



A Journey of Stanley Stella Towards Sustainability

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**stanley
stella**





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LETTER OF TRANSMITTAL

18th April, 2017

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Subject: Submission of Internship Report on “A Journey of Stanley Stella Towards Sustainability”

Dear Sir,

I am pleased to submit hereby the Internship report of “**A Journey of Stanley Stella Towards Sustainability**” for your kind evaluation. To prepare this report, I have given my best effort that would enhance the project report.

This report attempts to describe my observations, learning during the study this course. I made sincere efforts to study related materials, documents, interview related people and operational systems of Stanley Stella and examined relevant records for preparation of the Internship paper as comprehensive and informative as possible within the time allowed for me. Due to various there may be some mistakes for which I request your apology.

I would be glad if you accept the term paper and requesting to consider limitations with a soft view that had made due to my limitations and oblige thereby.

Thanking you for your Kind Supervision,

With Regards,

Md. Aminur Rahman
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Supervisor's Certificate

This is to certify that the internship report on “**A Journey of Stanley Stella Towards Sustainability**” is an original work by Md. Aminur Rahman, ID No- 14364069; major in HRM, MBA Program, BRAC University. He accomplished this Internship Report under my supervision. So, he is directed to present this report for the partial requirement of the fulfillment of MBA program from BRAC Business School at BRAC University. The report has been prepared under my direction and I wish him every success in his future life.

.....
Md. Tamzidul Islam
Assistant Professor & Internship Coordinator
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Student's Declaration

I do hereby declare that the work presented in this internship report titled “**A Journey of Stanley Stella Towards Sustainability**” is an original work done by me under the supervision of Md. Tamzidul Islam, Assistant Professor & Internship Coordinator, BRAC Business School, BRAC University.

No part of this report has been previously submitted for any academic certificate or Degree. The work I have presented also does not breach any existing copyright and any portion of this report is not copied from any work done by anyone.

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ACKNOWLEDGEMENT

The theoretical knowledge that is gathered from the Educational institution is not sufficient to aware the subject matter rather the practical knowledge. In order to resolve the dichotomy between these two areas, I was assigned to prepare a report on “**A Journey of Stanley Stella Towards Sustainability**”

I, Md. Aminur Rahman, first of all, would like to express my gratitude to almighty Allah for keeping me mentally and physically sound to prepare this report. I would also like to express my heartiest gratitude & thanks to those people, because without their dedication and contribution this project would not have been possible and would not get the successful compellation.

I would like to take the opportunity to express my gratitude to my Internship advisor, Md. Tamzidul Islam Assistant Professor & Internship Coordinator, BRAC Business School for his valuable suggestion constant encouragement and keen interest at every stage of this study, without her supervision that would have been extremely difficult to accomplish.

This study is the outcome of a research work done for the internship report while working in Stanley Stella. I am thankful to my organizational supervisor Geert de Wael, Sourcing Sustainability & Quality manager, for giving me knowledge so that I can gain information about my research. I am also thankful to all the people who helped me by giving me information for my report.

I am also thankful to those websites (people behind it) that indirectly helped us to find fruitful information.

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Executive Summary

Stanley & Stella S.A has Started its journey in 2012 with the belief that the business should be done respecting human and nature. Sustainability is about acting according to your beliefs. About treating your workforce and every living being around you with the respect they deserve. About preserving and managing your immediate environment in a way that means it can continue to flourish for generations to come. Thus, they chose organic product so that less impact falls into environment. Became member of Fair Wear Foundation and build their own sustainability team to look over Social, Structural and Environmental factors. In 2014, along with FWF, Stanley Stella introduced Anti-Harassment program to factories who are working for Stanley Stella what is another step to ensure the good & healthy workplace environment. In 2016, Stanley Stella has been awarded “Best Practice Award” by successfully changing the workplace environment & in 2017, factories have received a certificate for establishing and successfully maintaining the Workplace Education Program from FWF, Kingdom of Netherlands & UN (Gender Based Violation wing). The Anti-Harassment committee program has already shown its impact what is approved by many recognized bodies. In the Report, an independent survey has been done to get random worker’s reaction and to measure how effective and important the committee is to the factory and based on that the judgement has been made.

Chapter-1

About Stanley Stella

1.1 Introduction:

Combining economic, social and environmental value is anchored in the definition of sustainable development as meeting “the needs of the present without compromising the ability of future generations to meet their own needs” (WCED, 1987, p.37). Business operationalizes the concept of sustainable development through putting equal importance on economic, social and environmental value creation. called ‘triple bottom line’ value creation. The common business cases for operationalizing sustainable development are the increase of sales, cost savings, pre-empting regulation, long-term competitiveness, staff satisfaction, and increased customer retention or reputation. Economic success must be achieved through “environmental or social activity” as opposed to existing in parallel to such activities. Firms find it easiest to operationalize sustainable development from an efficiency perspective (Dyllick and Hockerts, 2002). The efficiency of current use of resources must significantly increase to reduce the loss of environmental and social value. In resolution of Bangladesh Social & Environmental sustainability is a Must. Soon after Rana Plaza incident, everyone has received the wake-up call loud changes began to happen.

In terms of the working environment, Bangladeshi garment industries are facing great challenges at present. Fire accidents are common in garment factories. In addition to that, recent building collapses pose a great threat to its future. More than thousands of workers died due to these hazards. Many foreign buyers already decided not to have a further purchase deal with Bangladesh due to its fire and safety issues. Moreover, the workers receive the lowest wages of the world that makes them unsatisfied and causes often clashes and violence during protests low wages.

The garment industry has become the backbone of the economy of Bangladesh. About three million people are involved with garment and textile industries. It is essential to promote sustainability in this large industrial sector. When the world garment market and companies are focusing on environment friendly products, the Bangladeshi garment and textile industries are far beyond of it and it poses a risk of losing the world market. Processing raw cotton into fabric is an important part of textile process which needs to approve eco-textile process criteria. The cotton processing contributes a large amount of effluent and waste water. Unfortunately, most of the

waste water is discharged into a nearby water body or river through the drainage system. Besides, solid wastes and sludges are also discharged into nearby land or a surface water body. Thus, these industries pose a serious threat to the environment as well as to the surrounding ecosystem. This study suggests an eco-dyeing process and efficient textile effluent handling. Introducing cleaner production promotes textile industries towards sustainability.

1.2 Methodology of the Study

The report is based on both primary and secondary data. But maximum data used in this report are collected from secondary sources. Thus, the report is basically qualitative in nature. However, primary data is also used depending on the requirement.

Sources of Data Collection:

Primary Data:

The primary data were collected on the basis of:

- Work Experience method was followed, as I am the Responsible person for CSR/Sustainability.
- Group discussion with internal and external peers.

Secondary Data:

The Secondary data were collected on the basis of:

- Stanley Stella S.A. web page.
- Interned thorough search and picking up related valuable information.
- News reports and journals.

1.3 Stanley Stella Company Profile:

Stanley and Stella are the names of two characters out of the 1950's film classic "A Streetcar Named Desire ". Stella, gentle and sweet, her seductive husband Stanley –played by the young Marlon Brando – a rough character in a sweaty T-shirt. The two film characters inspired the creation of a new Belgian fashion brand that was brought to life in January 2012 by Jean Chabert, CEO, Stanley & Stella.

One scene in the film is particularly symptomatic: Stanley rips his soaking wet T-shirt off his body, puts on a new one and immediately looks immaculate again. So, the T-shirt becomes a rebellious fashion symbol. "Stanley and Stella stand for courage, individuality and uncontrollable emotion. Inspired by this zest for life we have launched the brand 'Stanley & Stella'," reports Audrey Bacherius, Communication Manager at "Stanley & Stella".

The new brand, that was founded in Belgium and which was officially launched at the PSI Show, is however much more than a reminiscence of two film heroes: It comprises of a fashionable collection of individually customizable garments and the appropriate printing service. "We wanted to develop something completely different. Something that the promotional products market isn't familiar with in this form, but indeed something it needs.

"More than 25 years ago, I started to print my own t-shirts for my friends, university colleagues and whoever wanted to buy them. I was already driven by the will to build something, a company, a brand... Step by step my small student enterprise became bigger and bigger. I was full of ideas and imagination. I started my own company, created a few brands and never stopped challenging ideas, visions and perspectives since then.

A few years ago, still excited by the textile industry, my envy to push boundaries and the will to bring something new on the textile market, I decided to launch a brand that would take a different approach. For me that meant contemporary quality clothes made with respect, for people, nature, and environment. That meant a brand with a new way of thinking and producing. Stanley and Stella was born in 2012.

Stanley and Stella is ready and proud to take on the responsibility of facing up the challenge to change the textile's industry long established behaviors.

I know it will take time to change these, but we can and we will.”

- Jean Chabert, founder of Stanley & Stella

Every day on the field, close to the market:

Our collection is available today through a network of dealers that are following our standards of quality, ethics, and values. Today, our aim is to build the first European official dealer network to offer you the service and the quality that befits our standards. In order to offer you the best, we are constantly listening to advice and paying attention to what’s happening around us and to the latest trends. Today, we are proud to say that more than 710 retailers are trusting us. In 2015 we sold 5,5 million pieces all over Europe and even more a bit further. Let’s continue the adventure together! Pursuing together the same goal.

The Dream Team:

Clothes are made for people and...by people. Stanley and Stella is a team composed of people working for the same project. More than a brand, Stanley & Stella is a joint adventure that brings people together around the same goal. We have been working on this exciting project since 2012 and we now have more than 50 people who every day are developing new ways of producing and working with textile fibres and fabrics to bring them to you.

With our headquarters in Belgium, a liaison office in Bangladesh and customers all over Europe, we know what being international and dealing with cultural differences means! We are producing clothes that will live with your stories. Your clothes have a power. They define your style, the way you feel, the way you walk, the way you dance,... the better and more comfortable you are in your clothes, the more confident you will feel. That’s the pure effect of natural materials being in direct contact with your skin. Adding a nice cut which will beautify you and, the cherry on the cake, you can wear it with pride! You’re ready to live the best stories of your life!

There is no age to be Young:

Indeed, being contemporary is a state of mind, an attitude, a lifestyle or even a mindset. It means being up-to-date with your time, while having a new and modern outlook on the world. But it means moving forward, opening new doors because we are curious. It means increasing human interconnections through networks and communities, thanks to new technologies.

Travel, explore, get inspired and use creativity in your daily life in order to distinguish yourself from others.

Being authentic means enjoying the simple and pure things of life:

It's going back to essential, while staying original and true. It's Like enjoying an evening with friends while listening to nice music and laughing together. It's a cosy evening next to your open fire with the people you love. It's also reusing old stuff and giving them a new life, in a way that none had thought about before. It's the smell of fresh bread when you enter a bakery, it's the pizzaiolo who is happy to take the pizza out of the oven. It's feeling the grass under your feet during a bright summer. it's being yourself in every occasion and never forgetting where where you come from... nature...

