are currently being implemented and will be independently verified through third-party assessment for SSC Europe, and second-party assessment for SSC Brazil and Mexico.

**Europe**

After almost two years since the third-party assessment took place, the majority of the recommendations have been implemented through the regional action plan. SSC Europe is currently updating its strategy, in which it will address the remaining opportunities for improvement.
Brazil

The 2017 assessment found that our SSC programme in Brazil contains several elements in line with international good practice, setting a benchmark in the country. Key functions and responsibilities have been set up, and there is a good level of interaction between the SSC team, Sourcing and the broader Sustainability team. Awareness of the Supplier Code of Conduct is high and there is a clear and effective on-boarding process for suppliers and production units.

A solid audit and corrective action plan (CAP) process is in place. Shadow and verification audits of six productions units generated the same ratings as the SSC auditors. CAPs were being generated as required, and all issues identified in the CAPs were discussed with the suppliers and their factories. The assessment also found that some of the requirements of the Supplier Code of Conduct still need to be adapted locally, particularly building and fire safety.

Mexico

The third-party assessment in 2017 found that the SSC programme in Mexico was not fit for purpose regarding the majority of the strategic pillars, but noted that the leadership team was committed to addressing the shortcomings. Since then, strong progress has been made: the SSC team now has a dedicated manager, and processes and procedures have been aligned. The next step is to implement an integrated SSC system.

Clean environment

**Continually driving significant water and carbon reductions**

The apparel industry faces environmental challenges at every stage of a garment’s life, from farms, to fabric and garment production, through to transportation and in our stores. Our cornerstone commitment to sourcing more sustainable cotton results in significant carbon and water savings when compared to conventional cotton. Considering that 67% of our cotton is now more sustainable, our role in driving less impact is significant on the upstream supply chain.
We believe that our focus areas should be based on scientifically sound data and analysis. In 2017, we completed our third C&A-specific, cradle-to-grave hybrid Life Cycle Assessment (LCA) to better understand our carbon and water footprints and our impacts on climate change and water risk. We’re also working hard to build and test robust assessment tools for chemicals and environmental management that drive consistent change toward zero discharge of hazardous chemicals and reduced environmental impacts across the industry. Finally, we continue to strengthen our efforts by setting new global goals to reduce water use in the production of raw materials, striving to cut waste and water use in our own operations, and providing in-store recycling solutions for our customers.

**Our 2017 actions**

Launch a hazard-based chemical assessment project across key fabric mills and laundries and conduct a project to understand the provenance of chemicals.

Extend Sustainable Chemicals Management program to all key tier-1, tier-2 and tier-3 suppliers.

Improve our hybrid Life Cycle Assessment (LCA) methodology to better understand our carbon and water footprints and the impact of our actions in these areas.

Commit to the development of science-based climate targets.
Our 2017 performance

Implementing Sustainable Chemicals Management (SCM)

We started 2016 with 50 fabric mills in our SCM programme. We now have 348 production units covered globally under the SCM programme, including all major fabric mills, laundries, printers and vertical set-ups. Over the next two years, we will shift our focus from expanding coverage to driving impact creation jointly with our industry partners in three key areas:

1. Input management – identify safer chemicals, drive adoption and eliminate the usage of hazardous chemicals.
3. Output management – validate the elimination of hazardous chemicals from wastewater and publicly disclose.

In 2017, C&A communicated its SCM Minimum Performance Standard and Rating System globally with our supply chain to ensure our expectations of chemical management performance are clearly understood. The Standard, and its associated performance requirements, is updated annually as we work towards ZDHC.

Chemical audits and Higg 3.0 pilot

We have been actively supporting the convergence of the ZDHC Chemical Management Audit and the Sustainable Apparel Coalition’s Higg Index tool to create the Higg Index 3.0 Facility Environment Module (FEM). This is in line with our commitment to utilise industry tools and standards to ensure we reduce cost and complexity across our supply chain.

Driving the adoption of safer chemistry

We have been collaborating with other brands and stakeholders on a chemical screening project that uses a hazard-based approach to identify and substitute best-in-class or better alternatives. We have also been collaborating on the development of the ZDHC Gateway, a platform funded by C&A Foundation, which acts as a global database of green chemistry and wastewater testing results.

Carbon and water footprint reductions

We completed our third hybrid Life Cycle Assessment (LCA) in 2017, gathering data on our carbon and water footprints from cradle to grave. We reduced our carbon footprint by 15% compared to 2016, driven by a reduction in the materials we used (despite selling more items in 2017) and by the sourcing of more sustainable materials.

We continued to realise significant water reductions during 2017, reducing our total water footprint by 14% compared to 2016. These savings resulted from a 29% reduction in blue water consumption, a 15% reduction in green water consumption and a 13% in grey water consumption.

To make further reductions, in 2017 we committed to new global 2025 goals to reduce
water in the production of our raw materials by 30%, and to further reduce the water we use in stores, distribution centres and head offices by 10% (compared to 2015).

Towards zero waste

In 2017, C&A committed to sending zero waste to landfill from C&A stores, distribution centres and head offices by 2025. With products such as our GOLD level Cradle-to-Cradle Certified™ collection developed in 2017, we’re also one step closer to our goal of circular fashion.

Who we’re working with

Zero Discharge of Hazardous Chemicals, Sustainable Apparel Coalition, C&A Foundation, World Resources Institute, Aligned Incentives, IPE, Greenpeace, China National Textile and Apparel Council (CNTAC), Fashion for Good, Solidaridad, Partnership for Sustainable Textiles, Dutch Covenant for Sustainable Apparel and Textile

Chemicals

Progressing towards zero discharge of hazardous chemicals

Chemicals surround us in our daily life. Not surprisingly, they are also an integral component in making and washing garments – from helping grow raw materials like cotton, to processes like dyeing or as key ingredients in the laundry products our customers use. At C&A, we want to make sure chemicals used in making C&A products are safe for people and the planet. To that end, we are a founding member of ZDHC, a coalition of 23 global brands and retailers with a shared commitment to zero discharge of hazardous chemicals in their supply chains.
Each year we demonstrate our public commitment to the communities where our apparel is produced – and to Greenpeace – by reporting our progress in this detailed report. Along with a full explanation of our chemicals management approach and the progress we make, we also present the challenges we face. Year-on-year performance data is also available on the chemical audits and regular wastewater testing we carry out as part of our Sustainable Chemicals Management (SCM) programme.

Read our public commitment to ZDHC

Our approach to Sustainable Chemicals Management

C&A’s holistic approach to chemical management revolves around three areas:

1. Input management – identify safer chemicals, drive adoption and eliminate the usage of hazardous chemicals.

We recognise that our vision of a supply chain with zero discharge of hazardous chemicals cannot be achieved alone. Only with industry efforts including brands, NGOs, academics, chemical suppliers and manufacturers can we drive permanent change. Within each of the above three areas, C&A has focused on developing industry standards, tools and methodologies such as our efforts in developing the Sustainable Apparel Coalition’s Higg 3.0 Facility Environmental Module (FEM) and the ZDHC Gateway.

We have also created a Minimum Performance Standard as a tool to communicate our
expectations in chemical management to our supply chain. All of our facilities under the SCM programme are provided with a rating that encourages them to meet or conduct remediation to ensure the expectations are adhered to. The Standard is updated annually to drive continuous improvement towards ZDHC.

Input management

Input management is the cornerstone of the SCM programme. The objective of input management is simple: for C&A suppliers to procure chemicals that meet ZDHC requirements. In practice, this means screening and testing chemical products against the requirements of the ZDHC Manufacturing Restricted Substances List (MRSL) and registering the results on the ZDHC Gateway. The Gateway acts as a global database for safer chemistry for C&A suppliers and the industry at large.

To support the identification of safer chemistry, C&A implements a hazard-based Screened Chemistry program with several other brands to identify best-in-class and better alternative chemicals. Together, along with the ZDHC Gateway, we provide our suppliers with information on safer chemicals so they can make informed decisions when procuring chemicals.

We are also working globally to engage with key chemical suppliers and formulators to increase the awareness of ZDHC and its requirements, with the aim of increasing knowledge of safer chemistry and driving research and innovation to find suitable alternatives.

Process management

Process management is key to ensuring each of our supply chain partners has the necessary personnel, management systems, tools and expertise to reach ZDHC requirements. To do this, we have developed the SCM Audit, in which we send in technical experts to each of our wet production units to assess their current level of performance and create a joint action plan to drive continuous improvement.

Output management

C&A is committed to report publicly on its progress towards ZDHC. We conduct regular wastewater testing at our production units against the ZDHC Wastewater Guidelines to validate the elimination of hazardous chemicals. By testing raw wastewater for chemicals listed on the ZDHC MRSL, we validate the elimination of hazardous chemicals at individual facilities. If a detection is found, a phase-out plan is created with the facility to replace the chemical with a sustainable alternative within the shortest possible timeline.

Additionally, all C&A suppliers communicate their wastewater testing results publicly on the Institute of Environmental Affairs (IPE) website as well as the ZDHC Gateway. This ensures that all relevant stakeholders have access to the progress we are making year-on-year.

Capacity building
We train our suppliers to understand why chemical management matters and what it involves, and to develop the infrastructure they need to reduce their impact. This capacity building covers many different areas, but includes training about which chemicals to use, how to select better alternatives and how to safely manage chemicals in their operations.

On-the-ground experts conduct frequent site visits to provide any support required and to assess remediation progress and timelines as part of our corrective action plan (CAP) process. C&A also hosts regular meetings at our local offices, at an operational level to discuss common issues in the supply chain and develop solutions, and also at a top management and owner level to raise awareness of our requirements.

![Diagram of chemical management process]

**Working together towards zero discharge of hazardous chemicals**

The SCM programme was built on a foundation of collaboration. From the very beginning, we realised that no brand can achieve zero discharge of hazardous chemicals alone. To that end, we were a founding member of the Zero Discharge of Hazardous Chemicals Foundation, established in 2012 with the goal of eliminating the use of priority chemicals by:

- Developing and updating the Manufacturing Restricted Substances List (MRSL) and accompanying guidance on conformity.
- Identifying safer alternatives for chemicals that are included on the MRSL.
- Developing a robust chemical assessment process.
- Monitoring the quality of wastewater from production units and reporting publicly on results.
- Working towards full transparency of chemical discharge in our supply chain.
Empowering our suppliers to move towards zero discharge of hazardous chemicals through capacity building and training.

By using our global size and scale to deliver results in these six areas, our company is going beyond compliance. Ultimately, we are seeking to normalise good practice at C&A suppliers’ factories and across the rest of the industry.

C&A engages with industry stakeholders such as the Institute of Public and Environmental Affairs (IPE). As part of this engagement, C&A is regularly screening our supply chain for environmental violations listed on the IPE website and working jointly to drive remediation across our supply chain in China.

Working with C&A Foundation to drive improvement

C&A Foundation brings together brands, initiatives and people who collectively have the power to create a fair and sustainable fashion industry. A core focus area of the Foundation is Circular Fashion, including chemicals. C&A Foundation has been working extensively with the ZDHC to accelerate, further scale and drive impact on eliminating the use of hazardous chemicals across global apparel and footwear supply chains.

The foundation has three active grants with the ZDHC:

1. **ZDHC Gateway - Wastewater Module.** One of the barriers to better chemical management is a lack of data to inform and drive wastewater improvement. The Wastewater Module is a disclosure platform for wastewater discharge information that helps factories to disclose timely and accurate information, allows brands to monitor progress throughout the supply chain, and demonstrates accountability to industry stakeholders.

2. **Five-year strategic growth plan.** This plan will enable ZDHC to prioritise actions and document important milestones, supporting its vision of ‘widespread implementation of sustainable chemistry and best practices in the textile, leather and footwear industries to protect consumers, workers and the environment’.

3. **ZDHC InCheck Tool.** Suppliers do not always know how to access alternative chemicals for their production processes. This tool allows manufacturers to create and update a chemical inventory, complete a self-assessment, and source better chemicals.

C&A Foundation also supports MaterialWise, a multi-industry value chain collaboration led by the Cradle to Cradle Product Innovation Institute. MaterialWise is a database of verified chemical hazard data that will enable suppliers, manufacturers and brands to advance better chemistry in product design and manufacturing.
Our 2017 performance

The C&A SCM Programme covers 81% of our global business volume, from our wet processing units in tier-1 and tier-2 to all nominated fabric mills. To date, our SCM programme has achieved:

- 348 chemical management audits conducted
- 348 corrective actions plans created that work towards meeting the requirements of the SCM programme
- Over 500 wastewater tests conducted to identify hazardous chemicals in our supply chain
- 600 staff from our supply chain completed an external two-day training on chemical and wastewater management
- 17 dedicated experts within C&A working to eliminate hazardous chemicals from our supply chain
- Over 750 factory visits completed by the SCM team to assess progress and address issues in achieving its requirements
- 1 strategic partner to analyse performance in C&A’s supply chain, via chemical audits and wastewater testing, and build capacity to enable the achievement of the SCM programme objectives globally

C&A’s SCM minimum performance standard, introduced at the end of 2017, is a holistic scoring mechanism that transparently aggregates a facilities performance across the three pillars of the programme: Input, Process and Output. The standard also covers remediation, to ensure facilities are continuously working to improve their performance.

The requirements listed on the standard are categorised into the following: Zero Tolerance, Critical and Major. Depending on the number of requirements it has met, each the facility is given a score from Gold to Unacceptable.

Sustainable Chemicals Management performance 2017

<table>
<thead>
<tr>
<th>Rating</th>
<th>Number of production units</th>
<th>% of production units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Silver</td>
<td>10</td>
<td>4%</td>
</tr>
<tr>
<td>Bronze</td>
<td>60</td>
<td>25%</td>
</tr>
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</table>
2017 represents the first year that our facilities were given a SCM performance score, based upon a standard that was communicated during the second half of the year. As such, the results above represent facilities that were assessed against the new standard for the first time. 29% of facilities were already meeting our requirements, and the remaining facilities were given a clear timeframe for raising their performance to ensure they can continue to work with C&A. Our focus in 2018 will be on raising awareness, developing expertise and knowledge, and providing expert technical support to raise the performance of these facilities. The SCM Minimum Performance Standard becomes more exacting each year, so facilities will be held accountable for the new 2018 requirements as well as their remediation against the 2017 standard.

**Input management**

We made significant progress in 2017 in better understanding the challenges of input management as well as advancing industry solutions.

During 2017, C&A conducted a pilot project to better understand what chemicals our suppliers purchase and where they come from. The project, conducted at 31 facilities globally, revealed a long and complex chemical supply chain. These facilities sourced from 557 chemical formulators and purchased 4,365 chemical products. Encouragingly, half of these chemical products had existing chemical conformance results, demonstrating they meet ZDHC standards.

In 2017, ZDHC launched the Gateway, a global database of safer chemistry that enables chemical formulators to securely share chemical information with brands and textile, footwear and leather suppliers, in line with the ZDHC standards. The number of chemical products registered on the ZDHC Gateway remains a challenge – however, it continues to grow daily as the go-to place to identify safer chemicals. C&A continues to engage with and encourage chemical suppliers and formulators to register their chemical products on the Gateway to enable the widespread adoption of safer chemistry.

This demonstrates why industry collaboration is essential. If 31 facilities are sourcing from 557 chemical formulators, we need an industry-wide response to send a clear signal to our supply chain. The ZDHC Gateway can become the channel for that and will become the focal point of our SCM programme in 2018.

**Process management**

In 2017, C&A audited 237 facilities for the first time using its SCM Audit. The audit, which acts as a stepping stone to Higg 3.0 Facility Environmental Module (FEM) once adopted, assesses a facility’s on-site chemical management system and performance.

The audit covers the following aspects:

- Environmental Management Systems
- Energy Consumption
In 2017, C&A continued to focus on expanding the scope of SCM, with many facilities audited against C&A/ZDHC standards for the first time.

The top five non-conformances identified in 2017 were:

1. Facility not properly managing hazardous waste (including sludge).
2. Facility not implementing a plan for the proper handling, use, storage and disposal of chemicals.
3. Facility not conducting a chemical risk assessment of all the chemicals used.
4. Facility not having a policy for monitoring and controlling banned and restricted substances for all chemicals used in the facility.
5. Facility not having a phase-out plan for chemicals listed in the MRSL/RSL that are used in production.

Many of the above issues are related to this being a first-time audit for several facilities. Once all the non-conformances are identified, the SCM team works with the facilities to implement a corrective action plan and provide technical support wherever needed. To date, the C&A SCM Programme has created over 300 corrective action plans that all contribute to the elimination of hazardous chemicals.

A major challenge in process management remains the existing skills and knowledge gap. Following results from our ongoing assessments and audits, we now have greater insight into how much capacity-building for chemical management is required along our supply chains. Most of the mills, laundries and printers we work with only have a basic understanding of chemicals issues, and lack the skills and information to make the necessary changes to their systems. Our focus on training and infrastructure development is designed to meet this challenge.

Another challenge is third-party resources. Although some good progress is being made – particularly towards the Higg Index 3.0 module – third-party resources for chemical auditing and wastewater testing are still in their infancy. High costs and a lack of resources and collaboration are currently slowing down the kind of progress we need to meet our targets as an industry.

**Output management**

In 2017, C&A conducted wastewater testing at 234 facilities across 14 countries using the methodology listed in the ZDHC Wastewater Guidelines. C&A tests wastewater samples at three points: incoming water, raw wastewater and discharged wastewater.
C&A uses the raw wastewater sample to validate a facilities conformance to the ZDHC MRSL. Phthalates and Alkylphenol (AP) & Alkylphenol Ethoxylates (APEOs) are the most frequently detected chemical groups at this sampling point with 65 and 63 detections respectively. However, it is important to note that they are also the most frequently detected chemicals in contaminated incoming water, at 33 and 39 respectively.

We apply the ‘clean factory’ approach, encouraging the elimination of hazardous chemicals across production for all brands, not just C&A’s production. From 2018, all our facilities will be required to disclose their wastewater test reports on both the IPE website and ZDHC Gateway.

Where next

Input management
C&A will continue to map out its chemical supply chain to better understand what chemical products are being used and where they are coming from. In addition, we will work with key chemical suppliers to drive the adoption of the ZDHC Gateway. We will also start to set requirements on the usage of chemicals registered in the Gateway for our supply chain from 2019 onwards. The focus in 2018 is on preparing for these requirements and populating the Gateway.

Throughout 2018, we will also pilot the ZDHC InCheck. InCheck is a tool that will standardise the industry’s approach to monitoring input chemistry. By collecting a facility’s chemical inventory list and screening it against safer chemicals listed in the ZDHC Gateway, it will identify the facility’s level of conformance to the MRSL. Each facility will be given an InCheck report, which will be used by C&A to identify and manage progress towards the elimination of hazardous chemicals.

Process management

C&A will continue to drive impact. Many of the facilities audited for the first time in 2017 will be provided with expert technical support to remediate all key issues. We will also start the process of adopting the SAC Higg FEM 3.0 with full adoption expected in 2019. Once achieved, C&A’s SCM Audit will become redundant as we continue to adopt industry standards and tools.

We will also continue rolling out the SCM Capacity Building to ensure we close the skill and knowledge gap that exists within the textile supply chain today.

Output management

Wastewater testing serves as validation that we are making progress towards ZDHC. With many facilities having conducted their first ever wastewater testing in 2017, the focus is now on root-cause analysis – identifying the failing chemical detection back to its original source and looking for alternatives. C&A will continue to create phase-out plans for each facility with a detection and support them in finding alternatives via the ZDHC Gateway.

At the same time, we remain committed to the public disclosure of wastewater test results and will adopt the ZDHC Gateway Wastewater Module at launch. This platform, funded by C&A Foundation, serves as a global portal for verified wastewater results tested against the ZDHC Wastewater Guidelines. It provides suppliers (manufacturing facilities) with an easy way to disclose secured and verified wastewater and sludge data to their clients (brands/retailers), reduce unnecessary testing and focusing on improving the quality of discharge.

Designing products with zero discharge of hazardous chemicals

Our vision is for the global apparel industry to become a circular system, where clothes are designed with their next use in mind. Our GOLD level Cradle-to-Cradle Certified™ t-shirts play a vital role in the certification of safe chemistry. These products are designed and made with fewer, safer chemicals, and complement our overall approach to better chemical management by demonstrating that zero discharge of hazardous chemicals is possible.
Climate Change
Reducing our impacts by focusing in the right areas

Climate change is one of the most important areas for C&A to focus on because it threatens the communities we work in, as well as our ability to access raw materials in the future by increasing the frequency of unpredictable or extreme weather events. To be effective, we must focus our efforts on those areas where we can make the most change, most quickly. To identify these opportunities, we routinely assess our impacts through Life Cycle Assessment (LCA) across our entire value chain – from cotton farms right through to end of use.

In 2018, we will define science-based climate targets to ensure that we are reducing emissions in line with the Paris Agreement on climate change.

Approach and methodology

Working with the scientists at Aligned Incentives and building on last year’s analysis, we have evaluated our scope 1, 2 and 3 greenhouse gas (GHG) emissions across our value chain.

The model uses a hybrid LCA approach that follows the World Resources Institute/World Business Council for Sustainable Development GHG Protocol for corporate accounting and reporting and value chains. This hybrid LCA model combines input-output and process LCA methods, enabling us to focus on the key hotspots in our value chain at a material, regional, and value chain level.
Improving data gathering so we can improve our focus

We continually improve our greenhouse gas data and reporting so that we can identify and implement more sustainable practices.

