



# Corporate Responsibility in Europe

From Niche to Norm

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# MODINT.



Corporate  
Responsibility



Human  
Capital

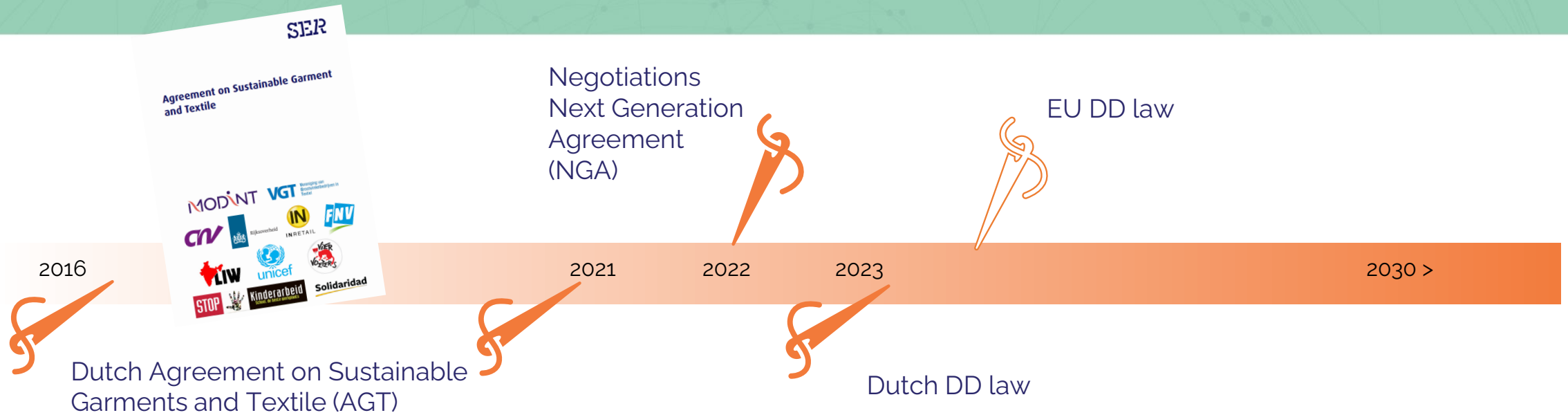


Innovation



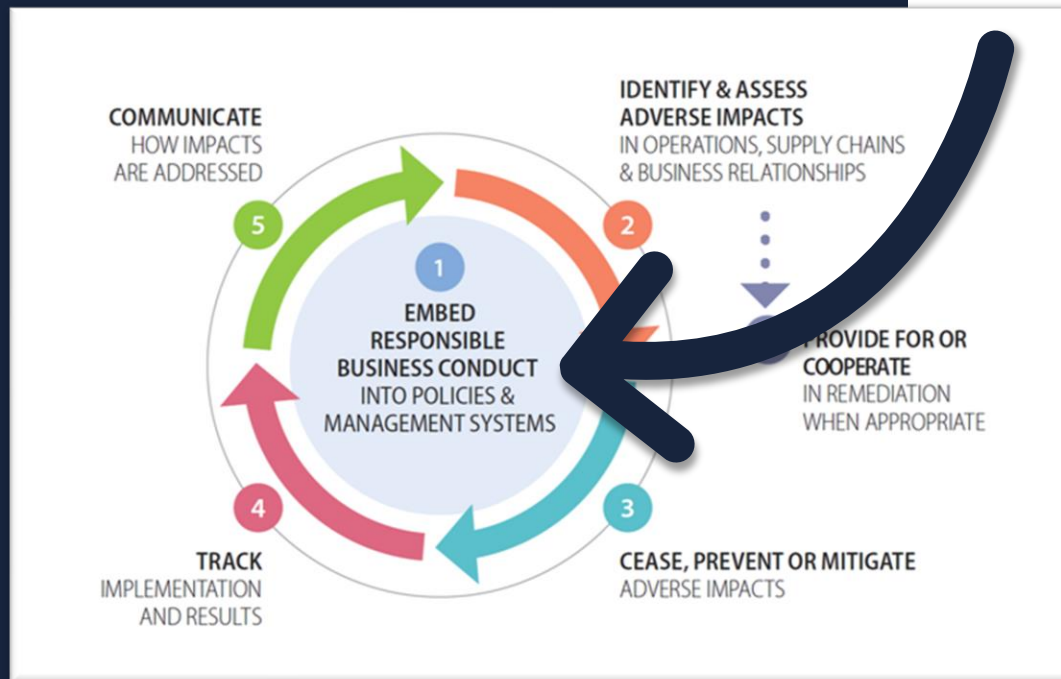
(Inter)national  
Trade

# MODINT.



A broad coalition of businesses and other organisations worked together during the term of 5.5 years to improve working conditions, prevent pollution, and promote animal welfare in production countries, implementing the due diligence expectations of the OECD Guidelines.