Sustainability:

About treating your workforce and every living being around you with the respect they deserve. About preserving and managing your immediate environment in a way that means it can continue to flourish for generations to come.

Nothing to hide:

Ethics is at the heart of a lot of discussions. Especially when it comes to textile production in Asia. We understand that and want to be transparent about it. We have proved like a few sustainable brands that it's possible to produce while respecting people, and even helping them to develop new skills and be happy and proud in their work.

Affiliation meaning real commitment:

To help us in that mission, we have decided to become members of the Fairwear Foundation. Fair Wear Foundation (FWF) is an independent, nonprofit organisation that works with companies and

factories to improve labor conditions for textile and garment workers. FWF keeps track of the improvements made by the companies it works with. And through sharing expertise, social dialogue and strengthening industrial relations, FWF increases the effectiveness of the efforts made by companies.

Chapter-2

Sustainability of Stanley Stella

2.1 Sustainability of Stanley Stella

Stanley & Stella was conceived from a belief that the textiles industry has to start acting a lot more responsibly. From raw materials to the finished product, shipping, marketing, we are sustainable. We are committed to genuine sustainability right through our supply chain, starting with raw materials where we only use organic cotton, wool, tencel, modal or recycled polyester.

By using organic cotton we drastically reduce the use of water. We allow crop rotations, and biodiversity. There's no use of GMO's and the result is also a softer cotton that you can directly feel on your skin when you wear it. By using the other fabrics we also take part in the recycling process and also take part in the preservation of the nature.

Since our beginnings, a little more than 4 years ago, we have already noticed big changes and evolution from our suppliers, but also for us and our customers, meaning ways of thinking and acting are changing in many ways. The collection of the start-ups excels because of its attractive, fashionable appearance, stylish cuts and modern flair comprising of 31 different models and 28 colours. "Our aim wasn't purely to launch a coherent, daring collection. Sustainability is also an elementary factor of our corporate philosophy.

As such we manufacture 90% of our collection from eco-friendly materials such as Tencel® – a synthetic fibre made of cellulose – and biocotton, which is produced in compliance with sustainable and ethically responsible guidelines. " Over 99% of the solvents used are recycled. Furthermore, the company tries to reduce its water consumption down to a minimum. The entire waste water is cleaned and reused. According to official sources the dyeing process is completely in line with the highest demands of the GOTS standards.

"Stanley & Stella "has drawn up a code of conduct with its suppliers in order to guarantee that the operations comply with the highest, legal, economic and ethical standards. "Our fashion should not be merely attractive, but also fair, "explained Bacherius.

A further special feature: The collection comprises of high-quality, first-class items. Bacherius: “This allows us to distinguish ourselves from our competitors. We are convinced that companies rely on consistent, durable and high-quality products, even if they are slightly more expensive. “

“Stanley & Stella “currently employ eight people. All the clothes are manufactured in Turkey and in Romania.

At Stanley & Stella, sustainability is more than a label, it’s a part of the brand DNA. At each step of the supply chain, for every decision we take, for every single new product we launch, we always try to make it as sustainable as possible. Sustainability means acting responsibly towards both environment & people to last. It’s about slow fashion honesty; our attitude and respect for nature and people. Despite the preconceived ideas about Asian outsourced productions, we guarantee the transparency and traceability of our supply chain.

We do not pretend to be perfect, but, we try to prove that producing premium quality pieces while caring about people who made them and the nature around us at the same time is possible. We always try to improve. Therefore, all our products have a traceable origin and a great story to tell.

We work with three key words in mind:

Product

People

Environment

St&St mainly does direct sourcing. We believe that is the only sustainable way of doing sourcing to guarantee transparency and traceability in our whole supply chain. We visit supplier from Belgium approximatively 6 times a year, in Asia, the monitoring is daily in Bangladesh and was monthly in Pakistan. The Sourcing & Sustainable Manager is responsible for the sourcing and take the decision regarding the selection of new supplier with the approval of the Management.

St&St is mainly working in 2 production zones:

- Asia: Bangladesh, Pakistan (Only stock there, no production anymore) and China from end of 2015 – beginning of 2016 (for new product ranges) with Indian and Bangla organic cotton.
- Europe: Portugal & Turkey with Turkish organic cotton and European linen
- We decided not producing in India for the moment because it's hard to be control if the factories follow all the requirements in term of environmental and social compliance. Indeed, most of the factories are fragmented into many small units trading under different names to avoid trade unions' controls. For example, in early 2011, Greenpeace organised a huge control in all Tamil Nadu dyeing factories: About 95% of the factories has been closed for rejecting dyeing non-treated water in the underground environment.

End of 2016, the sourcing countries split was:

- 1 % from Portugal: linen t-shirts
- 98% from Bangladesh: t-shirts, polo, knitted tops, sweatshirts
- 1% China: Jackets & Scarfs

How did you choose only some of the factories in Bangladesh?

We work mainly with Bangladesh for several reasons:

With about three-quarters of the exportations coming from textile industry, Bangladesh is the second worldwide textile exporter after China. 3 millions of Bangladeshis with 90% of women are active in the textile industry that is really well developed with a good quality through the development with more and more good machines. But most important, they are particularly specialized in knit top styles, our main product.

We have a St&St local office with 17 people who works on site. They are responsible of the production follow-up and the quality, but also, they verify the social and environmental requirements by visiting every Bangladesh factory each day of St&St production. They mainly check if there is no subcontracting, but also the social and the health & safety conditions. Our Sourcing and Sustainable Manager working in the headquarters is going minimum 6 times a year to Bangladesh to verify the controls overall.

We estimate that in Bangladesh, there are about 6000 textile factories, 4800 officially registered factories, 1200 unofficial subcontracting factories and about 800 “good” factories. After many investigations, we decided to work with 4 really high quality factories that figure within the only about 65 GOTS certified list of the country.

Our purchase prices are higher than other brands on the market, because we decided not to compromise the quality, the environmental impacts and the ethic. That’s why we choose the best and most suitable factories to produce our collections.

We don’t put too much pressure on prices with our suppliers to make them work in good social conditions and we produce premium quality products, so we decided to work with the best factories with the purpose to provide the best garments while respecting nature and people. If you buy our products dearer, it’s because we pay about 50% more than some very basic brands. A reasons for this higher price: workers in our factories have a wage 50% higher and because we use premium and eco-friendly products, raw materials and processes for the manufacture (exclusively combed ring spun organic cotton, GOTS certified dyeing stuffs and chemicals, top quality machines, efficient water treatment plants (ETP), factories located in big industrial estate and not in-between habitations)

2.1 Improving working conditions

Corporate Social Responsibility

At St&St, we only work with partners/suppliers/businesses/factories who treat their people with the respect they deserve with fair wage and satisfactory working conditions. Indeed, we have decided to collaborate with factories that agree to follow the FWF Code of Conduct, but also understand our vision of CSR. We have chosen to work with factories which have already good social condition levels and want to improve continuously to provide even better social and working conditions to workers.

In the factories, mainly women are employed and there is no child labour at all. The child labour is banned in Bangladesh for about 10 years. Unfortunately, there are still some illegal and undeclared factories that manufacture as subcontractors for big factories or agents. To assure that Stanley & Stella productions are not subcontracted, the St&St Asian team does daily onsite verifications.

In the factories we work with, people have long-term contract, which is not only the case in Bangladesh.

Wages

Stanley & Stella works with all factories in Bangladesh on open costing system base in order to:

- ✓ Understand the cost structure
- ✓ Allow the factory to make profit while paying fair wages
- ✓ Allow immediate price modification in case of cost modification (salary increase, raw material prices, product inflation).

Living wage

As a member of Fair Wear Foundation, we try to reach not only the minimum wage of the countries where we source, but the living wage.

The factories in Bangladesh pays at least Taka 5300, and wages go up to around Taka 8,400 . This is less than the Taka 25.000 demanded by the Asian Floor Wage Campaign, but it's around the BILS (Bangladesh Institute Labor Studies) living wages estimates and trade union demands presented in the FWF wage ladder.

The different living wage standards mentioned in the FWF reports are:

- ✓ Best Practice Wage 2014 average during the year in the country of operation
- ✓ Legal Minimum Wage 2014
- ✓ Estimate of living wage BILS 2013 (Bangladesh Institute of Labour Studies)
- ✓ Trade Union demand (during 2013 negotiations)
- ✓ Asia Floor Wage 2014

FWF has verified this case on the field beginning of 2015 it has been demonstrated that our main factory in Bangladesh has achieved to pay the workers over the Best Practice, over the Trade Union demand and over the average local Living Wage estimation (BILS).

Many other aspects are important in order to be able to pay a living wage, therefore good sourcing practices, and a long-term and open relationship with the suppliers is key. The challenge will be to replicate this wages achievement in other factories, even if those factories are already paying over the minimum wage. There is still a significant gap compared to the Asian Floor Wage, but the reason is simple: the gap is too big between the local law Minimum Wages and the Asian Floor Wage.

Some factories such as our supplier main factory S003 actually do much better than all the rest of the industry, but only the local political power has the power to make a real major change.

A Journey of Stanley Stella towards Sustainability

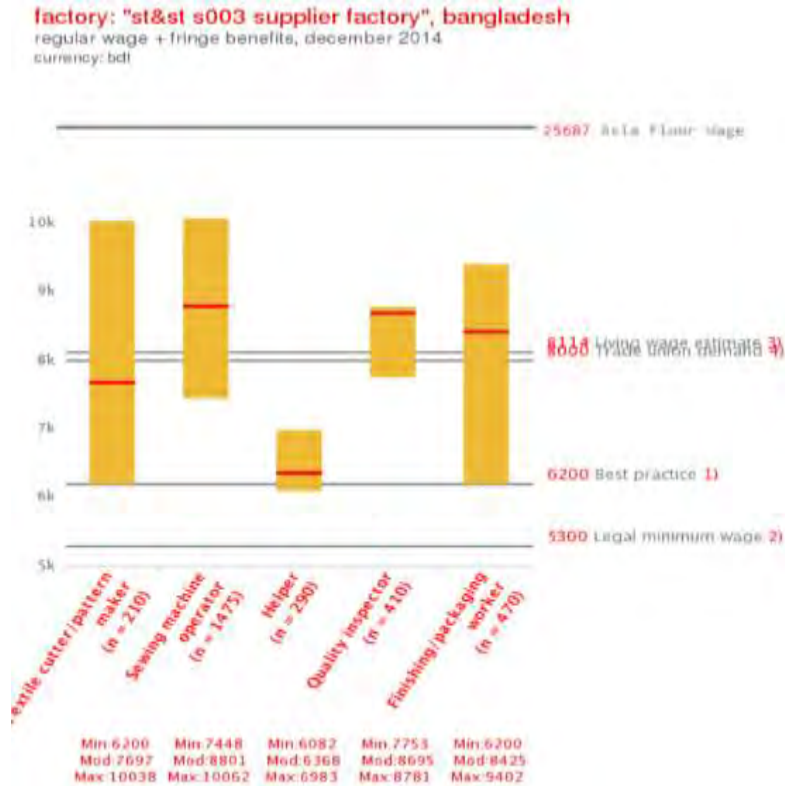


Fig. 2.1: Wage Structure of STST Supplier in respect of Bangladesh's Living wage.