We have improved our 2017 estimate for the consumer use phase by utilising customer survey data, garment-specific care instructions and garment durability data from the Sustainable Apparel Coalition. Due to upgrades to our inventory tracking system, we were also able to model unique items and incorporate data from our suppliers of more sustainable viscose to capture the impacts of this fibre more accurately.

Our 2017 estimate uses data from more than 540,000 shipments from our sourcing countries to our stores. We also evaluated emissions across 1,780 unique non-product spend categories to assess the value chain impacts of products and services that are related to our business operations and administration. This, combined with energy and fuel data for each of our stores, distribution centres and offices, has provided us with a comprehensive data set used in the analysis. It has therefore enabled us to set a firm baseline from which we will measure our reductions going forward.

Reducing our impact on the climate

In 2017, we reduced our greenhouse gas emissions across our value chain by 16% compared to 2016, saving approximately 929,979 metric tons of CO2e. This reduction is strongly influenced by a reduction in sourced materials (inventory weight decreased despite an increase in sold items) and the sourcing of more sustainable materials such as cotton and viscose. Our footprint also decreased as a result of our improved modelling of our consumers’ use habits.

Total greenhouse gas emissions 2017, by scope

<table>
<thead>
<tr>
<th>Source: Aligned Incentives, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Model Value</strong></td>
</tr>
<tr>
<td><strong>Scope 1</strong></td>
</tr>
<tr>
<td>Natural gas combustion</td>
</tr>
<tr>
<td>Model Value</td>
</tr>
<tr>
<td>-------------------</td>
</tr>
<tr>
<td>Fuel oil combustion</td>
</tr>
<tr>
<td><strong>Scope 2</strong></td>
</tr>
<tr>
<td>Purchased electricity</td>
</tr>
<tr>
<td>Purchased district heating</td>
</tr>
<tr>
<td>Purchased district cooling</td>
</tr>
<tr>
<td><strong>Scope 3</strong></td>
</tr>
<tr>
<td>Purchased goods &amp; services</td>
</tr>
<tr>
<td>Fuel &amp; energy-related activities</td>
</tr>
<tr>
<td>Upstream transportation &amp; distribution</td>
</tr>
<tr>
<td>Waste generated in operations</td>
</tr>
<tr>
<td>Business travel</td>
</tr>
<tr>
<td>Use of sold goods</td>
</tr>
<tr>
<td>End-of-life treatment of sold products</td>
</tr>
<tr>
<td><strong>Total Emissions</strong></td>
</tr>
</tbody>
</table>

Total greenhouse gas emissions, year-on-year comparison

![Graph showing a 16% reduction in greenhouse gas emissions from 2016 to 2017](source: Aligned Incentives, 2017)

**Total greenhouse gas emissions 2017 across our life cycle**
Total greenhouse gas emissions across our life cycle, year-on-year comparison

Source: Aligned Incentives, 2017

Unit: mtCO$_2$e

Source: Aligned Incentives, 2017
Reducing our climate impact through more sustainable materials

Roughly 7% of our greenhouse emissions comes from agriculture, which means the best way to tackle them is by sourcing more sustainable cotton. We are focused on creating a science-based target for all GHG Protocol scopes, and our progress in sustainable cotton is already showing a sizeable contribution.

**Greenhouse gas emissions of C&A’s cotton mix, compared to conventional cotton**

In 2017, 67% of the cotton we sourced was more sustainable, meaning that it is grown organically or sourced via the Better Cotton Initiative. We estimate that our sustainable sourcing of cotton in 2017 avoided 44,505 metric tons of CO₂e emissions, a reduction of 12% in greenhouse gas emissions compared to conventional cotton.

**Greenhouse gas emissions of C&A’s viscose mix, compared to conventional viscose**
In 2016, roughly 9% of our CO\textsubscript{2}e emissions from raw material production was from cellulosic fibres – and almost all of that impact was from the production of viscose. In 2017, we implemented a strategy to source a proportion of our viscose from more sustainable production practices. This effort is already contributing to noticeable emissions reductions: we estimate that our sourcing of more sustainable viscose in 2017 avoided 20,124 metric tons of CO\textsubscript{2}e emissions, a reduction of 19% compared to conventional viscose.

Read more about our commitment to more sustainable viscose

Reducing our climate impact through more efficient production

Material processing, which is dominated by textile production, is the largest source of emissions in our supply chain, representing about 40% of total emissions. We work with several key partners to reduce carbon along our value chain. We have been a member of the Partnership for Cleaner Textile (PaCT) since the initiative began in 2013. PaCT’s focus is on cleaning up the wet processing industry in Bangladesh, which includes making suppliers more energy efficient. Through the partnership, C&A has saved nearly 40,000 MWh of energy and nearly 600,000 m\textsuperscript{3} of water per year. Because we source more from Bangladesh than any other country (32% in 2017), our efforts are driving measurable reductions in our scope 3 emissions.

Reducing our climate impact in our retail operations

Our retail operations, excluding garments and transportation, account for around 12% of our total greenhouse gas emissions – of which 6% is energy consumption. We have set a 2020 target to reduce these emissions by 20% compared to 2012. All our retail markets have developed roadmaps to address energy efficiency and renewable energy purchased in our new and existing stores, offices and distribution centres.
We have updated our methodology to align with best practice by using Gross Leasable Area (GLA) as a measure of our floor space instead of Total Usable Sales Area (TUSA). GLA is a more representative measure of C&A’s building space and will allow us to be consistent in our calculations across different types of building.

In order to track our carbon footprint accurately, we have recalculated our energy efficiency and greenhouse gas intensity using GLA for every year since our baseline year (2012). Using the new methodology, in 2017 we increased our retail energy and carbon efficiency by 19% and 14% respectively compared to 2012. We also purchased 20% of our energy from renewable sources.

**Absolute energy consumption and energy efficiency of stores, offices and distribution centres**

![Graph showing energy consumption and efficiency from 2012 to 2017](GLA: Gross Leasable Area
Source: Aligned Incentives, 2017)

Absolute CO₂ emissions and carbon efficiency of stores, offices and distribution centres

GLA: Gross Leasable Area
Source: Aligned Incentives, 2017
**Consumer use**

The use and disposal of clothing by our customers makes up 12% of our total carbon footprint.

Due to a lack of data, our past estimates of consumer use impacts have been based on large assumptions with high levels of uncertainty. In 2017, we took a closer look at our customers’ habits to improve our estimate and understand the levers with which C&A – and other brands – can reduce consumer use impacts. Using primary data collected from a customer survey, we identified previous assumptions that overestimated impacts in this life cycle stage and we were pleased to learn that a sizeable portion of our customers are currently consuming fashion more sustainably. Specifically, we learned that a high proportion (60-85%) of our customers line-dry their clothes, and a majority wear articles such as trousers, shirts and blouses multiple times before washes.

In 2017, we ran a sensitivity analysis to measure the impact of the average cleaning cycle on the carbon footprint of our clothing. We found that clothes washing represents roughly 55% of total greenhouse gas impact, and drying accounts for the remaining 45%. Washing at 40°C is the dominant driver (52%) of the greenhouse gas impacts of washing clothes. This was not surprising, as many washing machines have 40°C as their default setting.

These results show the power of normalising sustainable behaviours. Using our data, we estimate that the total greenhouse gas impact of our clothing could be reduced by 45% if line-drying were the norm for the 15-40% of customers who machine-dry their clothing. And if the default 40°C wash became a 30°C wash, we would see additional greenhouse gas savings of approximately 21%. Together, these simple changes could cut the carbon footprint of our clothing by one-third, or over 300 megatons.
Customer survey results: drying method by region and garment type

Customer survey results: wears-per-wash profiles by region and garment type

Source: Aligned Incentives, 2017
Where next?
In 2018 and beyond, we will focus on reducing greenhouse gas emissions in the areas with the largest impacts. Sourcing more sustainable cotton and viscose will continue to be our main focus. Working with PaCT and rapidly scaling our Sustainable Chemicals Management programme will further reduce our impacts on climate change.

Water
Driving down our water footprint

Today, around one billion people live in areas where access to fresh water is scarce. By 2025, two-thirds of the world’s population may struggle to access enough clean water to meet their needs. The apparel industry uses a lot of water across its supply chain, from crop irrigation to wet processes in production, through to customer use. For instance, a simple cotton T-shirt requires the equivalent of three years’ worth of drinking water (2,700 litres) to manufacture and use [SOURCE: WWF]. In a world of shrinking natural resources, we must work together to reduce this level of consumption quickly, while also improving the quality of wastewater that is currently discharged along the supply chain.
C&A’s commitment to zero discharge of hazardous chemicals (ZDHC) includes regular wastewater testing at our production units to validate the elimination of hazardous chemicals. Our cornerstone commitment to sourcing more sustainable cotton underpins our approach to water, as more sustainable cotton uses considerably less water than conventional cotton.

We are pleased to announce a continuing trend in water savings for 2017, estimating a 14% decrease in our total water footprint compared to 2016. These savings resulted from a 29% reduction in blue water consumption, a 15% reduction in green water consumption and a 13% in grey water consumption.

In 2017, we committed to global 2025 goals to reduce water in the production of our raw materials by 30%, and to further reduce the water we use in stores, distribution centres and head offices by 10% (compared to 2015). Progress against these goals will be measured in 2018 for the first time.

Reducing our water footprint

The first step to reducing water consumption in our supply chain is to get a clear picture of our footprint - how much we’re using and where. In 2017, we completed our third C&A-specific, hybrid cradle-to-grave Life Cycle Assessment (LCA) to better understand our carbon and water footprints. Based on this assessment, we have developed a strategy to reduce our water use and – most importantly – to help our suppliers do the same.

The production of raw materials (61%) and intermediate textile goods (30%) comprises 91% of our total combined blue, grey and green water footprint.

Total water footprint, year-on-year comparison
Water footprint definitions

The water footprint is an indicator of freshwater use that looks at both direct and indirect water use for any kind of productive activity: for example, growing cotton for the products consumed by an individual or group of individuals or for the activities within a geographic area. It accounts for water consumption and pollution over each phase of the production process and value chain, and includes three components:

- The **blue water footprint** is the amount of fresh surface or groundwater used to grow a crop or produce goods or services. It is the amount of water evaporated, incorporated into the product or returned to a different location or in a different time period from where it was withdrawn.

- The **green water footprint** is the total rainfall or soil moisture used to grow plants. It is relevant for products that include agricultural crops, and wood and other forestry inputs, where it refers to the quantity of water either evapotranspired by plants or incorporated into the harvested crop, or both.

- The **grey water footprint** is a measure of pollution. It is expressed as the volume of water required to assimilate the pollutant load to meet ambient water quality standards. The pollutant that requires the largest assimilation volume is referred to as the critical pollutant and is used to calculate the grey water footprint. If there are both surface and groundwater discharges, the grey water footprint for each discharge is calculated separately.

By measuring the water footprint and finding out where and when it lands, we can evaluate the impact of our water use and take steps to reduce that impact.

**Total water footprint 2017 across our life cycle**
Total water footprint across our life cycle, year-on-year comparison

The graph below shows a comparison of our water footprint between 2016 and 2017. This reduction is strongly influenced by a reduction in sourced materials (inventory weight decreased despite an increase in sold items) and the sourcing of more sustainable materials, (e.g., cotton and viscose). Our footprint also decreased as a result of our improved modelling of our consumers’ use habits. In total, these drivers resulted in a reduction of approximately 1.3 billion m$^3$ across our value chain.
Our blue and green water footprints are dominated by cotton agriculture (61% and 85% of total respectively), whereas polyester production (35% of total) and textile manufacturing (34% of total) drive our grey water footprint.

Reducing our water footprint through more sustainable cotton

Our cornerstone commitment to source more sustainable cotton – including organic and Better Cotton – is also helping drive our water management goals. 77% of our combined blue and green water consumption is in cotton cultivation, measuring both direct and indirect water consumption. As with greenhouse gas emissions, sourcing more sustainable cotton is our best lever for reducing blue and green water consumption from agriculture, reducing them by 56% and 37% respectively as opposed to traditional cotton.

Blue water footprint of C&A’s cotton mix, compared to conventional cotton

![Graph showing blue water footprint comparison]

Green water footprint of C&A’s cotton mix, compared to conventional cotton

![Graph showing green water footprint comparison]
Grey water footprint of C&A’s cotton mix, compared to conventional cotton
Reducing our water footprint through more efficient production

30% of our total water footprint (blue, grey and green) is consumed when fibre is processed into fabric. The major impacts in this stage of production occur during the dyeing, laundering, and finishing of fabric. C&A has worked closely with the Better Mills Initiative (BMI), which is working to improve the textile wet processing industry in China. The BMI addresses a wide range of issues at mills, including water and energy consumption, wastewater and chemicals use.

Waste
Pursuing zero waste to landfill

The apparel industry creates significant waste along its value chain. The majority of this occurs when we make clothes and when we throw them away. Less than 1% of material used to produce clothing is recycled into new clothing, representing a loss of more than $100 billion worth of materials each year [SOURCE: Ellen MacArthur Foundation].
In 2017, C&A committed to sending zero waste to landfill from C&A stores, distribution centres and head offices by 2025. Progress against these goals will be measured in 2018 for the first time.

Our approach to reducing waste is grounded in the idea that we must shift our industry from a model of ‘take, make, use and dispose’ to one where every resource is used and then repurposed, again and again. Our vision is to help enable a restorative circular economy, where nothing is wasted in the creation or disposal of our clothing. Products are designed and developed with their next use in mind, using pure materials and safe chemicals. Social justice, including safeguarding health and safety and fair labour, water stewardship and the use of renewable energy, are also an integral part of the circular model.

Read more about our approach to circular fashion

The transition to a fully circular apparel industry will take many years. To truly create the pathway to a new normal, we must reimagine much of what we do. However, there are various steps we can take today to start reducing our impact straight away, such as in-store waste management initiatives and the use of recycled materials in our clothing. In 2017, we focused on scaling up our efforts in these areas.

Our 2017 performance

Starting our journey with recycled fibres

In 2017, C&A Europe started taking meaningful steps to increase use of recycled fibres in our collection. We used recycled polyester in outerwear and blouses, recycled nylon in lingerie and have continued using recycled cotton in denim.

Read more about our products made with recycled materials

In-store take-back and recycling facilities for customers

Following its successful launch in the Netherlands, we rolled out our in-store take-back programme to four additional retail markets – Belgium, Luxembourg, Switzerland and a pilot in Brazil – with a view to expanding the programme further by 2020.

In Brazil, we sell cell phones in addition to clothing, and have shared responsibility for taking back and disposing of cell phones and batteries appropriately. We work with GM&Clog, who collect the waste and make sure it gets to the correct destination. We have an e-learning programme for all store staff to help raise awareness of this issue as well. In 2017, a total of 40,736 items were collected in our stores.

Read more about our in-store take-back programme
Using fewer plastic bags

As many as one trillion plastic bags are used worldwide each year [SOURCE: US Environmental Protection Agency], representing a major source of pollution and threat to sea life. As part of a voluntary commitment with the German retail association HDE, C&A introduced a fee of 20 cents for plastic bags in Germany in April 2016. We were amazed at the results: plastic bag use dropped by 67% in a year.

Now, we also charge for plastic bags in Austria and paper bags in France, and have switched from plastic to paper (or a combination) in a number of our markets including the Netherlands, Hungary and Italy.

Reducing waste from store refurbishments

In 2017, we piloted an initiative to assess how we can reuse and recycle materials during the refurbishment of a store. Two stores – Tournai in Belgium and Houten in the Netherlands – took part in the pilot, which separated waste streams into wood, metals, electronics, cables and other construction waste.

Each stream was treated differently to achieve the highest reuse and recycling rate possible:

- Mixed wood was separated, shredded into finer pieces and used in the manufacturing of pressed wood plates and other wood-based products.
- Metals, electronics and cables were shredded and mechanically sorted into different materials, to be shipped to smelters and used in production processes.
- Construction and demolition waste went through an additional separation, manually and mechanically, to join the other waste streams.

The pilot was a success, and we are currently reviewing the best way to use the learnings to help us reuse and recycle more materials in future C&A store refurbishments.

Reducing waste in C&A stores and distribution centres around the world

<table>
<thead>
<tr>
<th>Recycling (tons)</th>
<th>Europe</th>
<th>Brazil</th>
<th>China</th>
<th>Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardboard box and paper recycling and/or donations</td>
<td>14,747</td>
<td>143</td>
<td>62</td>
<td>280</td>
</tr>
<tr>
<td>Hanger and/or other plastic recycling</td>
<td>3,885</td>
<td>67</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>Used clothing/fabric and/or uniform donations to charity or recycling</td>
<td>-</td>
<td>0.4</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Electronics recycling¹</td>
<td>-</td>
<td>27</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Other materials recycling (aluminium, lamps, cosmetics, lab waste, store window displays)</td>
<td>-</td>
<td>87</td>
<td>1</td>
<td>7</td>
</tr>
</tbody>
</table>

¹Legislation in Brazil requires electronic manufacturers and retailers that sell electronic devices to offer a proper disposal procedure for this type of waste.

Total waste produced by region
<table>
<thead>
<tr>
<th>Total waste (tons)</th>
<th>Europe</th>
<th>Brazil</th>
<th>China</th>
<th>Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hazardous materials</td>
<td>-</td>
<td>29</td>
<td>1.2</td>
<td>12</td>
</tr>
<tr>
<td>Non-hazardous</td>
<td>23,898</td>
<td>2,441</td>
<td>62</td>
<td>974</td>
</tr>
</tbody>
</table>

**Where next?**

**More Cradle-to-Cradle Certified™ products in-store**

In Europe, we will deliver more than two million Cradle-to-Cradle Certified™ pieces over the next two seasons, alongside campaigns showcasing the products. In Brazil and Mexico, we will develop a Cradle-to-Cradle roadmap to build on the success of the launch.

**Increasing uptake of recycled polyester through product innovation**

In 2016, we recognised the need to increase our use of certified recycled polyester, and in 2017, we developed new products with polyester certified to the Global Recycled Standard (GRS) or the Recycled Content Standard (RCS). These were launched in stores in early 2018 in both outerwear and Ladies' blouses.

**Rolling out in-store take-back**

In 2018, we will continue to expand the programme to new geographies globally, as well as expand our current pilot in Brazil from 31 stores in 2017 to 80 stores.

**Safe and fair labour**

**Safe and dignified work for all**

We believe that safe and fair working conditions should be the norm for all apparel workers, not just the ones that work in our suppliers' factories. That's why we are using our influence to build capacity across our supply chain, striving to normalise good practices and create convergence with other brands and multi stakeholder initiatives. We were one of the first apparel companies to institute a Supplier Code of Conduct in 1995, and have forged long-term relationships with many of our suppliers to build trust.
C&A follows the UN Guiding Principles on Business and Human Rights. We are fully aware of the roles and responsibilities that we have as a company. During the last year, we also embedded the OECD Due Diligence Guidance for Responsible Supply Chains in the garment and footwear sector to properly identify, prioritise, and manage risk throughout our supply chain. This ongoing exercise aligns with C&A’s work with the German Partnership for Sustainable Textiles and the Dutch Covenant for Sustainable Apparel and Textile.

We have defined the top four challenges faced by our suppliers and created long-term engagement strategies for each challenge. We are committed to seeking out solutions to eradicate practices such as excessive overtime and wages, undisclosed subcontracting, fire and building safety, restrictions to freedom of association and labour rights in our key sourcing countries. We will continue to work in partnership with other leading organisations and civil society to drive change across the industry.

Our top four labour issues

Over the past several years we have identified four priority challenges that significantly affect the working conditions in our supply chain. These issues are complex and usually interconnected in the unique contexts of the various countries that we source our products from. Because of this, it takes time, collective action, influence and partnerships to deliver sustainable change.

Over the past year, we’ve focused on building capacity, tackling those issues where our business decisions have the greatest impact and identifying areas of convergence with other industry partners. In addition, we thoroughly analysed our purchasing practices and identified the areas where we can perform better towards our suppliers. The key challenges below are not in any specific order of importance.

**Challenge 1 - Working hours and compensation**
**Challenge 2 - Building and fire safety**
**Challenge 3 - Freedom of association**
**Challenge 4 - Undisclosed production**
Challenge 1 - Working hours and compensation

Working to live

For garment workers in markets such as Bangladesh, a long working week can be normal. We acknowledge the various factors that can cause this to happen and are working to change practices to ensure that no worker works more than a maximum of 60 hours per week. Our Supplier Code of Conduct stipulates that working hours may not exceed 60 hours in any seven-day period, except in truly exceptional and unforeseeable circumstances. In addition, workers need to be fairly compensated for their hard work.

Through supplier training and regular auditing, our supplier partners are aware of the requirement to comply with national laws, the International Labor Organization’s (ILO) Core Conventions, collective bargaining agreements, and the aspects of the ETI Base Code dealing with maximum working hours, overtime pay and rest days. They are also aware of the need to compensate workers for overtime in a timely manner. To maintain a safe and comfortable workplace, workers must also be allowed to take breaks, have at least one day off in every seven-day period, and be eligible for statutory holidays. To detect and address potential non-conformances with these requirements, our audit teams and Development Officers regularly assess, monitor and help to mitigate unintended consequences.

