## 2023 Annual report

Clean Clothes Campaign Schone Kleren Campagne



## Table of contents

Letter from the Board	3
2023 at a glance	4
Urgent appeals	6
Wages & social security	9
Freedom of association	15
Health & safety	17
Better laws & binding agreements	19
In the media	22
Organisation	24
Financial governance & results	32
About us	45

## Letter from the Board

It was big news that January morning. At the Berlin fashion week, adidas' new CEO announced he would do things differently and appointed a Cambodian co-CEO, a former garment worker. Together they would revolutionise adidas' supply chain, starting by signing the Pay Your Workers agreement.

It was all too good to be true. Clean Clothes Campaign had teamed up with the famous Yes Men collective to expose a brand that claims to empower women of colour while refusing to address wage and severance theft in its supply chain.

The stunt kickstarted a year of many powerful actions to make worker voices heard, from unions in Indonesia calling on Messi to convince adidas to sign the Pay Your Workers agreement, to disrupting a Bangladeshi industry event in Amsterdam, to yet another action with the Yes Men fooling tech-afficionados in Lisbon. These actions are not without risk. Some of our colleagues faced threatening police behaviour during a global action day in May.

Ten years after the Rana Plaza collapse, 2023 was a year of focus on Bangladesh. In April, our network expressed grief and frustration about the lack of progress since 2013. A few weeks later, the horrific murder of a union organiser of our network partner Bangladesh Garment and Industrial Workers Federation revealed just how dangerous activism remains in the country. Work within the network to hold the perpetrators and brands accountable continues. Later in the year, a flawed wage revision process trapped workers in poverty wages after massive protests were crushed, costing the lives of four workers. Our attempts to engage brands to intervene was largely ignored.

2023 was a difficult year, marked by a devastating earthquake in one of Turkey's largest garment producing areas, continuing shrinking space for civil society in Myanmar and Hong Kong, and a devastating economic and political crisis in garment-producing countries such as Sri Lanka and Pakistan.

2023 also brought hope. The Accord, the binding safety programme, started in Pakistan in earnest, with an increasing number of brands signing on. The International Accord agreement was prolonged for an unprecedented period of six years. In Europe, the German supply chain law took effect and was immediately tested by our network, and EU policymakers finally reached an agreement on mandatory due diligence legislation.

It was a year of looking to the future. The Handmade exhibition educated young audiences on the issues plaguing the industry and possibilities for change. We deepened our work on the links between social and environmental justice as climate impacts worsen, hitting garment-producing countries hardest. Garment workers need a just transition towards a new economic model that centres both them and the environment. A working group in the network and the Pay Your Workers campaign are developing this work.

Our work all over the world in solidarity across countries moves onward, and we will continue to hold companies accountable, propose real solutions and expose false promises.

The CCC/SKC board

## 2023 at a glance



#### 2 Yes Men stunts expose adidas

We impersonated adidas representatives with the Yes Men, making fake announcements to pressure the brand to sign the #PayYourWorkers agreement.



#### **Cuatemala: worker** rights restored

After international campaigning, JNB finally paid all severance and back-pay to 7 illegally fired workers, & restored labour rights for 400 employees.



#### **Workers in Croatia** get \$500,000

After 18 months of campaigning, workers in Orljava finally won their legally-owed severance. A precedent-setting victory!



May-June

#### **Clobal actions** target adidas

In May, we took action in 11 countries to tell adidas to sign the #PayYourWorkers agreement. Workers in Indonesia called on Messi to intervene.



### Justice for Shahidul Islam

With XR Fashion Action, we disrupted the "Best of Bangladesh" trade event in Amsterdam, demanding justice for Shahidul Islam, an assassinated union leader.



## International Accord extended for 6 years

This crucial safety binding agreement, that has slashed incidents in factories was extended with 101 brands signing. We called on hold-out brands to sign this text to protect workers.



## Mass wage protests in Bangladesh

The 'biggest demonstrations in a decade' took place in Bangladesh to demand a living wage: tens of thousands of workers took to the streets. The movement was met with brutal repression.



### European Due Diligence law moves forward

EU member states and the Parliament agreed on a due diligence law which could hold corporations responsible for abuse in their entire supply chain.

## 1. Urgent appeals

In 2023, we worked on 41 urgent appeals cases in 14 countries:

Bangladesh, Sri Lanka, Myanmar, Thailand, Cambodia, Pakistan, Indonesia, India, North Macedonia, Turkey, Croatia, Romania, Serbia and El Salvador.

#### **Issues:**

· Freedom of association: 24

Non-payment after factory closures: 19

Wage issues: 15

Mago locaco. To

• Labour practices: 12

· Civic space: 5

· Gender: 5

· Regulatory failures: 4

Employment relationships: 3

Some cases involved hundreds of

workers. The most frequent issues were the right to organise and wage theft. Additionally, we worked on improving internal information flow on urgent appeals, showcasing our work, providing evidence for other cases, and improving collaboration within the network.

Clean Clothes Campaign works with workers, activists, trade unions and other labour rights organisations on cases of rights violations through our **urgent appeals (UA) system.** 

Victories have an immediate effect for workers, can set precedents for larger improvements, and inspire other workers to take action. Lessons learned from urgent appeal cases are integrated into CCC's strategies for systemic change.

#### Cambodia & Thailand: Nike owes workers \$2.2 million

Workers in Nike's supply chain continued to fight for stolen severance and wages. In <u>Cambodia</u>, 1,284 garment workers of the Violet Apparel factory are owed **\$1.4** million in unpaid wages and benefits since 2020. In the Hong Seng Knitting factory in Thailand, over 3,000 workers are still waiting for their pandemic furlough pay: more than **\$800,000** since 2020.

