

Criteria for communication by companies

Starting the third year after joining the Agreement on Sustainable Garments and Textile, companies commit to public communication. This document lays out the general and specific, substantive points that need to be addressed.

Part A – General principles

1. The topics of communication relating to sustainability efforts can be **broader** than just dealing with the company's actions in the context of the Agreement. This is because the Agreement is not the only initiative that is focused on responsible business conduct in the sector.
2. The communication has no prescribed format, because it is part of the company's policy. The Steering Committee has determined the subjects that companies should communicate about, but not how they should do this. Companies therefore have ample room to ensure that the manner in which they communicate about their sustainability efforts is in line with their usual way of communicating with their customers, consumers and other relations. The AGT Secretariat is however developing a helpful format that everyone can use.
3. From the AGT website, a link will take visitors to the company's communication about sustainability on their company site. If the communication is not online or if the company does not have a website at all, the communication will be made accessible via a downloadable pdf version on the AGT site.
4. Companies have agreed to publish their communication **no later than the second quarter of the 3rd year after becoming a party to the Agreement**. This means that companies which signed in 2016 (before 1 January 2017) must publish no later than Q2 2019; companies which signed in 2017 (before 1 January 2018) must publish no later than Q2 2020, and so on. The first publication will be followed by an annual update.
5. The information shared should be up-to-date, clear, relevant, accurate, and user-friendly and, as far as possible, communicated in understandable language.

Part B – Specific, substantive points that need to be communicated

The information to be shared publicly should comply with the requirements set out in the 2017 OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector. The essence of this is that companies should communicate publicly on the following points (while respecting the confidentiality of personal and commercial information and competition issues):

1. Company's policy in the area of responsible business conduct

Companies must also communicate about any other 'declaration of values' they support and any other initiative that they participate in, for example, as a result of participation in a sectoral initiative, a multi-stakeholder initiative or a cooperative agreement with trade unions.

2. How companies apply and safeguard due diligence in their company

Due diligence is not a one-off, but rather an ongoing process. Therefore, carrying out due diligence properly requires constant attention from management. In their communication, companies must therefore also show how it influences the day-to-day work at their company, for example in their decision-making process and their information management systems.

3. The biggest risks that arise in the company's operational management and value chain

This concerns the risk of human rights violations, of causing environmental damage and of insufficient animal welfare.

In this context, companies explain how they assess these risks and which risks they will tackle first. In doing this, they must not only explain the process, but also name the specific risks and set out why they represent serious risks for their company.

4. The elements of the company's action plan aimed at preventing or reducing any negative impact in their business operations and supply chain.

In this part of the communication, companies describe as precisely as possible how they are going to deal with the most serious risks that they are going to tackle first.

5. The system that companies use to provide access to redress and compensation in their own company's business operations and supply chain

This concerns the question of how they deal with excesses and incidents, and how they give redress to those who have suffered damage or are victims of such excesses or incidents.

6. Which stakeholders (such as trade unions, NGOs and the government) companies involve in conducting their due diligence and how they involve them**7. Whether companies are cooperating in and with a multi-stakeholder initiative for the purpose of cooperation in the conduct of due diligence**

Please note: There may be legitimate reasons not to disclose information, including the potential risk that stakeholders and/or employees of the company and/or suppliers (producers) may be exposed to violations of their rights. This is also the case for the disclosure of personal data. Commercial confidentiality can also be a reason for not disclosing information.

Part C – Recommendations by Parties

Many companies have already been communicating about sustainability for some time. This includes companies that have signed up to the Agreement. Examples are (in alphabetical order) C&A, G-Star and Zeeman. But other companies also communicate on the subject, such as H&M, Marks & Spencer and Nudie Jeans. Such reports can be inspirational. It is therefore recommended to look at how such larger companies have given shape and content to their communication.

Parties to the Agreement further recommend that participating companies, as far as possible, make the following information publicly accessible / publish it on their website:

1. A list of their immediate suppliers (manufacturers).
Publication of a list of their own direct suppliers (manufacturers) in accordance with the requirements of the Transparency Pledge is regarded as good practice.
2. The findings relating to the circumstances at their suppliers (manufacturers).
The more specific the communication about the most serious risks of negative impacts (as described under 8 above), the stronger it is. The publication of results or a summary of audit reports, for example, provides more insight into the actual state of affairs in companies' own supply chains.
3. The improvement plans relating to their suppliers (manufacturers).
The sharing of information about the state of affairs at suppliers (manufacturers) can be supplemented by the sharing of information about the plans and activities undertaken by the company itself to improve the situation at the supplier(s) concerned. In the context of participation in the Agreement, this may also concern involvement in collective projects and activities.
4. Complaints received and the manner in which they are dealt with.
Building on the information provided about the system used to provide access to redress and compensation, a company can also provide more specific information about complaints received, actions taken to deal with them, and the results of those actions.

Please note: *The information shared / published must not pose a danger, in any way whatsoever, to stakeholders and/or personnel involved. Nor should it interfere with legitimate requirements of commercial confidentiality.*

Annex 1

Existing initiatives within and outside the garment and textile sector, in the areas of sustainability, communication and transparency:

Fair Wear Foundation -Performance Checks & Member Reports

<https://www.fairwear.org/resources/?type=brand-performance-checks>

<https://www.fairwear.org/resources/?type=member-reports>

Made-By - Mode Tracker – Transparency Cube

http://www.made-by.org/wp-content/uploads/2015/12/MODE-Tracker_Cubes-In-Detail.pdf

Rank a Brand –

<https://www.rankabrand.org/home/How-we-work>

Transparency Pledge –

<https://www.hrw.org/news/2017/04/20/more-brands-should-reveal-where-their-clothes-are-made>

Fashion Transparency Index –

<https://www.fashionrevolution.org/about/transparency/>

Bangladesh Accord –

<http://bangladeshaccord.org/factories/list-factories/>

Transparency Benchmark –

<https://www.transparantiebenchmark.nl/en/about-transparency-benchmark>

Global Reporting Initiative (GRI) –

<https://www.globalreporting.org/standards/gri-standards-download-center/>