# 1. Embed responsible business conduct into policies and management systems



A good Responsible Business Conduct (international RBC) policy contains at least:

- An explicit endorsement of the due diligence method in accordance with the OECD guidelines;
- A set of basic principles for the risk themes for the entire production chain;
- A long-term vision regarding sustainability. It is essential for this to be endorsed by top management;
- Attention to purchasing practice, and a reference to purchasing policy.
- A position on subcontracting. See, among others, page 40 of the OECD guidance on subcontracting.

# Example: Zeeman



## CODE OF CONDUCT FOR SUPPLIERS

This Code of Conduct applies to all suppliers, companies, employers, factories and subcontractors that provide products to Zeeman Groep B.V. or its (indirect) subsidiaries (further: Zeeman). This Code of Conduct outlines the social, safety and environmental principles which Zeeman requires each party in Zeeman's supply chain to meet. Zeeman is a member of the Ethical Trading Initiative (ETI). Therefore the principles of the ETI Code of Conduct form an integral part of this Code.

The requirements as set out in this Code of Conduct are based on internationally agreed social and environmental standards, which include the [OECD Guidelines](#), the [ILO Conventions](#) and the [UN Sustainable Development Goals](#).

By signing this Code of Conduct the supplier acknowledges his/her responsibility to ensure that the companies, factories, employers, subcontractors and any other involved parties the supplier cooperates with also adhere to this Code of Conduct.

The provisions of this Code constitute minimum and not maximum standards, and this Code should not be used to prevent suppliers, companies, employers, factories or subcontractors from exceeding these standards. Parties involved applying this Code are expected to comply with national and other applicable laws and international treaties and, where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection.

Zeeman's business concept is to offer products of good quality at the best price to its customers. Quality also means that our products must be manufactured in a way that is environmentally and socially sustainable. We have a responsibility towards everyone who contributes to our success. We are therefore committed to working closely with our suppliers to achieve a long-term, sustainable social and environmental standard in the factories that manufacture Zeeman's products. This Code of Conduct clarifies and elevates the expectations we have of suppliers and factories we work with and lays down the minimum social and environmental standards we expect each factory to meet.

Our general rule is that all our suppliers and factories must, in all their activities, follow the national laws in the countries in which they operate. Should any requirements in this Code conflict with the national law in any country, the law will always be prevalent. The supplier is responsible to ensure that this Supplier Code of Conduct is implemented and adhered to by its subcontractors. It is our intention to only work with suppliers and factories that share our values and Zeeman does not wish to work with any supplier or factory that directly or indirectly through its (approved) sub-contractors violates the laws of the country where the products are manufactured or knowingly violates these standards. Zeeman will take immediate and appropriate action upon notification of such violation.

### Monitoring

This Code of Conduct is a mandatory requirement and will be subject to social audits. In order to achieve this, Zeeman expects its Suppliers to adopt an open attitude towards the monitoring activities that will be implemented. And to give all cooperation to the third party auditors to conduct audits in order to evaluate compliance with our Code of Conduct.

### Corrective Actions

Zeeman's audits aim to identify gaps between the requirements in this Code of Conduct and the actual practices and conditions in the factory. The factory will be given the opportunity to propose and implement a corrective