Read more on how we rate our suppliers

Challenges

Through our experiences, we recognise that our buying and sourcing practices may affect how our suppliers plan for production and can have significant impacts on wages and working hours. Last-minute changes in design, production or delivery timings may inadvertently exacerbate this issue. Aside from this, we have also experienced that suppliers may not adequately plan for production, leading, among other things, to challenges in staffing levels to deliver the orders on time. Other factors like workers needing to attain additional compensation to support their families, and situations where factory management may intentionally misrepresent actual working hours to avoid business impacts, make this particular issue very challenging to address. Lastly, there is a general lack of wage law enforcement by local governments, requiring the brands to do most of the checking.

For many years, we have required our suppliers and their factories to compensate workers by paying wages that meet or exceed legal minimum and/or industry benchmark standards, whichever is higher. Even so, it’s still common to find instances of unpaid overtime premium. In some cases, workers are being compensated by productivity (the number of pieces made) instead of hourly at a premium rate.

How we’re responding?

Many workers want or need to maximise their pay, so reductions in work hours can only benefit them if wages increase. Therefore, we have embarked on a journey to identify and
overcome the barriers to these tensions through a multi-stakeholder approach with other brands, the ACT Foundation, and our own pilot projects.

**Accurate tracking and adequate remuneration**

Transparency on working practices is of utmost importance in allowing us to monitor performance across our supply chain. Over the past three years, we have emphasised the need for transparency with our suppliers and their production units. For instance, suppliers must use reliable time recording systems, where all regular hours, overtime hours and breaks are accurately tracked. Our Sustainable Supply Chain (SSC) Development Officers help factory management understand these requirements and work with them to ensure the accuracy of their records.

**Ensuring appropriate payment and training**

Whenever a piece-rate wage is used, suppliers must demonstrate that payments are at least equivalent to the minimum wage or that collective bargaining is in place. This is supported by a written wage and compensation policy that is communicated to workers through employee handbooks, notice boards, letters, regular meetings or other means. Factories must also provide training to all workers and subcontractors. These measures increase transparency and empower workers, while helping us identify the issues more easily.

Read more about our Supplier Ownership Programme

**Reducing excessive working hours**

In 2017, we launched a pilot project to understand the steps needed to develop a sustainable and scalable approach to reducing excessive working hours, while maintaining decent salaries for workers. The pilot project was carried out over 12 months in Bangladesh and China with six of C&A’s strategic suppliers.

The project addresses the two main drivers of excessive working hours: the supplier’s HR and production management, and the brand’s purchasing practices. Suppliers were asked to analyse the practices within their factories that could lead to excessive working hours, and C&A used the ACT purchasing practices questionnaire to understand how our purchasing could exacerbate the issue. These points were discussed openly between the supplier and C&A team when analysing the root causes of excessive working hours and the potential ways to address them.

Results to date show that all except one of the pilot factories in Bangladesh saw a significant reduction in working hours, and have maintained this achievement over seven months. In China, the pilot factory took longer to reduce excessive working hours, but has achieved this gradually and maintained the decrease over three months.

A core issue from the supplier side is the mindset of management, who often see excessive working hours as an integral part of doing business. For us, raising awareness internally is key, as many functions – including sourcing, buying and design – can have an impact on working hours and other related challenges.
Case study

Towards assuring living wages for workers

ACT (Action, Collaboration, Transformation) is made up of 17 international brands and IndustriALL Global Union. Its members are bound by a common objective: to assure living wages for garment and textile workers by promoting industry-wide collective bargaining agreements in the most important sourcing countries. C&A has been part of ACT, as a founding member, since its inception. Please find attached our Memorandum of Understanding with IndustriaALL

ACT members recognise that no sustainable solution is possible without close collaboration with manufacturers, employers’ organisations, trade unions and governments in the garment producing countries. In a globalised economy, national solutions cannot be separated from the role of international supply chains. Together, we are focusing on three elements that can have a positive effect on outcomes at the factory level:

- Establishing programmes for industry-wide collective bargaining – which can lead to improved worker participation and voice to influence practices and conditions.
- Developing responsible purchasing practices for the garment and textile industry – which can lead to better planning and anticipation of the issues that may lead to excessive working hours and unpaid wages.
- Actively engaging the countries’ governments in the conversations – to support advocacy and national wage review processes.

In 2017, ACT undertook an industry-wide self-assessment of each member’s purchasing practices, based on the buying critical path. C&A actively participated in the creation of this tool and analysed all steps of its buying process thoroughly: from forecasting and product development to production and delivery. We identified eight core areas for improvement within our purchasing practices. The results of this assessment were also used for our pilot project on reducing excessive working hours. Next, we are working with the other ACT brands on creating tools and know-how to collectively improve our buying practices. Our aspiration is to drive an efficient buying process, taking into consideration the challenging environment in which our suppliers operate.

Our progress in 2017 was crucial for the ground work initiated in three of the pilot countries for establishing an industry-wide collective bargaining mechanism. We were key participants in the two ACT country missions in Cambodia and Turkey, where we joined other brands and IndustriALL to meet key local stakeholders (local unions, factory owners and Cambodian ministries) and drive positive change in the development of a long-lasting collective bargaining process in the country.

In March 2018, C&A hosted the ACT country consultation in our Yangon, Myanmar offices.
Our initial meetings and the proposed ACT approach on wage setting mechanism were well received by ministries, unions and suppliers. We do not want to lose momentum, so we will return to Myanmar later in 2018 to continue our engagement and work towards living wages for the textile industry.

Challenge 2: Building and fire safety

Building capacity on fire, building and electrical safety

A lack of fire safety precautions in apparel production units has claimed the lives of thousands of people in Bangladesh. It is a fundamental right of all workers to have a safe and healthy work environment. Our Supplier Code of Conduct includes robust requirements for building construction, fire protection and emergency preparedness. We have learned a lot from our work with the Bangladesh Accord on Fire and Building Safety, and led by maintaining a leading brand status in remediation of fire and building safety issues in Bangladesh. We have rigorous requirements of all our factories and in all sourcing countries globally.

Challenges

Significant gaps in education and expertise

Fire and building safety are complex topics, with engineering and technical aspects that are often beyond the internal knowledge of an apparel factory. To assess these issues at the factory level, advanced vocational training and/or engineering degrees are required. In many of the sourcing countries, there is a lack of a competent talent pool to support the identification and remediation plan development, requiring costly consultant support.

In addition, fire and building safety requires robust processes from the local government that ensures adherence to the national building, fire and electrical legislations. Bringing many of our suppliers up to standard has required partnership, leading to significant actions at the factory level such as educating and upskilling the workforce and refitting locations with fire-resistant features. Often, these upgrades are costly or require significant time and resources to achieve.

How we’re responding
Supporting our suppliers

Normalising a high standard of fire safety requires significant effort from us and our suppliers. We work closely with them to understand the implications of new requirements and support them as they implement improvements. With our input, factories can access the necessary skills and tools to implement fire, building and electrical safety programmes and management systems. We also assess their capability to implement the changes from a capital or resource standpoint.

Auditing

Our Supplier Code of Conduct was updated in 2015 to include additional extensive requirements for fire and building safety throughout our supply chain. During 2017 and early 2018, we worked with a consultancy to review our fire and building safety requirements again, ensuring compliance with local legislation and industry standards. We inspect all of our factories and require them to have legal documentation in place for each of their buildings, including dormitories, canteens and warehouses. Legal documentation is checked, and buildings undergo regular safety inspections to ensure improvements are implemented according to local legislation. Since this is an ongoing task, we will continue to adjust processes and requirements to ensure all production units are operating as safe working places.

Legal documentation

C&A suppliers are required to maintain adequate insurance that covers workers for any injuries, accidents, or death. This applies to all work done on site and should also, when stipulated by law, include contractors and temporary and part-time workers.

Case study

Improving building and fire safety in Bangladesh

It has been five years since the Rana Plaza collapse in Bangladesh, in which more than 1,100 garment workers lost their lives.

C&A was one of 220 brands, international unions and civil society to sign the Accord on Fire and Building Safety in Bangladesh in response to the disaster. The Accord is an independent, legally-binding agreement, designed to create a safe and healthy Bangladeshi ready-made garment industry. It aims to create a working environment in which no worker needs to fear fire, building collapse or other accidents that could be prevented through health and safety measures, as well as ensuring the right to refuse unsafe work.

All 145 of C&A’s suppliers’ cut-and-sew factories in Bangladesh have been inspected and corrective action plans (CAPs) have been developed for each of them. To support the
complex and highly technical aspects of the corrective actions and remediation, we developed a strong technically expert team in Bangladesh. We’ve also arranged training sessions for Accord engineers to share their knowledge with suppliers.

To date, 92% of the issues identified across C&A’s operations have been corrected, up from 86% in 2016, with the remaining CAPs in the process of remediation\(^1\). The main reason for those still in process of remediation is because we added several new production units to our supplier list in 2017. Their remediation plans are at an earlier stage than the rest of our suppliers.

\(^1\)Official data from the Accord may vary because they must verify the corrective actions before their numbers gradually match ours.

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Read more on the Accord website

**Accord 2.0**

The Bangladesh Accord has now been in place for nearly five years. C&A has been recognised as one of the brands that has made a dedicated effort to making this initiative successful, being part of its steering committee since inception. Between February and June 2017, we were one of six organisations selected to help define how the agreement should be extended past its five-year anniversary.

Together, we agreed that the Accord has made great progress in raising awareness on important safety measures, empowering and involving workers, and driving real change in fire and building safety in the Bangladesh garment industry. After fruitful negotiations between the brands’ representatives, IndustriALL Global Union and local stakeholders, it was decided that the Accord will be extended for three more years until May 2021, with some important additions:

- Strengthening brands’ commitment to freedom of association based on the ILO Core Conventions.
- Enlargement of the scope to include tier-2 productions units (such as printing and laundries) on top of cut-and-sew factories.
- A clear description of when and how the work of the Accord will be handed over to the Government of Bangladesh.

The renewed Accord was signed at the OECD Global Forum on Responsible Business in June 2017 with C&A representing the brand community. The new Accord is important for us because it extends independent, expert building safety inspections for three more years, ensuring that safety improvements achieved under the first Accord will be maintained and that any new findings in any factory will be addressed.

Read more about the Bangladesh Accord 2.0 here
**Additional support to victims of the Tazreen fire**

We remain deeply saddened by the loss of life and injuries caused by the tragic fire in November 2012 at Tazreen Fashion in Bangladesh, a factory that supplied C&A Brazil. In the aftermath, C&A Foundation provided immediate financial support to the families of all 112 people killed and established a fund to provide ongoing support to 49 adult dependents.

Working with Caritas Bangladesh, C&A Foundation also created a rehabilitation programme to help survivors find a new path for themselves. C&A Foundation continues to contribute to the Trust for Injured workers’ Medical Care (TIWMC), which supported 172 workers injured in the Tazreen fire and also ran two medical camps in 2017. Medical treatment continues for 120 workers.

C&A Foundation also supported the Tazreen Claims Administration Trust (TCA) alongside the Clean Clothes Campaign and IndustriALL Global Union in 2015, to help survivors and the families of victims gain access to adequate compensation. The TCA finalised its work in 2016, completing the compensation payments to the victims of the fire. In total, approximately US$2.17 million was paid out to all the impacted families and the workers injured in the fire.

Read more about the outcomes of the TCA here

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**Challenge 3: Freedom of association**

**Enabling worker organisation and collective bargaining**

Freedom of association and collective bargaining is fundamental to improving labour conditions across the apparel supply chain and in our sourcing countries. Freedom of association remains an important focus of our strategy to amplify workers’ voices, encourage a dialogue with management, and advance the overall performance of our suppliers’ factories.

**Challenges**

*Overcoming legal restrictions*

Some countries such as China restrict collective bargaining by law. In these cases, we
expect our suppliers to help workers establish alternative forms of worker representation and negotiation. We also expect our suppliers to establish, implement and communicate a grievance mechanism that is accessible, predictable, equitable, transparent, rights-compatible, confidential and based on engagement and dialogue to resolve internal disputes and employee complaints. Freedom of association is tested as part of our auditing process and violations are considered a severe non-compliance with our Supplier Code of Conduct. It is also a key aspect of our Fairness Channel compliance hotlines, implemented with the support of Ethicspoint incident management software.

Incidents

In 2017, we detected 10 cases where freedom of association was not respected in our supply chain. Of these cases, four were found in Cambodia, two each in Myanmar and Turkey, and one each in Bangladesh and India. To remediate these incidents, our local Sourcing and Sustainable Supply Chain (SSC) teams, with support from the Global Sustainability team and the Sourcing teams, have worked closely with our suppliers, the workers’ representatives and international trade unions to address each of the issues individually. In 2017, each of the 10 cases were resolved amicably and with mutual satisfaction of workers, management and labour unions.

How we’re responding

Fair resolution

When freedom of association issues are discovered through auditing, union allegations, strikes or via our Fairness Channel compliance hotlines, we take decisive action to work together with the proper groups to resolve the issue, ensure the fair treatment of workers and implement the necessary safeguards to avoid being repeated in the future. Where necessary, we will support the reinstatement of workers dismissed unfairly and ask for compensation or support.

Read more about our values and Fairness Channels

Case study

Combating child labour in embroidered garment supply chains

In 2017, C&A Foundation and C&A continued our journey to eradicate human and labour rights abuse in the embroidered garment supply chain. Hand-embroidered items are one of India’s main contributions to the global apparel market. Workers are often in home settings, making it difficult to monitor their working conditions. Home working is allowed in our supply chain only if suppliers follow C&A Guidelines for the Use of Home Workers, which is adapted from the Ethical Trading Initiative (ETI) guidelines.

The NGO GoodWeave envisions a world where all children are sent to school and not to
work, and in which adults have rights, dignity and opportunities in the workplace. It has been extremely effective: child labour in South Asia’s carpet industry has declined by an estimated 80% since its work in the region began. The effectiveness of this work is based on the successful implementation of a traceability system, monitoring standard and improved social infrastructure in home working communities.

In 2016, we commissioned a two-year pilot project with GoodWeave in Uttar Pradesh, India. The goal is to find an approach for the apparel industry that will be as successful as the carpet industry model, providing educational support to those too young to be working and ensuring all adults are working in safe and fair conditions.

The current pilot is with three apparel producers in five communities, supporting 7,500 home workers and 6,000 children within and beyond C&A supply chains. Child Friendly Community (CFC) programmes, which ensure children are enrolled in schools, are now established in three project communities in India: Kanwara, Tilbegumpur and Jaae. Where this is not possible, children are enrolled into informal bridging schools known as Motivation and Learning Centres (MLCs) to help them reach the standard they need to enrol in private or government schools. As of January 2017, 750 children were attending Motivation and Learning Centres and 243 children have been enrolled in school.

The pilot is already shedding light on the economic hardships faced by home workers, but securing access to our full supply chains remains a key challenge. Suppliers are more engaged and the mapping is more successful when several brands push for participation and transparency together – a similar finding to GoodWeave’s work with the carpet industry. GoodWeave has invited additional apparel producers and NGOs to engage and is currently in discussion with several other brands.

Read more about this project on the C&A Foundation website

**Championing worker representation**

Our Supplier Code of Conduct requires our suppliers to adopt an open and collaborative attitude towards worker representation, allow workers to form or join trade unions of their own choosing, and to bargain collectively. In 2016 and 2017, two of our suppliers’ factories in Bangladesh took part in a pilot social dialogue programme organised by the Joint Ethical Trade Initiatives (ETIs) of Denmark, UK and Norway. The programme aims to develop better industrial relationships within the Bangladeshi garment and textiles sector by promoting free and fair expression of workers’ voices.

Read more about the social dialogue programme in Bangladesh

In addition, we are participating in the ACT Initiative, which plays a key role in assuring living wages in the supplier countries through the creation of national industry-wide collective bargaining processes with freedom of association as a main cornerstone.

Read more about our involvement in the ACT Initiative

**Empowering workers**

When workers and management communicate well, they are more likely to collectively support a healthy work environment. Workers need to know their rights and responsibilities and have channels through which they can raise concerns. C&A is
committed to helping our suppliers provide workers with safe and effective ways to raise concerns and grievances. During the last decade, our compliance hotlines have helped us identify issues that arise in our offices, stores or supply chain. We aim to support fairness and transparency in how we work with our employees, suppliers and their workers.

Read more about how we empower workers

Learn more about our values

**Round tables on freedom of association in Cambodia**

Recent years have seen unrest in the Cambodian garment industry. Protesters have taken to the streets, clashing with security forces and union leaders have been dismissed as they planned to organise strikes. Unions have repeatedly described repression of workers’ rights by company management and anti-union crackdowns.

In 2017, C&A continued its active engagement with the Government of Cambodia, suppliers and key stakeholders to raise our concerns about labour and human rights.

Through the Ethical Trade Initiative (ETI), we have engaged with other brands to voice our concerns directly to the Government. Together, we were clear that stability, predictability and the rule of law are needed for further growth of the garment sector in the region. In particular, we want to see Cambodian laws respecting the International Labor Organization’s (ILO) Core Conventions.

We also held six round table discussions on the issue of freedom of association, focusing on building healthy labour/management relations with senior management representatives of over half our Cambodian suppliers. C&A’s remaining production units were engaged in a second series of roundtables in the first few months of 2018.

During the round tables, we emphasised that C&A aims to work only with production units that fully comply with our Supplier Code of Conduct. We encourage suppliers to enable open communication to solve disputes amicably and are willing to support them with technical knowledge if they have difficulties resolving a dispute.

Due to the rigour of these round table discussions, we have already seen changes start to happen in the region, including the following outcomes:

- Improved supplier knowledge of local legislation.
- Increased understanding of the role of trade unions.
- Improved means to address conflicts between management and worker representatives.

**Challenge 4: Undisclosed production**

**Preventing undisclosed production**

Undisclosed production is when C&A identifies a production unit that has not been previously approved for production. Although it is not often detected, it constitutes a serious violation because we cannot verify that the factory is in alignment with our Supplier Code of Conduct and our environmental and social requirements. We require that each new production unit is audited and meets the requirements of our Supplier Code of
Conduct before orders are placed.

Challenges

The detection of undisclosed production requires ongoing vigilance due to the complexity of the global supply chain. It’s one of the reasons that we disclose a list of our tier-1 and tier-2 suppliers’ factories every year. By being transparent on where our products are produced, we can create accountability for us and our suppliers when undisclosed production is used.

In 2017, we detected 10 cases of undisclosed subcontracting. We did not have cases of undisclosed home working in our supply chain. Because we consider these violations to be serious, sanctions were taken against the supplier or factory in several situations. In all 10 cases, a thorough investigation was conducted, and corrective action plans put in place with the supplier and our internal teams. Three of those cases have also led to the suspension of C&A’s business relationship with the supplier.

Read more on how we rate our suppliers and our commitment to transparency

See our supplier list here

How we’re responding?

Clear expectations and serious consequences

If undisclosed production is identified, the Sustainable Supply Chain (SSC), Sourcing and Quality teams assess the situation and the production unit. Because the circumstances behind the cases are sometimes complex, the teams thoroughly investigate the situation, the intentions and utilise a systematic process to determine the consequences.

Three-strike process

In 2016, we rolled out a three-strike policy to mitigate the risk of undisclosed production units such as home working. Additionally, if a zero-tolerance item is found on inspection, a supplier can be suspended for 12 months or terminated, depending on the results of the investigation. If undisclosed production is detected and the factory meets the other requirements of our Supplier Code of Conduct and quality standards, the supplier will receive a warning on the first instance, leading to suspension for 12 months or termination after the third instance. In all cases, if a zero-tolerance finding is detected at the undisclosed production unit, the supplier will be suspended for 12 months.

To foster accountability and understanding of our requirements around undisclosed subcontracting, we informed our entire supply base and have regular interactions on the subject during our audit process.

Supplier and worker engagement
Working together to build a better supply chain

Although we have a rigorous auditing process and maintain a zero-tolerance approach to serious issues at our suppliers’ production units, more needs to be done to normalise good practice across the entire industry. That’s why we are moving beyond auditing and compliance. To achieve our vision of safe and fair workplaces for all, we must employ a two-pronged approach: building our suppliers’ capacity to assess and strengthen their performance, and empowering their workers to act.

In many places, workers are simply not used to being able to influence decision-making. The right to freedom of association or acknowledgement of workers’ rights can be unheard of. We are changing that through supporting fair contracts and social dialogue.

Supplier Ownership Programme

Each supplier faces their own unique set of challenges, so a one-size-fits-all approach will not work. Instead, we must partner with our suppliers to enable ownership of the issues and challenges they face in this area.

We launched a Supplier Ownership Programme (SOP) with 14 key suppliers in 2015 and expanded it to 24 in 2016. We have continued working with the same number of suppliers and production units during 2017, covering over 60,000 workers. The managers involved in the programme report into senior factory management and lead the social and environmental compliance or sustainability programmes in the factories.

The programme contains seven key interactive modules – from an overview on management systems to worker communication and the environment. Each module includes a one- or two-day workshop, home assignments and joint on-site visits by the C&A Development Officer and the responsible supplier representative.

