

Human Rights & Equity Policy

Introduction

Care for people and respect for nature have always been essential for C&A. Whilst it is the duty of governments to protect and enforce human rights, we recognise our responsibility to respect human rights and actively prevent, mitigate, and remediate any potential negative impact on people. We strive to play a positive role for a world where human rights and equity are enjoyed by everyone.

Our Commitment to Human Rights and Equity

We are committed to establishing and promoting a culture of respect for internationally recognised human rights as set out by the [UN Guiding Principles on Business and Human Rights](#). We commit to adhering to the International Bill of Human Rights (i.e., the UN Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights), [the principles of the UN Global Compact](#) and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, throughout our own operations, business relationships and supply chain.

We base our commitments on the standards contained in the international conventions and recommendations reflected in each section of this human rights policy. We also adhere to the [OECD Guidelines for Multinational Enterprises](#) and [OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#).

We attach particular importance to respecting the rights of children, women and people belonging to historically marginalised groups.

In this, we are guided by the international rights standards, outlined, among others, by the UN Convention on the Rights of the Child, the UN Convention on the Elimination of Discrimination against Women, the ILO Violence and Harassment Convention (No. 190), the International Convention on the Elimination of All Forms of Racial Discrimination, the Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, the Convention Relating to the Status of Refugees, the International Convention on the Rights of Persons with Disabilities, the Children's Rights and Business Principles, the [UN Women's Empowerment Principles](#), the [Gender Guidance to the UNGPs](#), the [UN Standards of Conduct for Tackling Discrimination against LGBTI people](#).

We comply, at a minimum, with the laws and regulations of the countries in which we do business, while we follow international human rights standards brought forward in the present policy when these standards are higher. In the event of local laws restricting the realisation of the international human rights standards, we will work to create alternative means to uphold those standards.

The Scope of the Policy

This policy defines how C&A addresses human rights in its relationship with the following groups and stakeholders:

- All C&A employees, including interns, temporary workers, jointly referred to as 'employees'.
- Leased workers, employees of our business partners and people working across our supply chain, jointly referred to as 'workers'.
- Business entities in the supply chain for our merchandise products, including our suppliers, the production units used by them, their subcontractors, as well as any pre-supplier of goods, such as fabrics and raw materials (jointly referred to as 'suppliers').
- Other business partners with whom C&A enters a contractual relationship for the supply of a non-merchandise product or service (jointly referred to as 'business partners').
- People and communities affected by our business, such as residents in surrounding communities.
- C&A customers.

Stakeholder Engagement

The views of different stakeholders, especially those potentially affected by our business, are essential to improve our human rights performance and promote equitable outcomes. Therefore, we are committed to engage in ongoing stakeholder consultation to build meaningful two-way dialogue with community representatives, civil society and organisations led by people from underrepresented groups.

Employees and Workers

- It is our central concern to ensure an open dialogue with our employees and actively engage with them by holding regular meetings with our employee representatives and learning from engagement and pulse surveys, focus groups and grievance channels.
- We also expect the views of the workers in our supply chain to be actively sought and listened to. We ask our suppliers and business partners to engage with workers and worker representatives through suitable means, such as social dialogue and grievance channels.

Customers and Communities

- We acknowledge that wherever we do business, the establishment of positive relationships with both customers and communities is a precondition for our 'social license to operate'. We are committed to proactively engage with them, listening to all perspectives, communicate with and learn from them, and to consider seriously points of view that are compatible with human rights and equity values.
- We will take proactive measures to prevent, eliminate or at least minimise potential negative impacts on the human rights of communities that are affected by our business.
- We contribute to positive socio-economic development and better opportunities through job creation and our community impact programme for corporate and employee giving.
- We value the views of customers. We will engage with our customers to learn about their opinions and experience with our human rights performance. Customers are also encouraged to express their perspectives through our customer service channels as well as our grievance and whistleblowing channels.