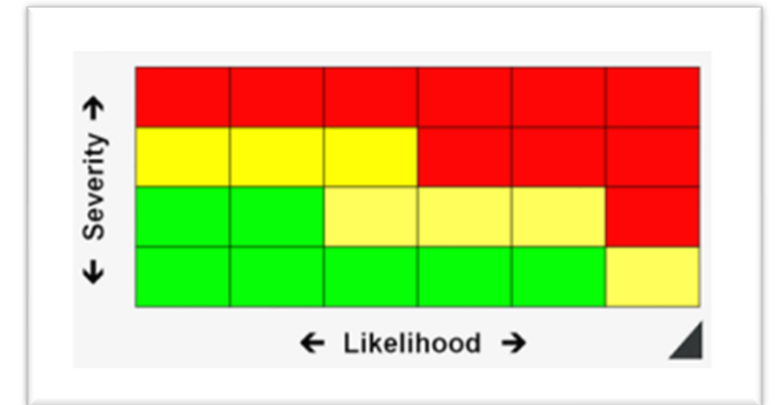
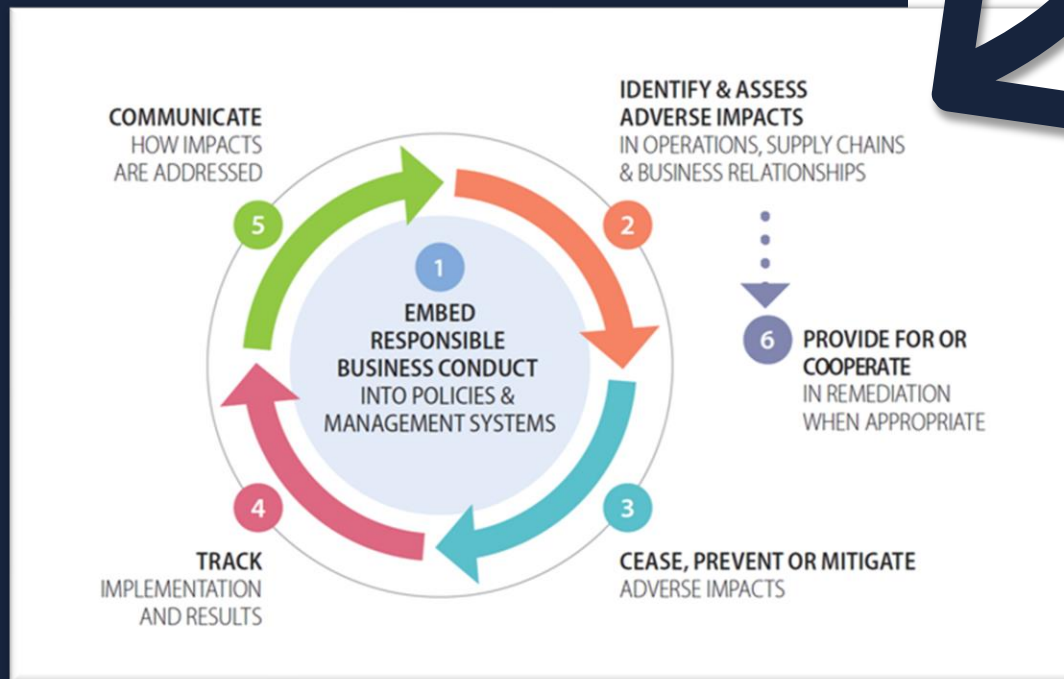
1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practiced
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed
10. Protection of the environment
11. Animal welfare
12. Ethical business behaviour
13. Product conformity



## 2. identify and assess adverse impacts in operations, supply chains and business relationships

Insight into the supply chain, risk analysis and prioritization of risks & impacts.