Two suppliers are now certified and have a certified production unit in the programme, validated by the C&A Sustainable Supply Chain (SSC) team and Elevate, a third-party auditing company. This means that we trust the supplier to have the necessary social compliance management systems at a corporate level, and that the factories themselves
have established management systems.

Our experience so far shows six essential factors required for a successful programme:

- Top management commitment and mindset.
- Commitment from the factory manager to work cross-functionally.
- Competent compliance managers reporting directly to top management.
- Compliance managers with time and resources dedicated to the project.
- Suppliers and production units with at least two people skilled in SOP (for continuity in case one moves on).
- Aligned targets between compliance and production teams.

**Supplier Ownership Programme module topics and engagement approach**

![Diagram showing the modules and engagement approach of the Supplier Ownership Programme](image)

**Building capacity beyond the Supplier Ownership Programme**

UniEthos is a Brazilian NGO that supports businesses to integrate sustainability practices into their supply chains. C&A, Instituto C&A, Instituto Cyrela and UniEthos have partnered to deliver the Value in Chain (Valor em Cadeia) project, connecting large organisations with sewing- or construction-related entrepreneurs and helping them to build capacity.

Both sectors contain many small businesses with insufficient resources, often resulting in poor working conditions. The programme teaches small enterprises how to implement and maintain a sustainable business model.

During 2017, 57 participants from suppliers and subcontractors from C&A Brazil’s supply chain joined the Value in Chain project. The course, supported by Instituto C&A and UniEthos, one of its local partners, consists of 10 modules run over 18 months, teaching participants about management, leadership, finance and sustainability. In addition to these classes, the entrepreneurs receive 20 hours of consultancy on topics such as
workers’ rights, health and safety, and pricing a business plan focused on sustainability. The initiative is also supported by ABVTEX (Brazilian Association of Textile Retail), the Social Service of Building (SeconCiSP) and Inter American Development Bank (IDB). 59% of participants increased their sales after completing the course, and 41% reduced their energy consumption.

Read more about the UniEthos course here (in Portuguese)

**Case study**

**Social Dialogue Programme in Bangladesh**

Bangladesh is the second largest exporter of ready-made garments worldwide and is one of C&A’s top five most important sourcing markets, accounting for 31.9% of our sourcing volume. The sector’s rapid growth in just over 40 years has generated significant employment opportunities, contributing to national income and helping raise people out of poverty.

However, the growth of this sector has come with challenges related to freedom of association and weak protection of labour rights. Underlying many of these problems is the lack of capacity of the workforce to represent themselves, articulate their needs and defend their rights.

In 2017, two of our suppliers’ factories in Bangladesh took part in a pilot social dialogue programme organised by the Joint Ethical Trade Initiatives (ETIs) of Denmark, UK and Norway. In total, 54,000 workers participated in this pilot.

The programme aims to develop better industrial relations within the Bangladeshi garment and textiles sector by building the capacity of both factory management and workers for social dialogue. This means that workers in Bangladeshi garment factories will have a stronger voice, resulting in better working conditions, and that employers’ businesses will be strengthened through improved communications, a more motivated and stable workforce, and more skilled managers and supervisors.

The C&A supplier taking part was MNS Printing, a tier-2 supplier with two production units. They were very impressed with the Social Dialogue Programme and saw immediate improvements in rapport and trust between workers and management. They confirmed that their participation in the programme improved communication on vital health and safety information among other aspects related to working conditions. The management has also learned how to address workers’ issues in a faster and more efficient way than before. These findings were shared by our senior auditor, who also noted that workers in the factory were sharing feedback more freely.

Across the board, suppliers who took part in the Social Dialogue Programme – a total of 24 factories nominated by 11 brands – began to develop more mature industrial relations. For C&A, this maturity is an important route for ensuring safe and fair working conditions in our supply chain. We plan to continue our engagement in the programme in 2018 and help our factories establish effective mechanisms for social dialogue. Given the critical requirement of freedom of association in our supply chain, we will continue supporting similar programmes that empower the workers to defend their labour rights.
Where next?

Extending the Supplier Ownership Programme

We will continue to build capacity amongst our suppliers, while ensuring workers are aware of their rights and responsibilities, and that their freedom of association is respected. In 2018, the two suppliers already certified under our Supplier Ownership Programme will continue to run more of their production units through the programme. We also expect another eight suppliers to begin certification.

Case study

Empowering employees at Epyllion

Epyllion has been a C&A supplier for over 20 years – in fact, C&A was the company’s first international customer. Epyllion employs 16,000 workers in Bangladesh and has been participating in the C&A Supplier Ownership Programme since 2016.

Since starting the Supplier Ownership Programme, Epyllion’s knitwear factory in Mirput, Dhaka, has implemented several changes, including proactive management systems, better risk controls, and clear communication of policies and procedures to all employees.

At Epyllion, employees are empowered so the company understands their needs and they keep up to date on HR management issues, health and safety, their security and rights, and working practice. Workers and management have the resources to address issues proactively, and production can continue uninterrupted on a more regular basis. Having safe employees has meant better retention, leading to a more stable and productive workforce.

Being part of the Supplier Ownership Programme means that Epyllion can maintain a high level of compliance with its own company policies, C&A’s Supplier Code of Conduct, and local legislation. This forward-thinking outlook is paying dividends. The company has reduced its own costs and business risk by preventing problems instead of reacting to them.

Protecting the most vulnerable

Safeguarding human rights

Our large supply chain touches the lives of many people and every one of those people has the right to work in safe and fair conditions. We actively seek out issues that may take advantage of a worker’s dignity or human rights, and take a zero-tolerance approach when we find them. Thankfully, as our supply chain becomes more sophisticated and we increase our partnership with suppliers, we find fewer and fewer cases each year.
Eradicating underage labour

No workers under the age of 16

In 2015, we raised the required minimum age of workers in our supply chain to follow the recommendations in the ETI Base Code and in line with International Labor Organization (ILO) standards. All workers must be at least 16 years to be present or work in a supplier’s production area. If young workers (aged 16 to 18) are hired, suppliers must comply with all relevant legal requirements, including work hour restrictions, hazardous work restrictions and health checks.

Supporting victims of underage labour

If underage labour is identified in our supply chain, the child is removed from the factory immediately. To discourage them from seeking a job elsewhere, monthly payments equal to the minimum wage, funded by the supplier, are disbursed until they reach the legal minimum working age. At this point, the individual should be given the opportunity to be re-employed.

We also require that the supplier provides families with compensation for health screening, transportation funds and accommodation for a child’s relatives to return them to the home. If the child is willing to attend lessons, the supplier must pay their school fees until the child meets the legal minimum working age.

Incidents

In 2017, we detected three incidents of underage workers in China, Myanmar and Tunisia. In a majority of these cases, workers were close to the minimum age of 16. Nonetheless, we handled each situation with care and in accordance with our remediation process, including working closely with the suppliers and local civil society to ensure that the case was clearly resolved and that the underage workers were supported through the process.

The children found in Myanmar and Tunisia are both now in education. We are making sure that they are receiving proper local support, including the provision of a monthly income to their families by the factory in which the children were employed.
In the case in China, C&A had already outsourced the whole category and no longer had a commercial relationship with the supplier. We are looking into how to address such exceptional cases where we do not have the necessary leverage to drive change.

**Who we work with**

We partner with local NGOs like the Centre for Child-Rights and Corporate Social Responsibility (CCR CSR) in China and South East Asia, Sheva in Bangladesh, and Çagdas Yasami Destekleme Dernegi (the Association for the Support of Contemporary Living) in Turkey, to ensure that underage workers are supported and that we follow through the process of remediation. In other production countries, we are seeking NGOs that can better support the needs of children and follow the remediation process. In the meantime, our local teams take the responsibility to ensure that the remediation process is fulfilled.

**Modern day slavery**

Hidden out of sight and often out of reach, an estimated 45.8 million people are trapped in situations of modern day slavery [SOURCE: Global Slavery Index].

Forced labour thrives in areas where there is high social and economic inequality, opaque business practices, weak rule of law, and high demand for cheap labour. To put an end to this, we work with C&A Foundation to challenge deep-seated cultural and social norms and improve transparency within our supply chain.

**Eradicating forced, bonded or compulsory labour**

Safe and fair labour practices mean that people must be free to make their own choices. Workers must be entitled to freedom of employment and movement. Work must be voluntary and all forms of bonded, indentured or prison labour are prohibited. Suppliers and labour brokers must not restrict the freedom of employment of workers and workers should be free to refuse to perform certain hazardous tasks. Our Supplier Code of Conduct lays out our full list of requirements.

If any form of bonded, indentured or prison labour is identified in our supply chain, we terminate our relationship with the production unit immediately and the supplier is disciplined. By taking such a tough stance, we hope to educate suppliers and improve conditions for workers.

In 2017, we detected no cases of forced, bonded or compulsory labour in our supply chain.

C&A was recognised for our leadership in preventing forced and bonded labour by the Thomson Reuters Foundation with the 2017 Stop Slavery Award.

Read more about the Stop Slavery Award

**Supporting cotton workers in our supply chain**

Cotton makes up 57% of the materials we buy and use at C&A. Around the world it supports the livelihoods of 250 million people [SOURCE: BCI]. Growing cotton is resource intensive, and forced and bonded labour has remained a key challenge for the industry.
C&A is committed to sourcing 100% more sustainable cotton by 2020, and in 2017 we sourced 67% of our cotton to this standard. Buying organic cotton has a direct positive impact on the health and safety of farming communities who are no longer exposed to hazardous chemicals. We also work closely with the Better Cotton Initiative (BCI), which has a strong focus on promoting decent work.

We also have a history of taking concrete steps to support cotton workers when required. In 2007, we signed the Cotton Pledge against forced labour, committing to end the practice of forced labour in the cotton sector in Uzbekistan. In practice, we banned the use of Uzbek cotton by our suppliers when the Government forced adults and children to grow and harvest cotton, violating their human rights.

Read more about our commitment to more sustainable cotton

Case study

Taking steps to abolish Sumangali in India

Sumangali is a form of bonded labour practiced in some tier-3 suppliers in parts of India. The practice violates international labour standards and the human rights of women. Women are given three-year contracts, often in unacceptable working and living conditions, with the promise of a bulk payment that will cover their dowry to get married. However, their wages are often held back, if they receive them at all, and they are not allowed to leave or return to their homes.

We first became aware of this illegal system in 2007. Since then, we have been working to eradicate it from our supply chain, regularly inspecting our direct suppliers – with an emphasis on spinning mills – to ensure that the bonded labour practices and curfews are discontinued.

In 2017, we joined the second phase (2018-2022) of the Tamil Nadu multi-stakeholder initiative’s Nalam Programme, a five-year learning programme created by the Ethical Trading Initiative (ETI) to educate young female workers about their rights and responsibilities within mills. In the past year, we have been working with three approved spinning mills in Tamil Nadu. Two of those have been enrolled in the programme. As we constantly work towards assessing and verifying more vertically integrated spinning mills
in our supply chain, we aim to involve all of the newly-approved mills in the second phase of the programme.

To support the eradication of Sumangali, C&A Foundation has been working for several years to address the root causes of the issue, beginning with a three-year project run by Terres des Hommes.

We have also taken steps to address forced labour in South India. We are engaged in the Amsterdam Coalition, an initiative of major global brands and retailers that aims to contribute to the prevention and mitigation of harmful impacts on spinning mill workers in Tamil Nadu. The OECD is supporting this initiative and providing technical assistance as part of its sector work on due diligence and responsible business conduct within the garment and footwear sector.

C&A Foundation is also working to prevent vulnerable girls and young women from entering the system in the first place. In 2015, C&A Foundation made a €2.4 million grant to the Freedom Fund, the world’s first private donor fund dedicated to ending modern slavery. Since then, C&A Foundation has awarded €6.2m to the Freedom Fund to combat Sumangali and to strengthen protections against forced and child labour at the state and national levels.

Read more about C&A Foundation's work on Sumangali

**Responding to the global refugee crisis**

Europe has experienced one of the most significant influxes of migrants and refugees in its history. Civil war and terror in the Middle East and Africa means a large number of people went in search of a better life, risking their lives along the way. Among the forces driving people to make the dangerous journey were the conflicts in Syria, Afghanistan and South Sudan. By the end of 2016, the majority – more than 55% – of all refugees worldwide had migrated from just those three countries [SOURCE: UNHCR].

**Supporting migrant workers and refugees**

Our approach to the refugee crisis is exemplified in how we have recently supported Syrian refugees in Turkey. For a third consecutive year, Turkey is the world’s largest recipient of refugees, hosting 2.9 million refugees, mainly coming from Syria [SOURCE: UNHCR].

The country’s workers routinely suffer from low wages, weak enforcement of labour standards, informal and unregulated working arrangements, gender violence and challenges to the right to freedom of association, making working conditions hard. This is all exacerbated by the Syrian refugee crisis.

Our teams on the ground have been actively participating in key initiatives in order to provide better solutions and safeguards for the Syrian refugee workforce in the garment industry, together with the Ethical Trading Initiative (ETI) and Fair Labor Association (FLA).

Protection of these vulnerable workers and their right to work is paramount. C&A was one of the very first brands to ask the Government of Turkey for a process that would enable
refugees to receive legal permission to work, a process which was finally enacted in January 2016. We have also developed a booklet in collaboration with FLA, that helps refugees understand how to apply for a job in Turkey and what to expect in terms of workers’ rights and how to defend them.

Even though we have observed no illegal refugees in our Turkish supply chain in 2017, we have continued our unannounced audit protocol for every production unit in order to ensure that no workers are abused. In 2018 and beyond, we will continue to support Syrian refugees in Turkey, taking part in initiatives to help recruitment, raise awareness and support social integration.

Read about our support of refugees from Myanmar

**Case study**

**Working in partnership to guarantee labour rights**

Migrants from Angola, Bolivia, Haiti and Venezuela often enter Brazil hoping to find jobs and a better life, but with little idea about their labour rights. C&A Brazil and the Brazilian wing of C&A Foundation, Instituto C&A, play an important role in making sure those workers know their rights, helping to defend them where necessary.

C&A Brazil was the first fashion retailer in Brazil to sign the National Pact for the Eradication of Slave Labour and today is a member of InPACTO, the National Institute for the Eradication of Slave Labour, which now has more than 50 associated organisations.

In 2017, we continued to work with Missão Paz, our local NGO partner, to help 2,673 immigrant workers obtain the documents they needed to live and work legally in Brazil. They also helped 150 women understand their rights at work, taught 418 people Portuguese, and supported cultural learning for 6,000 immigrants. Through this partnership, 39 head office employees volunteered with Missão Paz, delivering educational and cultural activities, and 14 recent immigrants were hired to work at C&A Brazil.

Instituto C&A also partnered with non-profit centre Centro de Apoio e Pastoral do Migrante, that supports immigrants. Together, they helped 3,712 immigrants register as Brazilian residents and made 906 visits to factories and homes to provide advice on social welfare and labour conditions.
C&A is a global retail fashion company that touches the lives of 51,000 employees, over 1 million apparel workers and more than 100 million customers each year. What we do – and the way we do it – has a significant impact on many different groups of people. We focus on strengthening communities, promoting positive actions and giving back to local communities.

We seek to empower our employees to be sustainability ambassadors in our offices and stores, enabling our customers to undertake more sustainable actions. Our particular focus on Inspiring Women (our flagship employee engagement campaign) recognises how women are the driving force behind the apparel industry and our brand: 80% of our employees are women, and approximately the same percentage is true of the workers in our supply chain and the customers who shop with us. In 2018, this campaign will become Inspiring World, encouraging our employees to share their visions of a better world and including them in championing our 2020 sustainability goals.

Our ambition

Making sustainability the new normal

We want our customers to feel good about shopping at C&A, and our employees to feel proud of our contribution on the community, society and environment. Our goal is for C&A to be recognised as the most sustainable retail fashion brand across our regions: something we are proud to have achieved in Brazil for the second year in a row and in the Netherlands for the third year in a row. We have also maintained our strong position in Germany.

Creating fashion with a positive impact doesn't end with our employees and customers. It extends into the communities where C&A colleagues, customers and garment workers live too. We'll foster more sustainable lives in these communities, through safe, fair, resilient and inspiring work environments where everyone feels connected and able to take action.

Enabling customers

Our customers shouldn’t have to choose between looking good, feeling good and doing good. They deserve great fashion that's also good for the people who make their clothes, and good for the environment. No decision or trade-off should be necessary, and there should be no extra cost to the customer - or the people who make their clothes.

Engaging employees

C&A employees are key to the success of the business and the way we enable our customers to contribute to good causes and understand more about sustainability. We
want every employee to feel engaged and supported, to take pride in their work, believe in our company values and be enthusiastic about engaging our customers. In the future, we look forward to every employee being in a position to drive sustainability, whether it’s through sourcing and buying, or connecting with customers in our stores.

**Strengthening communities**

Many of our operations take place in areas facing serious environmental and social challenges. We aim to create strong, resilient communities where we live and source from, to support the many workers that create our products.

**Our 2020 goals**

**Engage employees:**

Continuously increase employee sustainability engagement scores by creating a culture of sustainability among employees.

Establish and achieve key goals in our Women’s Empowerment Principles action plan.

**Enable our customers to act sustainably:**

We will work to ensure C&A is recognised as the most sustainable retail fashion brand.

**Our 2017 performance**

**Listening to our customers**

2017 was the third year of our sustainability customer insights survey, and it showed that customers continue to be interested in the origin of their clothing and how their clothes are made, with an increasing interest in product-related environmental benefits.

**Communicating on sustainability**

Our 2017 customer survey showed that C&A is considered to be open and honest, and that
this continues to drive our sustainability reputation. In 2018 we launched #WearTheChange, our first global, multi-channel sustainability communications campaign, in Europe, Brazil and China. The rollout of the campaign will continue to Mexico in 2018, bringing sustainability to life for customers around the world.

**Employee Code of Ethics**

Our Employee Code of Ethics is active in most markets and is the standard that guides behaviour, setting out what we expect at C&A. We will continue to implement it globally during 2018.

In Brazil, we integrated communications on the Employee Code of Ethics into our induction process for new employees, training 4,849 employees in 2017. C&A Brazil also added a course on the Code of Ethics to its new training platform Academia da Moda and restructured its Ethics Committee. C&A China conducted e-learning on the Code of Ethics: 90% of employees completed the training and test.

Read more on our values and ethics
Read more about how we govern sustainability

**Inspiring Women**

2017 was the third year of our Inspiring Women campaign, in which C&A colleagues are encouraged to share stories of the women who have inspired them. A total of 13,920 employees in Europe and China took part in the campaign in 2017. In many of our countries – including Italy, Switzerland and China – participation was above 80%, and we raised €574,000 for charities supporting women’s safety, leadership and voice.

**Giving back**

We continued our global humanitarian partnership with Save the Children and C&A Foundation for the third year. Between March 2017 and February 2018, C&A Europe and C&A Mexico raised a total of €870,800 for Save the Children, through cause-related marketing, emergency appeals and other initiatives.

**Every sustainable lifestyle is different**

We are a global fashion retail company made up of four regions, encompassing many different cultures, people and societies. We believe that deep engagement with local issues is the most effective way to normalise sustainable behaviours across our different regions. That means we guide the ‘why’ and ‘what’ through our 2020 global sustainability framework, and allow the regions to deliver the ‘how’ in ways that make sense to them at a local level.
Engaging employees
Driving purpose through sustainability

We believe motivated and engaged employees are the key to C&A’s success. Our store staff are the ones who create special relationships with our customers. We need to understand what makes employees feel valued and motivated, so that they can play their part in creating great customer experiences and engaging them in the issues that move them.

We know that sustainability is a key driver of employee engagement: in 2017, this was one of the top five reasons for organisations to invest in their sustainability programmes [SOURCE: BSR/GlobeScan]. Many employees – especially those from younger generations – want to feel a sense of purpose from their work.

Our 2017 actions

Continue to roll out C&A Employee Code of Ethics across our global retail markets.

Ask employees to rate C&A on our contribution on the community, society and environment via the employee engagement survey.

Engage employees worldwide through the inspiring Woman campaign.

Our 2017 performance

Employee engagement remains high

- In 2017, our employee engagement survey was extended to 1,027 employees in C&A Mexico, our largest sample size to date in this region. Within C&A Mexico’s corporate office, employee engagement increased from 88% to 92% between 2016 and 2017. 92% of employees said they felt proud of C&A’s contribution on the community, society and environment.
- In Brazil, we ran a full survey covering all employees for the first time, covering 11,564 participants. 87% of employees said they felt proud of C&A’s contribution on the community, society and environment.
In China, the 2017 employee engagement survey included two questions on sustainability, aligned with the questions asked in Brazil. 87% of employees said they felt proud of C&A’s contribution on the community, society and environment.

In Europe, we carried out a Pulse check instead of an annual employee engagement survey in 2017. The Pulse topics were very focused and did not include sustainability-related questions.

**Inspiring Women**

In 2017, a total of 13,920 employees across Europe and China took part in the Inspiring Women event. Some countries achieved an outstanding engagement rate of above 80%. After the event, we saw a significant increase in employee awareness of charities helping women as well as a greater proportion of employees agreeing that C&A operates in a socially responsible manner.