Over time

Stanley & Stella productions represent only about 10% of the factory customer portfolio, we have a limited leverage and can only influence (but not control) the situation on the factories. Obviously, when we find excessive overtime, we immediately write a Corrective Action Plan or open a complain issue through the official complain procedure of FWF in order to find durable solutions with the factory.

It's important also to understand the root causes of the excessive overtime in textile factories, not only in Bangladesh, but almost worldwide. Fashion business and garments production is one of the most unpredictable, because of the impulsive buying nature of the fashion conscious consumers. Beside this fact, the competitive worldwide market forces the textile & garments factories to have the production planning almost full to be profitable. But as the orders and long term planning are

unpredictable by most of the brands, to secure the full fill, most of the factories tend to overbook their capacity with 2 possible outcomes: subcontracting and overtime. Those same factories would be much more profitable and taking less risk without overbooking their capacity, but the market situation doesn't help them to do it. Buying brands sourcing practices are not the causes of the overtime, but it influences the situation from improvement to worse depending on how they work. As previously said, our brand sourcing practices are good and doesn't require or need overtime, and we are helping the factory to reduce their general overtime situation, but we can't control it at 100% as the whole factory doesn't work for us. We have never fined or punished a factory for delay reason, we don't work with this kind of bad sourcing practices.

When a problem happens, we discuss it openly and find solutions suitable for everyone, including the workers.

Last but not least, it's very important to know that this factory doesn't make any overtime mandatory; all workers are free to leave without working overtime. Even if they can stop the work day after the 9 daily hours, most of the workers decide to stay longer to get overtime extra hours pay.

Moreover, the factory will not dismiss or punish any worker leaving early by company HR rules, which is not always the case in other factories. And the workers know that also because there not enough workers in that countryside area, so the factory will do everything to keep its workers and make them happy and motivated.

Building and safety conditions

What has been put in place to improve the working conditions in case of fire:

- ✓ Clear stairwells
- ✓ Emergency exits
- ✓ Functional Fire doors installation status
- ✓ Functional fire extinguisher
- ✓ Centralized Fire alarm system
- ✓ Fire drill and training on fire etc.

Workers' Representation/Training

Our factories already have good social standards even above the average in Bangladesh, but We can always improve social & work conditions and thanks to the support of Fair Wear Foundation, we can launch new projects in factories. In collaboration with FWF and UN Funding, we have decided to start a Workplace Education Program (WEP) for the workers. The goal of this program was to inform every level of the company (from top management to the workers about harassment and workers' rights). The conclusion was to create an Anti Harassment Committee with the aim of having happier workers working in better conditions as well as giving a better work quality in factories and better work performances.

An Anti-Harassment Committee (AHC) was put in place whose members are elected by the workers through working methods and among them a woman chairman is elected to represent and manage the AHC.

AHC members have a general meeting every 2 months to discuss about the problems they are facing to and progresses accomplished. In case of serious harassment issues, AHC members can always ask help to FWF or St&St.

In Workplace Education Program (WEP) Workers were trained to know:

their rights in workplace;

- ✓ What is allowed or not in the factory;
- ✓ How to claim their rights properly.
- ✓ Mid Level Management (floor manager) were trained to know:
- ✓ What is a behavior considered as harassment;
- ✓ How to adjust their way of managing workers.

Top Management was trained to know:

- ✓ How to face a harassment issues;
- ✓ How to receive, document and deal with complaints;
- ✓ The importance of confidentiality.

Results: AHC are effectively implemented in 4 factories (and in progress in a newly developed one). With FWF we closely monitor AHC activities and the results are very satisfactory. Indeed, all the feedbacks prove that harassment cases improved significantly in every St&St factory. And finally, the 4 Top Managements are satisfied with the results in their factories and are willing to continue this kind of social trainings and programs in the long term.

2.2 Protecting the Environment

Impact on environment

We don't pretend to be perfect, to use the perfect raw materials or the perfect eco-friendly ways to produce, but at least, we always choose the most sustainable raw material available and the eco-friendliest production processes to reduce the impact on the environment as much as possible. With raw material, for example the conventional cotton uses more insecticides and pesticides than any other crop in the world (15%-25% of the worldwide use of pesticides). The organic cotton that we buy by the spinning factories which spin the yarns for St&St comes from small producers through local cooperatives. By using organic cotton, we know that we reduce the use of water, the use of pesticides and we guarantee the nonuse of any chemicals, pesticides, herbicides and defoliant.

Stanley & Stella cotton products are all organic certified by Control Union Certifications and therefore all traceable up to the cotton field down to the last certified customer. GOTS and OCS are supply chain organic cotton standards, which cover the scope from **Post-harvesting** to final product including trading and warehousing. GOTS is a comprehensive standard, which considers chemical, social and environmental aspects including chain of custody (COC) requirements of organic products within its scope, whereas OCS considers COC requirements within the scope only. Both standards guarantee that the raw cotton is grown organically without use of chemicals, fertilizers, defoliant and herbicides. Only GOTS guarantees GMO free productions.

Both the standards accept organic fiber production certified to national or international organic farming standards, which are in IFOAM family. (EC) 834/2007, USDA National Organic Program (NOP), National Program for Organic Production (NPOP) India are some of them and social/ labor aspects are not included in most of those organic standards.

	GOTS	OCS Blended
No GMO	✓	✗
Organic Cotton Agriculture	✓	✓
Traceability Field to final client	✓	✓
Chemical Restrictions	✓	✗
Social Controls	✓	✗

Fig-2.2: GOTS & OCS check list

Moreover, our suppliers recycle their waste fabrics, generally to home textile or local industry.

Dyeing water Efficient Treatment Plant (ETP)

The dyeing factory needs to have a very good, efficient and sufficient ETP (Effluent Treatment Plant) to clear the output waters before released to the environment. Same rules for the printing during decoration process in Europe (or in the sales countries).

The whole Stanley & Stella production is Oeko-Tex100 Class II certified and REACH compliant meaning that the production dyeing stuffs and chemicals are all check to be compliant with EU regulation REACH, to be non-toxic and to be safe for workers and user’s health. Stanley & Stella brand as well as all the supplier manufacturers are audited once a year on this purpose and there are also unannounced verification tests during the year. Moreover, most of the St&St collection is

GOTS certified and GOTS is the only Organic standards that doesn't only forbid the use of chemicals at the Organic Cotton farming level, GOTS also limits the use of chemicals along the whole supply chain to make sure that the dyes, the chemicals and the printing inks used are from the GOTS Positive List, listing the less harmful products and chemicals available in the world. This Positive List of GOTS is constantly evolved thanks to a continuous improvement process.

Even the OCS certified styles are made with fabric dyed following the GOTS standard, meaning that the dyeing process doesn't damage the environment around the factories.

2.3 Certifications and Memberships

Our purpose at Stanley & Stella is to prove that we can produce good quality garments while respecting people and nature. Our factories respect the environmental standards and some of them are pioneers in their country. 100% of the production is made in the same factory to allow daily controls by the St&St team at all stages of the production chain. Subcontracting are not allowed unless agreed, known, audited and verified factories. Every single factory producing by St&St is controlled by FWF.

Stanley & Stella struggles to have a positive impact on the whole supply chain and to assure good social conditions and a fair wage (living wage) to every single person working on the St&St productions (and not only the crops or only the manufacture).

Social: Fair Wear Foundation member

Fair Wear Foundation (FWF) is an independent, non-profit organisation that works with companies and factories to improve labour conditions for garment workers.



FWF keeps track of the improvements made by the companies it works with. And through sharing expertise, social dialogue and strengthening industrial relations, FWF increases the effectiveness of the efforts made by companies.

The basis of a collaboration with FWF is to comply with the FWF Code of Labour Practices, eight labour standards based on the conventions of the International Labour Organisation (ILO) and the Universal Declaration on Human Rights:

- ✓ Employment is freely chosen
- ✓ There is no discrimination in employment
- ✓ No exploitation of child labour
- ✓ Freedom of association and the right to collective bargaining
- ✓ Payment of a living wage
- ✓ No excessive working hours
- ✓ Safe and healthy working conditions
- ✓ Legally-binding employment relationship

We have chosen to be a member of FWF since 2011, before launching the brand, for some more reasons:

- ✓ Based on ILO Code of Conduct but replace the Minimum Wage objective by a Living Wage objective
- ✓ Multi stakeholder Initiative (including unions, NGO's, activists, International Institutions in their boards)
- ✓ One of the 3 most demanding and challenging CSR organisations in the world (together with FLA and ETI)
- ✓ Deep factory audits, with 3 auditors during 2 days in the factory and in the villages around for the workers' interviews without management interference and influence
- ✓ Challenging CAP (Corrective Action Plan)
- ✓ Very challenging for the brand members, only most committed brand can remain members

- ✓ Brand's CSR performances are also verified once a year and the results are publicly published on FWF website and Brand's website (the Brand Performance Check)
- ✓ Request to publish a yearly Social Report on FWF website and Brand's website
- ✓ Continuous Improvement requested at Brand level and Factories level

Differences between FWF and others

The other CSR Initiatives are good and better than having nothing, but only the Fair Wear Foundation, Fair Labour Organisation and the Ethical Trading Initiative, can be considered, as per our experience and our knowledge as the most objective and most challenging CSR Organisations.

Audit Process

FWF verifies whether companies comply with the Code of Labour Practices, through factory audits and a complaints procedure, through management system audits at the affiliates and through extensive stakeholder consultation in production countries. FWF shares its knowledge and (local) contacts with the member companies, providing them with access to information on local legislation, labour standards and culture.

In order to gain real insight into company performance, FWF's verification system exists at three levels: FWF verifies at factory level and implements a complaints procedure in all countries where it is active to serve as a safety net. Finally, FWF also verifies at the company level to check whether companies implement the FWF Code of Labour Practices in their management systems effectively.

An audit's main goal is not to find the problems. Audits are part of a broader process aimed at fixing the problems, and collaboration is the best way to achieve solutions. FWF complaint procedure's system only applies when other options, such as factory grievance systems or local labour courts, are not fair, effective, and accessible.

All FWF complaints handlers are accessible because they are based locally, they can be reached in the time zone and on a local number. In most cases, complaints handlers are also the worker interviewer during audits, which means workers have seen them and can put a face to the name on the information sheet. They speak the local language(s) and English, allowing them to follow up

on details with workers, FWF staff, and FWF affiliates. This means better and faster follow up. Handlers are usually female representatives from labour or women's NGOs. They are able to communicate with workers in a way that enhances trust.