In 2023, 58 labour and human rights groups contributed to Worker Rights Consortium's **new investigation** into the Violet Apparel case, underlining why Nike should take action. During the FIFA Women's World Cup, groups in the network appealed to prominent Nike-sponsored football players to speak up for the workers. Around Nike's AGM we amplified workers' voices in the press and among investors, and reached out to Nike's Board of Directors.

## Thailand: Tesco pressured to settle court case

In Thailand, Burmese migrants were made to work up to 99 hours a week on illegally low wages and in forced labour conditions in the VK Garment factory, a Tesco supplier. In 2023, we continued to support the landmark legal case against Tesco and social auditing firm Intertek for negligence and unjust enrichment. CCC and Labour Behind the Label called on Tesco to settle the court case and compensate the 130 migrant workers. Through an online petition, over a thousand people wrote to Tesco's CEO.



## Myanmar: ongoing repression of labour activism

In 2022, 2,000 workers at the Pou Chen factory (an adidas supplier) went on strike for better working conditions, higher wages and their right to unionise. Management fired 26 workers. After campaigning work with organisations from Myanmar, 13 workers were reinstated in 2023, while 13 took severance pay. However, union-busting continues in the factory, in a context of heightened repression following the military coup. The case showed the power of rapid response in defending human rights of labour activists. Brands like adidas that still source from Myanmar have a responsibility to ensure worker rights are upheld: we published guidelines on what heightened due diligence should look like.

### SKC: Urgent appeals showcase

On the SKC website, a <u>page</u> is dedicated to Urgent Appeal campaigns we work on. We updated all cases at the end of the year, and started sharing the stories of workers on social media.

#### Indonesia: s.Oliver pays Jaba Garmindo workers €100,000



Eight years after the Jaba Garmindo factory went bankrupt in Indonesia, former workers who made clothes for s.Oliver and Uniqlo were still fighting for the €5.5 million they were owed. The Indonesian judicial system had confirmed the debt, but was powerless to force international brands to pay it. In 2023, s.Oliver paid €100,000 to 2,000 former workers. Uniqlo, one of the world's richest clothing brands, still refuses to pay a cent.

#### Sri Lanka: Solidarity with Lanka Leather workers



Workers, most of them women, have been fighting for their <u>right to unionise</u> at Lanka Leather Fashion since 2020. The Germanowned company, one of Asia's largest producers of high-end leather products, imposes harsh working conditions and pressures workers to achieve unrealistic targets. When workers tried to unionise, management fired leaders.

The campaign turned to Hugo Boss, calling on the brand to ensure workers' right to organise. Although Hugo Boss claims to take the allegations "very seriously", it failed to take any meaningful action. The union filed a complaint against the brand to the Partnership for Sustainable Textiles, together with the German Clean Clothes Campaign (Kampagne für saubere Kleidung).

# 2. Wages & social security

#### #PayYourWorkers: A year of actions targeting adidas

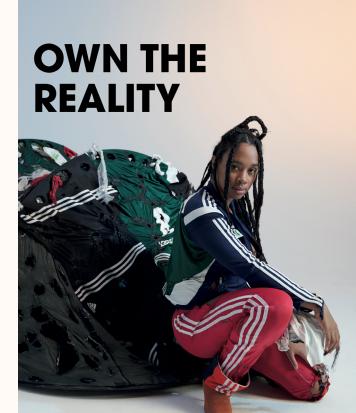
The Pay Your Workers campaign continued in 2023, calling on brands to establish a global severance guarantee fund to end wage and severance theft. **Adidas** was a major focus of the campaign.

In January, we organised a high-profile stunt with the Yes Men: Operation

Payback during Berlin Fashion Week.

The hoax event announced adidas had appointed a former Cambodian garment worker as their new co-CEO. Her first decisions? Signing the Pay Your Workers agreement and pledging to pay back garment workers' stolen wages. The press went for it!





In May, we took over adidas' AGM in Germany while workers and activists protested in Cambodia, Pakistan, Indonesia, Bangladesh, Lesotho, Italy, India, Uganda, the US, UK, Poland and the Netherlands. We confronted CEO Bjørn Gulden about wage theft in adidas' supply chain in a speech during the AGM. The action came after a worker tour in the US with Chhorpesal Chhom, a former adidas worker who was tricked into resigning and renouncing her rights in 2020. Chhorpesal and her co-workers are still owed \$1.1 million.

In June, adidas workers took over an Indonesia/Argentina match in Jakarta to call on Lionel Messi (who has a \$1 billion lifetime contract with adidas) to stand with them in their fight to end adidas' wage theft. Four workers entered the stadium, representing adidas workers fighting for their compensation.

Our last big stunt of the year took place in November in Lisbon, at one of the biggest tech conferences in the world. With the Yes Men, we announced adidas was launching their own crypto-currency to pay its workers instead of real money. No journalist asked any hard questions, one even called the plan "revolutionary." Journalists only reached out to adidas after the hoax was revealed.





## Pay Your Workers victories in 2023

Guatemala: workers rehired & rights restored

During the pandemic, workers at JNB Global, a Target supplier, had been forced to sign new contracts with falsified hiring dates, stripping them of benefits. Those who refused were illegally fired. After campaigning, including solidarity actions by retail workers at **Target** stores, JNB finally provided all **severance and back-pay** to seven workers who were illegally fired, replaced workers' illegal contracts and restored the rights of all 400 employees.

#### Cambodia: union leaders reinstated with full back pay

In 2020, Trax Apparel, an adidas supplier, terminated 368 workers including the leaders of a newly formed independent union, citing a need to downsize. A few months later, management offered to rehire most workers... except eight union activists. After international campaigning, including actions by students at US universities, workers were reinstated with <u>full back pay</u> in February.