**Who we’re working with**

_C&A Foundation_

C&A Foundation

**Engaging employees to make sustainability the norm**

We want employees to be empowered and motivated to build sustainable practices into their day-to-day roles. We believe in bringing out the best in us all, so that together we can bring out the best in our customers, their families and their local communities.

Globally, around 82% of employees [SOURCE: GlobeScan Radar 2016] in large companies agree: the more socially responsible their company becomes, the more motivated and loyal they are as an employee. We want to make the most of this opportunity by engaging our employees further through our sustainability initiatives, giving back and assisting in our work on strengthening communities.

**Inspiring Women**

**Sharing stories of the women who inspire us**

Women are the driving force behind the apparel industry and our brand. Just as the majority of our customers and employees are women, so are most of the people making our clothes. Yet around the world, women have less access to education, earn less money and are more at risk of violence. But it doesn’t have to be this way. When women are educated, healthy and economically empowered, families and communities can thrive. For two weeks in 2017, our colleagues in C&A stores, offices and C&A Foundation throughout Europe and China celebrated women who have had an important influence on their lives.
Why the Inspiring Women campaign is so important

- The majority of garment workers – approximately 80% – are female [SOURCE: Clean Clothes Campaign].
- Of the 21 million people trapped in forced and bonded labour worldwide across all industries (not just apparel), 11.4 million are women and girls [SOURCE: ILO].
- For every dollar earned by men, women only make 77 cents for work of equal value – making the global gender pay gap 23% [SOURCE: UN Women].
- Women carry out 2.5 times more unpaid work, as well as household and care work, than men [SOURCE: UN Women].
- Many women also face violence and harassment in the workplace and at home. Around 60% of female workers in Bangladesh and India have experienced harassment [SOURCE: Fair Wear Foundation].

C&A is committed to improving the situation of women worldwide: in our own company, in our supply network and in communities around the world.

Our 2017 performance

In May 2017, 13,920 employees across C&A Europe and C&A China took part in Inspiring Women, taking selfies and sharing stories of women who inspired them. In China, Italy, Switzerland, Luxembourg, and most of Central and Eastern Europe, the participation rate exceeded 80%.

“My Nan has taught me strength. In the lowest and darkest of days you can always find strength and grow. She is my inspiration, the most beautiful strong woman I know”

Claire Sturmey, C&A Germany (EHO)

Inspiring Women 2017 raised €574,000 for charities supporting women’s safety, leadership and voice. These funds will help approximately 45,000 women in C&A communities.

In China, our employees visited the Beijing SOS Children’s Village on behalf of C&A Foundation to donate funds to the ‘mothers’ working with orphans to provide care, healthcare, education and vocational training.

Across the 2015, 2016 and 2017 Inspiring Women campaigns, C&A employees took 53,355
selfies and raised over €2 million for a total of 70 organisations. We thank them all for their outstanding support.

Where next?

A new approach: Inspiring World

In 2018, we will launch our next campaign, Inspiring World, encouraging employees to share their stories of a better world. The objective of this campaign is to build C&A employees’ capacity to support our 2020 sustainability goals by engaging them over three years on campaigns aligned with the areas of our strategy: Sustainable Lives, Sustainable Products and Sustainable Supply. We aim to increase employees’ awareness of C&A’s commitment to sustainable fashion and make them feel proud to work for the company.

Listening to our employees
Open, honest feedback about how we’re doing

Our regional employee engagement surveys are an opportunity for our colleagues to tell us how they are feeling and share their thoughts on C&A’s values, our strategy, our approach to sustainability and how we’re doing as an employer. In 2017, we surveyed employees in Brazil, China and Mexico. Our quarterly engagement surveys in Europe focused on areas other than sustainability, but we hope to include this in future surveys.
Our 2017 performance

Employees are proud of our sustainability work

A high proportion of employees agreed with the statement ‘I feel proud of C&A’s contribution on the community, society and environment’: 87% in Brazil and China, and 92% in Mexico. In 2016, when this question was last asked of employees in Europe, 85% said they were proud of C&A’s contribution.

Regional highlights

- In Brazil, our survey partner Hay Group placed C&A in their P75 group of companies following our high employee engagement scores on sustainability – meaning that we are ranked in the top 25% of companies in Brazil on this issue.
- Our engagement survey in China focused on employee pride in C&A’s contribution and on employees being able to relate sustainability practices to their job. 79% of survey respondents strongly agreed with the statement “I understand how sustainability practices are related to my job.”
- In Mexico, employees receive regular updates on C&A’s role in sustainability and how they can play their part in realising our vision.

Where next?

Moving from pride to action

We’re pleased with our employee engagement scores on sustainability, which show we are connecting with our colleagues on this topic. But from 2018 onwards we will build on the strong employee pride in our commitments, training our colleagues to act as ambassadors for sustainability and deliver on our 2020 goals. Our Inspiring World campaign will form a core part of this new approach.
Equality and diversity
Supporting our greatest asset

We’re committed to making sure our workplaces and policies allow our employees to contribute their very best, fulfilling their potential and addressing customer needs. We will continue to find ways to support our employees and engage them as ambassadors of the C&A brand.

At C&A Brazil, in August 2017, we created a Diversity Committee, which will work on diversity across ethnic origin, gender and LGBTQ+. In 2018, we will raise awareness about these issues locally.

C&A employees by gender and contract type

C&A employees by contract type and location
Signing the UN Women’s Empowerment Principles

On International Women’s Day in March 2018, we announced that C&A had signed the United Nations Women’s Empowerment Principles, committing the company to gender parity and the empowerment of women. Women are the driving force behind the apparel industry and our brand, and gender parity is an important principle of C&A's culture.

C&A businesses announced this important commitment to employees through letter (Europe), video (Mexico), intranet and live events (Brazil). We also celebrated International Women’s Day in our stores, launching a collection of T-shirts in Mexico in collaboration with local artist Motoko, and giving out chocolates in Germany.
Our commitment to the Women's Empowerment Principles is in line with our activity in partnership with C&A Foundation, which is working to achieve gender equity in the apparel industry. Both C&A and C&A Foundation strongly believe that to fundamentally transform fashion into a force for good, gender inequality and violence against women must be addressed. In each of its philanthropic programmes, C&A Foundation works with partners to promote women's voices, leadership skills and capacity to exercise their rights.

Read more about how C&A Foundation supports women

**Supporting fairness and transparency**

C&A is committed to equal opportunities for all employees, regardless of age, gender, ethnic origin, religion, ideology, sexual orientation, or disability. We support fairness and transparency in our way of working, with our employees and suppliers, and through our Fairness Channels – the tools we use to identify and address any issues that arise internally or with suppliers.

Our stores clearly display the names of C&A contacts for concerns or questions. We deal with any concerns rapidly, working to find the best solutions for all parties. In 2017, the C&A Fairness Channels investigated four cases in total, and investigated and resolved each case.

Of course, we comply fully with anti-discrimination laws in the countries where we operate, and encourage diversity across all our departments. All job roles, promotions and rewards are awarded purely on the basis of merit. Should any issue of potential discrimination be reported, the executive board takes appropriate measures to investigate and resolve it.
Respecting others

Doing business ethically has been central to our company since it was established 177 years ago. In line with our values, we have a deeply rooted respect for others, a passion for serving our customers, and a keen appreciation for trust and responsibility. Today, maintaining our high ethical standards is an important way of meeting our customers’ expectations – and our own. Our global Employee Code of Ethics outlines how employees should behave, what a good working environment should be, and what good leadership looks like.

Respecting human rights

C&A respects the human rights of everyone we work with. Our Supplier Code of Conduct and Employee Code of Ethics are guided by the latest best practice on human rights, including the UN Guiding Principles on Business and Human Rights. Additionally, we conducted a human rights gap assessment and are determining how our buying practices could affect human rights issues in our supply chain, and if needed, how to address any issues.

From this foundational work, we are now conducting human rights due diligence of our supply chain, including our sourcing and buying practices. We have a rigorous auditing process and maintain a zero-tolerance approach to serious issues at our suppliers’ production units.

In 2017 we launched a pilot project to understand the steps needed to develop a sustainable and scalable approach to reducing excessive working hours, while maintaining decent salaries for workers. Suppliers were asked to analyse the practices within their factories that could lead to excessive working hours, and C&A used the ACT purchasing practices questionnaire to understand how our purchasing could exacerbate the issue.

We also conducted additional due diligence visits to RDS-certified supply chains to find out where improvements could be made.

Read more about our pilot project to reduce excessive working hours
Read more about our due diligence visits to RDS-certified down suppliers

Going beyond responsible marketing

C&A communicates with many different people around the world. We want to create products everyone can enjoy, regardless of age or size, and recognise the need to reflect this in our advertising campaigns and choice of models. Through our advertising, we aim to share our values and positive attitude to life. So, when we’re developing new advertising campaigns, we will continue to avoid content that could be seen as discriminatory, defamatory or hurtful. We apply the same rigour to complying with the laws and guidelines of national advertisers’ associations.

Beyond our duty to advertise responsibly, we are communicating actively to customers on sustainability, with the launch of our global #WearTheChange campaign in 2018, which covers all of our customer-facing sustainability activities.
Learning and development

Engaging and empowering our employees

Learning and development is an essential part of engaging and empowering our employees if sustainability is to be something we do together, every day. We take a localised approach to our employee engagement on sustainability, which means we can focus on the issues that really matter in each region.

Our 2017 performance

Our in-store colleagues are the ambassadors of our sustainability approach to our customers, making them a particularly important audience for training and engagement on this topic. Every customer-facing campaign we run at C&A is supported by internal communications and engagement, allowing in-store colleagues to bring our messages to life for customers.

Supporting employees’ development

We aim to support our employees’ personal and career development while they are with C&A. Across our markets, we make e-learning available to our employees on core topics, and run management development programmes that deliver additional training to managers with outstanding performance and potential.

In 2017, specific employee training programmes included:

New hire orientation:

- C&A Europe delivers a monthly orientation programme for new hires that familiarises new employees with the business and includes an introduction to our sustainability commitments and actions. In 2017, C&A Europe welcomed 132 new hires through this programme.

Function-specific sustainability training:
Our Sustainable Supply Chain (SSC) team in Europe trained 114 Product managers and assistants in Brussels and Dusseldorf on our SSC approach and their responsibility.

After the launch of our Cradle-to-Cradle Certified™ products in June 2017, C&A Europe delivered internal training on Cradle to Cradle from our Chief Sustainability Officer and our Global Circular Economy Specialist in both European head office locations. C&A Europe also engaged in Cradle-to-Cradle training for the whole organisation through internal communications.

C&A Brazil held a training webinar on our GOLD level Cradle-to-Cradle Certified™ T-shirts and our in-store take-back scheme for all employees of the 29 participating stores.

Also in Brazil, we promote Jornada da Aprendizagem ('learning journey’), a program that invites employees from the head office to join SSC auditors for a supplier visit and verification trip. In 2017, 45 employees took part in seven learning journeys.

C&A China delivered three sustainability training sessions to 80 colleagues in the buying and design, store management and marketing departments.

New e-learning platforms:

In Europe, our intranet platform, Inside C&A, was revamped in 2017. The platform is a central hub for information, knowledge and engagement, and regularly features sustainability stories and activities.

C&A China launched company-wide online training on C&A’s commitment to sustainability in August 2017.

C&A Brazil released its corporate education platform, Academia da Moda, in 2017. This platform is a one-stop shop for all training and development initiatives available at C&A Brazil. 10,000 employees had been trained by the end of 2017.

Leadership and talent development:

At C&A Brazil, 116 employees took part in our talent development programs in 2017. Leaders were invited to participate in forums with our CEO and VPs for their development and received special mentoring sessions with market experts.

Other initiatives:

Cradle-to-Cradle training: In 2017, with the release of our GOLD level Cradle-to-Cradle Certified™ T-shirts, C&A Brazil held a training webinar for employees from participating stores to explain the initiative and encourage them to promote these products.

Also in Brazil, we created a Communication & Sustainability Committee to discuss and implement an employee communication plan for sustainability issues.

C&A China used WeChat, a popular instant messaging app, to raise awareness and understanding of organic cotton and C&A China’s Sustainability Commitment among its 1,466 employees.

C&A Mexico delivered training to all commercial department employees on Better Cotton and how can they play their part to increase its adoption.

At the launch of #WearTheChange, employees were given T-shirts that helped them to understand the campaign’s key messages.

**Reporting on our progress**

In 2017, our aim was to build on what we heard from the regions in 2016: that employees are proud to work at C&A, but that many felt we could communicate our work more
strongly to customers. In line with this feedback, we developed our customer-facing #WearTheChange campaign during 2017 and launched it in Europe in February 2018, followed by launches in Brazil and China in April.

**Where next?**

**Aligning sustainability with learning and performance management**

For sustainability to truly become something we do every day, it needs to be embedded within training and objectives for those employees we trust with the delivery of our goals: our Sustainable Supply Chain (SSC) team, the Fabric team that works with organic and Better Cotton, and selected members of the Sourcing team in Europe.

**Delivering on employee engagement plans**

In 2017, we developed a global employee engagement approach for sustainability, and each region developed its own sustainability engagement plan aligned with this approach. These plans aim to:

- Increase employee engagement in sustainability and pride in C&A for our actions in this area.
- Foster a culture in which everyone contributes to our sustainability goals.
- In the longer term, allow every employee to develop his/her own sustainability plan in order to contribute actively to our vision.

Execution of these plans has already begun with the launch of our global #WearTheChange campaign in early 2018, and will continue throughout the year.

Read more about #WearTheChange

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**Enabling customers**

**Looking good, feeling good, doing good**

Over 3.5 million customers shop with us each day. They trust us to live by our values. We believe they shouldn't have to choose between looking good, feeling good and doing good. They deserve great clothes that have been sourced and made in a way that respects people, the environment and animals, and at no extra cost. No decision or trade-off should be necessary.
As issues such as climate change and worker safety become more tangible, they have become more important to our customers. For many years, we have acted on their behalf to make our clothes responsibly and source our materials sustainably. 67% of the cotton we use is organic cotton or sourced as Better Cotton, and we offer groundbreaking products such as our GOLD level Cradle-to-Cradle Certified™ T-shirt.

In 2018, we reached a key milestone in our sustainability journey with the launch of #WearTheChange, our first global, multi-channel sustainability communications campaign, in Europe, Brazil and China. The campaign will be launched in Mexico later in 2018, bringing sustainability to life for many more of our customers around the world.

Read more about our sustainable products

**Our 2017 actions**

Launch global communications campaigns across multiple channels.

Conduct a third customer research survey to measure our progress on enabling customers to become more sustainable.

**Our 2017 performance**

**Customer survey**

In 2017, we surveyed over 6,000 customers in partnership with GlobeScan, for the third year running. In unprompted responses, C&A was recognised as the most sustainable retail fashion brand in Brazil and the Netherlands, for the third year running in both countries. We also maintained a strong position in Germany.
Read more about our customer survey

**Organic cotton**

Our 2017 customer survey showed that perceptions of C&A’s performance on sustainability continued to improve, with customers in France, Germany and Netherlands citing C&A’s commitment to organic cotton as a core reason for its sustainability leadership.

Read more about our commitment to organic cotton

**#WearTheChange**

In 2018, we launched #WearTheChange, our first global, multi-channel sustainability communications campaign. The campaign was launched in Europe in February 2018, across in-store, online and print touchpoints, and rolled out to Brazil and China in April, with light-touch adaptations for each market. All products advertised under #WearTheChange are produced and sourced in a way that is more sustainable than conventional methods: for example, made of organic cotton or Cradle-to-Cradle Certified™. We plan to launch #WearTheChange in Mexico later in 2018.

**Who we’re working with**

GlobeScan, Cradle to Cradle Products Innovation Institute, Responsible Down Standard, Textile Exchange, Global Organic Textile Standard

**Enabling our customers to make sustainability the norm**

Our passion for our customers underpins all that we do, and we care deeply about what is important to them. We work hard on their behalf to create clothing that respects people, the environment and animal welfare, and we actively listen to our customers to understand their concerns and address their priorities.

We ask ourselves these important questions every day:

- Have we done everything to create and produce our product in the most sustainable way and ensure durable quality?
- Are we doing all we can to be open and honest about our business practices?
- Are we building a responsible and transparent supply chain and leaving a positive impact?
- Are we creating more sustainable lives for our customers, our employees and our partners all over the world?
- Are we challenging ourselves to find better, more sustainable solutions?
With initiatives such as the rollout of our GOLD level Cradle-to-Cradle Certified™ T-shirts globally and the launch of our #WearTheChange campaign, we are working to address our customers’ concerns for the future. By offering more sustainable products to our customers, and showing what’s possible through innovative affordable everyday fashion, we’re helping make sustainable fashion the new normal.

**Listening to our customers**

**Understanding our customers better**

Our annual sustainability customer insights survey, in partnership with GlobeScan, helps us listen to and act on the issues that matter most to our customers. The insights we gain from the survey guide how we speak to our customers about sustainability in our products and campaigns – ultimately leading to a better sustainability strategy that not only reduces impact and risk, but is also tailored to their concerns.

2017 was the third year we ran the survey, asking over 6,000 customers in C&A’s six key markets – Brazil, China, France, Germany, Mexico and the Netherlands – about their priorities and expectations for sustainability.¹ Here are selected insights from the 2017 results.

Our sustainability reputation

Our goal is for C&A to be recognised as the most sustainable retail fashion brand in all our regions. In 2017, we were recognised as the most sustainable retail fashion brand in Brazil and in the Netherlands for the third year running. We maintained our strong position in Germany while our position in Mexico remains stable. However, perceptions of leadership in China and in France were not as strong as in 2016.

When survey respondents were prompted to consider C&A’s performance in detail, they scored us favourably across a range of sustainability issues.
• “C&A manufactures T-shirts that can be recycled.” (C&A customer, Brazil)
• “They recycle old clothes and also ensure they do not use any child labour.” (C&A customer, the Netherlands)
• “Because C&A has proven to be a company that follows a sustainable model, respects the environment, and contributes to society by taking care of workers and selling quality products.” (C&A customer, Mexico)
• “Clothes are made with organic cotton.” (C&A customer, France)
• “C&A do not use animal skin as leather for clothes, and they actively promote environmental issues.” (C&A customer, China)

Their positive responses when prompted show that we have a significant opportunity to improve the spontaneous recognition of our work. However, ‘communicating more on sustainability’ remains among the top three requests from customers, in order to build trust. This means we need to build on the campaigns we’ve worked on in 2017 and better integrate sustainability into our overall brand communications. The 2017 survey also showed us that one of the main drivers of our sustainability reputation in Europe is organic cotton – our area of longstanding leadership.

What customers care about

Our survey asked customers about the sustainability issues they care about and expect us to be addressing. Although the issues raised varied across regions, some core priorities were common to customers across the world.

Globally, the top five issues remained relatively similar compared to 2016. The only noticeable change is that water is now among the most important issues for C&A to address:

• Sourcing materials responsibly
• Treating workers fairly
• Openness and honesty
• Water pollution
• Fair trade

The issues that drive C&A’s sustainability reputation
Our 2017 performance

A core part of our sustainability commitment is to help our customers look good, feel good and do good. The survey gives us strong insights into how we can bring our customers along with us on our sustainability journey. In 2017, our customers told us what we have been doing right, and what we need to focus on in the future.

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<thead>
<tr>
<th>Priority issue</th>
<th>How we responded to customers’ 2016 feedback</th>
<th>What customers told us in 2017</th>
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<tr>
<td>Responsible sourcing and product sustainability</td>
<td>A strong priority for customers in 2016 was knowing more about product sourcing. In response, we launched a campaign supporting the launch of Cradle-to-Cradle Certified™ T-shirts in Brazil, Mexico and Europe. We also developed our global consumer-facing sustainability communications campaign #WearTheChange. This campaign launched in February 2018 and covers all our customer-facing sustainable activity. In 2016, C&amp;A was perceived to have improved its responsible sourcing performance in China and Brazil, though this was also a general trend observed for competitors.</td>
<td>Remained a clear priority for customers in 2017. Customers told us they see our strong leadership in organic cotton. In Europe, customers increasingly wanted C&amp;A to communicate where their products come from. Customers wanted C&amp;A to communicate more on sustainability and transparency in general. Read more about sustainable products</td>
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<td>Fair and ethical workplaces and treating employees well</td>
<td>Customers told us they want to know more about the origins of their products - a core driver of C&amp;A’s reputation in all our markets. We publish a list of our tier-1 and tier-2 suppliers’ factories annually. See our suppliers’ factory disclosure map.</td>
<td>Remained a priority for customers across the world in 2017. In our European markets, C&amp;A’s leadership remained strong while perception of our working conditions improved in China and Brazil. However, this was in line with a general increase in perceived working conditions across our competitors, and so reflects a general trend. Read more about safe and fair labour.</td>
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<td>Charity work that makes a difference in local communities</td>
<td>This was a high priority for customers in 2016. We raised over €800,000 through customer marketing campaigns in Europe and Mexico to support schools in Mérida, Mexico, to build child-friendly spaces in case of natural disasters, and to support refugees in Europe. In Brazil, we launched a head office volunteering programme to support five NGOs that help fashion entrepreneurs, women and refugees with 146 employees participating.</td>
<td>A reduced priority for customers in 2017 compared to 2016. However, charitable partnerships remain a priority for C&amp;A customers and we are committed to our work in this area. Read more about our charitable partnerships.</td>
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<td>Engaged employees who enable sustainable living</td>
<td>Engaging employees remained a priority for customers in 2016. We responded by extending our employee engagement survey to employees in C&amp;A Mexico, with scores increasing in Mexico and Brazil. We also offered increased sustainability training to our product management, store management, buying and marketing departments. In line with our Cradle-to-Cradle Certified™ product launch in 2017, we delivered Cradle-to-Cradle training in both of our European head offices.</td>
<td>Remained a priority for customers in 2017. How C&amp;A treats employees remained a strong driver of C&amp;A’s positive reputation on sustainability in 2017 with customers in Netherlands and Germany perceiving C&amp;A to be performing well in this area. Perceived performance on social responsibility continued to increase in China, Mexico and Brazil in 2017. Read more about employee engagement.</td>
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**Increasing our sustainability communications to customers**

In 2016, we found that while C&A was not named as the leader in sustainable fashion retail in all regions, many more customers believed that our performance is good when questioned more closely. Based on this insight, one of our priorities for 2017 was to align our sustainability communications with brand communications.
In line with this priority, we developed the #WearTheChange campaign, our first global, multi-channel sustainability communications campaign during 2017. The aim of this campaign is to align our sustainability communications with our brand communications, and speak with a single voice to customers in all regions.