Vulnerable and Disadvantaged Groups

- We recognise the continued crisis of inequality between and within countries and the uneven impact that business operations may have on people across genders, identities and their intersections. Certain groups of rights holders are in a more marginalised position than others in our society and therefore require our specific attention. We seek to understand what makes people vulnerable in different workplace contexts, as vulnerability varies according to geography and social circumstances.
- We strive to continuously improve our human rights performance with particular attention to the specific risks faced by vulnerable communities. In our operations, this includes underrepresented groups as well as those who face multiple, intersectional disadvantages. In our supply chain, this includes women, home workers, agency workers, temporary workers, migrant workers and indigenous people.
- Through regular risk analysis and, where possible, direct engagement with people who have lived experiences of social disadvantage, we aim to ensure all potentially at risk groups are identified, and their positions are taken into account.

Our Approach

We commit to honouring human rights and promoting a culture for this by implementing and maintaining a robust human rights risk management system for mitigating risks and negative impacts on people and communities throughout our own operations, business relationships and supply chain. What this means in particular, is specified below:

- Embedding rights-based approaches into internal policies, operational processes and business practices.
- Raising human rights awareness through trainings, e-learnings and communication campaigns.
- Implementing effective due diligence processes to identify, prevent, mitigate and, where necessary, remediate negative impacts on people affected by our business, including customers and communities. We do this on both on a regular and ad hoc basis, i.e. for new product development or entry into new sourcing markets, particularly taking the specific needs of vulnerable groups into account.
- Maintaining and continuously enhancing accessible and effective grievance mechanisms open for internal and external stakeholders, including suppliers/ business partners and their workers, C&A employees, and any third parties. Human rights violations and abuses, including but not limited to inadequate labour standards, can be reported through our [Fairness Channel](#) and Customer Service channels. We are also working on developing effective factory-owned grievance mechanisms across our supply chain.
- Taking timely actions to investigate human rights complaints and, where necessary, cease, or at least mitigate adverse impacts on people. These actions will include non-judicial remedies, such as arranging corrective actions, compensation for grievances, disciplinary measures against responsible people, and imposition of sanctions on suppliers/ business partners. We also participate in selected non-judicial, external grievance channels.
- Keeping track of the implementation and results of the remedy measures, as well as communicating how impacts are addressed in the long-term. With a view to prevent negative human rights impacts from reoccurring, we will regularly update relevant corrective measures in both our policies and in practice.
- Details concerning our risk analysis results, implementation strategy and concrete measures, such as learnings from assessments and capacity building programmes, are regularly published according to applicable laws, as well as in our Sustainability Reports, where we report on the progress of implementation.

- Respecting the right to defend human rights, we do not retaliate or tolerate any form of retaliation against anyone who, in good faith, raises human rights concerns or helps the investigation into human rights complaints. We expect our suppliers and business partners to follow this same principle.

Our Focus

Through continuous risk analysis we aim to prioritise salient human rights areas, where risks are most severe and likely to occur in our own operations, with our business partners and in our supply chain. To this end, based on the human rights risks currently identified, we give particular attention to the human rights outlined below.

Children's Rights

- We do not tolerate child labour and will ensure that children below 16 years old are not employed, with the exception of apprenticeship or vocational training programmes. We shall follow the minimum age standards of international conventions, or national laws and industry standards when these are higher.
- If we identify child labour, we will ensure children do not end up worse off after the violation has been addressed, and instead receive education and support. Young workers should not conduct hazardous work and must receive adequate and specific instructions, as well as vocational training.
- Referring to the above, we expect our suppliers/ business partners to follow the same principles.
- We will take further steps to protect children's rights in our own operations, including identifying the impact of our employment practices on the rights of children of our own employees, providing safe, child-friendly products and store environments.
- We will ensure that children can freely express their own point of view, always putting their interest first when featuring them in our marketing practices. We will pay particular attention to potential, unintended negative impacts of our marketing towards children.