Croatia:
workers win
\$500,000 in
severance



In March 2023, after 18 months of international campaigning, press conferences and protests, workers at the Orljava factory won their fight for severance. The workers had been under pressure since the pandemic: Olymp, 80% of the factory's production, reduced, then stopped all orders. The factory went bankrupt and all workers lost their jobs. Their struggle paid off: 237 workers finally received **€491,074 in severance,** over **€**2,000 per person, from the Croatian government which owned the factory. A precedent-setting victory! Olymp unfortunately failed to pay anything, prompting workers to travel to Germany to file a complaint against the brand at the German **OECD National Contact Point.** 

## SKC: Handmade pop-up exhibition

The <u>Handmade</u> exhibition aimed to build awareness on the garment industry and build bridges between workers and the Dutch youth. In Lelystad, an opening ceremony took place with students from ArtEZ who originally pitched the idea. SKC hosted a clothing swap next to the exhibition, and talked with young people about the event.

Handmade was then officially launched in Amsterdam with an influencer breakfast: ten influencers discussed the exhibition with SKC staff. In the Hague, the focus was on Christmas shopping. We organised three days of upcycling and repair workshops with the Naaierij, coupled with a clothing swap and an opening talk by activist and influencer Sara Dubbeldam. The varied locations and accessible events enabled us to reach a diverse audience of students, organisers and members of the public.





#### Turkey Earthquake: Brands' duty to guarantee worker rights & safety

The devastating earthquake that hit Turkey and Syria in February 2023 affected a region where many garment factories operate. We called on brands, factory owners and the Turkish government to protect worker rights after the tragedy. We <u>urged</u> brands and retailers to pay their suppliers on time, ensure workers received their full wages or severance, and prevent factories from reopening until marked safe.

#### Bangladesh: a brutally repressed minimum wage movement

Tens of thousands of workers took to the streets when factory owners suggested a new minimum wage of 10,400 taka (\$95 a month) — less than half what unions were asking (23,000 taka, \$208). The 'biggest demonstrations in a decade' were met with police violence, tear gas, rubber bullets and live ammunition. At least four people were killed.

Despite weeks of protests, the minimum wage was set at 12,500 taka, \$113, condemning workers to struggle for basic necessities for the next five years.

The CCC network turned to international garment brands at an early stage of the wage revision process, to point out their power in dictating prices, influencing wages. In most cases, prices barely cover poverty wages, despite certain brands' longstanding living wage commitments (H&M, C&A, Uniqlo, M&S...) We urged brands to support the workers' demand and absorb the cost. A few brands made general statements, but only one supported the workers' demand. H&M made headlines with its commitment to reflect the new poverty wage in its prices — the absolute minimum, showing how far the industry is from paying living wages.



Upon SKC and trade union
 Mondiaal FNV's request to the
 Dutch Ministry of Foreign Affairs to
 speak out on the issues of wages
 and violence perpetrated towards
 workers, the Ministry, with other EU
 member states, issued a statement
 to authorities in Bangladesh
 expressing concerns regarding
 safety in the textile sector and
 condemning the violence.

## SKC: Bangladesh solidarity work

- SKC approached three Dutch brands. Two of them, G-Star and Zeeman, published statements reiterating their support for a livable minimum wage without explicitly supporting the workers' demand.
- With XRNL Fashion Action, SKC organised a clothing swap on Black Friday to show alternatives to cheap clothing. The event included a solidarity photo action with Bangladeshi workers: 70+ people expressed support for workers.

#### UN Rapporteur on Extreme Poverty visit to Bangladesh

CCC's International Office briefed the UN Rapporteur on Extreme Poverty before their visit to Bangladesh. Their statement on the garment industry, the Accord, minimum wages and the responsibility of international buyers is available <a href="https://example.com/here/be/here/">here</a>.

### SKC: Dialogue with Zeeman & Prénatal

SKC engaged in dialogue with Dutch brands including Prénatal and Zeeman to advocate for the implementation of living wages in their supply chains. In 2023, Prénatal improved its **Fashion Checker** rating from an 'E' (no claim to paying a living wage to any of its employees) to a 'D' (1-25% of its supplier factories pay workers a living wage). Zeeman achieved a 'D' rating in 2022. In 2023, we continued to encourage both brands to achieve higher wages in more factories for 2024, and continued to offer critical perspectives on their living wage programmes.



#### **Workers win in Serbia!**

On June 16, 600 workers won a 10% wage increase after two weeks of strike at the Falc East factory. They made clothes for global luxury brands including Balenciaga, Gucci and Burberry — yet 80% of them earned the minimum wage, about a third of a living wage. Many organisations in the CCC network supported their inspiring mobilisation.

## 3. Freedom of association

#### Justice for Bangladeshi trade unionist Shahidul Islam

In June, trade union leader Shahidul Islam was **killed** after leaving a meeting with management where he helped workers secure bonuses and wages. He had worked with the Bangladesh Garment and Industrial Workers Federation (BGIWF) for 25 years. This tragedy shows the extreme violence of employers trying to suppress freedom of association to terrorise workers.



In September, CCC's International Office, SKC and XR Fashion Action protested inside and outside of the "Best of Bangladesh" trade event in Amsterdam to demand justice for Shahidul Islam, freedom to organise and higher wages in Bangladesh. Activists spoke up during the opening panel, some were removed from the room. By the end of the year, no brand had taken responsibility towards Shahidul's family, and crackdown on wage protests showed freedom of association was still under pressure, more than ever.



## Sri Lanka: workers rights under attack

Workers in Sri Lanka are paying the price for a financial and political **crisis** that has led to rampant inflation. The government has been ignoring workers in its response, and unions have been removed from the country's tripartite consultation mechanism. Proposals to reform the labour law and pension funds put workers' rights and savings at risk. We expressed our **solidarity** with Sri Lankan workers.

We also showed how workers are paying the price for the financial crisis, with a **report** on the non-payment of the Emergency Relief Allowance initiated to help workers through the crisis.