Consultation with stakeholders





# Tool: DD tool

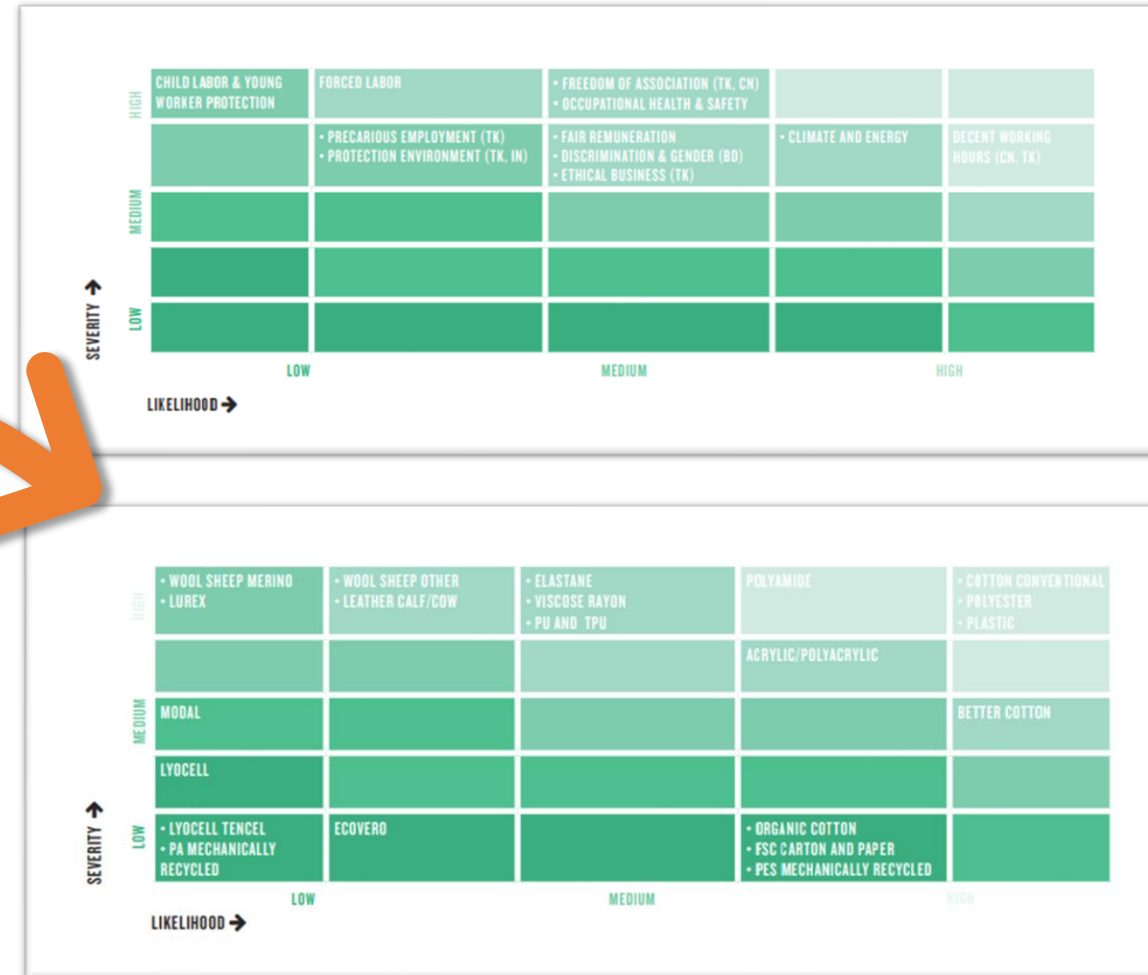
Risks per Country

Country	Region	Discrimination & gender	Child labour per country	Forced labour	Freedom of association	Living wage	Water, energy & chemicals	Animal welfare	
		Global gender gap	Child labour per country	Estimated prevalence of modern slavery per country	Country index: Violations of Trade Union rights	Country rank: income, inequality	Minimum vs. living wage	Country ranking: environmental issues	Animal welfare and protection country score
		Score 1 (equality) - 153 (inequality)	% child labour	Country rank 167 (best) - 1 (worst)	Asstiquale: violations / 5 - no guarantee of rights	1 (best) 157 (worst)	0 100%	1 (best) 180 (worst)	A (best) G (worst)
Bangladesh	Asia	50	0%	92	5	113	38%	162	no data
Bulgaria	Europe	49	no data	78	3	42	no data	41	no data
Cambodia	Asia	89	13%	9	5	111	53%	139	no data
China	Asia	106	*	111*	5	57	22%	120	E
Colombia	Centre. America	22	4%	113	5	68	no data	50	D
Czech Republic	Europe	78	no data	108	2	26	no data	20	no data
Egypt	Africa	134	5%	63	5	114	no data	94	F
Ethiopia	Africa	82	49%	52	4	136	no data	134	F
Greece	Europe	84		27	5	41	no data	25	no data
Guatemala	Centr. America	113	12%	106	5	117	74%	149	no data
India	Asia	112	45*	53	5	129	22%	168	no data
Indonesia	Asia	85	*	74	5	98	37%	116	E
Italy	Europe	76	no data	122	1	25	no data	2	C
Moldova	Europe	23	*	65	2	92	no data	82	no data
Monocco	Africa	143	*	121	3	121	35%	100	F
Myanmar	Asia	114	8%	18	4	98	no data	179	F
North Macedonia (FY)	Europe	70	7%	25	3	103	no data	43	no data
Pakistan	Asia	151	13%	8	5	128	36%	142	E
Poland	Europe	40	no data	100	3	13	no data	37	C
Portugal	Europe	35	0	120	2	27	no data	27	no data
Romania	Europe	55	no data	81	4	61	no data	32	D
Sri Lanka	Asia	102	*	130	4	94	14%	109	no data
The Netherlands	Europe	38	no data	143	1	21	no data	11	A
Tunisia	Africa	124	2%	126	4	48	16%	71	no data
Turkey	Europe	130	*	48	5	87	50%	99	D
Ukraine	Europe	59	2%	49	5	28	no data	60	E
Vietnam	Asia	87	13%	77	4	77	27%	141	F