Forced Labour and Labour Exploitation

- We prohibit all forms of forced or compulsory labour, including bonded, imprisoned labour, indentured labour, trafficked labour, and any other form of involuntary labour. All work must be conducted on a voluntary basis, and never be under threat of any penalty, sanction, or political coercion.
- When working with contractors and recruitment agencies, we will pay particular attention to ensure that no recruitment fees are paid, and employees keep control over their own identity papers.
- We do not tolerate any other forms of labour exploitation which leads to devastating impacts, be it physically, mentally or financially. Employees must be engaged based on a legally recognised employment relationship, provided with a safe working and – where applicable – living environment free of health hazards, and offered fair remuneration and resting time.
- Referring to the above, we expect our suppliers/ business partners to follow the same principles.

Freedom of Association and Collective Bargaining

- We reaffirm our support for our employees' and workers' right to freedom of association and collective bargaining.
- We respect the right to form or join a workers' association of one's own choosing as permitted by local laws without any interference or restrictions. In good faith, we commit to engage in collective bargaining and negotiations regarding terms of employment with representatives of our employees.
- Referring to the above, we expect our suppliers and business partners to do the same, enabling alternative means for social dialogue between workers and when local laws have restrictions on forming or joining workers' associations or collective bargaining.

Health and Safety

- Working in a safe environment protected against risks to one's health is a fundamental right. We take appropriate measures to prevent all kinds of occupational illness, injury, and accidents and promote a healthy work climate. We expect our suppliers/ business partners to follow this same principle.
- When there is an imminent and severe risk to their health and safety, we will put our employees 'off-the-job'. We affirm workers' right to walk off the job due to danger of injury caused by urgent safety hazards.
- We are committed to taking adequate steps to ensure the creation of a safe and hygienic work environment, including providing access to sanitary facilities, and regular health, and safety trainings for our employees and workers.
- We put customers' health and safety front and centre, and ensure that the goods and services we provide meet all agreed and legally required standards for consumer health and safety.

Working Hours and Wages

- We respect the right to rest and leisure, including reasonable working hours up to 48 hours per week, statutory holidays with pay, and at least one day off per week.
- We will ensure that all our employees are paid for sick leave and parental leave in accordance with national labour law, continuously striving for improvement.
- Overtime should only be allowed as an exception to meet short term business demands, with the limit of 60 hours per week, and always within the limits permitted by national legislation or collective agreements. We will respect our employees' 'right to disconnect'¹ to enable a healthy work-life balance.
- We expect our suppliers/ business partners to follow the same principles.
- We aim to provide our employees and workers with adequate wages, meaning these should at a minimum meet the basic needs of individuals and their dependents and allow for a discretionary income to lead a modest, but decent life. As part of our 2028 Strategy for Equity, Inclusion and Human Rights, we have pledged to identify and address wage gaps of our employees. For our supply and business partners, we are engaged in several initiatives, including those with ACT, to achieve adequate wages for workers.
- We acknowledge that our own purchasing practices can play a key role in enabling our suppliers/ business partners to plan their production, avoid regular overtime work, and ensure payment to workers. We are committed to assessing and mitigating these risks to avoid contributing to excessive working hours for the workers of our suppliers and business partners.

¹ The 'right to disconnect' refers to a worker's right to be able to disengage from work and refrain from engaging in work-related electronic communications, such as emails or other messages, during non-work hours (EurWORK).

Respectful Treatment, Freedom from Harassment and Abuse

All employees and workers should be treated with respect and dignity. We are committed to providing a safe environment for all, free from violence and harassment.