## 4. Health a safety

#### Rana Plaza: Never again

We looked back on the **ten years** since the factory collapse in Bangladesh that killed 1,138 people, setting up media interviews with union representatives, sharing the stories of people affected by the collapse with photographer Ismail Ferdous and academic Naomi Hossain, and launching a **new commemorative website** including a timeline of key events.

We raised awareness on how the toxic combination of unsafe factories, lack of freedom of association and poverty wages caused the tragedy, and put forward measures including supply chain legislation, binding agreements such as the safety Accord, and the recently established Employment Injury Insurance Scheme pilot.

#### SKC: Remembering Rana Plaza

On April 24, the anniversary of the Rana Plaza tragedy, SKC organised a memorial on Dam Square in Amsterdam to commemorate the victims. The programme included speakers, including former Minister for Foreign Trade and Development Cooperation Lilianne Ploumen and Member of the European Parliament Lara Wolters.



## New steps for the safety Accord

The binding agreement known as the Accord was set up in the aftermath of the Rana Plaza collapse and has drastically reduced the amount of factory incidents in Bangladesh.

In December 2022, brands and unions of the Accord announced the **Pakistan Accord**, bringing its complaint mechanism, worker trainings, and effective safety inspections to the first country beyond Bangladesh. Factories in Pakistan are notoriously dangerous, with regular fires, and unions had worked many years to secure this binding agreement. During 2023, **93 brands committed** to the Pakistan programme, including some of the largest buyers from the country such as H&M, Inditex, Primark, Asos, C&A, and Gap.

In November 2023, unions and brands of the Accord agreed on a new mandate for the International Accord for Health and Safety in the Garment and Textile Industry, which will run for six years. As witness signatory, we gave input to the Steering Committee with the Workers Rights Consortium on what the new agreement should look like. We did advocacy work and campaigned publicly to expand the Accord to other countries, safeguard the independent and binding nature of the programme, and extend its scope.

#### Did you know?

Since the launch of the Accord in Bangladesh in 2013:

- over 90% of safety hazards at covered factories were eliminated, making factories safer for over 2 million workers
- 1.8 million workers received safety trainings
- over 1,700 health and safety complaints were filed through the complaint mechanism.

This new International Accord functions as an overarching agreement, with an expanding number of country-specific safety programmes. The existing work in Pakistan and Bangladesh was brought under the International Accord as the first two country programmes, and brands have to sign at least one of these programmes upon signing the International Accord. The almost 200 brands that had signed the previous Accord had to re-confirm their commitment. By the end of 2023, 101 had done so, 89 of which had signed the Bangladesh programme.

During 2023, we pressured brands such as Levi's and Ikea who never signed, putting their workers at risk.

A petition on Eko launched collected over 60,000 signatures to urge holdout brands to finally sign the Accord.

# 5. Better laws & binding agreements

#### One more step towards justice: the Corporate Sustainability Due Diligence Directive

At the EU level, we continued advocacy work to strengthen the new due diligence law, which will hold corporations responsible for abuse in their supply chain. In June, the EU Parliament's vote was a step in the right direction despite issues on transparency, social auditing, and grievance mechanisms. The Parliament increased the number of companies required to carry out due diligence in their value chain, forced companies to assess their business models and pricing practices, and opened new avenues for justice for victims of corporate abuse.

In December, member states and the Parliament agreed on a final text, forcing large companies to identify, assess, end, or mitigate and remedy harm they caused in their value chains. Aggrieved workers could sue companies under the new civil liability regime in case of corporate abuse. Overall, this prospective European law is stronger than similar national laws. The law should be adopted in 2024.



## European Citizens' Initiative on living wages

Our year-long campaign with a broad coalition of human rights and labour rights organisations on the #GoodClothesFairPay European Citizens' Initiative for living wages came to an end, collecting over **240,000 signatures.** 

Although we did not reach our goal of a million signatures, the impact of this campaign should not be underestimated: at a European Parliament hearing in October, campaigning organisations urged policy-makers to address its legal demands through supplementary legislation to the CSDDD or as standalone legislation.

## Report on abusive trading practices in fashion supply chains in Europe

A report by the Fair Trade Advocacy Office (FTAO) based on our field research revealed unfair trading practices in the European garment industry: lowered prices, shortened lead times, increased order changes and lengthened payment terms. These trends **increase the pressure on suppliers**, preventing them from paying decent wages or making investments. Recommendations included a **call** for a European directive to ban unfair trading practices in the garment sector.

EU Strategy for Sustainable and Circular Textiles: a positive vote in the European Parliament In June, the EU Parliament <u>voted</u> to transform the garment industry to respect social and environmental rights with a clear majority. It underlined the links between social and environmental aspects, and raised the issue of gender discrimination and overproduction. The resolution also called for legislation on unfair purchasing practices.

#### Forced labour

Worldwide, it is estimated that 17.3 million people work in forced labour conditions in the private sector, while 3.9 million are in state-imposed forced labour programs. CCC is part of the Coalition to End Forced Labour in the Uyghur Region, a global alliance united to end state-sponsored forced labour in the region. At the EU level, we continued advocacy work to pass the forced labour law and adopt measures to investigate, identify and stop products linked to forced labour. Together with other allies, we advocated for more accessible evidentiary and remediation regulations.

#### **Transparency**

To identify brands that should be held to account for human rights violations in supply chains, CCC started using new sources of information on brands' import/exports. For the moment, this vital information is locked behind paywalls. In cooperation with WikiRate, Wage Indicator Foundation, OpenCorporates, MappedInBangladesh, GLEIF and others, we started work to increase the public availability of data on supply chains.

In 2023, 26 companies signed the **Transparency Pledge.** This included the first inroads into the luxury sector (Lagerfeld, Gucci, Tapestry, Neiman Marcus Group). Beyond these 26 brands, other brands disclosed supply chain information, sometimes at a deeper level, beyond the first tier of suppliers.