Brand commitment and Brand Performance Check

As a FWF member, we have to implement the FWF Code of Labour Practices in our supply chain. While this includes efforts to work directly with factories to improve conditions there, it also means developing internal management systems to better support good workplace conditions. FWF annually visits our headquarters and the factories we are working with to verify our systems and their effectiveness.

FWF audits our progress in upholding our FWF obligations. During these brand performance checks (formerly: Management System Audits), FWF staff reviews company documentation and databases, interviews staff, and, where possible, tests company systems. Using this information, FWF staff assesses the extent of meaningful improvements to internal systems and the results and achievements of these systems. Recommendations and requirements for improvement are also provided and can assist companies in shaping their compliance plans for the coming year. FWF publishes the outcomes of the brand performance checks, so stakeholders and the public can keep track of how the company is doing. FWF approaches the implementation of the Code of Labour Practices as a step-by-step process. The brand performance check focuses on a limited number of aspects of the management system, so we can improve these first.

GOTS

Global Organic Textile Standard (GOTS) is recognised as the world's leading processing standard for textiles made from organic fibres. It defines high-level environmental criteria along the entire organic textiles supply chain, including restricting the use of chemical substances and requiring compliance with social criteria.

We chose to be GOTS certified because it's the only certification label for organic cotton that includes not only the use of organic cotton and the traceability through the process, but also strict



restrictions in the use of chemicals for dyeing, finishing and printing, the water treatment and a severe control of the social conditions all along the supply chain.

Overall, the GOTS label certifies that:

- ✓ The organic cotton is grown without chemicals (pesticides, herbicides and insecticides) and the cotton seed are GMO free
- ✓ No use of GMO
- ✓ The organic cotton farmers receive an organic premium crop price
- ✓ The traceability is guaranteed through the whole supply chain from the cotton field to the last certified customer warehouse
- ✓ The social conditions respect the local laws of the production country and the ILO Code Of Conducts for every step of the production
- ✓ The dyeing stuffs, the chemical treatments and printing used in the production and transformation processes are certified by the GOTS Positive List (even it's on OCS100 or OCS Blended products).



OCS 100/OCS Blended

This certification checks the grown of the organic cotton without chemicals, pesticides, herbicides or defoliants. Like GOTS certification, the traceability is guaranteed through the process from the ginning to the final valid certified organisation.

OCS Blended applies to all goods that contain a mix of organic cotton and any other material. The OCS 100 tracks the purchase, handling and use of 100% certified organic cotton fibres in yarns,

fabrics and finished goods through the use of transaction certificates for factories that don't yet comply to the GOTS specific criteria standard, for the St&St production).

Oeko-Tex (Confidence in Textiles)



OEKO-TEX Standard 100 Class II is a globally uniform testing and certification system for raw materials used in textiles, intermediate and end products, at all stages of production. This certification covers multiple human-ecological attributes, including harmful substances which are prohibited or regulated by law, chemicals which are known to be harmful to health, but are not officially forbidden, and parameters which are included as a precautionary measure to safeguard health. Textile products may be certified according to OEKO-TEX. Standard 100 only if all components meet the required criteria without exception. The Class II is specific for garments having a direct contact with the skin.

Reach Compliance

REACH is the European Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals. The main aims of REACH are to ensure a high level of protection of human health and the environment from the risks that can be posed by chemicals, the promotion of alternative test methods, the free circulation of substances on the internal EU market and enhancing competitiveness and innovation through strict use of permitted substances. REACH Compliance is mandatory of all kind of product on the EU market.

RSL - Restricted Substance List (Canopy)

Canopy is an award winning environmental not-for-profit organization dedicated to protecting the world's forests, species and climate. Canopy works to protect the world's forests, species and climate by collaborating with business and the public to help create sustainable supply chains and innovative solutions to environmental challenges.

For the Modal and Tencel fibres, in June 2014 St&St decided to join – with 10 pioneer brands – the Canopy Project to protect endangered forests.

2.4 Changing Living standards with better Salaries/Wages

Today most clothing is cut and sewn by women who live in the developing world, yet most consumers have virtually no concept of what life is like for the people who make our clothes. The GARMENT WORKER DIARIES is a yearlong research project led by Microfinance Opportunities that is gathering firsthand accounts of life as a garment worker from 540 women in Bangladesh, Cambodia and India. Researchers are collecting data on what these women earn and spend each week as well as how they use cash transfers, loans, and savings to manage their meagre wages. They are also learning about the conditions in which these women work such the length of their shifts, the brands they work for, and the injuries they suffer.

Data from the project will provide us with a better understanding of how these garment workers survive on low pay and deal with problems such as chronic pain, harassment or illness. In the next pages, you will meet three of the women participating in the study. We have changed their names for confidentiality. As you read about what the garment workers earn and spend, keep in mind the following information about the minimum and living wages in each country.

Contribution towards Living wages:

Garment workers of Bangladesh receive the lowest wages of the worlds (Table 4). This is the main reason behind the low production costs that attracts the foreign buyers to trade with a cheap price. The salary of the garment workers has been increased three times since 1994. During that time the minimum salary was 930 taka (8.3 Euro) per month which was changed after a long time to 1662 taka (15 Euro) in 2006. But it was not sufficient enough to maintain living costs. Therefore the workers continued to protest against low wages. As a result, in 2010 the wage board raised the minimum wage to 3000 taka (27 Euro) per month. Although the demand of wages of the workers was 5000 taka (45 Euro) (Kakuli A. et al 2012). The most recent updated (November, 2013) minimum wage was decided 50 Euro per month. The wage board is an organization under Ministry of Labour and Employment who decides the wage scale from government's perspective. Overtime compensation and subsidies have been included to the regular wage of the workers in some

factories, but the workers do not receive it in time. In many cases, overtime hours are not recorded properly.

All the factories Stanley Stella working with are already established (financially) and they look after their workers very well. Brands are the sources of Money. If the Brands pay well, better life waits for future. But Stanley Stella doesn't consume 100% production capacity of any supplier. It varies from 10% to 35%. The price Stanley & Stella pays is good price but if all the Brands doesn't pay good price as well, then there will not be significant change yet Stanley Stella

Condition of Bangladesh with Some cases:

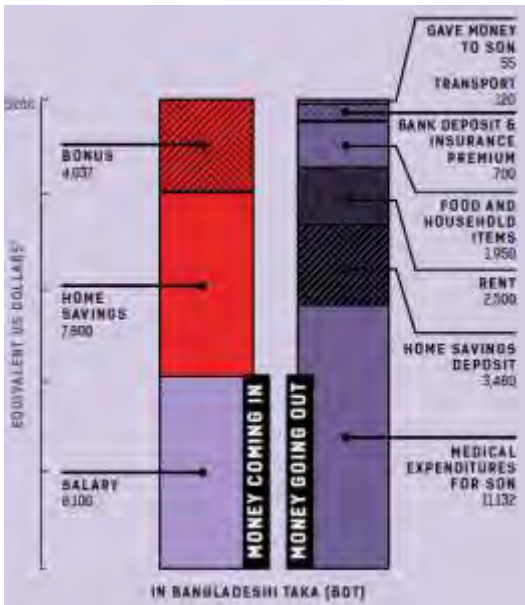
BANGLADESH			
NAME:	Rohima	AGE:	39
LIVES:	in a house in the Mirpur sub-district of Dhaka. It has no separate bathroom, kitchen or storage areas.		
FAMILY:	She lives with her 10 year old son		
SALARY:	BDT 8,100 (monthly)		

TYPICAL DAILY ROUTINE

07:00	Wake up, get dressed
07:45	Walk to work
08:00	Work for 10 hours with a 1hr break
18:00	Travel home
18.15	Cook dinner of rice and veggies with a small portion of local fish cooked in a spice-sauce
19:30	Cleaning, laundry and looking after her son
21:00	Personal care
21:30	Relax and watch tv
00:00	Muslim religious practice
01:00	Sleep

SHOPPING LIST FROM WEEK 2

PEAS
RICE
CORIANDER LEAVES
SWEET BITTER GOURD
SALT
NOODLES
VEGETABLES
SUGAR
PUFFED RICE
DEXTROSE
EGG
GREEN PEPPER
FISH



* Red areas on the graphs show where she had to dip into her savings or find extra money just to cover her essentials.

** 1 US Dollar is equal to roughly 78 taka. The prices of goods in

Bangladesh are lower than in the US, and 1 US Dollar allows you to buy \$2.75 worth of goods in Bangladesh.

FINANCIAL DIARY

WEEK 1

Rohima received her salary of 8,100 taka and immediately deposited a small amount into her savings account and paid her insurance premium. She also paid rent which was almost 1/3 of her total salary. She used some of her leftover money to buy food and medicine for her son who was sick with a stress-related illness.

WEEK 2

Rohima used some of her leftover salary to purchase food and other household items. Her son was still sick this week and she took him to the hospital for treatment. She ended up paying for a bus to transport them, medicine and a pathology test. She also gave him a little bit of spending money.

WEEK 3

Her son's illness had developed into typhoid, requiring her to make a large withdrawal from her home savings. Rohima took her son to the hospital for treatment and was not able to work in the factory in order to care for her son.

WEEK 4

Rohima went back to work this week and received a 4,037 taka bonus. She used this to purchase food and household items, and she gave a small amount to her son. She deposited the rest into her home savings.

FACTORY CONDITIONS



Fire Safety drill during Weeks 1 and 4.



