



# EQUALITY AND EMPOWERMENT: CREATING THE FUTURE WE WANT TO SEE

COS

COS GENDER EQUALITY IN THE SUPPLY CHAIN

OUR PROGRESS 2023 - 24

# CONTENTS

01	Introduction
02	Reflecting on 2023
03	Our Progress: 2023 Highlights
04	2023 In Numbers
05	Setting a Trend
07	Future Actions for 2024
08	Supplier Spotlight: Meet Domino Tekstil
09	Supplier Spotlight: Meet Ünlü & Radnik
10	Community Investment – 2023 Projects
11	Community Investment – Learnings & Future Focus
12	Appendix

# COS STANDS FOR EQUALITY AND EMPOWERMENT

With almost 64% of the workers\* in the factories in our supply chain being women, we see it as our responsibility to improve conditions, ensuring that they are safe, healthy, and empowered in their everyday workplace.

We continue to work on four strategic pillars to reach our ambition to achieve gender equality in our supply chain: health and safety, career and development, equal pay, and representation.

For 2023 our focus was on maintaining and scaling up existing programmes, while identifying new ways to push gender equality both within and outside of our factory walls.

Positive steps this year included, though are not limited to, succession planning in our Türkiye factories, driving a global labour relations workers survey, the rollout of a Gender Based Violence and Harassment (GBVH) guideline and targeted improvement projects in some of our most important suppliers.

In this report we outline our 2023 results, provide year-on-year analysis, define key future actions, and hear from some of our suppliers. New to this year's report, we also take a look at the societal impact being driven in Türkiye and Bangladesh through our community investment projects.



\*THIS PERCENTAGE IS A WEIGHTED AVERAGE OF THE FEMALE WORKER RATIO IN EACH PRODUCTION UNIT

# REFLECTING ON 2023

“When COS launched this strategy in 2021, we set ourselves a substantial challenge – to create a fair, safe, and representative supply chain. Our ambition is to achieve this through tangible actions that will result in lasting change – not through quick solutions.

This means we must be patient with our results and consider the accumulative impact of everything we do both within and outside of our factory walls. We are proud of the positive trend we can see in this report, but there are still fundamental improvements to be made.

This year we have scaled existing programmes to improve our suppliers’ working environments, driving momentum in each of our key pillars. Our community investment work is an important addition to the strategy, ensuring the positive impact also reaches the communities surrounding our supply chain – this way we can truly create the future we want to see.”

MANDA WENGER DROTT,  
HEAD OF PRODUCTION AT COS



# OUR PROGRESS: 2023 HIGHLIGHTS

## WOMEN ARE SAFE

**NEW INITIATIVE:** A GBVH guideline was developed and launched to all our suppliers globally, designed to be a practical guideline to ensure factories better prevent, identify and remediate GBVH issues.

The COS Community Investment project in Türkiye provided GBVH trainings via non-profit organisation Yanindayiz Dernegi.

## WOMEN HAVE EQUAL PAY

Progress was made in assessing and improving the functionality of wage management systems in three factories in Türkiye. This included ensuring the wage for each position and level is defined according to skill set.

Wage grids were implemented at five additional factories in Türkiye, meaning workers are compensated equal pay for equal work.

Gender pay gap analysis was conducted at five factories in China, to better identify the root causes of the gap and set the right actions to improve.

Skills development initiatives not only helped more women become more qualified to enter higher paid positions, but ultimately contributed to balancing out the wage gap over time.

## WOMEN CAN INFLUENCE

**NEW INITIATIVE:** A labour relations workers survey was distributed to all suppliers globally, reaching over 15,000 female workers, where among other topics they answered questions on grievance channels and systems.

Our suppliers in Bangladesh continue efforts to ensure equal women representation in worker committees.

## WOMEN CAN ADVANCE

Ongoing coordination of a female career development program and succession pool building in Türkiye, with three additional factories involved. A total of 22 factories and 155 workers have been reached since 2021.

**NEW INITIATIVE:** A Women Empowerment Programme at Jinnat Apparels in Bangladesh was launched to cover training that develops leadership and technical skills for women to reach supervisor level.

A 'Family Friendly Factory' project was initiated at our strategic supplier JQR in China, raising awareness on gender equality and helping factories create family-friendly cultures, systems and practices.