We also contribute to the work of OpenSupplyHub, a powerful **transparency tool** for the garment industry. In 2023, the number of facilities listed on this platform rose to over 200,000, making it easier to link brands to facilities.

CCC organised several panels on wage transparency at the OECD Forum and RightsCon, along with WikiRate, the Wage Indicator Foundation, trade unionists from our network and representatives from Fair Labor Association. Brands' and multi-stakeholder initiatives' internal wage reporting tools have become more standardised and more widely adopted, however work continues to make that data transparent.

With Fashion Revolution, we updated 311 brand profiles on the **Fashion Checker** website and added wage data from 38 facilities in Pakistan.

## 6. In the media

In 2023, SKC was mentioned 80 times in newspapers. SKC gave several interviews, incuding a live <u>interview</u> with Omroep Flevoland about the Handmade exhibition.

Press coverage of our activities was highest during the tenth anniversary of the Rana Plaza tragedy. We organised a press conference with Remake, and connected union leaders from Bangladesh with journalists in six online interviews, attended by around forty journalists. Thirty media articles quoted union leaders or CCC staff. Our press release was quoted in dozens of articles.

Stunts organised with the Yes Men in January and November were also picked up by both the industry press and the mainstream media. The Berlin Fashion show was featured in the **Guardian**, the Spiegel, ABC Australia, **Business Insider** and **Fortune**.

The VK Garment court case was featured in the **Guardian twice**.

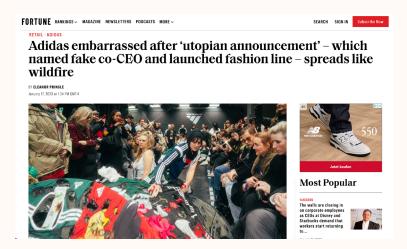
In total, CCC was mentioned 271 times in English-language news in 2023.

#### **Notable articles**

CCC was interviewed by **Articles of Interest,** a popular podcast followed by
19,000 people on Substack. The episode

'Inside the Factory' on the failure of audits,
received a lot of attention on Twitter and
reached a broad audience of US listeners
interested in fashion.

- Politico: 'Fashion's real victims: 10 years after Rana Plaza, EU scrambles to prevent future tragedy'
- CNN: '10 years after Rana Plaza, is Bangladesh's garment industry any safer?'
- Sourcing journal: 'adidas should use Yeezy money to rectify wage theft'



#### Social media

CCC's presence on social media grew in 2023.

 Instagram: 1.5 million views, 120K followers

Facebook: 100K views, 60K followers
Twitter: 500K views, 26K followers

LinkedIn: 16K viewsTiktok: 8K views

SKC numbered 3,400 followers on Instagram, with a reach of 34K (1,100% compared to 2022). SKC is followed by 18,100 people on Facebook, with a reach of 61,100 (390.4% compared to 2022).

#### Website visits

- cleanclothes.org / 275K
- fashionchecker.org / 66K
- payyourworkers.org / 16K
- schonekleren.nl / 34K

## SKC: Lesson package and prentenboek project

SKC was approached to partner with a member of the royal family, Eloise van Oranje, to write a children's book about fast fashion and develop a lesson package for elementary schools to present fast fashion's problems. Eloise is known for promoting the use of second hand clothes and the importance of a sustainable fashion industry. When the book was launched, it was sent to 7,800 schools along with a lesson package.

## /. Organisation

CCC was founded under Dutch law and has its registered office in Amsterdam. The foundation is a Public Benefit Organisation (ANBI) and prepares its annual accounts in accordance with Guideline C1 of the Council for Annual Reporting for small organisations without profit. CCC's board principles are formulated in the Articles of Association. The chair heads the Board, which consists of five members. The Board is collectively responsible for human resources and financial management of the organisation and safeguards the identity and mission of the foundation. Board members do not receive any form of compensation from the foundation. The board meets four times a year.

CCC consists of three teams: the International Office (CCC IO), the Schone Kleren Campagne (SKC), and administrative support (the Bureau). The IO facilitates and coordinates international activities and campaigns of the CCC global network. The SKC raises awareness among the Dutch public and lobbies Dutch garment companies and the Dutch government. The Bureau holds the organisational and operational support mandate, including finance, human resources, grant management, fundraising, administration and IT.

CCC is a workplace democracy organisation and does not have a director or managerial structure. Strategic and governance decision-making is based on consensus and non-hierarchical principles within a clearly defined framework of self-managing teams. The foundation's employees earn the same salary regardless of their function, job title, or seniority. A Cross Team body is responsible for streamlining operational management. The body consists of three elected employees.

#### A stronger network

Our network is critical to build leverage and power to support workers to improve their working conditions in global garment and sportswear supply chains.

The network is formed of 221 organisations and eight associates who develop and share collective strategies of campaigning and advocacy. The network includes organisations working at the global, regional, and national levels based in countries that are primarily involved in garment production as well as consumption. For security reasons, we do not publicly disclose the names of our members, partners and associates.

- East-Asia: 11 organisations
- South-East Asia: 37 organisations
- South Asia: 31 organisations
- Europe: 122 organisations and 3 associates
- Global level: 20 organisations and 5 associates

In 2023, we welcomed two new organisations while 21 groups unfortunately left our network. Some did not have the capacity to continue collaborating with the network, others had been unresponsive or inactive.

#### **Strategy Board**

The CCC network takes guidance from its Strategy Board, which consists of:

- 5 elected members and 5 ex-officio members (of the 4 regional coalitions and the IO)
- 3 of the elected members represent trade unions, 2 represent NGOs.
- Women represent 70% of members
- Members come from Bangladesh (2), Belgium, Cambodia, Denmark, Hong Kong, Indonesia (2), the Netherlands and Sri Lanka.

In 2023, the SB tackled important issues: improving the work done in Working International Groups (WIGs), responding to civic space violations in Myanmar and Hong Kong, enabling the network to improve coordination in (joint) fundraising and expanding the work on Urgent Appeal Cases, in Asia in particular.

