

## The COVID Fashion Commitments: A Framework for Building Back Better

## How to use this table:

This table is designed to assist you in evaluating your ethical sourcing approach in the wake of the COVID Fashion Commitments - and prepare for return to the Ethical Fashion Survey in 2021. The table is divided into sections reflecting actions which:

- Should have already been addressed through the early stages of the COVID-19 pandemic (and as the crisis continues) to ensure the immediate needs of workers are addressed, and;

- Should be considered in the current climate as a follow-on from actions already undertaken, to strengthen overall CSR strategies for workers and the environment moving forward.

The first step is to ensure the points in '**Key Actions through COVID-19'** have been covered sufficiently. Once these are addressed, refer to the '**Actions To Build Back Better**' to further improve and future-proof your response in each of the 6 Commitment areas. These actions are designed to link your actions and learnings from COVID-19 with the ongoing, long-term priorities of the Ethical Fashion Survey. To complete an internal company self-evaluation, use the '**Discussion Points**' to analyse your company response to COVID and identify areas that require immediate or long-term improvement.

The 'Key Tools & Resources' are also numbered for your benefit to correspond to actions in the 'Build Back Better' column.

Commitment Area	Key Actions through COVID-19	Actions to Build Back Better	Discussion Points	Key Tools & Resources
	Essential areas to address/further prioritise throughout the COVID period.	Where to go from here, and how this area will be assessed in the 2021 Ethical Fashion Report.	Some questions you can use to kick-start your own internal review.	Online resources to help you improve your work in this area.
1. Support workers' wages by honouring supplier commitments	<ul> <li>Facilitate open dialogue and active partnerships with suppliers to ensure supplier cashflow is sufficient to maintain worker wages</li> <li>Continue making payments for in-progress and complete orders</li> <li>Place worker interests at the forefront of decision- making processes regarding payment and costing negotiations.</li> </ul>	<ul> <li>Assess financial stressors and labour capacity with suppliers on an ongoing basis (1).</li> <li>Review and refine responsible purchasing practices policies in line with learnings from the COVID-19 crisis (2,3).</li> <li>Commit to the payment of living wages through your supply chain and develop a living wage roadmap (4,5).</li> </ul>	<ul> <li>In what ways did our existing policies/procedures facilitate or hinder the payment of workers' wages through this crisis? What were the key sticking points for us and our suppliers?</li> <li>How did we communicate with our suppliers through this time? Were communications and negotiations two-way?</li> <li>What opportunities do we have to use our leverage as buyers to advocate for worker wellbeing? What do we need to adjust to make best use of that leverage?</li> </ul>	<ol> <li>Brand-Supplier <u>Conversation Framework</u>, Fair Wear</li> <li>Guide for Buying <u>Responsibly</u>, ETI</li> <li>Labour Minute Costing <u>Calculators</u>, Fair Wear</li> <li>Anker Methodology, Global Living Wage Coalition</li> <li>Action, Collaboration, Transformation (ACT)</li> </ol>
2. Identify and support the workers at greatest risk	<ul> <li>Conduct a risk assessment of your supply chain to identify the workers at greatest risk in the COVID- 19 climate (1). Consider multiple dimensions of risk such as: financial, labour rights, health &amp; safety, wages, governance etc.</li> <li>Recognise the dynamic nature of risks in this current COVID climate.</li> </ul>	<ul> <li>Continue tracing your supply chain all the way to raw materials, so that risk can be more accurately assessed.</li> <li>Ensure that you have appropriate processes in place to track and monitor the use of subcontractors.</li> <li>Engage with your suppliers and their communities to prevent and detect child and forced labour (2).</li> </ul>	<ul> <li>Where are the gaps in our supply chain mapping, and what are the barriers to reaching full traceability?</li> <li>What areas of risk were we able to assess well through COVID-19, and what areas were lacking information?</li> <li>Have we identified any cases of child or forced labour? If so, what were the circumstances that allowed those to occur? If</li> </ul>	<ol> <li><u>COVID-19: How to take</u> <u>advantage of the due</u> <u>diligence framework to</u> <u>manage the crisis</u>, Business &amp; Human Rights + Semilla</li> <li><u>Combating Forced Labour</u>: <u>A Handbook for Employers</u> <u>and Businesses</u>, ILO</li> <li><u>Modern Slavery Act</u>: <u>Information for reporting</u> <u>entities about the impacts</u> <u>of coronavirus</u>, Dept. of Home Affairs</li> </ol>

