



C&A response to article in SPIEGEL No. 23 / 30.5.2020

SPIEGEL allegations are without foundation

We firmly reject the accusations made against C&A by the German magazine Der Spiegel. The report is biased and draws false conclusions. It paints a picture of the culture and values of our company that bears no relation to reality.

Contrary to the assertions of Spiegel, there is no substantiated evidence to support the general accusations made by the authors. As described in the article, we were informed by e-mail about alleged misconduct by members of management. The letter contained anonymous accusations made by a single person against managers of one department, which we have not been able to corroborate even after extensive internal inquiry.

We repeatedly reached out to the sender to discuss the allegations but received no response. The sender would have been able to maintain anonymity, had he or she contacted our external ombudsman. In discussions with other employees of the department concerned we have also not been able to confirm any of the allegations made in the email.

The accusations that C&A is acting "at the expense of employees and the state" when applying the short-time work allowance scheme are also without foundation. C&A has repeatedly instructed employees placed on short-time work and their supervising managers in writing, that the hours worked under the short-time work scheme must be reported in full to our HR department. If overtime is incurred during the period of short-time work, staff receive additional remuneration from the employer for the extra hours worked, while on the other hand their entitlement to short-time allowance is reduced accordingly. If the entitlement to short-time work compensation is reduced, the state support for the company is in turn also reduced accordingly. The processes regarding the reporting of hours worked in the context of the short-time work scheme are coordinated directly with the German Federal Employment Agency and have been subject to a thorough legal review.

The relationship with our supplier companies is also portrayed incorrectly. After the outbreak of the crisis in Europe, we held individual talks with the more than 300 supplier companies to find mutually beneficial solutions. Prices were not re-negotiated. In some cases, we agreed - by mutual consent - on temporary new payment terms. Furthermore, 70 percent of our suppliers are supported by our house bank during the Corona crisis.

We have agreed with our suppliers to restore 97 percent of the previously suspended orders and guaranteed their full payment. A complete reinstatement of orders is not feasible as production in many countries has been suspended for several weeks and has so far only been resumed to a limited extent to protect factory workers.

Against this backdrop the Spiegel report is misleading and hurtful in its conclusions towards our employees, who are doing their best every day in difficult circumstances.

Contact:
press@canda.com