The SB convened in Bali, Indonesia, on 6-7 June 2023 to address a wide range of issues, including the current context and significant changes and developments impacting the lives of garment workers. Network strategies were also discussed. Concurrently, the Urgent Appeal WIG convened in Bali to discuss Urgent Appeal casework and strategies.

#### **Asia Office**

The three Asia-based Coalitions of CCC are collaborating to establish an office in Asia aimed at advancing efforts in organising, campaigning, and joint strategising to improve the conditions of garment workers. The boards of the coalitions met in Bangkok in November 2023 and determined the governance structure and accountability measures for the Asia Office.

#### **Staff**

The foundation is a professional selfsteering organisation with experienced and motivated employees. We devote attention to personal growth and development while stimulating selfreliance and autonomy.

CCC's goals include being a diversity-based organisation regarding gender, race, ethnicity, and sexual orientation. CCC aims to offer all employees an accommodating environment and conditions (for example, adapted working hours and workplace, provision of additional support etc).

At the end of 2023, we retained 27 staff members, as we did at the start of the year (22.87 FTE initially and 21.89 FTE by year-end).

The **Urgent Appeal international working group** is responsible for the
Urgent Appeal structure and systems
overseeing the strategic direction of this
work in the network. The WIG is formed
by trade union, gender, and campaigning
experts from all geographical regions of
the network. They make decisions over
resource allocation, scrutinising and
providing strategic input to incoming
urgent appeal cases.

#### **Partners**

We are part of an international ecosystem of allies. We collaborate with individuals, organisations, and alliances in and beyond our network. These include Action Aid, Anti-Slavery International, Both ENDS, Cardiff University, Changing Markets, the Coalition to End Forced Labour, CNV Internationaal, the European Coalition for Corporate Justice, Fairwear Foundation, Fashion Revolution, FNV Mondiaal, Friends of the Earth, Global Rights Compliance, Global Witness, Human Rights Watch, IndustriALL Global Union, the International Corporate Accountability Roundtable (ICAR), IT for Change, International Trade Union Confederation, Justice is Everybody's Business, Labour Behind the Label, Mondiaal FNV, MVO Platform, Open Supply Hub, Oxfam, Remake, the Samdhana Institute, the Centre for Research on Multinational Corporations (SOMO), Transnational Institute, UNI Global Union, WikiRate, Workerdriven Social Responsibility (WSR), Worker Rights Consortium.

#### **Board**

#### **Chandra Shekhar Pula**

- Board member since Sept. 2023
- · Position: Chair

Shekhar Pula is currently Chief Operating Officer at The Hague Institute for Innovation of Law, and the incoming Chair of the Board of the Change Leaders. He has over 15 years of management experience in international environments. He led the Resources department at Médecins Sans Frontières, where he also served on the Executive Board. Shekhar has led and implemented organisation-wide transformations in the areas of global programmes, IT, procurement, global supply chain, project management and shared services.

#### **Yolanda Weldring**

- Board member since July 2023
- Position: General member of the Board, HR

Yolanda Weldring is Associate Director Interim Management with OxfordHR. She has a long history of experience in the international development sector, was International Director of Oxfam Novib (1999-2004), East & Southern Africa Director of Save the Children UK, and held interim director roles with HelpAge International, Practical Action UK and Hivos, among others, in Asia, Africa and Europe.

#### **Nathalie Noach**

- Board member since December 2021
- Position: Treasurer

Nathalie Noach is trained in the field of social sciences, focusing on the political climate of the border between Thailand and Myanmar. She gained experience in China, Hong Kong, Thailand and Myanmar. Currently, she is a non-financial risk officer at ING's Operational Risk World Bank department for Financial Markets and Group Treasury. With the desire to combine these interests and experiences, she aims to improve the social and economic positions of people who work in the garment industry.

#### **Metin Akyol**

- Board member since February 2021
- · Position: Secretary

Metin Akyol is trained in the field of international and European law and international relations with a focus on War Studies. He is a lecturer for the Law Faculty of The Hague University of Applied Sciences (THUAS), in Public International Law, European Law, Human Rights and Law of War. He gained international experience in the US, UK and South Africa, and worked for the Royal Netherlands Embassy in Washington, DC. He is an ambassador for ECHO (Expertise Centrum Diversiteitsbeleid), an active member of Stichting Prinsjesfestival and of a longstanding political party in the Netherlands.

#### **Tessel Pauli**

- Board member since September 2022
- Position: General member of the Board, Fundraising

Trained as a cross-cultural psychologist, Tessel Pauli joined the Clean Clothes Campaign as Urgent Appeals Coordinator in 2006. Having worked for 14 years (2006-2020) in several roles in the organisation, she brings an extensive, in-depth knowledge of the global network, and a solid understanding of CCC's internal structure and operations. In 2020 she started training as a science teacher and currently teaches chemistry and physics at a pre-vocational (vmbo) school in the province of Groningen.

In 2023, Marlies Filbri left the board. Marlies had been Chair of the Board since June 2020. We are thankful for her contribution and commitment. Her guidance, energy, and enthusiasm have been invaluable to the Foundation.

## Social and environmental responsibility

CCC has a set of rules outlining the responsibilities of the organisation in our Integrity Policy. The policy reflects our organisation and what we stand for. We are part of a network with members all over the world, representing organisations on the ground in production countries in the Global South, as well as activist organisations and unions worldwide. This diversity of people, interests, viewpoints and activism, interacting on a basis of equality, is our strength.

Several instruments are continuously updated, including the Employee Handbook, Code of Conduct, Integrity Complaints Committee, Complaint Procedure, External Councillor, and Whistleblower reporting point.

On an annual basis, the Integrity Complaints Committee and the External Councillor provide the Board with an annual account of its activities. In 2023, no complaints were brought forward.