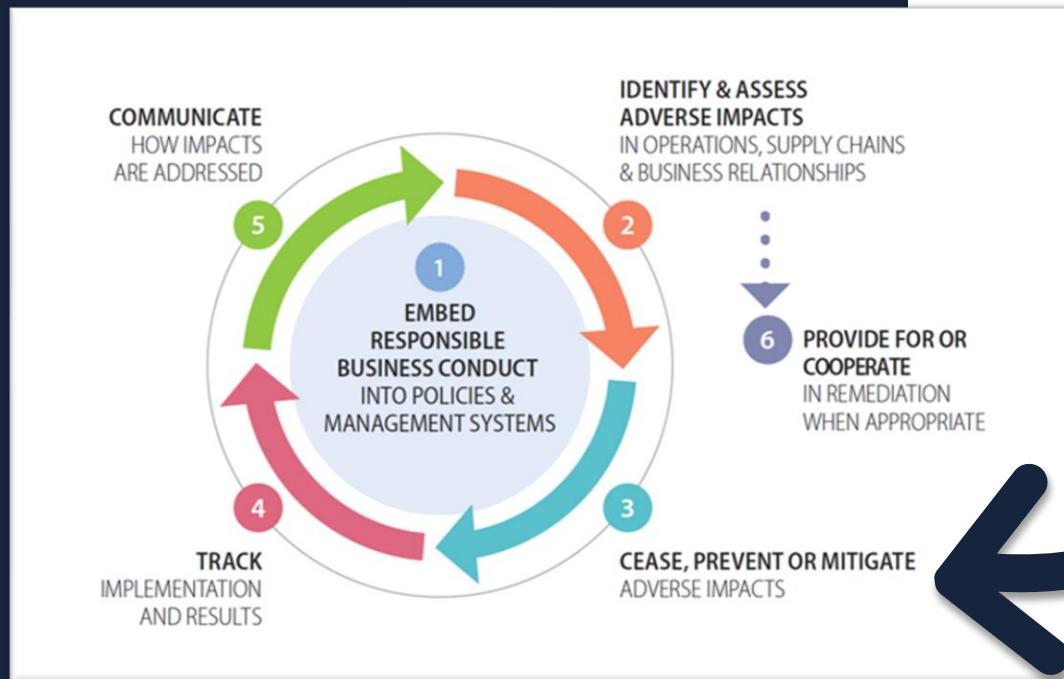
low
medium
high
very high

Disclaimer:  
The data for the indicator has been taken from the source as linked in the header.  
\* Perceived higher risk or risk

# Example: America Today



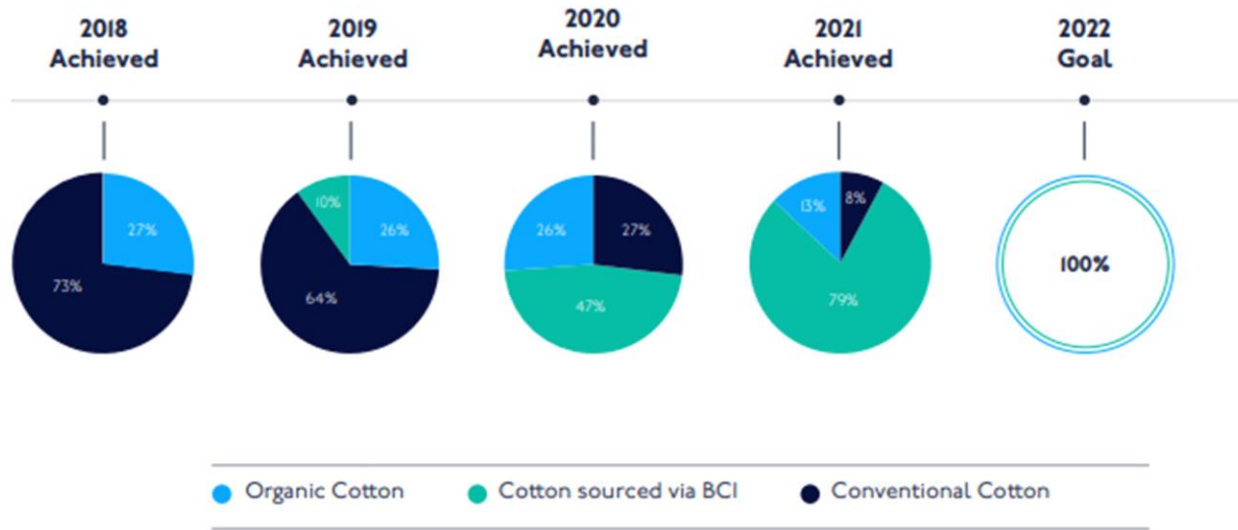
### 3. cease, prevent or mitigate adverse impacts



- SMART goal setting (Specific, Measurable, Achievable, Relevant, and Time-Bound)
- Prioritised



# Example: O'Neill



At O'Neill Europe, we develop products and select materials for longterm and safe usage. To ensure that the quality of our products meets our expectations, and that products comply with applicable laws, several quality tests are conducted at both internal and external accredited laboratories.