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	<ul> <li>Put in place measures to mitigate/address the identified risks.</li> <li>Evaluate measures to ensure they are meeting desired outcomes for workers.</li> </ul>	• Ensure that you have met all requirements for reporting under the Australian Modern Slavery Act (2018) (3).	not, could there be blind spots in our systems to identify such cases?	
3. Listen to the voices and experience of workers	<ul> <li>Operate effective, well- functioning and accessible grievance mechanisms for workers in the supply chain.</li> <li>Engage with local independent unions/worker representation groups and advocate alongside workers to resolve disputes in their best interest.</li> <li>Ensure that grievances are actioned appropriately and remediated fully through corrective action plans.</li> </ul>	<ul> <li>Identify areas in your supply chain where worker voice mechanisms are not yet available, and work to roll out appropriate programs. Refer to the effectiveness criteria set out in the Principle 31 of the UN Guiding Principles (1).</li> <li>Evaluate the functioning of mechanisms employed and work to improve their accessibility for all workers in the supply chain (2).</li> <li>For suppliers who do not have active worker unions/worker representation groups present, communicate your preference and support for these to be available (3).</li> <li>Ensure that workers are appropriately trained on their rights to freedom of association and how to use grievance mechanisms.</li> </ul>	<ul> <li>Is the grievance mechanism being fully utilised? Low reporting doesn't necessarily indicate no issues. Consider whether language, fear of retribution, lack of training, or physical accessibility are barriers for engagement.</li> <li>Similarly, are there barriers preventing workers from engaging with unions? Where there are legal or other barriers to union involvement, how can we facilitate hearing from workers in other ways (e.g. grievance mechanisms, worker surveys, off-site worker interviews)</li> <li>Are there common issues being reported through grievance channels? If so, how do we remediate these issues through our processes, rather than just on a case-by-case basis?</li> </ul>	<ol> <li><u>Guiding Principles on</u> <u>Business and Human</u> <u>Rights</u>, United Nations</li> <li><u>Effective Operational-Level</u> <u>Grievance Mechanisms</u>, International Commission of Jurists</li> <li><u>Q&amp;As on Business and</u> <u>Freedom of Association</u>, ILO</li> </ol>