Read more about #WearTheChange

**Leveraging our reputation for openness and honesty**

Since 2015, customers’ perception of C&A as open and honest has been a core driver of our reputation on sustainability. Our 2017 customer survey showed that C&A is considered to be open and honest in most markets – with the exception of France. In 2018, we will work to improve our perception of openness and honesty amongst French customers by communicating more on sustainability and our supply chain.

According to GlobeScan, our survey partner, being seen as open and honest is more often a challenge for companies than a strength. We will build on our positive reputation for openness and honesty in 2018 to help our customers engage with our sustainability efforts more widely. As a family company that has been trusted by generations of customers for 177 years, we are determined to create a deeper and more direct connection with customers on our sustainability efforts.

**Sourcing materials sustainably and responsibly**

Our 2017 survey showed that customers increasingly understand the importance of recycled materials and sourcing materials responsibly. We are responding to this expectation by communicating our efforts in this area through the #WearTheChange campaign in 2018 and beyond.

**Where next?**

We will continue communicating on the sustainability topics that are relevant for our customers and take our product storytelling to the next level through #WearTheChange. In order to truly break through and engage our customers, we are activating this campaign across multiple channels.

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1 Customer research was conducted online in November-December 2017. Sample sizes: Brazil = 1,002, China = 1,000, France = 1,000, Germany = 1,000, Mexico = 1,003, Netherlands = 1,001.

**Communicating with customers**
Clothing that looks good – and does good too

Helping our customers feel good about buying and wearing our products is critical: they support our work to create positive change in the apparel industry with their purchasing decisions. We strive to make products with respect for people, the environment and animals. We want our customers to feel proud of the products they buy from us, and to help them make purchasing decisions that drive change.

Our 2017 performance

Inviting customers to join our sustainability journey

At C&A, we have long believed that everyone should be able to look good, feel good and do good, every day. Our customers deserve great quality, stylish clothes that have been sourced and made in a way that respects people, the environment and animals. Without compromise, and at no extra cost.

Since we began our annual insights survey, our customers have been telling us that they want to know more about the sustainability of the clothes they buy. In response to this demand, we set out to create a customer-facing message that could bring sustainability to life in an uncomplicated and easily accessible way, helping customers find the products they want and be reassured that they have been produced and sourced sustainably.

In particular, we wanted to align our sustainability communications with C&A brand communications to emphasise that sustainability is the new normal.

In 2018, we reached a key milestone in our sustainability journey with the launch of #WearTheChange, our first global, multi-channel sustainability communications campaign. It was launched in Europe in February 2018, across in-store, online and print touchpoints. All products advertised under #WearTheChange are produced and sourced in a way that is more sustainable than conventional methods. Every one is backed by a verifiable sustainability claim: for example, certified organic cotton or Cradle-to-Cradle Certified™.

The #WearTheChange message is clear: every little step counts. We are inviting customers to join our sustainability journey with an inspiring and optimistic message that it’s possible to look good and feel good, with no compromises.
The campaign was rolled out to Brazil and China in April 2018, with light-touch adaptations for each market. We plan to launch #WearTheChange in Mexico later in the year, and will report on the results of this exciting global campaign in our next sustainability report.

#WearTheChange product claims

#WearTheChange is not a certification or claim – it is a marketing campaign to help customers identify and understand the more sustainable products we offer. But every product featured in the campaign must be backed by a verifiable sustainability claim.

Bringing sustainability to life

As part of our mission to bring sustainable products into the mainstream, the #WearTheChange campaign focuses on the needs of C&A customers. That means helping them find the products they want in a range of styles and colours to suit them, and communicating their sustainability credentials in a way that is clear, simple and easily accessible for everyone.

#WearTheChange: Connecting with customers

“Lots of customers have asked about #WearTheChange after they see us in the new T-shirt in the stores. One 60-year-old lady asked her daughter to translate the sentence on the T-shirt. After listening to our explanation of #WearTheChange, she bought the T-shirt for her and her daughter.”

Micol Sportelli, C&A store manager, Vignate

This is just one of the many anecdotes C&A’s Marina Begotti has heard since
#WearTheChange was launched. “We’ve made so many strides with our products, with more than half of our sold clothes already produced more sustainably – now we have a way of articulating this commitment directly to our customers,” she says.

Launched in February 2018, #WearTheChange made its debut in European markets, with all employees swapping their usual dark winter uniforms for white T-shirts proclaiming #WearTheChange and armed with stories about C&A’s products. And lots of enthusiasm.

“Employees didn’t just share a selfie – they shared multiple selfies! They shared the experience with their family and friends. They shot videos and shared them online. They chatted with curious customers about our Cradle-to-Cradle T-shirt. Some had to broaden their social networks as requests to learn more about #WearTheChange came in,” reports Micol.

For Alessandra Scalas, #WearTheChange brought her relationship with C&A full circle. Once, she was a customer desperate to find clothes that her son, who suffered from dermatitis, could wear comfortably. She had tried many different brands before she heard about C&A – and once she tried a C&A T-shirt for her child, there was no looking back.

Today, Scalas is the store manager of C&A’s Vercelli store. When #WearTheChange launched, she found a way to share her story with other parents, who were in turn impressed by how C&A products are made to be better for them and the planet. #WearTheChange gave Scalas a powerful tool to talk about sustainability in a way that was simple, forthright and personal.

“Sustainability is a challenge we should all consider in our daily lives. All of us can change the fashion industry. #WearTheChange allows us to talk about the sustainability attributes of our products in an easy way. And as a C&A employee, #WearTheChange makes me proud to work here,” says Begotti.

Early feedback from customers shows curiosity followed by admiration, questions about product sustainability, and then often a purchase and a share on social media. Another point of surprise for customers was that sustainability doesn’t need to come at a high price. “#WearTheChange represents our mind-set as a company. Great style and great quality without compromising the planet,” says Begotti.

Making sustainable fashion normal, showing customers that they’re doing the right thing when they shop with us: #WearTheChange represents the new normal for C&A. Now shared with over 3.5 million customers every day.

**Making more sustainable products the new normal**

We want all our products to be the best they can be: designed, sourced and made with sustainability in mind. C&A is the world’s leading buyer of certified organic cotton. We now sell more clothes made with more sustainable cotton than with conventional cotton.

We have also started to develop circular fashion products, with the launch of the first GOLD level Cradle-to-Cradle Certified™ T-shirt, developed in partnership with Fashion for Good. Since then C&A has launched additional Cradle-to-Cradle Certified™ products in Men Ladies, Teens and Kids in Europe, Mexico and Brazil.

Read more about our approach to circular fashion
Read about more sustainable cotton

**Europe: Launching our global sustainability communications campaign**

Our 2016 customer survey, in partnership with GlobeScan, showed that many customers want us to communicate more about sustainability – and that European customers favour in-store displays as a communications channel. In line with this feedback, we continued to promote our organic products in Europe, as well as communicating on our 100% Responsible Down Standard-certified puffer jackets and the sustainability attributes of our denim products.

In 2017, we participated in Kidix, a family fair in Belgium, inviting kids of all ages to learn about organic cotton on our ‘education wall’ and communicating with parents on our responsible sourcing.

In February 2018, we launched #WearTheChange across multiple channels, including in-store and e-commerce. #WearTheChange messaging now covers all our customer-facing sustainability activities. During 2018, we will communicate the specific sustainability benefits of our products through the campaign, including certified organic cotton, recycled polyester and chrome-free leather.

Read more about responsible down

**Brazil and Mexico: Building on our strengthened reputation**

Through our 2017 survey, customers told us that their perception of C&A’s sustainability in Brazil and Mexico has improved on multiple topics, including organic cotton and recycled materials. Our #VistaAMudança (#WearTheChange) campaign was launched in Brazil in April 2018, and we plan to launch it in Mexico later in the year. This will be followed by specific communications on recycled polyester and our in-store take-back programmes. In Mexico, the campaign will go hand in hand with broader brand equity building.

**China: Sharpening our brand positioning and communicating more widely**

In China, we saw trust in C&A’s brand improve in 2017, supported by customer recognition of our For the Planet campaign. In 2018, we will sharpen our brand positioning as a sustainable fashion retailer have already launched our new global campaign, #WearTheChange, in April. We have also launched a more sustainable cotton capsule collection and will and begin promoting our 100% Responsible Down Standard-certified products in late 2018.

Read more about our work on organic cotton in China

**The path to transparency**

Our customers want us to be more transparent about where their clothes come from, so they can trust that we are making the right choices for them. We’re tackling this through our communications online. To make a real difference to many of the social and environmental issues in apparel, we need to play our part in shifting the entire industry –
and the only way we will do this is through collaboration.
Read more about our industry collaborations
Look at our supplier list and disclosure map

Global sustainability messaging

Our communication approaches are localised to ensure we are talking to our regional customers about issues that they care about. We learned as far back as 2015 that although there are some differences between countries, there are often core issues that are of importance to everyone. As a result, in 2017 we launched our GOLD level Cradle-to-Cradle Certified™ T-shirt with similar campaigns across Europe, Mexico and Brazil. We have replicated this model in our new #WearTheChange campaign, developing core global messaging with light-touch adaptations for each region.

Where next?

Enhancing communications through #WearTheChange

We will launch #WearTheChange in Mexico as a focal point for our customer-facing sustainability communications. Later in 2018, we will begin communicating the specific sustainability benefits of our products through the campaign, localised for each region.

Taking action in-store together

Small changes make a big difference

Although we aim to make the most sustainable choices on behalf of our customers, we can only do so much on our own. We are looking at ways we can use our position on sustainability to do more to engage our customers in-store so that sustainability can become the new normal: something we all do together, every day.
Our 2017 performance

Inviting customers on our sustainability journey

In our stores in Europe, Brazil and China, the first thing our customers see is our new #WearTheChange campaign, which aims to help our customers find the products they want and to be reassured that they have been produced and sourced sustainably. The campaign will be launched in Mexico during 2018, bringing sustainability to life for customers around the world.

Read more about #WearTheChange

Offering more sustainable products

For many years, we have acted on behalf of our customers to make our clothes responsibly and source our materials with sustainability in mind. 67% of the cotton we use is organic cotton or sourced as Better Cotton, and we offer groundbreaking products such as our GOLD level Cradle-to-Cradle Certified™ T-shirt.

Read more about our commitment to more sustainable cotton

Read more about our Cradle-to-Cradle Certified™ products

Helping customers recycle

Following its successful launch in the Netherlands, we rolled out our in-store take-back programme to four additional retail markets – Belgium, Luxembourg, Switzerland and a pilot in Brazil – with a view to expanding the programme further by 2020.
In Brazil, we sell cell phones in addition to clothing, and have shared responsibility for taking back and disposing appropriately of cell phones and batteries. In 2017, a total of 40,736 items were collected in our stores.

Read more about our in-store take-back programme

**Using fewer plastic bags**

We charge for plastic bags in Germany and Austria and paper bags in France, and have switched from plastic to paper (or a combination) in a number of our markets including the Netherlands, Hungary and Italy.

Read more about how we’re reducing plastic bag use

**Where next?**

**Rolling out #WearTheChange across the globe**

We will continue communicating on the sustainability topics that are relevant for our customers and take our product storytelling to the next level through #WearTheChange. In order to truly break through and engage our customers, we are activating this campaign across multiple channels.

**More Cradle-to-Cradle Certified™ products in-store**

In Europe, we will deliver more than two million Cradle-to-Cradle Certified™ pieces over the next two seasons, alongside campaigns showcasing the products. In Brazil and Mexico, we will develop a Cradle-to-Cradle roadmap to build on the success of the launch.

**Rolling out in-store take-back**

In 2018, we will continue to expand the programme to new geographies globally as well as expand our current pilot in Brazil from 31 stores in 2017 to 80 stores.

**Strengthening communities**

**Making a positive impact on the communities we touch**

Many of the countries C&A sources from are disproportionately affected by environmental or social issues, ranging from poverty and extreme gender inequality to extreme weather and disease. All of these issues adversely affect the communities we source from and those where C&A employees live. Many of the countries C&A sources from are disproportionately affected by environmental or social issues, ranging from poverty and extreme gender inequality to extreme weather and disease. All of these issues adversely affect the communities we source from and those where C&A employees live.
To truly strengthen the most vulnerable communities, we have to get to the root cause of these complex challenges. We work in partnership with C&A Foundation to address these challenges and try to bring people on the journey with us. We run volunteer programmes that support local charities, seek to change perceptions and drive societal change. We are also partnering with Save the Children and C&A Foundation to help communities become more resilient and respond to disasters.

“Through Inspiring Women 2017 and the visit to SOS Children’s Village, I got the power and passion of love and life. It helped me and my colleagues find the opportunity to express our deep gratitude to our mothers and help other people in need.”

Ellen Zhao, Regional Manager of Beijing, Xi’an and Zhengzhou stores

**Our 2017 actions**

![Save the Children](image)

Continue our partnership with Save the Children.

**Our 2017 performance**

**Helping children and families across the world**

Over the past three years, C&A Foundation has provided partnership funding of over €10 million to Save the Children. In addition, C&A Europe and C&A Mexico raised a total of €870,800 for Save the Children between March 2017 and February 2018, through cause marketing campaigns, emergency appeals and other initiatives.

**Disaster relief**

Through our Disaster Risk Reduction programme with C&A Foundation and Save the...
Children, we're helping communities become more resilient to daily risks and prepare for larger disasters. Between January 2017 and April 2018, our customers donated over €408,000 to help refugees across Europe.

**C&A Together**

Between March 2017 and February 2018, C&A Foundation provided funding of €2.9 million to 142 initiatives in 18 European countries. The recipients were chosen by our employees via our C&A Together community giving programme.

Read more

**Regional highlights**

We are a company made up of four different regions. Our localised approach empowers each region to act in ways and on issues that matter most to them. This means our employees are involved with product campaigns and programmes that are pertinent in their local market and important to them as individuals, driving deeper engagement.

- **Brazil** – In partnership with Instituto C&A, our head office volunteering programme continued into its second successful year. A record 157 employees took part - more than double the number in 2016 - supporting five NGOs that help women, immigrants, refugees and fashion entrepreneurs.
- **China** – Our organic cotton baby clothes campaign and T-shirt collection generated interest in organic cotton among customers and employees. In September 2017, 20 C&A employees from buying, design, marketing, sourcing and sustainability spent two days on a farm in Binzhou learning about organic cotton farming. The team picked cotton, spoke to farm workers and spent time with farm leaders to gain a better understanding of cotton farming in practice.
- **Europe** – During the Inspiring Women 2017 campaign, 12,801 C&A employees mobilised to make a difference for charities that help women live safe and successful lives.
- **Mexico** – Our Commercial teams chose the winners of C&A Foundation and Save the Children’s drawing competition, choosing eight designs from a total of 280 entries from 13 elementary schools in Mérida. Winning designs were printed out in children's shoes and puzzles and sold in all stores across the country. With donations from C&A Foundation for every item sold, the participating schools were equipped with emergency response toolkits and materials.

**Giving back and volunteering**

**Making it easier to give back**

Giving back is key to C&A and our employees, many of whom generously donate to and volunteer in their local communities. We aim to make it easy and rewarding for our colleagues to do so, bringing individual actions together to create an impact that is greater than the sum of its parts. From in-store fundraising to volunteering, we're mobilising
thousands of C&A employees around the world to play their own part in tackling societal issues, through programmes run in partnership with C&A Foundation. As always, we allow each region to define how and where they would like to give back to ensure their experience is impactful at a local level.

Our 2017 performance

Europe

Helping customers vote to change lives with C&A Foundation

Customers in our European retail countries voted to decide how C&A Foundation should allocate a €300,000 donation between GoodWeave, Remake and Canopy – all working to make fashion a force for good.

Each charity has a different focus:

- GoodWeave, which received €186,000, helps combat child labour in South Asia. It has eliminated 80% of child labour from carpet production in India, Nepal and Afghanistan, and with the support from C&A and C&A Foundation, is now expanding its efforts to the garment sector.
- Remake works to build a conscious consumer movement by bringing the human faces of the people who make our clothes into our consciousness through filming and sharing their stories. The NGO received €42,000.
- Canopy, the recipient of €72,000, helps protect ancient and endangered forests from being logged for clothing. As the popularity of clothes made from these fabrics grows, so does the pressure on endangered forests. Canopy’s work helps advance environmental solutions in the fashion industry.

Read more about our work on combating underage working
Read more about C&A’s commitment to protecting forests

C&A Together across Europe

Our long-standing community giving programme C&A Together channels C&A Foundation funds into charities nominated by local C&A retail organisations to support the wellbeing of
children. It means we can harness our colleagues' knowledge of what their local community needs, boosting the effectiveness of our grants. It also gives employees the opportunity to engage more deeply with their community.

In total, 142 different initiatives in 18 European countries received €2.9 million between March 2017 and February 2018. C&A Foundation funds were distributed in various ways, including:

- C&A France dedicated its Back to School ("rentrée et engagée") campaign to C&A Together. For each children’s item sold, C&A Foundation donated €1 to Secours Populaires Français, giving €76,000 in total to support disadvantaged children throughout France with school materials for the new academic year.
- At the Vienna City Marathon, employees from C&A Austria ran with and for the Red Nose Clown doctors, which C&A Foundation supported with a sponsorship of €120,000.
- C&A Germany, with the support of C&A Foundation, supported the Mittagskinder Foundation with €125,000. More than 200 children at ‘social hot spots’ in Hamburg receive free and regular healthy meals, homework support and socio-educational support including an extensive exercise program.

Read more about C&A Together with C&A Foundation

**Brazil**

**Creating sustainable livelihoods for immigrants and refugees**

In 2017, Instituto C&A’s volunteering programme supported Missão Paz, an NGO partner of the Working Conditions programme. We built on the partnership by engaging 39 head office staff from São Paulo, who volunteered in culinary and employment workshops and film sessions. One of the most popular activities was the CV workshop, where volunteers simulated job interviews and helped immigrants produce CVs adapted to the Brazilian labour market.

“This kind of action makes us feel welcome and helps us find our place in this country,” said Jean Lenescarte, a refugee from Haiti who participated in the Culture and Citizenship Fair promoted by the EC Volunteer Program on 16 September 2017.

“We need to learn to welcome others in every way, and this experience has enabled that. Many people have left their countries because of extreme situations and do not know when they will be able to return. Helping them start over is a very rewarding job,” said Paula Gozzi, HR coordinator at C&A.

Read more (in Portuguese) here

A fashion team from C&A Brazil also helped a group of female artisans to structure their small business, supporting them from the development of their brand through to the design of their first clothing collection. By sharing their knowledge and skills, C&A employees empowered these women to increase their income and find their place in the fashion industry.

On a practical level, C&A has supported Missão Paz through a donation of 700 chairs, and has created employment opportunities for 12 refugees in a distribution centre. We are
planning to offer more places in our stores going forward.

**Developing our employee volunteering programme**

Instituto C&A has run an employee volunteering programme in partnership with C&A since 1991. In 2017, we focused on developing our head office volunteering programme, which attracted 157 employees – more than double the number in 2016. Volunteers supported five NGOs that help women, immigrants, refugees and fashion entrepreneurs.

We are proud of our volunteering engagement rates: a total of 3,251 employees are registered with Instituto C&A, including around 20% of store employees. We celebrate the achievements of our volunteers through the annual Volunteering Award. In 2017, 249 stores – around 90% – enrolled for the award. C&A Brazil also has a volunteering committee, with representatives from each C&A division.

In 2016, Instituto C&A undertook an in-depth, independent evaluation of the volunteering programme. The findings provided many lessons, which are feeding into a new theory of change and strategy that will be implemented in 2018.

Read more about volunteering on the C&A Foundation website

**Malha and the Management Institute for Civil Society Organisations (IGESC).**

The São Paulo head office has been innovating its volunteering programme to provide online and in-person mentoring with Instituto C&A. We worked in partnership with Malha, a movement that focuses on more sustainable, collaborative, local and independent production, and the Management Institute for Civil Society Organisations. 26 employee volunteers shared skills and knowledge with sewing shops and helped small fashion entrepreneurs to train and improve their business management in 2017.