COS' Community Investment project in partnership with CARE International created female-friendly community spaces in Bangladesh.

# 2023 IN NUMBERS EXECUTIVE SUMMARY

**+6.4%**

## WOMEN ARE SAFE

Access to external aid has improved by 6.4% versus last year, with 96.9% of all COS supplier factories providing external aid (grievance channels outside the factory).

**+0.8%**

## WOMEN HAVE EQUAL PAY

The gender pay gap in the COS supply chain is -7.6%, an improvement versus the previous year (-8.4%)

**+0%**

## WOMEN CAN INFLUENCE

The gender gap in our worker representation forums has reached zero and is aligned with our goal of maintaining last year's performance.

**-0.3%**

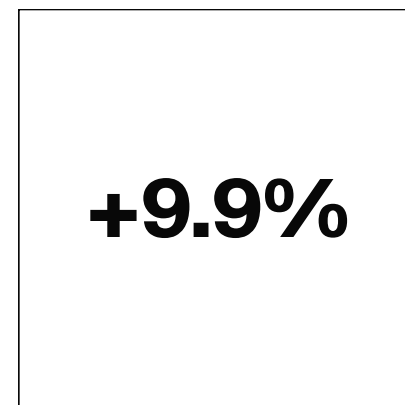
## WOMEN CAN ADVANCE

The gender gap in supervisor roles is -10.6%, a slight increase from -10.3% in 2022

# SETTING A TREND

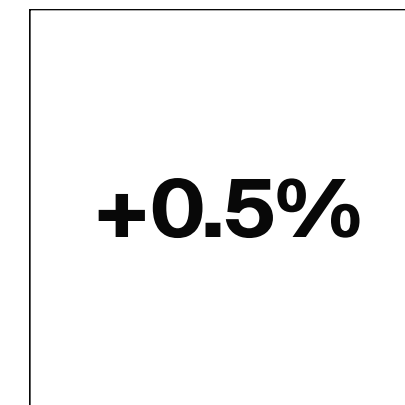
Our ambition with this strategy is to drive long-term, systemic changes – not quick solutions to what is a significant challenge. This means we must be patient with our results and consider the greater impact.

That said, we are proud to already see a positive trend since we began tracking progress in 2020.



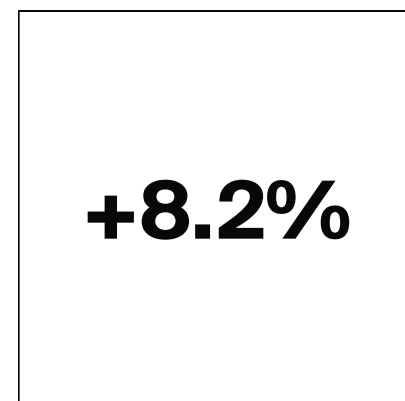
## ACCESS TO EXTERNAL AID

Access to external aid has improved by 9.9% versus our baseline, with 96.9% of all COS supplier factories providing external aid.



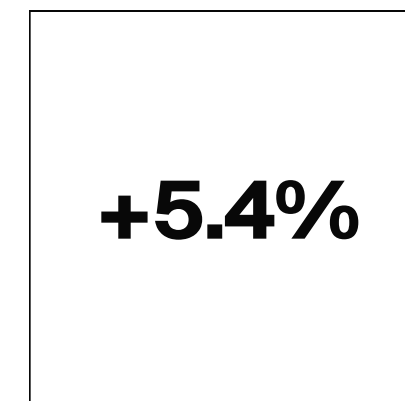
## GENDER PAY GAP

The gender pay gap in the COS supply chain is -7.6%, an improvement versus the previous year (-8.4%)



## GENDER GAP IN WORKER REPRESENTATION FORUMS

The gender gap in our worker representation forums has reached zero (from -8.2% in 2020), in line with our goal.



## GENDER GAP IN SUPERVISOR ROLES

The gender gap in supervisor roles is -10.6%, a big improvement from 2020 when it was -16%





# FUTURE ACTIONS FOR 2024 AND BEYOND

## WOMEN ARE SAFE

Pilot an external grievance channel or 'workers hotline' in China, reaching 5 COS factories.

Roll out GBVH training for all suppliers in India.

## WOMEN CAN INFLUENCE

Grievance mechanism training and a workplace dialogue guideline to launch in China.