We offer our staff and visitors coffee from the Zapatistas, indigenous farmers who fight for inclusion and autonomy. Our paper is FSC-certified, and while we minimise the use of paper, we print everything double-sided. We recycle our paper, glass, and batteries and use biodegradable cleaning products. Used printer toners and cartridges are picked up and recycled by Eeko, which donates the proceeds to Stichting Aap, a shelter for non-indigenous animals.

Our staff commutes using bicycles and public transport. Much of our work involves working with international partners, particularly in Asia, and we cannot avoid air travel. We do, however attempt to limit these trips and travel by train on shorter distances as well as frequently use digital platforms as an alternative to face-to-face meetings.

#### **Fundraising**

We are proud to be able to play an independent role when campaigning for worker rights. The foundation will therefore not accept financial support from any garment brand, retailer or related foundation. As part of our multi-year fundraising strategy, we continued our pro-active fundraising approach, focusing on new donor identification and strengthening the relations with our current funders.

We have been successful in our efforts to secure new grants during the year, including a grant from the European Commission for our just transition work. The project aims to increase the critical understanding of EU citizens on how fashion production and consumption patterns contribute to inequality, climate change and workers' rights violations and actively engage EU youth by influencing public engagement, as well as government and corporate strategies and actions. Finally, we are very grateful to our private donors who donated €58,332 for our work this year.

These partnerships expand our frame of reference and generate new opportunities for fundraising in the future. We are eternally grateful for these partnerships' vital role in the fight for worker-led, sustainable and systemic change in the global garment and sportswear industry. This helped us contribute to important victories for workers rights, including the expansion of the International Accord, ambitious EU legislation on human rights and environmental due diligence and justice for garment workers in individual factory cases.

We continued supporting the fundraising strategy and outreach towards the self-sustainability of the CCC coalitions in Asia as part of a multi-year strategy. With CCC members from the Regional Coalitions in South Asia, South East Asia, East Asia and Europe, we developed a concept note for the European Union's thematic programme on Human Rights and Democracy to support civil society actors to systematically monitor labour and human rights violations and abuses, use remedy mechanisms and advocate for improved effectiveness of corporate policies and practices and judicial and non-judicial mechanisms. The concept note was successful, and we will jointly submit a full proposal in 2024.

## SKC: €25,000 donation from deel2 shop

SKC received a generous donation from a second hand shop in Zeeland, the south of the Netherlands. deel2 is a not-for-profit shop that resells second-hand clothes. Each year, they choose three organisations as recipients of donations: SKC was lucky to receive their donation in 2023 for a total of €25,000.

## Planning, monitoring, evaluation and learning

The CCC global strategic framework (GSF) for 2021-2026 is our roadmap for change, helping us to forge our path towards a just and sustainable global garment and sportswear industry. Our individual and collective work is part of a larger web of entangled and interdependent activities and social forces. We are therefore prioritising dialogue, learning and collaboration rather than aiming to present "demonstrable" impact or drawing conclusions.

To learn from each other and evaluate our impact, we collaborate, learn from our successes and adjust where needed. Over the past three years, we have made considerable progress in collective planning and monitoring our progress. In the annual webinar 'Putting the GSF into Action' snapshots of the operational priorities and challenges are shared and dialogue is fostered.

Network learning events support this process. In 2023, our Freedom of Association learning event saw high participation. Participants shared experiences and learned about the challenges of union organising, lack of institutionalised protection of freedom of association, and their intersectionality with gender equity in Uganda, Bangladesh and Sri Lanka. Participants were also invited to use a traffic light system to indicate the relevance and strategic effectiveness of recommendations in their context. To no surprise, many participants are invested in exerting pressures on home countries' brands and governments. Participants identified successful protection strategies.

In 2023 a mid-term review was conducted to reflect on the first 2.5 years of the global strategic framework 2021-2026. Final results will be presented in 2024, showing the network's development progress. The review recognises the value of the PMEL approach to strengthen collective planning and identify collective change. It also revealed a desire for more purposeful dissemination of stories of success and failures.

# 8. Financial governance aresults

A number of grants in 2023 supported our work for long-term systemic change, with a specific focus on campaigning and coalition building. The total amount of spending on direct campaign costs was €1,292,416. There were no major board interventions or decisions made related to the financial years 2023 and 2024.

#### **Financial position**

Partnerships with foundations and institutional donors provided our main sources of income. We are extremely grateful to all partners supporting our work. The partnership with the Dutch Ministry of Foreign Affairs is our longest-lasting partnership and main source of funding.

CCC is a member of the Fair Green and Global Alliance. This alliance, which includes seven other organisations (SOMO, Transnational Institute, Both ENDS, Milieudefensie, Action Aid, Samdhana and IT for Change), has a strategic partnership with the Ministry of Foreign Affairs since 2011 to strengthen the lobbying and advocacy capacity of civil society under the theme of Trade and Value Chains. The current financial grant is €7,870,865 for a five-year period.

The NoVo Foundation Fund of the Tides Foundation has been supporting us and our allies since 2018, promoting long-term systemic change, conducting rapid response advocacy and strengthening the capacity of Global South organisations. The partnership was renewed in 2022 with a grant of US \$1,485,000 for a two-year period, which will be completed in 2024.

With the support of the Open Society Foundation, CCC and its allies increased much-needed capacity to work on the #PayYourWorkers and #RespectLabourRights campaign. With the renewed grant we were able to strengthen unions' capacity, secure legally-owed unpaid wages and terminal compensation for garment workers, and build public pressure on brands. The financial grant was US \$1,450,000 for a two-year period, which was completed in September 2023. An additional grant of US \$400,000 from the Open Society Foundation was awarded in 2023 for 3 years to provide general support.

