

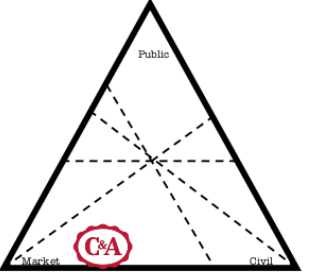


# Driving C&A to the next ICR level

## Company info

- Founded in 1841
- Headquarters in Belgium and Germany
- Family-owned enterprise
- About 42,00 employees worldwide
- Over 1,800 stores worldwide
- Present in 21 countries worldwide
- Active in apparel industry

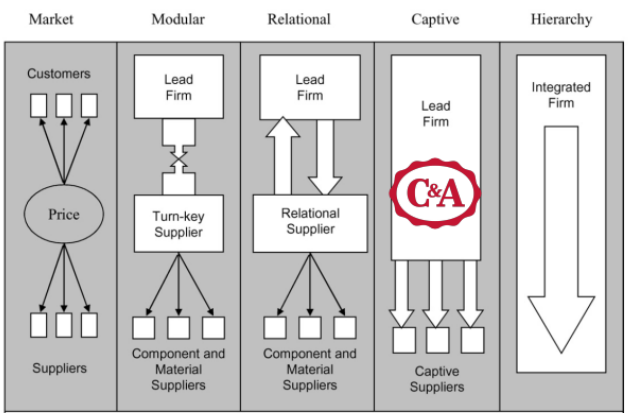
## Societal triangulation



C&A is a family-owned MNE (for-profit) which places them in the market sector. As the family holds the majority of the shares in the company, they are placed a bit in the civil society direction (C&A, n.d.; van Tulder, 2018a).

The challenge of higher transparency involves all actors in the triangulation and requires partnerships at level 2 and 3.

## Value chain governance



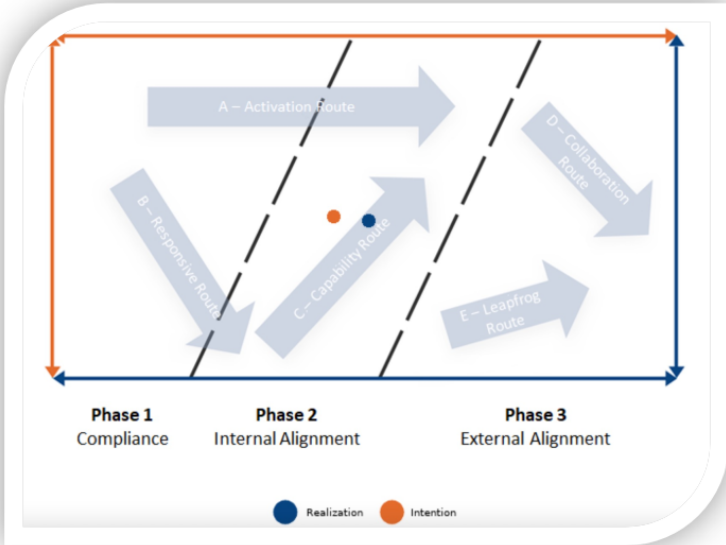
## Trigger events

1. Collapse of Rana Plaza building in Bangladesh (industry-level)
2. Supplier problems in Myanmar (company-level)
3. UN Alliance for Sustainable Fashion (industry-level)