Provide additional support in securing fair election to workers representation committees to ensure greater gender balance in all factories in India.

## WOMEN HAVE EQUAL PAY

Gender pay gap studies to focus on higher paid positions.

Enrolment of more factories in wage management systems and continued evaluation of functionality of existing systems.

Best practice sharing sessions between suppliers.

## WOMEN CAN ADVANCE

Map out the gender balance in the C-Suite of our suppliers.

Best practice sharing sessions between suppliers.

Continue Succession Management guidance with a focus in China.



## SUPPLIER SPOTLIGHT: MEET DOMINO TEKSTIL

“Working with and for women in the Domino Tekstil family is our biggest priority and our greatest strength. We have overcome many challenges in our growing workforce, while maintaining the same proportion of female employees over the years.

From our security guards and bus drivers to our dye house workers and neighbours in the village, we are prioritising occupational safety, providing gender equality training, and minimising our gender pay gap. Our goal is to continue to produce with self-assured women who feel safe and empowered in their workplace, and we are so grateful to COS for supporting and guiding us towards this ambition.”

BEGÜM YAĞCI TAKTAŞ, BOARD MEMBER & DEPUTY GENERAL MANAGER  
- SUSTAINABILITY AT DOMINO TEKSTIL

Domino Tekstil, located in Bolu, Türkiye, is our biggest trouser supplier globally. There are a total of 718 workers at this supplier, 84% of which are female (Q4 2023).

- Domino performs better than average across most pillars, with a particularly strong focus on boosting gender balance in the C-Suite. Women make up 60% of the board and 75% of the wider management.
- Workers voice surveys conducted by Domino have a high satisfaction rate of 88%.
- The ‘Domino Academy’ is a skill development centre which ran 30,000 hours of training in 2023.
- Domino focuses on empowering vulnerable women in shelters and victims of GBVH to get skills training and employment in their factories.
- Domino has made International Women’s Day on 8th March a companywide holiday for all their employees.

## SUPPLIER SPOTLIGHT: MEET ÜNLÜ

---

Ünlü, located in Istanbul, Türkiye, is one of our key suppliers globally. There are a total of 699 female workers at this supplier, making up 51% of the total workforce (Q4 2023).

- Ünlü performs better than average in the 'WOMEN CAN INFLUENCE' pillar, with a strong focus on creating channels for female voices to be heard, from dialogue forums to tech solutions.
- Ünlü's digital solutions play a crucial role in promoting gender equality within the organisation. By relying on data driven evaluations, the company ensures that career advancements and salary decisions are free from gender biases.
- The factory has a technology empowered barcode system called 'Hear My Voice!' allowing all female workers to directly communicate with top management for any grievances or workplace improvement suggestions.
- Ünlü has provided free psychological counselling for workers since 2022 - 284 workers have already used this service, 97% of which are women.

## SUPPLIER SPOTLIGHT: MEET RADNIK

---

Radnik, located in Delhi, India, is our first supplier in India for ready-to-wear in 2022. They are a unique supplier in our portfolio - producing some of the most advanced products in our collection using handcrafting, embellishment, and embroidery.

There are a total of 1,985 workers at this supplier, 31% of which are female (Q4 2023).

- Radnik performs better than average in most pillars, with a strong focus on not only empowering women to enter the workforce but to develop the skills to take higher positions.
- Radnik's RISE project invests in the local community to support children's schools with soft skill trainings, as well as funding educational infrastructure such as uniforms, meals, and scholarships. The project addresses equal opportunity from a young age, empowering girls to pursue an education and setting a foundation for them to advance in a future career.
- RISE also established sewing training centres where they have so far trained 20,000 women.
- Radnik has initiated an LGBTQIA+ inclusion recruitment strategy, a progressive move for a supplier in India. They hope to set an example and contribute to positive change for the LGBTQIA+ community in the country.
- Radnik is also committed to employing workers with disabilities, with 300 different abled people currently employed at the supplier. They hope to increase this number by 30% by 2025.



# COMMUNITY INVESTMENT 2023 PROJECTS

To further support women in our wider communities, we launched the first of our community investment projects in 2023. Using 100% of the profits from the COS tote bag, we have invested in partnerships with non-profit organisations to deliver projects that address key gender equality issues in communities surrounding our supply chain.