- Unacceptable behaviours include but are not limited to any forms of intimidation, written or graphic harassment, economic harassment, work-related harassment, gestural harassment, physical attacks, and implicit or explicit verbal harassment leading to physical, psychological, sexual or economic harm.
- We acknowledge that abusive behaviour can occur in a broad range of work-related situations, including those outside of the workplace. These situations can take place in resting and sanitary spaces, during work-related trips, in work-related communication facilitated by communication technologies, in accommodation provided by the employer and on work-related transportation. Harassment and abuse can explicitly be directed at persons because of their gender, or affecting persons of a particular gender disproportionately, which often involves sexual harassment.
- We will take adequate steps to prevent this behaviour from occurring by identifying risks and hazards, including those of a psycho-sociological nature, and providing regular information and training to our employees and management.
- We will not tolerate any form of disrespectful treatment, violence and harassment in the workplace, and we will treat reported incidents seriously and promptly investigate all allegations thereof.
- Acknowledging that violence and harassment often occurs in situations of unequal power relationships, we will take adequate steps to ensure protection from retaliation during and after the investigation. Throughout the complaint procedure, we will offer counselling to employees, including gender-responsive support for sexual harassment.
- Managers who receive (sexual) harassment complaints and our employees who become aware of (potential) instances of sexual harassment are expected to immediately report such behaviours to People & Culture (HR) representatives or through C&A grievance channels. The reports can be filed confidentially or anonymously. We also encourage workers to report suspected violations through C&A grievance channels when they do not trust the internal procedures for this at their workplace.
- We shall not include prohibition to discuss sexual harassment allegations in non-disclosure agreements signed by our employees, nor impose such limitations in any settlement terms. Forms of sexual harassment that are criminal offences under the law will be reported to the police.
- We expect our suppliers and business partners to abide by the same principles.

Equity, Inclusion and Freedom from Discrimination

- We consider equal treatment of all employees and workers as interpreted by the core ILO Conventions a fundamental principle.
- We recruit, hire, place, train, compensate and advance people only based on their performance, skills, experience, and the position requirements.
- We do not tolerate any forms of direct or indirect discrimination based on age, disability, gender identity, sexual orientation, ethnicity, race, nationality, religion, socio-economic background, pregnancy, marital or family status, union membership or any other dimension of identity and its intersections. We support affirmative action to ensure equal opportunity as stipulated by the law.

- We commit to regularly evaluating equity in outcomes for employees of all backgrounds and identities at C&A. We will use qualitative and quantitative data collection methods, guided by the rights-based approach and where legally permissible.
- We are committed to pay equity between people of all genders and across all identities. We will measure and take actions to close pay gaps for women and underrepresented groups, beyond minimum equal pay compliance, and where such measures are legally permissible.
- We act with a view on fairness in process and result, taking into account the differences among our employees.
- We recognise experiences of historic marginalisation, exclusion and systemic inequities experienced by, amongst others, women and non-binary people, people belonging to racialised communities, underrepresented ethnic groups, the LGBTI+ community and people with disabilities. We will work continuously to identify and remove barriers in access to equal and fair opportunities according to the needs of our employees and to support everyone in reaching their full potential regardless of individual circumstances.
- Our commitment to equity includes designing ways to cater for the needs of people who require special assistance or workplace adjustment, such as measures or facilities for people with disabilities, religious needs or family responsibilities.
- We adhere to the same values in serving our customers. We are committed to promoting a retail environment welcoming to people of all ages and all abilities, all body types, genders and sexual orientations, all ethnicities and from all walks of life. We put inclusion at the core of our product development strategies.
- We will use responsible and inclusive marketing practices that reflect and celebrate the diversity of our customers and proactively break stereotypes.
- We expect our suppliers/ business partners to ensure freedom from discrimination in their practices.
- We commit to promoting equity in society using the leverage of our business, including through our indirect procurement and sourcing practices. This includes incentivising dedication to equity and inclusion as well as doing business with enterprises run by women and underrepresented groups.

Privacy

- We respect the privacy of, and are committed to protecting the personal data of our employees, customers, and workers of suppliers/ business partners.
- We process personal data in line with applicable privacy laws, including the European Union (EU) General Data Protection Regulation (GDPR).
- We only collect necessary personal data with legitimate purpose and provide transparent communication about this via our Data Protection Policy.

Environmental Impact

We affirm the right to a clean, healthy and sustainable environment. We recognise the intrinsic link between climate change and the human rights of present and future generations. We believe that preventing environmental degradation is vital to the respect of human rights.