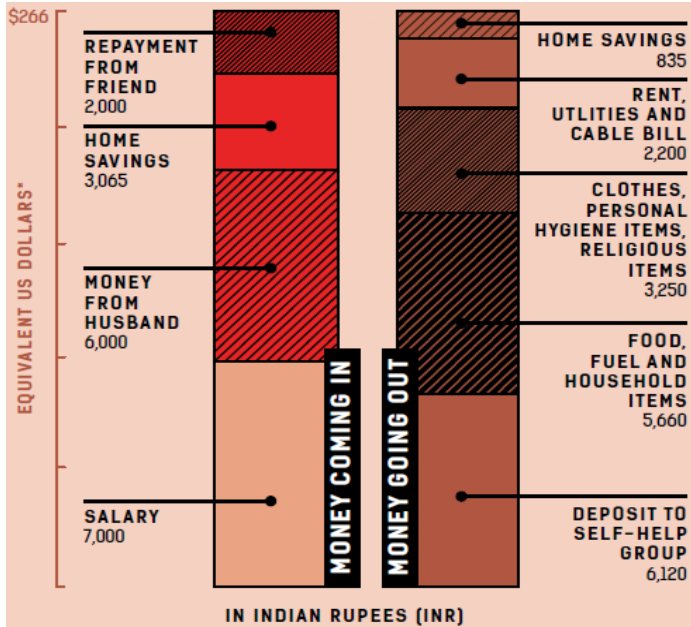
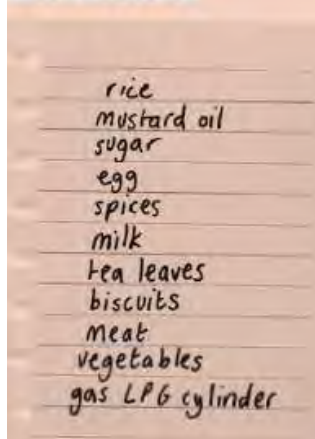
Condition of India:

INDIA			
NAME:	Anusha	AGE:	43
LIVES:	a village near Bangalore, a home her family rents, which is made of stone with a concrete roof		
FAMILY:	She lives with her husband, a labourer and their three school-going children		
SALARY:	7,000 INR (monthly)		

TYPICAL DAILY ROUTINE

06:30	Wake up
06:45	Hindu meditation
07:00	Take a factory-provided bus
08:00	Work for 8 hours with a 30 minute break
16:00	Travel home
17:00	Cook dinner of rice and veggies, with a small portion of chicken cooked in a spice-sauce
18:00	Cleaning, laundry and looking after her children
20:45	Hindu prayer
21:00	Relax and watch tv
23:30	Sleep

SHOPPING LIST FROM WEEK 2



* 1 US Dollar is equal to roughly 68 rupees. The prices of goods in India are lower than in the US, and 1 US Dollar allows you to buy \$3.82 worth of goods in India.

FINANCIAL DIARY

WEEK 1

Anusha received her 7,000 rupee salary and used it to pay rent and her cable bill. She also purchased food, clothing, and some religious items for her Hindu religious practices. She also made a deposit into her self-help savings group. She celebrated the Gouri and Ganesh Pooja festival this week. Unfortunately, she suffered from back pain as well.

WEEK 2

Anusha made a small withdrawal from her home savings this week and used the money to purchase food and to make a deposit into her self-help group. She continued to experience back pain this week.

WEEK 3

Anusha received money from her husband this week and made another withdrawal from her home savings. She used the money to purchase food, religious items and some personal hygiene products. She then made another deposit into her self-help group. Her back pain subsided this week, but she had headaches instead.

WEEK 4

Anusha received a 2,000 rupee loan repayment from a friend in addition to money she received from her husband. She purchased clothes, food and gas for the household. She also paid her utility bills and made her final deposit into her self-help group for the month. She then deposited the rest of her money into her home savings. She celebrated the Mahalaya Amavasya festival, but she continued to suffer from a headache during the festivities.

FACTORY CONDITIONS

In Week 2, her supervisor forced her to do something outside her job description four times. In Week 3 she saw something happen to a co-worker that made her feel uncomfortable.

All of our suppliers are not yet paying the living wages but they are definitely paying more than minimum wages unlike most of the factories in Bangladesh as you can see on the chart. The chart have information of one of our suppliers. The practice of Bangladesh is to pay the minimum here. As you know, we are not using 100% production capacity of our factories (Using roughly 10% of production capacity of our largest suppliers), we can not assure the living wages. In that case every brands working with our suppliers have to pay good price to ensure the living wages.

Govt. Salary Breakdown						
Grade (As per Govt. Gazette)	Basic	H-rent	Medical	Transport	Food	Gross Salary (As per Govt. Gazette)
1	8500	3400	250	200	650	13000
2	7000	2800	250	200	650	10900
3	4075	1630	250	200	650	6805
4	3800	1520	250	200	650	6420
5	3530	1412	250	200	650	6042
6	3270	1308	250	200	650	5678
7	3000	1200	250	200	650	5300

o All figures are in Bangladeshi Taka

Fig-2.3: Bangladesh govt. minimum wage structure according to Grades.

Stanley Stella Supplier Payment Structure											
Basic	H-rent	Medical	Transport	Food	Maximum Gross Salary (STST Supplier)	Basic	H-rent	Medical	Transport	Food	Minimum Gross Salary (Dird)
					-						-
10643	4257	250	200	650	16000	8571	3429	250	200	650	13100
12071	4829	250	200	650	18000	5143	2057	250	200	650	8300
8857	3543	250	200	650	13500	3800	1520	250	200	650	6420
6143	2457	250	200	650	9700	3643	1457	250	200	650	6200
4000	1600	250	200	650	6700	3500	1400	250	200	650	6000
3357	1343	250	200	650	5800	3000	1200	250	200	650	5300

o All figures are in Bangladeshi Taka

Fig-2.4: Salary breakdown of StSt's One of the Factories.

On Top of these Payments, Stanley Stella Supplier Pays below amount:

Festival Bonus	Attendance bonus	Production Bonus
Festival Bonus Policy STST Factory : Serive length 3> & >6 = Basic*25%, Serive length 6> & >9 = Basic*50% Serive length 9> & >11 = Basic*75%,Serive length 12> = Full Basic	-	-
	500	4000 (per month Avg.)
	500	4000 (per month Avg.)
	500	3500 (per month Avg.)
	500	3500 (per month Avg.)
	500	3000 (per month Avg.)
	200	2500 (per month Avg.)

o All figures are in Bangladeshi Taka

Fig-2.5: Festival bonus policy of StSt’s One of the Factories.

Skill based salary fixing during Recruitment:

Skill Grade (STST Supplier Policy)	Grade (As per Govt. Gazette)	Gross Salary (As per Govt. Gazette)	Maximum Gross Salary (STST Supplier)	Minimum Gross Salary (STST Supplier)
Max Skill	3	6805	9400	9000
A+	3	6805	8700	8300
A	4	6420	8000	7600
B+	5	6042	7350	7050
B	6	5678	6800	6500

o All figures are in Bangladeshi Taka

Fig-2.6: Skill Based Grading System at one of StSt’s Factories.

Human Resource Department Industrial Engineering department made a skill grading system (as above chart) to determine the salary level of workers.

Contribution towards uplifting workplace Environment through Anti-Harassment Committee:

Although majority of the employees are women they are most often prone to several types of violations especially the sexual one (Ref: World Vision Research Journal Vol. 9, No. 1, 2015). In 2014, as per FWF's suggestion, we enrolled in Workplace Education Program in Bangladesh what we brought to our suppliers. We took the job as our own and our representative from Bangladesh Office has gone to factories with Fair-Wear trainers in every visit. Following the stapes of WEP (Kick-off training with higher management, Awareness training with mid management & workers), FWF with Brand's collaboration have established the Anti-Harassment Committee in every factory we are working with in Bangladesh. The Practice of Maintaining AHC influences several labor Standards of FWF. Freedom of Association and the right to collective bargain, no discrimination in employment, legally binding employment Relationship, Reasonable working hour, safe & healthy working condition. Since the payment of living wages is mostly controlled by national level & the employment is freely chosen standard in case of hiring can't be influenced by AHC since the committee is for people who are already working in the factory.

AHC committee is a platform from which gives workers chance to negotiated regarding their dissatisfactions with the management specially regarding harassment. The AHC seat with the management in every 2 months' interval. They don't talk only about the harassment related issues but also discuss their satisfactions/dissatisfactions regarding job & share their ideas to improve the condition. If there is extensive overtime, or anything illegal like someone is asked to leave without any reason or if someone is discriminating workers in the workplace, AHC committee can handle against that. AHC is helping to maintain legally binding employment relationship also.

In the context of Bangladesh, setting-up Anti-Harassment Committee in garments production place is a new initiative. Factories did not have the committee before & indeed it is a creative way to keep the factory premises harassment free. It works as an effective internal grievance handling mechanism, through what the factory can solve their issues by their own thus factory unrest won't take place. Since in Bangladesh, Harassment issues are regular & very few organizations has taken

that issue into account, we found the idea of AHC's as a creative tool to control harassment issues in our factories. It goes with our core business model since Stanley Stella is a sustainable brand & believes in ethical practices, we always try to establish sustainability throughout our supply chain. For us our vendors are business partners where one's event/issue has influence on another.

One of STST supplier (S003) is has extended their production. Their new project is not far from the old one. They have established the AHC in the old project & S003 has establishing AHC in the new project replicating the old one. S003 is transferring know-how knowledge and experiences with new committee so that they can function smoothly. Since the outcomes is not yet visible we cannot show. But Stanley Stella will continue visiting, monitor and support the new committee like the old one. We have trained them with the help of FWF, Monitored & guided them to build Anti-Harassment Committee. Our vendors always share their ideas with us & ask for best possible solution regarding every problem they face. Together we seek the solution.

After creating the Anti-Harassment committee, the workplace has become more safe than ever for the workers. We believed there is no end of development and factory is not 100% harassment free. Thus we took the chance as improvement scope. As the committee is formed complains started to come and when the factory started to solve the harassment related problems, supervisors who were harassing workers got alert. Since some of them got punished because of harassing workers. And thus day by day, the harassment issues are minimizing where we cannot say that the factory is 100% harassment free but we are continuing our journey to make it. Where thousands of workers are working every day, bringing it into a shape a quite difficult job to do but we believe we are on track.

We have taken feedback from our factories. As per workers, factory condition has improved in terms of harassment. Management is less rigid than ever regarding any kind of discussion with workers. The main target behind this initiative is to make factory harassment free but the challenge was, people don't even know which acts will be counted as harassment, their right & how should they deal with it. Thus with FWF we let management & workers know what harassment is. Then we have provided them guidelines to handle and to solve harassment cases in such way so that

everyone knows what will happen if they harassed someone. In this way, we believe in near future, our factories will be free of physical, verbal, and mental harassment.

FWF & STST has always kept committees in the factories in follow-up. After top management (decision makers) training, we got the approval to enter the factory with the project. Then in mid management training, we let mid management know about it and along with them we trained workers and set up the AHC. The worker's training took place several times & every time their actions and knowledge were tested. There were 3 follow-up meeting as well what were scheduled by FWF. FWF trainers has checked everything & found that they are doing well. There are some errors as well & checked those afterwards & found factory's committees are running as per the instruction. Sometimes they came up with some creative ideas as well.

For example: In one of our factories, someone wrote bad sentences & drew bad pictures in front of female wash-room. Female workers started feeling discomfort & there were none to accuse. The Anti-Harassment committee suggested management to take a note from every worker so that they can match the handwritings to find-out who did this. Whoever wrote in front of the wash-room wall, started to fear of getting caught. From Brand level we check the outcomes frequently. In FWF's & end line survey outcomes were very much positive comparing with Base-line survey.

STST always share the insight of best practice of one factory with another. Very often we deal with the cases raised from the workers. If workers are not happy with the solution or if the solution is delayed, they directly contact us of FWF. If they call FWF helpline number, it is forwarded to us as well. Then we handle the case with the help of factory & FWF. When we solve cases, we normally check if there is any similar case raised in another factory. If yes, then we can give easy solution. If not, then together we seek the solution & store the know-how into our reference so that we can use the method of solving similar type of cases in future.

