

Label Behind the Label – Responses (Based on reviewing our Code of Conduct)

LBL Comments on Living Wage:

Legal minimum/industry benchmark is not the same as a living wage, and often much lower. What does Debenhams do in these circumstances?

Debs Response:

Our starting point with suppliers is to firstly ensure they are paying legal minimum wage and then through our audit process identify whether an industry benchmark exists and assess where the wages paid stand against this mark. In all cases, where one of the levels isn't being met we would engage with the supplier through our corrective action programme to ensure wages paid were at the appropriate level. Debenhams does not audit against a "Living Wage" calculation as we are not aware of an agreed formula that can be applied across the countries we source from.

Aug 07

Payment of living wage is proving to be very complex. We do appreciate that where an arbitrarily imposed minimum wage is paid, this can be below some definitions of a living wage. However, where free trade unions exist or other collective bargaining agreements or a robustly national/industry negotiated minimum wage is in place, these can be in line with a living wage calculation.

An added complication for Debenhams is that we are typically one of the smaller retailers placing orders in a factory at any one time and whilst collaboration with other retailers within the ETI is ongoing, we still rarely hold a significant percentage of a factories production.

LBL Comments on Freedom of Association:

This is very positive. We are pleased to see your commitment to enabling free association even in locations where it is not legally recognised. What actions are taken to ensure that workers are aware of their rights (i.e. training, workshops, etc)?

Debs Response:

Debenhams is currently in detailed discussions with a third party provider with the intention of holding workshops relating to freedom of association. We have also worked with Trade Unions directly in countries such as Cambodia to ensure that workers rights in this area are known and protected. We are also members of the ETI Occupational Health and Safety project which will be empowering workers to represent themselves on this important subject in China.

Aug 07

Debenhams decided to focus it's efforts on FOA through the ETI pilot project which has now developed in to the Decent Work project and through the Purchasing Practices project. Both of these projects are in their early stages and will be reported on by the ETI.

Direct Trade Union involvement on issues raised in factories over the last year has been quiet. However, we have been jointly involved in a number of remediation projects in China, through the ETI, involving UK Trade Unions and UK/local NGO's.

LBL Comments on Methods of Monitoring and Verification:

This sounds promising. How often do audits take place and what proportion are

independent/involve local NGO's? Are they announced? What kind of timescales are given to manufacturers not meeting standards, and what sanctions are used if deadlines are not met? Debenhams claims a very high standard, consequently we must ask what evidence is made publicly available to prove that manufacturers do indeed meet these standards?

Debs Response:

Debenhams is currently undertaking a social mapping exercise of our complete own buy primary supply chain and as part of this we will have a factory evaluation and a social audit for all live factories. We are already six months into this and intend the exercise to be complete within the next 6 months. Independent social auditors carry out all our audits and whilst some do involve local NGO's, these tend to be related to specific issues.

As a result of these audits we agree corrective actions with our suppliers and factories. Depending on the nature of the non-compliance an appropriate timescale for corrective action will be agreed. For more serious non-compliances an immediate change would be required in a factory.

Whilst we firmly believe in engaging with factories rather than walking away, the level of sanction would reflect the type and seriousness of the non-compliance.

Debenhams has recently reached an unfortunate milestone and for the first time disengaged a supplier for a serious breach of our code of conduct.

Debenhams does not report publicly on our ethical trading programme, however over the coming year we are considering launching a CSR review on Debenhams.com.

Aug 07

Since our last response Debenhams has joined SEDEX and we are actively encouraging our suppliers/factories to upload their audits on to the system. We have completed the social mapping exercise and have factory evaluations for all live factories.

Debenhams has taken a strong stance within the ETI and beyond on the limitations of social audits and we are working jointly with other retailers to change this model together. We all need to make this change or we will continue to suffer the limitations of social audits and not deliver sustainable change for workers.