## YANINDAYIZ DERNEĞİ, TÜRKİYE

We are funding local organisation Yanındayız Derneği to deliver trainings on GBVH that will improve understanding and awareness of these issues and activate men's participation in the discussion. Since launching the initiative, we have trained 5,125 female and male workers, including those in the wider community. Approximately 60% of those engaged with the training were external stakeholders, demonstrating how we are influencing those outside of our direct supply chain.

To assess the impact of these trainings, Yanındayız, along with Istanbul University, conducted perception change tests. The results demonstrated a positive shift in awareness and understanding of gender issues, as well as motivation to disrupt gender stereotypes.

## CARE BANGLADESH

We are working with CARE Bangladesh to fund the establishment of Women Friendly Spaces (WFS) in communities close to our suppliers. Here they provide education on how to address GBVH, Problem Solving and Decision Making, Stress Management, Sexual and Reproductive Health and Rights (SRHR) and Food and Nutrition. The project is a part of Oporajita – a wider programme initiated by H&M Foundation.

Since partnering with CARE, 2,595 women have been enrolled in WFS memberships and 2,540 women have received foundational training on GBVH issues. Additional public activities like female role model inspirational talks, couple's cooking competitions and street drama further boost the overall reach and impact.

## LEARNINGS

This is the pilot year of our community investment work so there are important learnings we will take into future partnerships. For example:

- Liaising with local government authorities and stakeholders in the planning phase would help smooth running of the initiatives
- Consideration of local political and cultural nuances in the planning phase to mitigate any delay out of our control
- Scheduling the trainings and activities to suit the majority of workers' routines and ensure participation does not drop on certain days
- Balancing reaching people in the locations that need it most, but also in the locations where it is most feasible to run the activities

## FUTURE FOCUS

Looking ahead, we have four key focuses to elevate the CARE Bangladesh project:

- Hold dialogues with the male family members of the WFS households to further shift stereotyped norms and beliefs
- Increase capacity building of relevant standing committees of local government institutes and community police, to encourage them to undertake direct action to address GBVH cases
- Host workshops with WFS members to address common challenges, share learnings and align on a way forward
- Collaborate with other stakeholders within the Oporajita project to maximise its impact

Beyond this, we are also exploring additional investment projects for 2024 in the communities surrounding our supply chain. This may be new projects or extensions of existing programmes - we hope to share more in next year's report.



# COMMUNITY INVESTMENT LEARNINGS & FUTURE FOCUS

## APPENDIX METHODOLOGY:

---

This report provides progress data for our Tier 1 supply chain. All data presented are based on placement up until December 2023 and COS weighted averages of order volume by factory (based on its respective year).

For each key measure we have outlined the rationale for selecting this measurement, and how we have calculated the data presented.

### WOMEN ARE SAFE “Access to External Aid”

This KPI was selected as it secures independent grievance mechanisms which enable workers to raise complaints beyond the factory and resolve conflicts.

Calculated as: % of factories that have access to external aid.

Data is coming from Facility Social Labour Module (FSLM), an industry data collection tool used in the textile industry to audit and collect data on factory performance.

### WOMEN CAN INFLUENCE “Gender Gap in Worker Representation Forum”

This KPI was selected as it enables women workers to have a voice and raise concerns in the committees and forums where the needs of workers are discussed with management.

Calculated as: comparing female worker % of the factory vs women representatives % of the factories' worker representation committee/forum

### WOMEN HAVE EQUAL PAY: “Gender Pay Gap”

This KPI compares the average wage of men and women workers and was selected as it provides an indication of issues connected to gender pay gap such as discrimination in pay and women workers' tendency to hold lower paid positions.

Calculated as: deviation in % between male and female average wages on factory level

### WOMEN CAN ADVANCE “Gender Gap in Supervisor Roles”

This KPI was selected as it both indicates the ability women have to move upwards in their career at the facility, and also promotes women leadership which has been proven to increase respect towards women among male colleagues.

### IN SCOPE SUPPLIERS

The methodology is applied for 'in scope suppliers'. These are defined as suppliers that have at least 25 employees. There are few suppliers that are too small to capture appropriate data so are not included in the report results. In scope suppliers make up 92% of the total COS business supply chain (as of Q4 2023).