All of STST's current vendors in Bangladesh have Anti-Harassment Committee now. If we choose new vendors to work with or if our vendors extend their production project (Another facility where STST production will take place), we will follow same procedures as well & guide them with sharing all the possible upcoming challenges so that they can be aware of those. Basically, case to

case, the way of handling differs. So, the more mature the AHC is the more knowledge we get what will be used for another similar case.

Few Examples of the Issues Anti-Harassment committee is dealing with:

Case	Complain handler	Actions Taken	Result
Complainer complained when she was asking for leave to his supervisor, her supervisor gave her condition that if she goes out with him, he will allow her to take leave.	President of Anti-Harassment Committee.	After receiving the complaint AHC let higher authority know about it. Both accused and victim were called and accused agreed that he has given such proposal	The accused apologized to the victim. Since the accused was working in Mid Management, he felt ashamed and willingly reigned from his job.
Victim was unable to meet his/her production target that's why the supervisor scolded and slapped the victim.	President of Anti-Harassment Committee & AGM Compliance.	After collecting evidence, it is proved that the victim is right.	Immediately the supervisor is suspended. Since it's the most recent case, the trial is still undergoing.
Complainer complain that her supervisor scolds her loudly every time even for small reasons. In these situation complainers can't concentrate & even more mistakes happen.	President of Anti-Harassment Committee.	After finding the authenticity, verbal warning is given. Through continuous counselling, supervisor's behavior is expected to be improved.	The complainant is happy about the decision and the person harassing her did not behave in such rude way ever since.

Chapter-3

Findings & Analysis

3.1 Methodology of Findings:

Different qualitative and quantitative methods were used to build the methodology. In the first place, the literature related to this line of research was reviewed and the results of different projects involving AHC were analyzed this way, both a clear view and a better understanding of the topic were obtained. After this, information about AHC was collected by means of the interview and questionnaires applied to 10 random workers of ST&ST factory that collaborated in the AHC. Once this information had been put together and processed. To validate and document the benefits and lessons learned in the form of a properly understandable further discussion was done with related people, business cases and to improve the initial results by applying the conclusions drawn from those results.

The Questionnaire is made based on Likert scaling method where the responds are as below as property each question is holding-

- Strongly Disagree Property-1
- Disagree Property-2
- Neutral Property-3
- Agree Property-4
- Strongly Agree Property-5

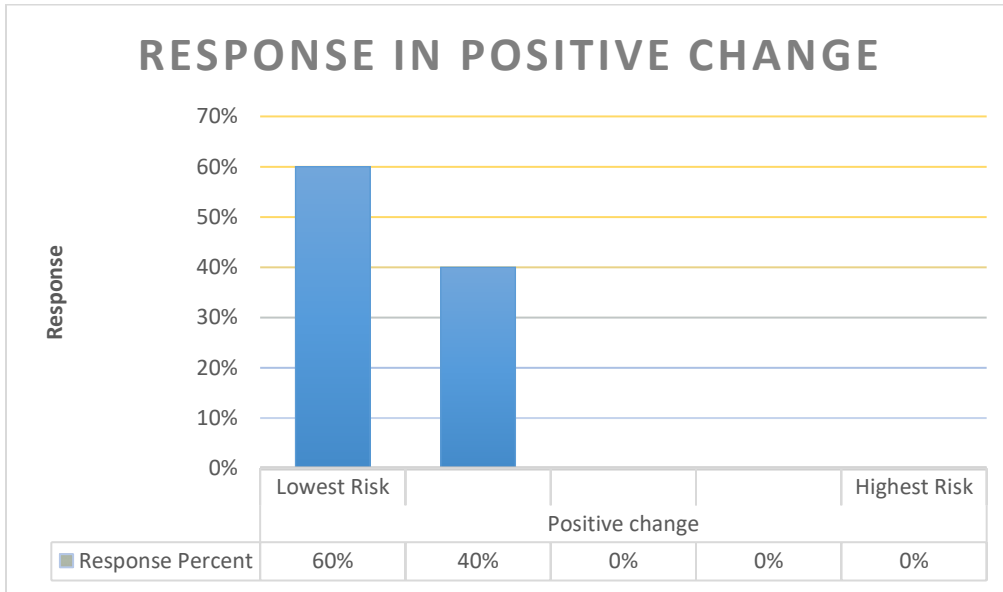
The more property a response receives based on various questionnaire filled by different responder, was accumulated below, and analyzed further where numerical values are interpreted.

In order to analyze AHC’s contribution effectively with all their existing business processes (including the production, workplace environment, Social Condition), both management and employees must understand and assimilate the value of the AHC project. These key participants must understand that AHC is not simply a committee but to an effective channel to make the workplace safe for all the employee working there.

3.2 Findings & Analysis

- The environment changed positively after the AHC has formed.

To measure the effectiveness of the AHC upon whole workplace environment to have better sustainable ground.



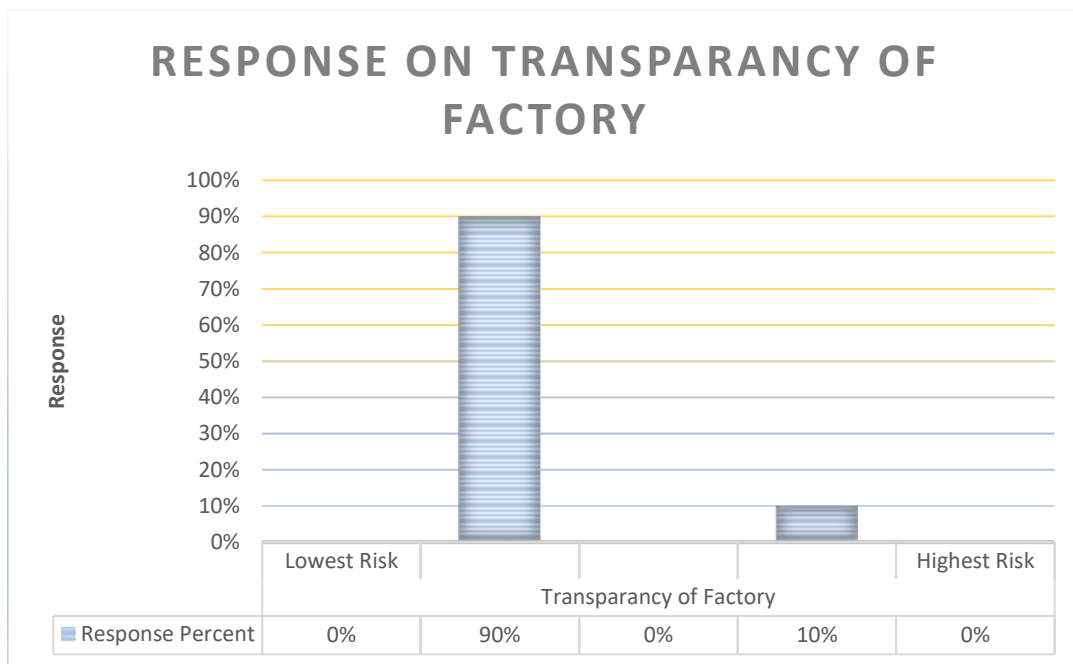
Issue	Risk	Property	Response Percent
Positive change	Lowest	1	60%
		2	40%
		3	0%
		4	0%
	Highest	5	0%

Chart: 3.1: Response on Positive Change in respect of AHC overall contribution.

Analysis: Here 60% of the worker have voted that the Anti-Harassment committee has been effectively working on the positive change of the Factory condition. Before, there was no committee thus no complain. It’s not the direction towards sustainability. Since there are several thousands of workers, having complains in terms of harassment is normal. So, to get the actual scenario STST has taken initiative to build an effective grievance handling mechanism to surface

harassment related issues. The result is clearly visible as the response is- 60% of the workers Strongly Agreed that the environment of the factory has changed and 40% of the worker has agreed that the environment has changed after the AHC is formed as the Awareness training is given and when complains come, proper actions are taken after the investigation and the result is announced. Now everyone knows what will happen if the harass anyone in workplace.

➤ **Factory Management is open to seat & deal with issues raised by AHC.**



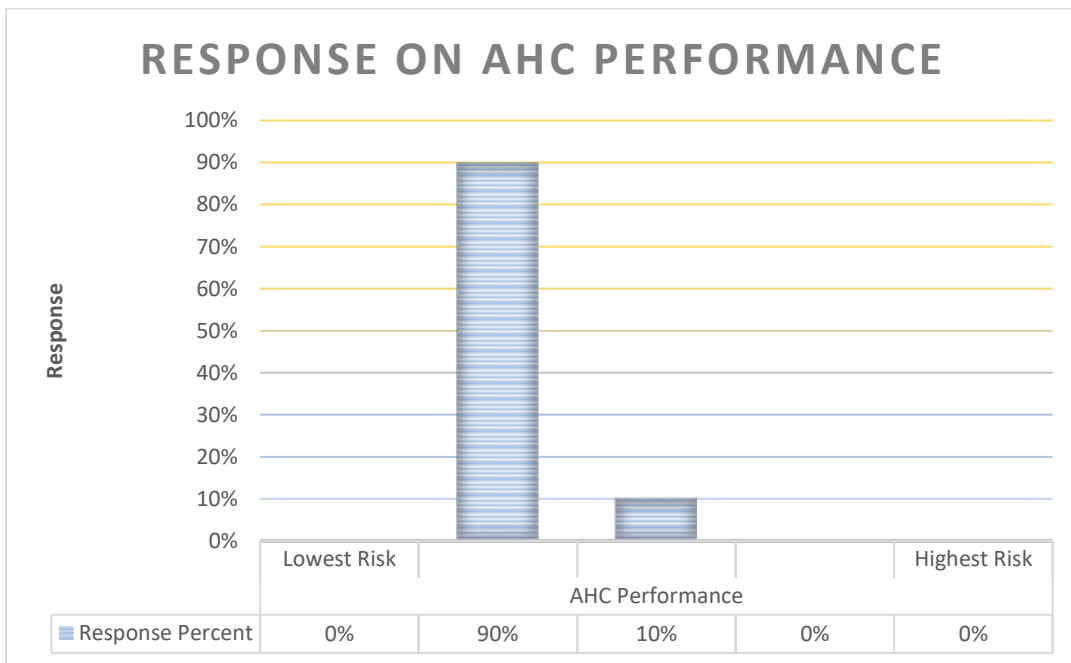
Issue	Risk	Property	Response Percent
Transparency of Factory	Lowest	1	0%
	↕	2	90%
		3	0%
		4	10%
	Highest	5	0%

Chart-3.2: Response on Transparency of Factory Management.