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4. Ensure workers' rights and safety are respected	<ul> <li>Clearly communicate expectations and guidance for worker health and safety in supply chain facilities.</li> <li>Monitor supplier standards on a regular basis. Where formal social auditing has become unavailable during COVID-19, implement alternative measures to maintain visibility.</li> <li>Work towards improving standards from your current baseline to further advance worker rights and safety at your suppliers.</li> <li>Continue to monitor the risks presented by the COVID crisis and implement/monitor applicable standards accordingly.</li> </ul>	<ul> <li>Commit to strong supplier relationships that include: clear and consistent communication, investment in rights and safety training, and firm commitments to ongoing business.</li> <li>Implement social auditing (including unannounced audits), either through trained, internal staff or certified third parties.</li> <li>Improve social auditing systems through innovative and collaborative solutions. For example, use of data sharing platforms.</li> </ul>	<ul> <li>Did our normal monitoring systems allow us to maintain visibility or did they fall down during the challenges of COVID-19? What additional measures can we implement to maintain visibility in between audit cycles?</li> <li>Did we directly communicate our expectations surrounding labour rights and health and safety precautions with our suppliers during COVID?</li> <li>If so, how did we follow-up/monitor to make sure suppliers were following these standards? What were the barriers to doing so, and how can we innovate to overcome these?</li> </ul>	<ol> <li>Effective Infection Control Practices and Policies for Operating Apparel and Textile Factories, Worker Rights Consortium and Maquiladora Health &amp; Safety Support Network</li> <li>Organising the factory for safer and more efficient operations, ILO</li> <li>Solutions for building resilient supply chains and protecting workers during COVID-19 disruption, Sedex</li> </ol>
5. Collaborate with others to protect vulnerable workers	<ul> <li>Continue to actively engage with meaningful collaborations through your existing industry partnerships, multi- stakeholder initiatives, NGOs, and other identified platforms.</li> <li>Build broad relationships with new partners to further strengthen your CSR/sustainability programs and support your vulnerable supply chain workers.</li> </ul>	<ul> <li>Consider any action points which would be best addressed or strengthened by joining an established initiative.</li> <li>Determine if there are any collaborations that address these issues, and begin discussions and action together.</li> <li>Initiate and facilitate discussions with industry peers to share experiences and identify solutions to common challenges.</li> </ul>	<ul> <li>Which areas of supply chain management do we struggle to address on our own?</li> <li>What opportunities exist for us to address these in collaboration? Consider existing contacts and networks</li> <li>How have we worked with others to maximise our impact in addressing COVID-specific concerns for garment workers?</li> </ul>	Multi Stakeholder Initiatives (MSIs) are beneficial to industry collaboration. Strong MSIs include <u>Fair Labor Association</u> , <u>Business Social Compliance</u> <u>Initiative</u> ( <u>BSCI</u> ), <u>ACT</u> , <u>Sustainable</u> <u>Apparel Coalition</u> . Another example of industry collaboration is when multiple brands work together to implement worker wellbeing programs and/or resolve CAPs in shared facilities.

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6. Build back better for workers and the world	<ul> <li>Ensure that your identified social and environmental strategies for 'building back better' are upheld in keeping with their set timelines.</li> <li>Continue to monitor for significant gaps or weaknesses in your supply chain CSR/sustainability programs that may evolve as a result of COVID, and implement strategies to address these accordingly.</li> <li>Radically consider how to best utilise this disruption to contribute to social and environmental good through your business practice (1,2).</li> </ul>	<ul> <li>Assess human and financial resources available in the business and consider which of the above points are feasible to prioritise in the immediate future.</li> <li>For those that are not immediately possible, develop a strategy to incorporate these into business plans for the years ahead.</li> <li>Conduct comprehensive environmental assessments of the supply chain and the product life cycle, and identify solutions to reduce impact (3).</li> <li>Commit to an aggregated target of 30% GHG emissions reductions by 2030, and develop a decarbonisation pathway (4).</li> <li>Consider a pathway towards circularity, through conscious design, consumer education and implementation of a take- back or repair program (5).</li> </ul>	<ul> <li>What areas of our overall business model and practice proved to be unsustainable in a period of crisis?</li> <li>What areas of our corporate social responsibility strategy were we able to continue throughout COVID, and which areas lapsed?</li> <li>What were the barriers to the continuation of those areas that have lapsed, and how do we address those?</li> <li>How can we put in place systems to support continuous review and improvement cycles in our supply chain management strategy?</li> </ul>	<ol> <li><u>Time for Change: How to</u> <u>use the crisis to make</u> <u>fashion sourcing more agile</u> <u>and sustainable</u>, McKinsey <u>&amp; Company</u></li> <li><u>Rebuilding a More</u> <u>Sustainable Fashion</u> <u>Industry After COVID-19</u>, <u>BCG, SAC, Higg Co.</u></li> <li><u>Preferred Fibre and</u> <u>Materials Market Report</u>, <u>Textile Exchange</u></li> <li><u>UN Fashion Industry</u> <u>Charter for Climate Action</u></li> <li><u>Circular Action Tools</u>, Global Fashion Agenda</li> </ol>