Our suppliers are committed to following O'Neill Europe's quality standards and requirements as well as the Restricted Substances List.

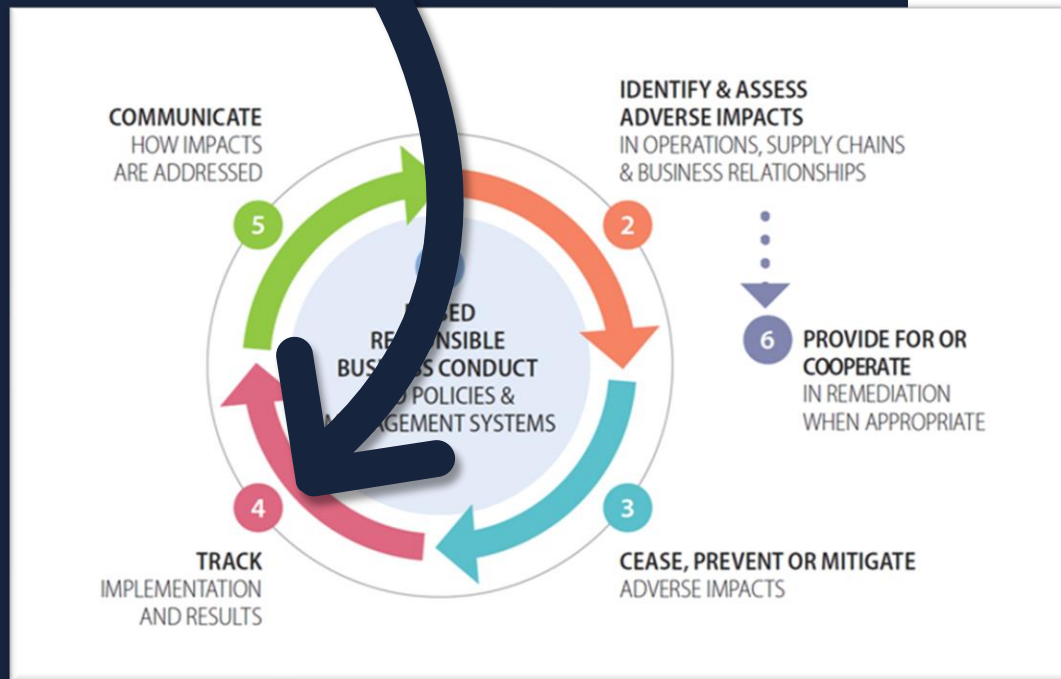
We conduct a risk analysis based on product category, material, treatment, production market and the supplier's past performance into consideration. These products are tested at third party accredited laboratories







## 4. track implementation and results

CR long term improvement plan:

- Verification
- Monitoring

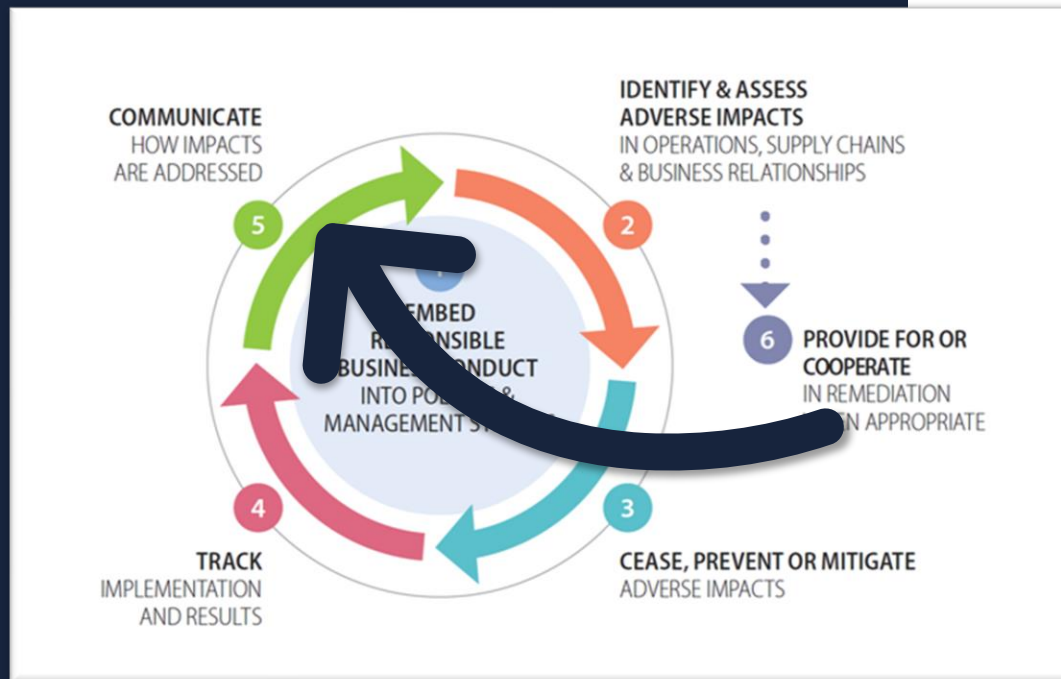


# Example: We

ACHIEVEMENTS AND GOALS		2019	2020	GOAL 2025
 <b>IMPROVING THE SUPPLY CHAIN</b>	Our goal is that 70% of the products will come from factories where working conditions qualify as "good" by 2025. We will continue to work with the remaining factories to action the identified improvement areas.	44%	63%	70%
	Our goal is that 50% of the products will come from factories that pay the local living wage by 2025.	18%	3%	50%
	We only accept products from factories that are free from child labour, discrimination and gender issues.	96%	97%	100%
 <b>MAKING BETTER PRODUCTS</b>	Our goal is to use 100% more sustainable cotton by 2021.	63%	97%	100%
	Our goal is to use only 100% animal-friendly materials by 2025.	25%	33%	100%
	Our goal is that 50% of the products will be dyed and washed with clean techniques by 2025.	1,4%	0,4%	50%
 <b>IMPROVING OUR WAY OF WORKING</b>	Our goal is that 20% of the materials used will be made from recycled fibers by 2025.	0.1%	1,4%	20%
	Our goal is to maintain that at least 1 in 3 management positions are filled by a woman by 2025.	41%	38%	33%
	Our goal is that 100% of our B2C packaging will be made from sustainable materials by 2025.	15%	38%	100%
	Our goal is that 50% of the non-commercial articles will be a sustainable option by 2025.	6%	19%	50%
	Our goal is that waste from the head office and stores will be reduced by 30% by 2025.	-	-10%	-30%
 <b>GIVING BACK TO SOCIETY</b>	Our goal is that CO <sub>2</sub> emissions from the head office and stores will be reduced by 30% by 2025.	-	Measurements not finished	-30%
	Our goal is that 100% of product waste will be donated to charities by 2025.	96%	96%	100%



## 5. communicate how impacts are addressed



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# Example: Hunkemöller



## CAPACITY BUILDING

Factories producing for Hunkemöller are recommended to join BSCI workshops. In 2020, eight representatives attended amfori BSCI trainings from five of our factories on the following topics:

- Getting started with amfori BSCI
- Ethical business behaviour
- Introduction to social management systems
- Introduction to amfori BEPI
- Building safety and fire safety

## GRIEVANCE MECHANISM

We receive grievances through our stakeholder engagements. It's also possible for stakeholders to raise grievances regarding the implementation of Hunkemöller's ethical policy across the supply chain via our customer service and/ or our sustainability team.

All grievances will be dealt with in a timely manner, and all investigations and findings will be reported transparently.

To ensure effective implementation, the grievance procedure is reviewed annually. In 2020 we received one (we also had an additional grievance from 2019) grievance through our stakeholder engagements:

## GRIEVANCES

### HEALTH & SAFETY

The complainant(s) alleged that aisles and exits of the ground floor storage area of the six-storey building were obstructed. The complainant(s) expressed concern about the fire safety of the building (Bangladesh Accord).

### UNION BUSTING

Termination of workers related to the union.  
(Federation of Garment Workers Myanmar (FGWM)).

## STATUS

Grievance from 2019. An unannounced inspection took place and the factory was provided with a corrective action plan. The factory quickly provided pictorial evidence of successful remediation. To ensure no further issues, factory management designated a person to monitor and ensure all safety requirements were met. In addition, the factory was also additionally inspected by Hunkemöller after the allegation and all safety requirements were met. End 2020 the grievance was fully closed off after an additional follow up inspection.

After meetings with the supplier and union due to repeated breaches of our policies and Code of Conduct and management disregarding the attempts to discuss the situation, our supplier decided to stop production in the factory (a subcontractor).