Analysis: The transparency of the Factory Owners/Top management is the precondition to set-up Anti-Harassment committee. Without proper support, the committee cannot function properly as workers are working in factory premises and factory management hold every power to assign

people. Workers are hired to do sewing/cutting/folding or else. If factory management ask them that they have to fill their target then no member can get involved in AHC functions. None the less, in the factory premises, management can hide anything they want (most of the times). So, being transparent is essential. As per the survey, 90% people has voted on Agree stating that, the factory is transparent in terms of harassment issues and there is no force issue present there on the other hand, 10% workers has disagreed that the Management is transparent.

➤ **The AHC is effectively performing the role.**



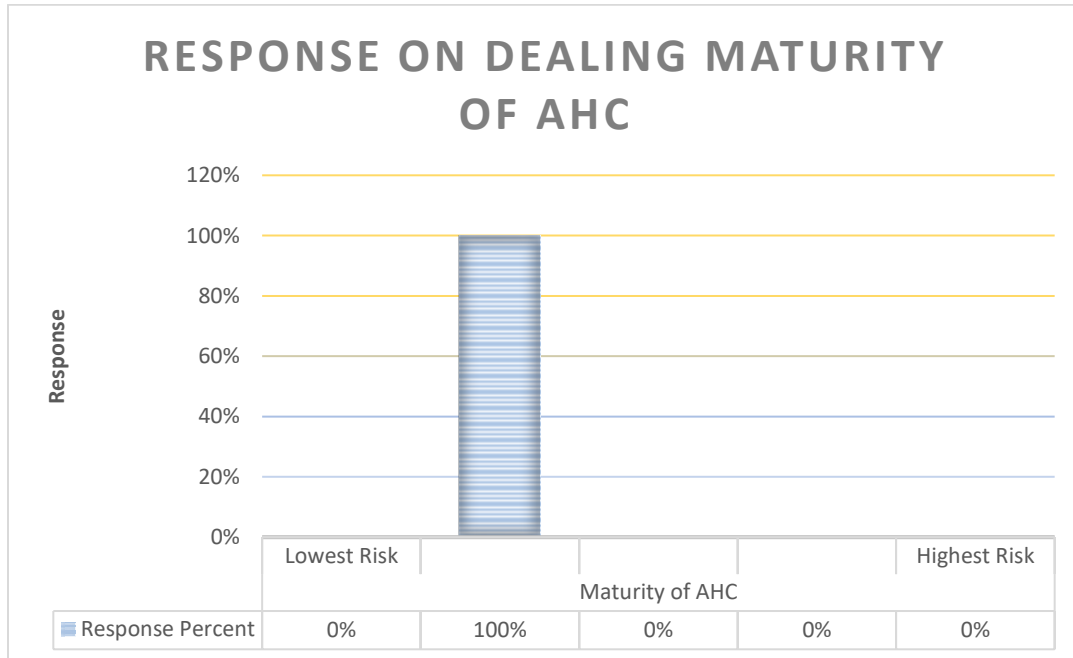
Issue	Risk	Property	Response Percent
AHC Performance	Lowest	1	0%
		2	90%
		3	10%
		4	0%
	Highest	5	0%

Chart-3.3: Response on effective performance of AHC.

Analysis: In the Given statement on the survey that the anti-harassment committee is effectively performing the role, 90% workers has agreed and 10% worker was neutral. If there is an anti-harassment committee but not functioning properly then it’s just a frame without function. The main objective is to minimize the harassment issues as much as we can thus the effectiveness of

the AHC is a must. When the committee is active, it automatically gives a signal to people that Harassment issues are addressed in this factory & they becomes aware.

- **The AHC is in matured stage to handle complains.**



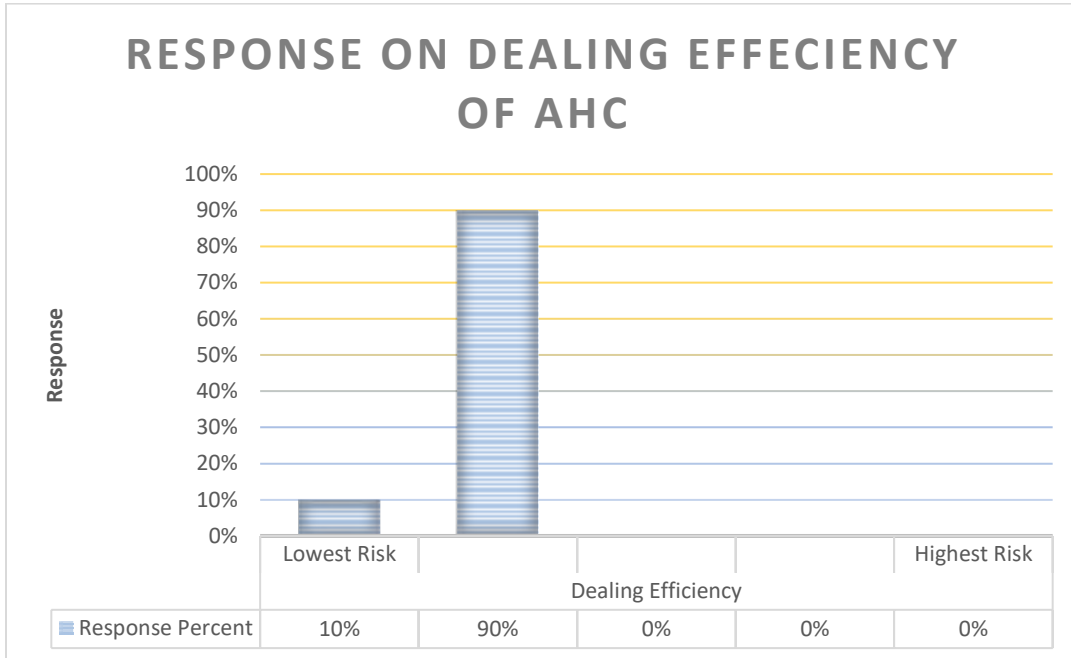
Issue	Risk	Property	Response Percent
Maturity of AHC	Lowest	1	0%
		2	100%
		3	0%
		4	0%
	Highest	5	0%

Chart-3.4: Response on Maturity of AHC.

Analysis: The efficiency of the Anti-Harassment committee largely depends on the maturity of the committee. Every time is a new situation to deal with for new committee since they are not trained and before they did not have a formal procedure to handle harassment cases and when the committee is matured enough complains are hardly new. So based on the past experience the decision making becomes quick every day. Since the program of Anti-Harassment committee is running from 2014 and from 2015 its functional, the committee is matured enough to deal with the

issues raised. In the question of Maturity 100% workers on random sample basis workers has Agreed that the committee is matured.

- All the issues raised by the committee is solved with proper feedback.



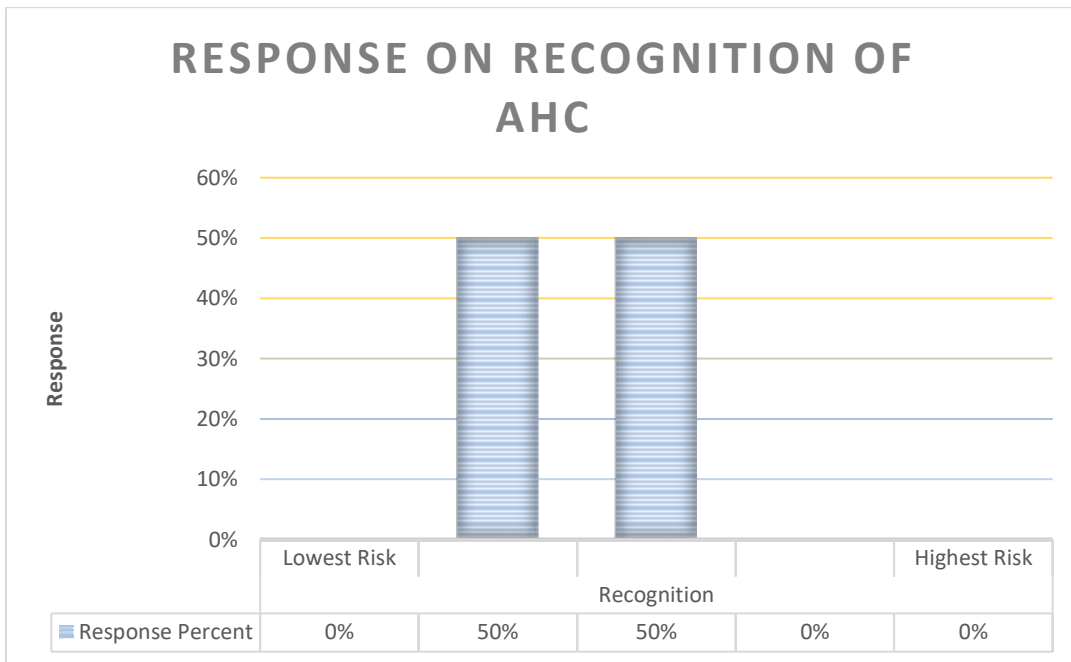
Issue	Risk	Property	Response Percent
Dealing Efficiency	Lowest	1	10%
		2	90%
		3	0%
		4	0%
	Highest	5	0%

Chart-3.5: Response on Solving issues with Feedback.

Analysis: All the Harassment Issues raised to the committee should be handled with care. In some small cases, with the floor management issues are solved immediately at the place where harassment took place. But if the issue is big or harassment was happened in such place where none can be presented for giving statement as evidence, then the case should be investigated keeping the identity of the complainer hidden. In such case it may take 10 days or more. And the actions taken together with the management should be announced so that workers know what kind

of punishment can a person have to face if they do such kind of harassment. In the survey, 90% of the Random workers has Agreed that the AHC is dealing with the issues quite good and 10% of the workers Strongly Agreed that the AHC is dealing with the problems in exceptionally effective way.