Our commitments to reducing greenhouse gas emissions, sound water stewardship, safer chemicals, waste reduction and more sustainable materials are laid out in our [2028 Sustainability Strategy](#). The majority of these commitments are related to our supply chain as most of our environmental impact occurs during the sourcing of raw materials and the manufacturing of products. With a view to preventing and mitigating negative environmental impact and respecting the human right to a clean environment, we work towards:

- clear, science-based, regularly reviewed climate targets;
- reducing our greenhouse gas emissions according to our targets;
- eliminating the use of hazardous chemicals and substituting them with safer alternatives, while assessing and verifying on-site chemical and wastewater management systems and practices to prevent any harmful release into the environment;
- reducing blue water consumption; and
- focusing on sourcing more sustainable materials and collaboration in relevant multi-stakeholder initiatives.

Anti-corruption and Integrity

- We acknowledge that corruption has negative impacts on the socio-economic development and can drive human rights violations. Corruption undermines justice, democracy and rule of law.
- We act with integrity at all times and do not engage or accept any form of direct or indirect corruption, extortion or bribery.
- All our business conduct shall, at a minimum, comply with the applicable anti-bribery and anti-corruption legislation and we expect our suppliers/ business partners to comply with the applicable legislation at all times.
- We have included commitments to anti-corruption measures in our 'Code of Ethics' and 'Code of Conduct', which shall further guide us to identify and prevent any forms of corruption.

Governance and Implementation

At C&A Europe, the responsibility for implementing this policy ultimately resides with the European C&A Management Team. This responsibility includes considering potential human rights impacts related to key strategic business decisions in our own operations and supply chain, as well as the approval of strategies which are instrumental to continuously improve C&A's human rights performance. Oversight and monitoring of human rights compliance and due diligence processes is entrusted to the Human Rights Governance Council that includes responsible senior leadership.

Implementation in Own Operations:

- We have adopted [2028 Strategy for Equity, Inclusion and Human Rights](#) that guide us in achieving equity, inclusion and respecting human rights, substantiated by a multi-annual action plan.
- In our own operations, our further commitments are detailed in our 'Code of Ethics', which we continuously evolve to serve as a guideline for employees to ensure our behaviours and business conduct are in conformity with the principles of this policy.

Implementation in Business Relationships and our Supply Chain:

- In our business relationships, we seek to do business with companies that share our values and principles.
- We are committed to working with our suppliers/ business partners and other external stakeholders to prevent, avoid and address potential negative impacts on workers and local communities.
- Through our 'Code of Conduct' and its corresponding [Supporting Guidelines](#), we have defined the expectations towards our suppliers with respect to legal compliance, labour and human rights, environmental protection and ethical standards, including steps to be taken to ensure adherence. We assess production units against our Code of Conduct, identifying and remediating non-compliances. Further to that, C&A's own local teams support awareness raising, provide training and capacity building to constantly improve working conditions and address root causes of non-compliances.
- We will use our relationships with our suppliers/ business partners to urge them to take adequate steps for the protection of human rights. Only if our suppliers/ business partners are not willing to take responsibility for respecting human rights, will we reserve our right to end these relationships, taking into consideration our [commitment to a responsible exit](#) in line with respective Terms & Conditions.
- Acknowledging the inherent risks to human rights in our supply chain, we work towards addressing human rights risks and impacts across our merchandise supply chain, progressively up to the raw material stage. We continuously reflect on potential negative human rights impacts of our sourcing and [purchasing practices](#), introducing adaptations as required. Our commitments are further detailed in our [2028 Sustainability Strategy](#).

Outlook

We understand respecting human rights and caring for nature are ongoing and evolving commitments. We strive to continuously improve our performance in these areas, as well as review and extend our efforts in relation to the progress achieved and the feedback from internal and external stakeholders and affected groups to this end. Therefore, we report on our progress through transparent communication.

This human rights policy is drafted by Group People and Culture and Global Sustainability Department, approved by the C&A Management Team, marking the International Human Rights Day. We will act to uphold the letter and the spirit of the international human rights treaties and promote the dignity of all people directly and indirectly impacted by our business.

This policy will be regularly reviewed and updated at least once every five years.

Düsseldorf, December 2022

Signed by CEO on behalf of the C&A Europe Management Team

1 For C&A Europe the Code of Ethics is rolled out to the sourcing organization in Asia.