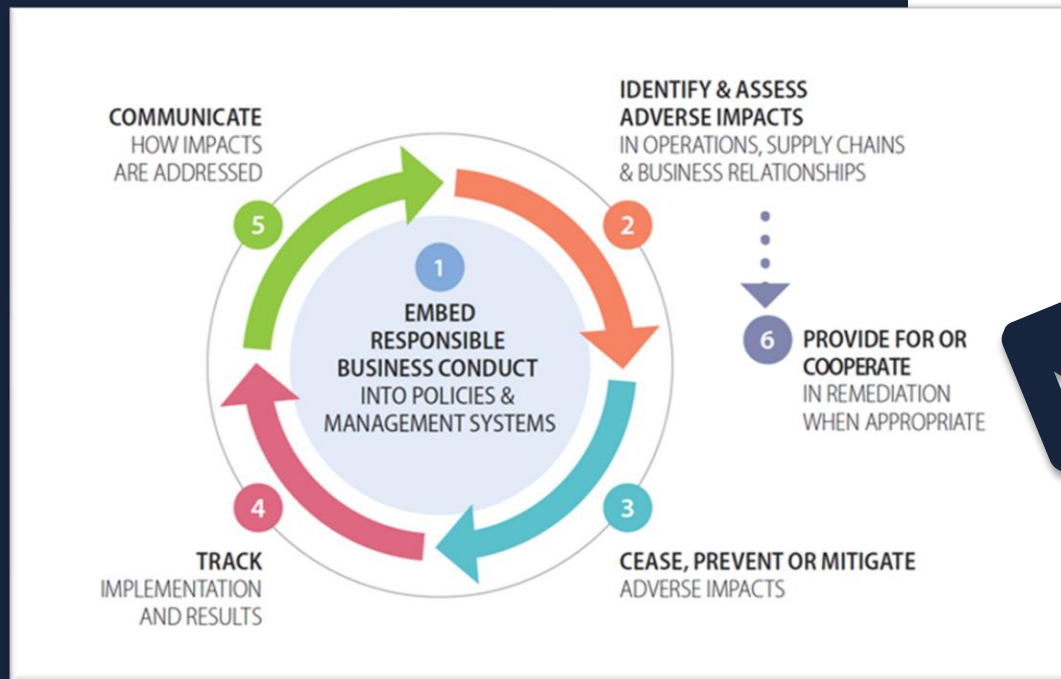
The CSR team also reached out to other brands sourcing from the factory and the union to discuss possible support to resolve the situation.





## 6. provide for or cooperate in remediation when appropriate

Remediation is the process of providing remedy. Remedies can take various forms including apologies, provisions to ensure the harm cannot recur, restitution or rehabilitation, financial or non-financial compensation, or punitive sanctions (whether criminal or administrative)





# Crucial: Grievance mechanism

**FAIR WEAR** Do you have **QUESTIONS** about your salary, working hours or any of these other issues?

Click to upload logo

- 1 Employment is freely chosen
- 2 Freedom of association and the right to collective bargaining
- 3 No discrimination in employment
- 4 No exploitation of child labour
- 5 Payment of a living wage
- 6 Reasonable hours of work
- 7 Safe and healthy working conditions
- 8 A legally binding employment relationship

If you want more information, or feel you have not been treated correctly:

- 1 Talk to your supervisor, if possible
- 2 Talk to your representative if there is a worker committee
- 3 Get advice from your union or from a charity

If these don't work, you can email [Fair Wear](mailto:complaints@fairwear.org):

[@ complaints@fairwear.org](mailto:complaints@fairwear.org)

Fair Wear will always treat your complaint confidentially. If you wish to file a complaint, we will investigate the issue. If possible, we will help you to solve the issue you have raised. Fair Wear is an independent, nonprofit organisation. You can learn more at [www.fairwear.org](http://www.fairwear.org)

Access to Remedy at work refers to the principle that when rights are violated, there should be a channel through which workers or their representatives can raise the issue and find solutions. Governments should take the lead in ensuring access to remedy for human rights abuses as a consequence of business practise. According to the Guiding Principles, as part of their duty to protect against business-related human rights abuse, [governments] must take appropriate steps to ensure, through judicial, administrative, legislative or other appropriate means, that when such abuses occur within their territory and/or jurisdiction those affected have access to effective remedy.<sup>1</sup>



# MODINT.



AGT: 5 years sectoral agreement

- Trust between business and NGO's
- Business prepared for upcoming legislation
- Collective approach for complex issues
- Impact