➤ **The Committee’s existence is known to all workers.**



Issue	Risk	Property	Response Percent
Recognition	Lowest	1	0%
	↑	2	50%
		3	50%
		4	0%
	Highest	5	0%

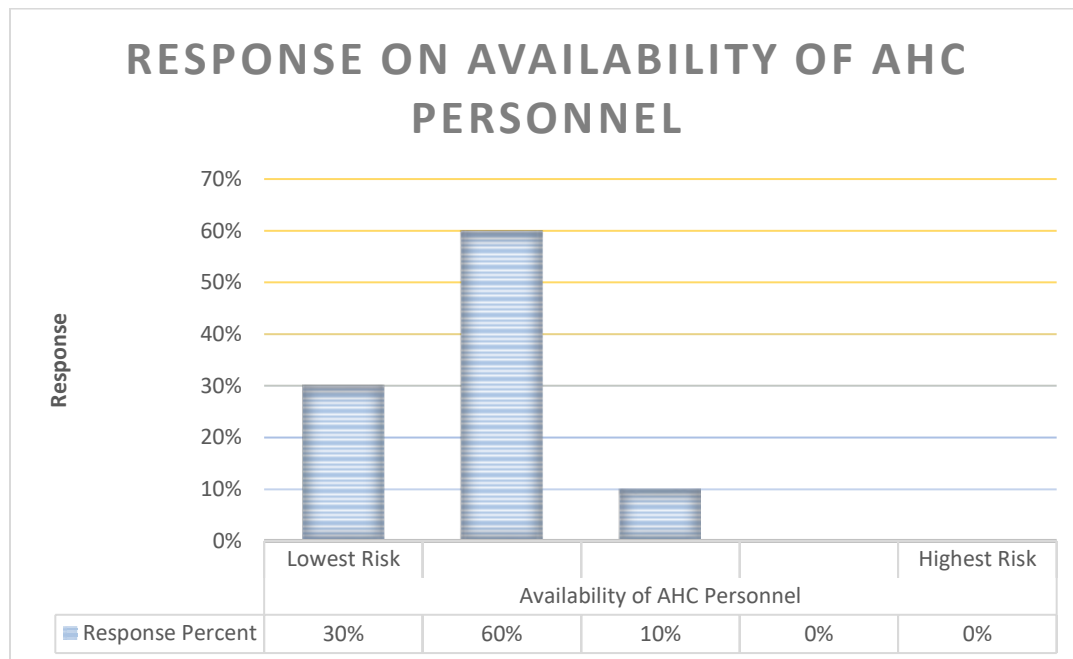
Chart-3.6: Response on Recognition of AHC.

Analysis: The more people know about the committee the more problems they will get the less risk the factory will have. The committee is made for all the people working in the factory. So it is essential for a committee to be renowned. For some workers, they felt like they did not need to know about the factory since they did not face such kind of issues in the factory. Factory

A Journey of Stanley Stella towards Sustainability

management has put the Anti-Harassment committee member list with the picture and Identification number in the notice board. During introductory program, all new workers are briefed about the AHC along with the health & safety committee and Worker participation committee. Despite of that, 50% of the workers agreed that they personally know the Anti-Harassment committee members and another 50% workers was neutral stating that, they know there is an Anti-Harassment committee but they did not need to know the members personally as they did not come across harassment issues.

➤ **You have an Anti-Harassment representative in your floor.**

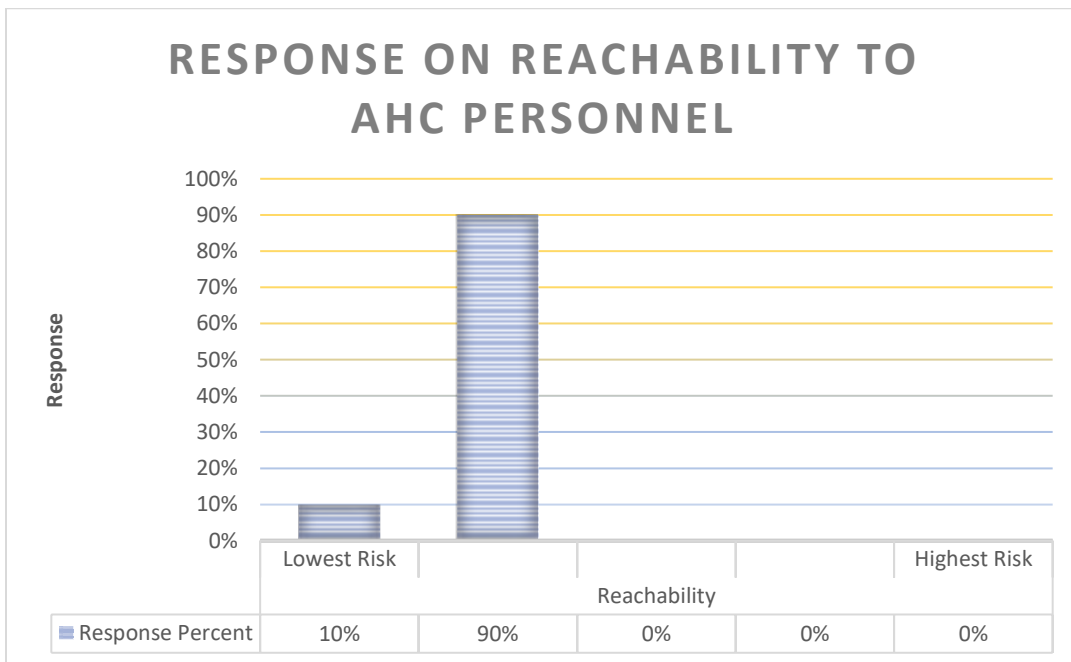


Issue	Risk	Property	Response Percent
Availability of AHC Personnel	Lowest	1	30%
	↑ ↓	2	60%
		3	10%
		4	0%
	Highest	5	0%

Chart-3.7: Response on Ability of AHC Personnel.

Analysis: The anti-Harassment committee members are chosen such a was so that every floor has at least one committee member (depending on the floor size) so that workers can reach into the AHC member easily. It is also good to cover eye view of the floor by AHC member so that when harassment takes place in floor, one AHC member can be the evidence. During survey, 30% of the workers has Strongly Agreed that they have AHC member in their floor. Being strongly agree means they have AHC member in their nearest location. 60% workers agreed that they have AHC member available in their floor and remaining 10% was neutral as they may never need to be bothered.

➤ You can reach to AHC member anytime during work.



Issue	Risk	Property	Response Percent
Reachability	Lowest	1	10%
	↑ ↓	2	90%
		3	0%
		4	0%
	Highest	5	0%

Chart-3.8: Response on Reachability to AHC.

Analysis: Reachability to Ant-Harassment committee member is an essential part to measure the functionality. Workers should not be blocked when they want to talk to AHC members during working time. It also measures the transparency or flexibility of the management. Workers need to ask for the permission to their line supervisors when they are leaving their post/chairs. So, throughout all the factory no one can block anyone to go to AHC members. It is also possible that the member is not in his/her chair. To measure the status the survey report has been done and the response rate was 10% in Strongly Agreed on the statement that workers can reach to AHC member anytime they want and 90% response rate was in Agreed on the statement. The risk is minimum in this case for the factory surveyed.

3.3 Recommendations:

Judging the overall report and comparing with competitors below recommendations are drawn-

- The Overall performance of Stanley Stella is Good so far but as they are growing 30% a year & more factory is in pipeline, STST must increase people & Strength in Sustainability department.
- Stanley Stella Can use their CSR practices like AHC, Contribution on living wages and others in their marketing. To do so, Communication/Marketing department should be aligned with sustainability department.
- Stanley Stella can start special contribution fund for the workers working for them. A certain Percentage (like once Cent per garments) can be donated and they money can be contributed to schools for Educational Support to Worker's Child.
- The Workplace Education Program Project thus Anti-Harassment committee project was a successful one but Stanley Stella should encourage factory management to be more transparent.
- The case register of the complains should be posted in such a place which is most visible to the workers.
- The recognition of the Anti-harassment should be increased. To do so, Stanley Stella should seat with factory management and recommend to involve the committee into Monthly Committee meetings along with Workers participation committee.
- There is no 3rd Party Environmental testing conducted by Stanley Stella. To measure control and be on top of suppliers in terms of Environmental pollution, 3rd Party Inspections/Audits should be done by Stanley Stella.
- Stanley Stella should follow the Open Costing system for pricing so that they can calculate SMV (Standard Minute Value) and measure how much factory is allocating for the wages of workers against each item they are ordering.
- Stanley Stella should encourage all of the factories more to pay living wages to the workers.
- Stanley Stella is doing good in sustainability and they should never drop any exercise.

3.4 Conclusions

Stanley Stella as a sustainable brand taken the responsibility to make the total supply chain under the shade of Sustainability. To do that besides choosing sustainable product what has far less impact on environment, focusing how to make the life easier for the people working to make a single garment. It has always been challenging for Stanley Stella to look after such a huge supply chain under control. by using various tools to monitor compliance and measure the feedback of the projects Stanley Stella already has a huge impact on it's supply chain towards sustainability. Due to the sustainability as a whole, the Growth of Stanley Stella is 30% every year in European market.

Chapter- 4

Supplementary Part

4.1 Abbreviations:

STST/StSt- Stanley & Stella S.A/ Stanley Stella

FWF- Fair Wear Foundation

WEP- Workplace Education Program

WPC- Worker's Participation Committee

GOTS- Global Organic Textile Standard

OCS- Organic Content Standard

REACH- Regulation of European Association for Chemical & Health.

FOB- Freight on Board

TT- Telegraphic Transfer

SMV- Standard Minute Value

S006- Non-Disclosable factory of Stanley Stella

S003- Non-Disclosable Factory of Stanley Stella

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- Typical family is 2 adults, 3 children. Living wage: 8,929 (\$133/month). Minimum Wage: 7,085 (*For Semi-skilled work) (\$104/month), Retrieved From: www.isealalliance.org/online-community/blogs/newreport-finds-prevailing-wages-in-uttar-pradesh-india-45-percent-below-a-living-wage;

4.3 Questionnaire:

Participant Name:	<input type="text"/>	Designation:	<input type="text"/>
Factory Code:	<input type="text"/>	Gender:	<input type="text" value="Male/Female"/>

5 Strongly Disagree দৃঢ় অসম্মতি	4 Disagree অসম্মতি	3 Undecided নিরপেক্ষ	2 Agree সম্মতি	1 Strongly Agree দৃঢ় সম্মতি
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Q1: The environment changed positively after the AHC has formed.

- নির্যাতন প্রতিরোধ কমিটি তৈরির পর ফ্যাক্টরি-র সার্বিক অবস্থা ভালভাবে পরিবর্তন হয়েছে।

Q2: Factory Management is open to seat & deal with issues raised by AHC.

- ফ্যাক্টরি বাবস্থাপনা কমিটি যে কোন ব্যাপারে নির্যাতন প্রতিরোধ কমিটি-র সাথে বসতে রাজী।

Q3: The AHC is effectively performing the role.

- নির্যাতন প্রতিরোধ কমিটি কার্যকরভাবে দায়িত্ব পরিচালনা করছে।

Q4: The AHC is in matured stage to handle complains.

- নির্যাতন প্রতিরোধ কমিটি নালিশ পরিচালনার ক্ষেত্রে পরিপক্ব।

Q5: All the issues raised by the committee is solved with proper feedback.

- যে সমস্ত নালিশ কমিটি-র কাছে গিয়েছে তা যথাযথভাবে সমাধান করা হয়েছে।

Q6: The Committee's existence is known to all workers.

- সমস্ত কর্মী নির্যাতন প্রতিরোধ কমিটি-র ব্যাপারে অবগত আছে।

Q7: You have an Anti-Harassment representative in your floor.

- আপনার কর্মক্ষেত্রে নির্যাতন প্রতিরোধ কমিটি-র প্রতিনিধি রয়েছে।

Q: You can reach to AHC member anytime during work.

- আপনি যে কোন সময় নির্যাতন প্রতিরোধ কমিটি-র প্রতিনিধির সাথে কথা বলতে পারেন।