"I learned from the volunteers how it is possible to manage business in a different way, using strategy and planning to anticipate situations that can impact us and optimise financial management to see what we need to do three months from now. Knowing how to handle challenges better is vital to avoid the repercussions of market ups and downs," said Sivonaldo Florêncio dos Santos, owner of Ferlu Costuras.

Separately, C&A Brazil supported Malha to incubate new brands, helping them select 10 brands to be part of their network, and then participating in mentorship programmes to improve their business cases.

Read more about our approach to circular fashion

**Mexico**

**A stitch in time**

For the past 10 years, C&A Mexico has sponsored a volunteering day for its employees at headquarters. Each year, around 70 employees spend eight hours in a local NGO, helping with construction, painting, gardening and playing with children. In 2017, a group of 40 volunteers reunited for one day in a children's shelter to improve the facilities where 80 children live.
**Giving back in kind**

As part of C&A’s commitment to supporting communities, in 2017 C&A Mexico donated more than 52,000 garments through its Foundation. This donation supported 19,736 people across Mexico.

The 11 partner organisations provided these garments in different ways: delivering them directly to beneficiaries or selling them to fund programmes in child protection, education and health.

**Balancing global and local approaches**

Our communications approach is localised to ensure we engage and enable our customers to act on issues they care most about. Customers have told us that our charity work in their local communities could be more focused. It can be difficult to get the right balance between supporting local and global causes and charities, but we believe both approaches are necessary to balance local interest and capitalise on our scale and reach.

- €300,000 was donated by C&A Foundation to projects globally, chosen by C&A customers who answered our customer feedback survey.
- Nearly 14,000 C&A employees shared their stories and raised €574,000 for 31 charities during Inspiring Women 2017.

Read more about our Inspiring Women campaign

**Where next?**

**Global approach: Inspiring World**

Our Inspiring Women campaign has been the most successful global engagement campaign in C&A’s history. In 2018, we will build on its success with Inspiring World, which will seek to build employees’ capacity to support our 2020 sustainability goals.

**Disaster relief**

**Helping vulnerable communities become more resilient**

At C&A we truly believe in strengthening communities. This is an integral part of our culture and legacy – it’s who we are as a brand. Many of our operations are in countries that suffer from a disproportionate number of natural disasters every year.
C&A's first global humanitarian partnership

In 2015, C&A and C&A Foundation developed our first global humanitarian partnership, collaborating with Save the Children to support millions of children and families across the world. Our joint initiatives are focused in two areas: disaster preparedness and immediate, lifesaving emergency response to humanitarian crises.

Save the Children’s emergency response work supports interventions that enable people affected by disasters to lead decent and dignified lives. We focus on fast and flexible funding that is used to seed-fund operations of Save the Children and to attract other funds to the response.

The resilience and disaster risk reduction (DRR) work funded by our partnership focuses on urban communities in five countries. It aims to increase the resilience of these communities, helping them to be prepared for natural disasters and everyday risks. To date, we have helped Save the Children’s work in 48 informal settlements and 75 schools to build the capacity of individuals and organisations. Together, we have also scaled smaller initiatives by helping governments implement policies at a national level.

Read more about this partnership on the C&A Foundation website

Why focus on disaster relief?

- For every dollar spent on DRR measures, $7 can be saved in post-disaster recovery [SOURCE: Asian Development Bank].
- Women and children are 14 times more likely to die in disasters than adult men [SOURCE: UNISDR].

Our 2017 performance

Helping children and families across the world

Over the past three years, C&A Foundation has provided partnership funding of €10.8 million. This funding has assisted over four million people worldwide. C&A raises additional funds through cause-related marketing and other campaigns in stores, and with customers and employees, in Europe and Mexico – a total of over €3 million since 2015.
Between March 2017 and February 2018, C&A Europe and C&A Mexico raised a total of €870,800 for Save the Children, through cause-related marketing, emergency appeals and other initiatives.

**Sharing what works**

In 2017, C&A Foundation and Save the Children continued to lead and disseminate research to build evidence in the field of the Disaster Risk Reduction (DRR) research, with a suite of 10 research projects under three themes:

1. Policy and the enabling environment;
2. Hazard impacts on education; and

Each of the five countries we work in faces distinct challenges. In Bangladesh, for example, we focus on risk management for women, children and garment workers, while in Mexico and China we focus on school safety. Save the Children’s country teams share what they learn with each other, so they can create an overall framework of learning that they and others can build on for the future.

**Convening and inspiring others**

One partnership to improve the resilience of women and children can only go so far. We want to make an impact that is greater than the sum of our parts. We share lessons learned from the five country programmes within Save the Children, and also with the global disaster risk reduction sector. Creating a global and regional dialogue to strengthen the sector is an important focus of this programme.

Read more in the C&A Foundation 2017 Annual Report

**Responding to the refugee crisis in Myanmar**

In 2017, the world’s fastest growing refugee crisis unfolded in Bangladesh when nearly 700,000 Rohingya fled Myanmar across the border. 60% of the refugees are children and highly vulnerable.

C&A is deeply concerned by the ongoing persecution against the Rohingya people in Myanmar and we strongly condemn the human rights violations that have been reported. Along with other Ethical Trade Initiative (ETI) brands, we sent an urgent appeal to the President of Myanmar over the humanitarian crisis in Rakhine State. We also communicated our deep concern through the Dutch Textile Covenant.

For several years, we have been purchasing products produced in Myanmar. We have created trustworthy and long-term relationships with several suppliers producing in Myanmar, and the jobs of thousands of employees working in our suppliers’ garment factories depend on these business relationships. By withdrawing from the country, we would harm those workers. We have therefore decided – for the time being – to continue to source from Myanmar. We will, however, continue to closely monitor the developments in Myanmar and reserve the right to reassess our approach.
C&A Foundation has decided to pause its philanthropic work in Myanmar. Because it is working to create systemic change, the Foundation works directly with stakeholders, such as the government and military, who are both responsible for the situation in the country. C&A Foundation has increased its support to the growing refugee population in Bangladesh.

Read the full C&A Foundation statement here

Europe

Save the Children donations helping refugees

Between January 2017 and April 2018, C&A customers donated over €408,000 to Save the Children to help refugees in Europe, and another €225,000 to other emergencies worldwide. Donation boxes were available in 1,150 C&A stores in Germany, France, Belgium, the Netherlands, Switzerland, Spain, Portugal and Italy.

Children and mothers are especially vulnerable in times of conflict, crisis and disaster. Since the beginning of our partnership in 2015, C&A and C&A Foundation have been dedicated partners in our efforts to empower mothers and children in crisis around the world, such as those arriving as refugees in Europe. The partnership includes a three-year financial support of €3 million per year by C&A Foundation as well as a pledge to include customers and employees who want to get involved.

We have focused our partnership on emergency response, providing flexible funds for aid after emergencies occur. Another focus of the partnership is disaster risk reduction to empower communities to become more resilient.

Mexico

Save the Children drawing competition

Children from 13 schools participating in the C&A Foundation and Save the Children project in Yucatan, Mexico, took part in a drawing competition. Eight winners were chosen by our Commercial teams out of a total of 280 entries, and the designs were printed on puzzles, which were given as gifts with the purchase of special t-shirts. Some were also printed on children's shoes sold in stores during April 2017.

C&A Foundation donated the equivalent of 20% of the sale price of each item – a total of €6,000 – to Save the Children, who used the funds to train school staff to respond in case of emergencies and provide participating schools with lifesaving tools such as fire extinguishers and first aid kits. The children themselves were awarded with a €75 gift card each to spend in-store, a diploma, a set of colouring pens to support them in pursuing their talent, and items with their own drawings on them.

Earthquake response

Two devastating earthquakes hit Mexico in September 2017. Oaxaca was struck by an 8.5 earthquake and only 12 days later a second 7.1 earthquake devastated seven states in the country. Hundreds of lives were lost, many others were injured, and thousands were
left homeless – including C&A colleagues, their families and friends.

C&A Foundation moved quickly to support Save the Children's assistance on the ground by releasing €1 million. Through the employee donation portal, another €6,000 was raised by employees and matched by C&A Foundation. C&A Mexico also joined the effort by donating 15,000 garments to the victims in Oaxaca and, through a supplying company, 25,000 more items were send to Morelos. With our support, Save the Children has put in place a twelve-month plan to intervene in the affected areas, reaching 32,000 children in shelters and schools with child-friendly spaces and recovery sessions.

Where next?

Evaluating and improving our partnership

In 2017, C&A Foundation commissioned an independent evaluation of the partnership and its programmes. We used this opportunity to learn about how to improve not only the effectiveness of the partnership on the ground, but how C&A as a business works with NGOs in unique partnerships such as this. We are working together with Save the Children and C&A Foundation to learn from those lessons and design the next phase of our partnership.

This is what we learned:

- **Impact takes time.** We need to ensure that partners take time to discuss a programme’s engagement and scope – being realistic with timeframes, and clear on roles and responsibilities.
- **Seed funding works.** When responding to emergencies, seed funding helps to provide a rapid response and scale up operations. In Ethiopia, C&A Foundation funds were recycled two to three times, which leveraged a further US $20m. However, this isn’t measured systematically so we’re working to improve KPIs for seed funding. This includes asking for feedback from beneficiaries to aid learning and improve future responses.
- **Programmes need to be long enough.** To see results at scale – including policies being implemented in countries and tools for disaster resilience being embedded in communities – programmes should last a minimum of five years.
- **Focus on local government.** Many countries already have policies in place, but these aren’t being enacted. We need to ensure that local authority and government have the capacity to implement them.

Global Framework Reporting

**GRI, UNGC and SDG Content Index**

At C&A we strive to report transparently against three major global sustainability frameworks: the United Nations Global Compact (UNGC), the Global Reporting Initiative’s (GRI) and the UN Sustainable Development Goals (SDGs). The following table details where within this report the various framework elements are discussed.

A link to our UNGC Communication on Progress can be found here.
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<th>SDG</th>
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<td>Universal Standards: GRI 102 General Disclosures</td>
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<td><strong>Organisational Profile</strong></td>
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<tr>
<td>102-1 Name of the organisation</td>
<td>About C&amp;A</td>
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<td>102-2 Activities, brands, products, and services</td>
<td>About C&amp;A</td>
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<td>102-3 Location of headquarters</td>
<td>About C&amp;A</td>
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<td>102-4 Location of operations</td>
<td>About C&amp;A</td>
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<td>102-5 Ownership and legal form</td>
<td>About C&amp;A</td>
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<td>102-6 Markets served</td>
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<td>102-7 Scale of the organisation</td>
<td>About C&amp;A</td>
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<td>102-8 Information on employees and other workers</td>
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<td>102-11 Precautionary Principle or approach</td>
<td>How we report</td>
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<td>102-12 External initiatives</td>
<td>Leadership letter Stakeholder engagement Global frameworks</td>
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<td>102-13 Membership of associations</td>
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<td>102-14 Statement from senior decision-maker</td>
<td>Leadership letter</td>
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<td>102-15 Key impacts, risks, and opportunities</td>
<td>Leadership letter Our strategy Global frameworks</td>
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<td>Ethics and integrity</td>
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<td>102-16 Values, principles, standards, and norms of behaviour</td>
<td>Our values Equality and diversity Sustainable supply Safe and fair labour Sustainable lives</td>
<td>Principle 1 Principle 2 Principle 3 Principle 4 Principle 5 Principle 6</td>
<td>SDG 5 SDG 8 SDG 12 SDG 13</td>
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<td>Governance</td>
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<td>102-18 Governance structure</td>
<td>Governing sustainability</td>
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<td>Stakeholder engagement</td>
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<td>102-40 List of stakeholder groups</td>
<td>Stakeholder engagement External review</td>
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<td>102-41 Collective bargaining agreements</td>
<td>Equality and diversity Safe and fair labour</td>
<td>Principle 3</td>
<td>SDG 8</td>
<td>We do not currently report this data at a global level, but we are working to standardise how we collect this information and hope to report it in the future.</td>
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<td>102-42 Identifying and selecting stakeholders</td>
<td>Stakeholder engagement</td>
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<td>102-43 Approach to stakeholder engagement</td>
<td>Stakeholder engagement</td>
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<td>102-44 Key topics and concerns raised</td>
<td>Stakeholder engagement</td>
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<td><strong>Reporting practice</strong></td>
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<td>102-45 Entities included in the consolidated financial statements</td>
<td>How we report</td>
<td></td>
<td>C&amp;A does not disclose financial statements on a global level. We publish financial statements where national regulations require this.</td>
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<tr>
<td>102-46 Defining report content and topic Boundaries</td>
<td>How we report</td>
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<td>102-47 List of material topics</td>
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<td>Material topics that drive C&amp;A's sustainability reputation (by type): - Product - affordable, fashionable, comfortable, easy to wash, high quality, durable - Social - treats workers fairly, fair trade, no child labour, respects diversity, employees, communities - Environmental - sources materials responsibly, organic, minimal chemicals, minimises pollution, avoids water pollution, minimises climate change, renewable energy, minimises climate change, recycled materials, no animal skins - Economy and transparency - jobs, locally sourced, open and honest</td>
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<td>102-48 Restatements of information</td>
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<td>Global data is provided, unless stated otherwise.</td>
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<td>102-49 Changes in reporting</td>
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<td>102-50 Reporting period</td>
<td>How we report</td>
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<td>102-51 Date of most recent report</td>
<td>How we report</td>
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<td>102-52 Reporting cycle</td>
<td>How we report</td>
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<td>102-53 Contact point for questions regarding the report</td>
<td>Contact us</td>
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<td>102-54 Claims of reporting in accordance with the GRI Standards</td>
<td>How we report</td>
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<tr>
<td>102-55 GRI content index</td>
<td>This document</td>
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<tr>
<td>102-56 External assurance</td>
<td>How we report</td>
<td></td>
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<td>External review This report is not externally assured, but independently reviewed by Sally Uren, Forum for the Future.</td>
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<tr>
<td>Universal Standards: Management Approach</td>
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<td>General requirements for reporting the management approach</td>
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<tr>
<td>103-1 Explanation of the material topic and its Boundary</td>
<td>How we report</td>
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<tr>
<td>Topic-specific Standards: Environmental</td>
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<td>Material Topic: Anti-Corruption</td>
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<td>103-2 The management approach and its components</td>
<td>Our values Sustainable supply Equality and diversity</td>
<td>Principle 10</td>
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<td>205-1 Operations assessed for risks related to corruption</td>
<td>Sustainable Supply</td>
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<td>We are working on a risk management and reporting system that will ensure violations of the Employee Code of Ethics or the Supplier Code of Conduct are reported in the future. Operations have not been formally assessed, but no significant risks related to corruption have been identified.</td>
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<td>205-2 Communication and training about anti-corruption policies and procedures</td>
<td>Sustainable Supply</td>
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<tr>
<td>205-3 Confirmed incidents of corruption and actions taken</td>
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<td>There were no incidents of corruption during this reporting period.</td>
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<td><strong>Material Topic: Anti-Competitive Behaviour</strong></td>
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<td>103-2 The management approach and its components</td>
<td>Our values Sustainable supply Equality and diversity</td>
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<tr>
<td>206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices</td>
<td>N/a</td>
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<td></td>
<td>No legal actions have been taken regarding anti-competitive, anti-trust or monopoly behaviour.</td>
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<td><strong>Topic-specific Standards: Environmental</strong></td>
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<tr>
<td><strong>Material Topic: Materials</strong></td>
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<tr>
<td>103-2 The management approach and its components</td>
<td>Principle 8 Principle 9</td>
<td>SDG 6,12 and 13</td>
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<td>We do not currently publish data on all materials across our business by weight or volume used, or the proportion of renewable and non-renewable materials. However, significant data on our raw materials is disclosed in the indicated pages. Cotton makes up 57% of the materials we buy and use at C&amp;A, and man-made fibres account for more than 40%.</td>
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<tr>
<td>301-1 Materials used by weight or volume</td>
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<td>301-2 Recycled input materials used</td>
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<td>301-3 Reclaimed products and their packaging materials</td>
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<td><strong>Material Topic: Energy</strong></td>
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<td>Clean environment Climate change How we report</td>
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<td>SDG 6,12 and 13</td>
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<td>302-1 Energy consumption within the organisation</td>
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<td>Climate change</td>
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<td>302-2 Energy consumption outside of the organisation</td>
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<td>302-3 Energy intensity</td>
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<td>302-4 Reduction of energy consumption</td>
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<td>302-5 Reduction in energy requirements of products and services</td>
<td>More sustainable cotton Climate change</td>
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<td><strong>Material Topic: Emissions</strong></td>
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<td>305-1 Direct (Scope 1) GHG emissions</td>
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<td>305-2 Energy indirect (Scope 2) GHG emissions</td>
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<td>305-3 Other indirect (Scope 3) GHG emissions</td>
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<td>305-4 GHG emissions intensity</td>
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<td>305-5 Reduction of GHG emissions</td>
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<td>Material Topic: Effluents and Waste</td>
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<td>103-2 The management approach and its components</td>
<td>Clean environment Chemicals Waste Circular fashion</td>
<td>Principle 7 Principle 8 Principle 9</td>
<td>SDG 6,12 and 13</td>
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<td>306-1 Water discharge by quality and destination</td>
<td>Chemicals</td>
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<td>306-2 Waste by type and disposal method</td>
<td>Waste</td>
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<td>306-3 Significant spills</td>
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<td>There were no significant spills during this reporting period.</td>
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<td>Material Topic: Compliance</td>
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<td>103-2 The management approach and its components</td>
<td>Clean environment</td>
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<td>In this reporting period, Brazil had one case brought through dispute resolution mechanisms (an investigation on noise pollution, after which we are adapting our air conditioning equipment in line with legal limits); one significant fine (€9,451.20 for late payment of waste disposal fees, paid to public authorities); and one non-monetary sanction (for failure to present an environmental license). No cases were brought in any other markets.</td>
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307-1
Non-compliance with environmental laws and regulations

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<td>103-2 The management approach and its components</td>
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<td>Clean environment</td>
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<tr>
<td>Chemicals</td>
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308-1
New suppliers that were screened using environmental criteria