## Mission statement

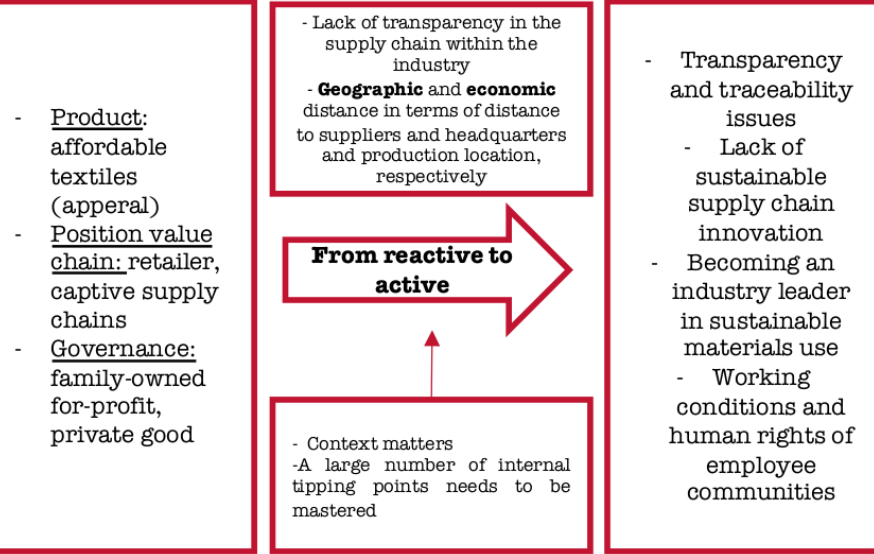
*"We at C&A continue to adapt and apply our historical values to our work in a globalized world." (C&A, n.d.)*

## Intention-realization gap (routes)



As a group, the Better Business Scan (2019) was done to help map both the intended and realized ICR position of the company. Interestingly, both of them find themselves on the Capability route, however, C&A is doing better than intended, as can be seen from the figure. To bridge the small gap, the challenge is to transform to a more active business model.

## C&A in an analytical model



## 2028 Sustainability Strategy

Unite & Inspire	Renew & Restore	Innovate & Lead
Enable customers to make sustainable choices by increasing transparency around our products and business	Act on clear, regularly reviewed climate change targets	Act as an industry leader in increasing the use of sustainable materials
Continually improve the health and mental wellbeing of our employees	Continually improve and secure safe chemicals throughout our supply chain	Innovate and connect circularity principles to our business and products
Continually improve the wellbeing of workers and workers' rights in our supply chain	Continually pursue zero waste to landfill or incineration	Pursue the elimination of plastic pollution
Collaborate on impactful industry initiatives to achieve our sustainability commitments	Reduce blue water consumption in manufacturing process	
Act to strengthen positive impact on the communities where we operate	Protect animal welfare throughout our supply chain	

## Avoid doing harm (route B): context matters

C&A extensively reports on their sustainable practices within the supply chain and released **supplier information publicly**. However, responsible consumers might take a look at those reports, but can not trace back the origin of their clothing (e.g. materials used, production process, labour conditions, etc.) when making purchase decisions. In 2018, C&A introduced a **traceability pilot** (C&A, 2020) with the use of blockchain, but has not yet incorporated this in the industry. As C&A operates in a **dispersed supply chain**, tracing back the origin of the product becomes extremely hard. Much effort needs to be taken within the entire supply chain of C&A and its subsidiaries to monitor this. In **developing countries and at local farms**, less information might be available and understanding these practices in foreign countries is crucial. This means that C&A Global needs to address the issues at a domestic level via its subsidiaries, who need to be in **close contact with their suppliers** to ensure full traceability and monitoring. **Strategic leadership** is needed to align the value of traceability with the entire supply chain of C&A to ensure that full transparency based on multi-level information can be accomplished.

## Doing good (route C): a large number of internal tipping points needs to be mastered

C&A is aware of the **transparency issues** in the supply chain and extensively reports their efforts on improving them in their sustainability reports (C&A, 2020). By rating the suppliers from A to E with A being the highest, and their first guiding principle is the transparency. C&A has internally aligned transparency as stakeholder pressure from **NGOs** increased (Human Rights Watch, 2017.). As can be seen from the intention-realization figure, C&A is currently **stuck in the middle**. This showcases a reactive approach towards the issue and in order to become more active, C&A needs to **master different tipping points**. By becoming more transparent, the company risks disclosing **competitive advantage** information to competitors (Pivot International, 2020). Also, even though transparency leads to more sustainable supply chains if managed well, the company might face **reputation risks** if reports show failure of supply chain improvements in terms of sustainable production processes, leading to risks of financial performance. Though, it also serves as a powerful tool to **promote for corporate accountability and trust**. Therefore, C&A should address the issues in the supply chain carefully while continue reporting on improvements.

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