Sustainable Supply

308-2
Negative environmental impacts in the supply chain and actions taken

Chemicals
Climate change
Water
<table>
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<td><strong>Topic-specific Standards: Social</strong></td>
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<tr>
<td><strong>Material Topic: Employment</strong></td>
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<tr>
<td>103-2 The management approach and its components</td>
<td>Engaging employees</td>
<td>Principal 6</td>
<td>SDG 5, 8</td>
<td>In this reporting period, C&amp;A hired 20,076 new employees. - Gender profile: 69% female and 31% male. - Age profile: 84% under 30 years old; 15% between 30 and 50 years old; 1% over 50 years old. In the same period, employee turnover was 20,716. - Gender profile: 71% female and 29% male. - Age profile: 79% under 30 years old; 17% between 30 and 50 years old; 4% over 50 years old.</td>
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<tr>
<td>401-1 New employee hires and employee turnover</td>
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<td>401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees</td>
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<td>We do not currently report this data at a global level, but we are working to standardise how we collect this information and hope to report it in the future.</td>
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<td><strong>401-3 Parental leave</strong></td>
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<td><strong>Material Topic: Labour/Management Relations</strong></td>
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<td><strong>103-2 The management approach and its components</strong> Engaging employees Safe and fair labour Principle 6 SDG 8</td>
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<td><strong>402-1 Minimum notice periods regarding operational changes</strong></td>
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<td>We do not currently report this data at a global level, but we are working to standardise how we collect this information and hope to report it in the future.</td>
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<td><strong>103-2 The management approach and its components</strong> Learning and development SDG 8</td>
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<tr>
<td><strong>404-1 Average hours of training per year per employee</strong></td>
<td></td>
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<td>Total average hours of training in this reporting period was 3.1 hours per employee. Gender profile: 2.7 hours per female employee and 4.8 hours per male employee.</td>
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<td>404-2 Programs for upgrading employee skills and transition assistance programs</td>
<td>Learning and development</td>
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<tr>
<td>404-3 Percentage of employees receiving regular performance and career development reviews</td>
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<td></td>
<td>In this reporting period, 46.8% of employees received regular performance reviews. Gender profile: 44.4% of female employees and 56.4% of male employees received regular performance reviews.</td>
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<td>Material Topic: Diversity and Equal Opportunity</td>
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<td>103-2 The management approach and its components</td>
<td>Our values Equality and diversity Global frameworks</td>
<td>Principle 6</td>
<td>SDG 5</td>
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<tr>
<td>405-1 Diversity of governance bodies and employees</td>
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<td>We do not currently report this data at a global level, but we are working to standardise how we collect this information and hope to report it in the future.</td>
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<td>Organisational Profile</td>
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<tr>
<td>405-2 Ratio of basic salary and remuneration of women to men</td>
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<td>We do not currently report this data at a global level, but we are working to standardise how we collect this information and hope to report it in the future.</td>
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<td>Our values Sustainable supply Equality and diversity</td>
<td>Principle 6</td>
<td>SDG 5</td>
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<td>406-1 Incidents of discrimination and corrective actions taken</td>
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<td>103-2 The management approach and its components</td>
<td>Sustainable supply Safe and fair labour Sustainable supply Safe and fair labour Supplier and worker engagement</td>
<td>Principle 3</td>
<td>SDG 8</td>
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<td>407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</td>
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<td><strong>Material Topic: Child Labour</strong></td>
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<td>Sustainable supply Protecting the most vulnerable</td>
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<td>408-1 Operations and suppliers at significant risk for incidents of child labour</td>
<td>Protecting the most vulnerable</td>
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<td>Principle 4</td>
<td>SDG 8</td>
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<td>Protecting the most vulnerable Supplier and worker engagement</td>
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<td>Sustainable supply</td>
<td>Principle 1 Principle 2</td>
<td>SDG 5, 8</td>
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<td>412-1 Operations that have been subject to human rights reviews or impact assessments</td>
<td>Sustainable supply</td>
<td>Principle 1 Principle 2</td>
<td>SDG 8</td>
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<td>We do not currently report this data at a global level, but we are working to standardise how we collect this information and hope to report it in the future.</td>
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<td>Employee training on human rights policies or procedures</td>
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<td>412-3</td>
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<td>Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening</td>
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<td><strong>Material Topic: Local Communities</strong></td>
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<td>Sustainable lives</td>
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<td>The management approach and its components</td>
<td>Strengthening communities</td>
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<td>Giving back and volunteering</td>
<td>Disaster relief</td>
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<td>413-1</td>
<td>Strengthening communities</td>
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<tr>
<td>Operations with local community engagement, impact assessments, and development programs</td>
<td>Giving back and volunteering</td>
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<td>Disaster relief</td>
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<td>413-2</td>
<td>More sustainable cotton</td>
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<td>Operations with significant actual and potential negative impacts on local communities</td>
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<td>Chemicals</td>
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<td>103-2 The management approach and its components</td>
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<td>Safe and fair labour</td>
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<td>Protecting the most vulnerable</td>
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<td>414-2 Negative social impacts in the supply chain and actions taken</td>
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<td>Material Topic: Public Policy</td>
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<td>103-2 The management approach and its components</td>
<td>Our values Stakeholder engagement</td>
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<td>415-1 Political contributions</td>
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<td>Principle 10</td>
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<td></td>
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<td>No financial or in-kind political contributions were made directly or indirectly.</td>
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<td>Material Topic: Customer Health &amp; Safety</td>
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<td>103-2 The management approach and its components</td>
<td>Product quality and safety</td>
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<tr>
<td>416-1 Assessment of the health and safety impacts of product and service categories</td>
<td>Product quality and safety</td>
<td></td>
<td></td>
<td>Approximately 95% of our products are assessed for health and safety impacts globally (100% in Europe).</td>
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<tr>
<td>416-2 Incidents of non-compliance concerning the health and safety impacts of products and services</td>
<td>Product quality and safety</td>
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<td>C&amp;A had no product recalls across our retail markets in 2017. However, in Brazil, there were 7 cases of non-compliance which led to fines or penalties. Other 83 cases of non-compliance with our internal code were identified in internal audits.</td>
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<tr>
<td>103-2 The management approach and its components</td>
<td>Product quality and safety</td>
<td>Certified organic cotton Responsible down A circular fashion first</td>
<td></td>
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<tr>
<td>417-1 Requirements for product and service information and labelling</td>
<td>Product quality and safety</td>
<td>Certified organic cotton Responsible down A circular fashion first</td>
<td></td>
<td>We do not currently report this data at a global level, but we are working to standardise how we collect this information and hope to report it in the future.</td>
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<td>417-2</td>
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<td></td>
<td></td>
<td>There were no incidents of non-compliance during this reporting period.</td>
</tr>
<tr>
<td>417-2 Incidents of non-compliance concerning product and service information and labelling</td>
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<td>417-3</td>
<td></td>
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<td>There were five incidents of non-compliance in the reporting period (three in Europe and two in Brazil), all of which resulted in a fine or penalty.</td>
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<td>417-3 Incidents of non-compliance concerning marketing communications</td>
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<td><strong>Material Topic: Customer Privacy</strong></td>
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<td>103-2</td>
<td>Enabling customers</td>
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<td>No incidents were reported during this reporting period.</td>
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<tr>
<td>103-2 The management approach and its components</td>
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<td>418-1</td>
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<tr>
<td>418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data</td>
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<td><strong>Material Topic: Socioeconomic Compliance</strong></td>
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<td>103-2</td>
<td>Sustainable supply, Clean environment, Safe and fair labour, Product quality and safety</td>
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<td>103-2 The management approach and its components</td>
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## Universal Standards: GRI 102 General Disclosures

### Organisational Profile

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<td>Organisational Profile</td>
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<tr>
<td>419-1 Non-compliance with laws and regulations in the social and economic area</td>
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<td></td>
<td></td>
<td>There were no incidents of non-compliance during this reporting period.</td>
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</tbody>
</table>

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## Contact us

### Global sustainability team

Sustainability at C&A is led by our global leadership team and operationalised by regional leadership. Both groups work together to embed our global sustainability strategy into the organization.

### Global leadership team

- Jeffrey Hogue, Chief Sustainability Officer - LinkedIn, Twitter
- Kate Heiny, Head of Global Sustainability - LinkedIn, Twitter
- Aleix Busquets Gonzalez, Head of Global External Stakeholder Engagement - LinkedIn
- Catherine Louies, Unit Leader Global Sustainability Project Management - LinkedIn
- Norbert van der Zee, Unit Leader Global Sustainability Performance Management - LinkedIn, Twitter
- Adam Brennan - Unit Leader Sustainable Chemicals Management - Europe/Global - LinkedIn, Twitter
- Charline Ducas, Unit Leader of Global Circular Economy - LinkedIn
- Galina Shishkova, Global Stakeholder Engagement Project Manager - LinkedIn
- Suman Bethapudi, Cradle to Cradle Project Manager, Global Project Manager - LinkedIn

### Regional Teams

- Michael Reidick - Head of EU Sustainability - Linkedin
- Caren Jakubaschk - Unit Leader Sustainable Supply Chain - Europe - LinkedIn
- Gerhard Grimm - Unit Leader Sustainability - Europe
- Rozália del Gaudio, Sustainability Senior Manager - Brazil - LinkedIn
Contact us

Please contact us with any questions on our sustainability approach, the report and our supplier list at sustainability(at)canda.com

For press inquiries please contact: press(at)canda.com

Privacy Statement

This website is operated by C&A Mode GmbH & Co. KG, Wanheimer Str. 70, 40468 Dusseldorf, Germany.

We are very serious about ensuring a high level of data protection and data security. For that purpose we will comply with the applicable data protection laws.

Active collection and processing of personal data

Personal data are individual information about personal or factual circumstances of an identified or identifiable natural person or (data subject).

You can basically use the general range of information on this website without disclosing your identity. Although the collected inventory and usage data (see below under “Information collected automatically”) could possibly lead to identification, we will not use this data to identify users personally. If at all there is a further use of these data, this is done solely with your express consent or in an anonymized form for statistical purposes of evaluation.

We will only actively collect and process your personal data if you forward us by e-mail questions or requests. In that constellation we will process the personal data provided by you exclusively in order to answer your questions or provide you the requested service.

Your personal data will not be passed on to third parties outside the C&A company group nor otherwise marketed or used. Our employees are obliged to maintain the confidentiality of personal data. Your personal data may, however, be forwarded to other companies of the C&A company group in order to provide the requested answers or services. These other companies of the C&A company group may be located in countries that do not have adequate data protection laws in place. We will ensure that these other companies of the C&A company group will comply with the same level of data protection as we are obliged too.

Information collected automatically

When you visit the website, the server will temporarily save every access to a log file. We collect the following information automatically:
the accessing computer's IP address;
the access date and time;
the name and URL of the accessed file;
the website, from which this file was accessed;
your computer's operating system and the browser you have used;
the country, from which you have accessed the file

This data is collected and processed in order to enable the use of our website (link connection), to ensure continued system security and stability and thus optimize our website, as well as for internal statistical purposes. The IP address will only be analyzed in the event of an attack against the network infrastructure of the website, as well as for statistical purposes. The data mentioned above will generally not be linked to specific individuals and also not collected and combined with other personal data.

**Tracking Tools**

We use the Google Analytics web analytics service to ensure a customer-oriented design and the continuous improvement of our website. We will create pseudonymized user profiles and small text files ("cookies") will be stored on your computer for this purpose. The information about your use of this website generated by the cookie, such as

- browser type/version;
- operating system used;
- referrer URL (the previously visited website);
- host name of the accessing computer (IP address);
- time of server inquiry; and
- device

is forwarded to and stored on servers of Google Inc., USA. IP anonymization has been activated on this website so that Google shortens user IP addresses within the European Union Member States or other Signatory States of the Agreement on the European Economic Area before the information is transmitted. Your anonymous IP address is not merged with other data of Google.

Google shall use this information on behalf of us to evaluate the usage of the website by users, create reports about the website activities and provide us with further services associated with the website usage and the internet usage. According to Google Inc., the IP address will never be associated with other user data. According to Google Inc. the IP addresses are anonymized in order to prevent any allocation (IP masking).

Users can prevent the installation of cookies by configuring their browser software accordingly. However, this may fully or partially disable certain functions of this website. For more information about the web analytics service used, please visit the Google Analytics website. The following link offers guidance on how to prevent the use of your data by the web analytics service.
Communication via e-mail

You may contact us by e-mail using the e-mail address sustainability@canda.com or press@canda.com if you should have any questions about this website and the content therein or if you should have any service request.

If you should have any questions regarding the processing of personal data by us, please find contact information in the section “Right to Information” below.

The content of unsecured e-mails may be read by third parties and are not suitable for a confidential communication. They may be viewed by unauthorized third parties, altered, falsified or deleted and communication profiles can be created. Unless you use the e-mail communication or e-mail address, we understand that these risks are known and you agree that we also use this form of communication, also unencrypted.

Links to other websites

This privacy statement applies to this website. The website may contain links to other providers within and outside C&A. We would like to point out that different data protection guidelines and liability regulations apply for these linked websites offered by third party operators. The storage and use of data by the operators, which occurs when using these linked sites, may exceed the scope of this data protection declaration.

Social Plugins

Social plugins for various online social networks (e.g. Facebook, Twitter, weibo and Linkedin) are integrated into our websites. These allow you to place bookmarks on these sites and share them with other members of the online social networks. You can recognize social plugins by means of the logos that can be seen on the websites of the online social networks.

The plugins are disabled on our website by default and therefore do not send data automatically to any social network. By clicking on the button "Activate Social Media" you allow to enable all social media plugins (so-called 2-click solution). If these plugins are enabled, your browser directly connects with the servers of the respective social network, as soon as you open our website. The content of the plugin is transmitted from the social network directly to your browser and integrates it into the website. Of course you may disable the plugins with one click.

If you are logged into the online social network under your username and password at this point, the fact that you are visiting our site is communicated to said network and information to this effect can be assigned to your user account. When you interact with the social plugins, for example if you use the Facebook "Share" or the Twitter "Share" function, the content of our sites will be linked with your profile within the online social network. If you are not a member of the online social network or have logged out from these providers before visiting our shop, there is still a possibility that at least your IP address will be communicated and stored there. Further processing within the connected online social networks, storage time and intended use are defined exclusively by these
providers. The following link gives you more detailed information on the social plugins used and the data protection notices of these providers.

<table>
<thead>
<tr>
<th>Social Plugin</th>
<th>Operator of the online social network</th>
<th>Data protection declaration of the online social network</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook Share Button</td>
<td>1601 South California Avenue Palo Alto, CA 94304, USA</td>
<td><a href="http://www.facebook.com/about/privacy/">www.facebook.com/about/privacy/</a></td>
</tr>
<tr>
<td>Twitter Share Button</td>
<td>Twitter, Inc., 795 Folsom St., Suite 600, San Francisco, CA 94107, USA</td>
<td>twitter.com/privacy</td>
</tr>
<tr>
<td>Weibo Share Button</td>
<td>Sina Corporation, 1468 Nanking Road West, Shanghai 200040, China</td>
<td>weibo.com</td>
</tr>
<tr>
<td>LinkedIn Share Button</td>
<td>LinkedIn Corporation, 2029 Stierlin Court, Mountain View CA 94043, USA</td>
<td><a href="http://www.linkedin.com/legal/privacy-policy">www.linkedin.com/legal/privacy-policy</a></td>
</tr>
</tbody>
</table>

**Right to Information**

If you have questions regarding the processing of your personal personal data on our website, you can contact the C&A data protection officer:

C&A Mode GmbH & Co. KG Data Protection Officer Wanheimer Str. 70 40468 Düsseldorf Email: datenschutz@canda.com

On request, you will be notified in writing and pursuant to applicable law, what personal data is stored by our web pages.

You may also request to have your data and/or user profile deleted or corrected at any time. Please note that statutory retention periods may apply for certain data. We are obligated to store such data up to the expiry of the respective period. We will block these data in our system and only use them to meet our legal obligations.

**Notification of Changes**

If this privacy policy is changed, we will point out on this website separately.

Deutsch

**Datenschutzerklärung**

Allgemeine Informationen

Diese Website wird von der C&A Mode GmbH & Co. KG, Wanheimer Str. 70, 40468 Düsseldorf, betrieben.

Die Gewährleistung eines hohen Maßes an Datenschutz und Datensicherheit ist uns sehr wichtig. Deshalb halten wir uns an geltende Datenschutzgesetze.
**Aktive Erhebung und Verarbeitung persönlicher Daten**

Persönliche Daten sind Einzelangaben über persönliche oder sachliche Umstände einer bestimmten oder bestimmbaren natürlichen Person (Datensubjekt).

Generell können Sie einen Großteil der Informationen auf unserer Website nutzen, ohne Ihre Identität offenzulegen. Obgleich die erhobenen Bestands- und Nutzungsdaten (siehe unten: „Automatisch erhobene Daten“) eine Identifizierung ermöglichen könnten, werden wir diese Daten nicht nutzen, um Nutzer persönlich zu identifizieren. Werden diese Daten darüber hinaus genutzt, so erfolgt diese Nutzung ausschließlich mit Ihrer ausdrücklichen Zustimmung oder in anonymisierter Form zum Zwecke statistischer Auswertungen.

Wir erheben und verarbeiten nur dann persönlichen Daten, wenn Sie sich per E-Mail mit Fragen oder Anliegen an uns wenden. In diesem Fall werden die von Ihnen übermittelten persönlichen Daten ausschließlich dazu verwendet, Ihre Fragen zu beantworten oder die gewünschte Dienstleistung zu erbringen.


**Automatisch erhobene Daten**

Bei jedem Besuch der Website werden die Zugriffsdaten durch den Server automatisch vorübergehend in einer Protokolldatei gespeichert. Folgende Daten werden automatisch erhoben:

- die IP-Adresse des zugreifenden Computers
- Datum und Zeit des Zugriffs
- Name und URL der aufgerufenen Datei
- die Website, von der aus auf die Datei zugegriffen wurde
- das Betriebssystem Ihres Computers und der von Ihnen genutzte Browser
- das Land, von dem aus Sie auf die Datei zugegriffen haben

Diese Daten werden erhoben und verarbeitet, um die Nutzung unserer Website zu ermöglichen (Verlinkung), um dauerhaft Sicherheit und Stabilität des Systems zu gewährleisten und um unsere Website zu optimieren. Sie dienen darüber hinaus internen statistischen Zwecken. Die IP-Adresse wird nur im Falle eines Angriffes gegen die Netzwerkinfrastruktur unserer Website sowie für statistische Zwecke analysiert. Generell werden die vorstehend aufgeführten Daten nicht spezifischen Einzelpersonen zugeordnet und auch nicht erhoben und mit anderen persönlichen Daten zusammengeführt.

**Cookies**

Cookies sind kleine Textdateien, die zur Benutzererkennung auf Ihrer Festplatte gespeichert werden. Sie werden ausschließlich dazu verwendet, Informationen zur

**Tracking Tools**

Wir nutzen den Webanalysedienst von Google Analytics, um ein kundenorientiertes Design und die laufende Verbesserung unserer Website sicherzustellen. Zu diesem Zweck werden pseudonymisierte Benutzerprofile erstellt und kleine Textdateien ("Cookies") auf Ihrem Computer gespeichert. Die von diesem Cookie generierten Informationen über Ihre Nutzung dieser Website, z. B.

- Browsertyp/-version
- genutztes Betriebssystem

- Referrer URL (die zuvor besuchte Website)

- Hostname des zugreifenden Computers (IP-Adresse)

- Zeitpunkt der Serveranfrage und

- Gerät


Benutzer können die Installation von Cookies durch eine entsprechende Konfiguration ihrer Browsertools verhindern. Unter Umständen sind dann jedoch bestimmte Funktionen dieser Website nicht oder nur eingeschränkt verfügbar.

Kommunikation via E-Mail

Gerne können Sie sich mit Fragen zu dieser Website und den angebotenen Inhalten oder Serviceanfragen per E-Mail unter sustainability(at)canda.com oder press(at)canda.com an uns wenden.

Kontaktdaten für Fragen zu unserem Umgang mit persönlichen Daten finden Sie unten im Abschnitt „Recht auf Information“.


Links zu anderen Websites


Social Plugins

In unsere Websites sind Plugins für verschiedene soziale Netzwerke (z. B. Facebook, Twitter, weibo und LinkedIn) integriert. Diese ermöglichen Ihnen, Lesezeichen auf diese Seiten zu setzen und diese mit anderen Teilnehmern der sozialen Netzwerke zu teilen. Social Plugins erkennen Sie an den Logos, die auf den Websites der sozialen Netzwerke eingesehen werden können.


Sind Sie zu diesem Zeitpunkt mit Benutzername und Passwort bei einem sozialen Netzwerk angemeldet, wird der Umstand, dass Sie unsere Website besuchen, an das jeweilige Netzwerk kommuniziert und diese Informationen können Ihrem Benutzerkonto zugeordnet werden. Interagieren Sie mit den Social Plugins, z. B. indem Sie die Möglichkeit zum Teilen auf Facebook oder Twitter verwenden, wird der Inhalt unserer Websites mit Ihrem Profil innerhalb des sozialen Netzwerks verlinkt. Sind Sie kein Mitglied des sozialen Netzwerks oder haben Sie sich bei diesen Anbietern ausgeloggt, bevor Sie unseren Shop besuchen, besteht dennoch die Möglichkeit, dass zumindest Ihre IP-Adresse übermittelt und dort gespeichert wird. Die weitere Verarbeitung bei den angebundenen sozialen

<table>
<thead>
<tr>
<th>Social Plugin</th>
<th>Betreiber des sozialen Netzwerks</th>
<th>Datenschutzerklärung des sozialen Netzwerks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook Teilen-Button</td>
<td>Facebook, Inc., 1601 South California Avenue Palo Alto, CA 94304, USA</td>
<td><a href="http://www.facebook.com/about/privacy/">www.facebook.com/about/privacy/</a></td>
</tr>
<tr>
<td>Twitter Teilen-Button</td>
<td>Twitter, Inc., 795 Folsom St., Suite 600, San Francisco, CA 94107, USA</td>
<td>twitter.com/privacy</td>
</tr>
<tr>
<td>Weibo Teilen-Button</td>
<td>Sina Corporation, 1468 Nan Jing Road West, Shanghai 200040, China</td>
<td><a href="http://weibo.com/">http://weibo.com/</a></td>
</tr>
<tr>
<td>Linkedin Teilen-Button</td>
<td>LinkedIn Corporation, 2029 Stierlin Court, Mountain View CA 94043, USA</td>
<td><a href="https://www.linkedin.com/legal/privacy-policy">https://www.linkedin.com/legal/privacy-policy</a></td>
</tr>
</tbody>
</table>

Recht auf Information

Haben Sie Fragen zum Umgang mit Ihren persönlichen Daten auf unserer Website, wenden Sie sich bitte an den Datenschutzbeauftragten von C&A:

C&A Mode GmbH & Co. KG
Data Protection Officer/typo3/#_msocom_3
Wanheimer Str. 70
40468 Düsseldorf
E-Mail: datenschutz@canda.com

Auf Nachfrage werden Sie in Schriftform und gemäß geltendem Recht darüber informiert, welche persönlichen Daten durch unsere Websites gespeichert werden.

Außerdem können Sie jederzeit beantragen, dass Ihre Daten und/oder Ihr Benutzerprofil gelöscht oder korrigiert werden. Bitte beachten Sie, dass für bestimmte Daten gesetzliche Aufbewahrungsfristen gelten können. Wir sind verpflichtet, solche Daten bis zum Ablauf der jeweiligen Frist aufzubewahren. Solche Daten werden in unserem System gesperrt und lediglich zur Einhaltung gesetzlicher Pflichten verwendet.

Änderungsmitteilung

Über eine Änderung dieser Datenschutzerklärung informieren wir Sie gesondert auf dieser Website.

Legal contacts

C&A Mode GmbH & Co. KG

Personally liable partner:
C&A Retail GmbH
Headquarters: Zug / Switzerland
UID: CHE-116.290.471

Legal Contacts:
Stefan Hafner & Michael Asche

Contact for specific questions in connection with this website: For any specific questions regarding this website and the content therein please contact by E-Mail:

Mail: sustainability(at)canda.com or press(at)canda.com

Based on the subject of your question, your country of residence and your language, your e-mail request will be forwarded to our specialists.