The partnership with the Dutch Nationale Postcode Loterij was renewed in 2021 and supports our work in strengthening the regional network's capacity, increasing awareness and activation of citizens in the Netherlands, and intensifying dialogue with governments and garment companies for binding agreements and mandatory human rights due diligence. The financial grant is €1,000,000 for a three-year period, and will come to a close in 2024.

Our partnership with the Dutch trade unions FNV Mondiaal and CNV Internationaal, initiated in 2021, is strengthening solidarity across regions and prioritises urgent appeal work with unions and worker organisations in South Asia and South-East Asia, as well as awareness-raising and activation of citizens in the Netherlands, and advocacy work on mandatory human rights due diligence. The financial grant is €800,000 for a five-year period.

A US-based philanthropic fund supports our regional work on wages, urgent appeals, women worker leadership and public awareness in East and South-East Asia. The financial grant was renewed in 2022 securing US \$350,000 for a two-year period.

Since 2021, the Ford Foundation provides support for the operationalisation of the Global Strategic Framework throughout the CCC Network. The financial grant was US \$50,000 for a two-year period and was concluded at the end of 2023.

In 2022, we established a new partnership with Global Rights Compliance and our partners in Pakistan. The partnership is supported by funding from the Bureau of Democracy, Human Rights and Labor of the US Department of State, and aims to advance labour rights of garment workers in Pakistan. The financial grant is US \$260,000 for a two-year period.

#### Investment policy

CCC holds no shares or bonds. Any funds not required immediately are credited to the organisation's savings account.

## **Budget 2024**

International Office	2024
Information and data	€ 334,499
Network team	€ 1,341,136
CPRC	€ 637,399
LAT	€ 196,067
Public outreach	€ 219,301
TOTAL IO	€ 2,728,403

SKC / Dutch Secretariat	2024
Urgent Appeal	€ 38,157
Occupational Health and Safety	€ 32,657
Living Wage	€ 193,545
Transparancy	€ 54,054
Network & Communication	€ 140,456
TOTAL SKC	€ 458,869

#### **Management & Administration**

	€ 194,330
TOTAL	€ 194,330

TOTAL	C O OO4 COO
TOTAL	€ 3.381.602

In:	2024
Dutch government	€ 1,786,171
CNV Internationaal and FNV Mondiaal	€ 190,557
European Commission (DEAR)	€ 303,461
GRC	€ 45,406
Novo Foundation of Tides Foundation	€ 438,118
Nationale Postcode Loterij	€ 154,923
Private Funds	€ 440,010
Private donors	€ 27,000
Interest	€0
TOTAL	€ 3,385,645

Result € 4,
-------------

### 2023 Financial statements

#### **Balance sheet**

	31 Dec. 2023		31 Dec. 2022	
FIXED ASSETS				
Fixtures and fittings	€ 7,095		€ 9,040	
Total fixed assets		€ 7,095		€ 9,040
CURRENT ASSETS				
Receivables and prepayments	€ 105,879		€ 291,341	
Cash and cash equivalents	€ 2,266,922		€ 2,948,211	
Total current assets		€ 2,372,801		€ 3,239,552
Total assets		€ 2,379,896		€ 3,248,592
RESERVES				
Continuity reserve	€ 588,220		€ 464,906	
Earmarked reserve for NPL activities	€ 25,665		€ 25,665	
Earmarked reserve for accrued training budget	€ 25,001		€ 25,001	
Total reserves		€ 638,886		€ 515,571
Current liabilities	€ 1,741,010		€ 2,733,021	
Total current liabilities		€ 1,741,010		€ 2,733,021
Total liabilities		€ 2,379,896		€ 3,248,592

#### Statement of income and expenditure

Income	Actu 202		Budget 2023	Actua 2022	
Income from private individuals	€ 66,961		€ 22,000	€ 30,782	
Income from government grants	€ 1,399,340		€ 1,947,936	€ 1,767,652	
Income from lottery organisations	€ 336,086		€ 277,082	€ 385,837	
Income from other non-profit organisations	€ 1,322,263		€ 981,768	€ 1,903,687	
Sum of raised income	€ 3,124,650		€ 3,228,786	€ 4,087,957	
Other income	€ 74,489		€ 102,767	€ 31,867	
TOTAL INCOME		€ 3,199,138	€ 3,331,553		€ 4,119,824
Expenditure					
Staff costs	€ 1,622,134		€ 1,770,129	€ 1,671,918	
Accomodation costs	€ 94,293		€ 48,960	€ 83,888	
Office and general expenses	€ 87,361		€ 106,670	€ 95,825	
Direct campaign costs	€ 1,292,416		€ 1,384,494	€ 2,318,411	
TOTAL EXPENDITURE		€ 3,096,203	€ 3,310,253		€ 4,170,042
Result before financial income and expenditure		€ 102,935	€ 21,301		€ -50,218
Balance of financial income and expenditure		€ 20,380	-		€ -11,305
RESULT		€ 123,315	€ 21,301		€ -61,523
Appropriation of the result		,	1		
Added to the continuity reserve		€ 123,315			€ -39,783
Charged to the earmarked reserve for operating assets		-			-
Charged to the earmarked reserve for NPL		-			-
Added to the earmarked reserve for accrued training budget		-			€ -21,740

#### ACCOUNTING POLICIES AND DETERMINATION OF THE RESULT

Statutory Name: Stichting Schone Kleren Campagne / Clean Clothes Campaign

Legal Form: Foundation (Stichting)
Registered Office: Amsterdam

Registration Number Chamber of Commerce: 41210820

#### 1. General

Stichting Schone Kleren Campagne (SKC) was founded on the 27th of September 1991. The objects of the organisation are: to contribute to improving the working conditions in the global garment industry, particularly in the low-wage countries. To perform everything related or conducive to the foregoing, in the broadest sense.

#### 2. Dutch Guideline for Financial Reporting by Fund-raising Institutions

The Annual Report has been drawn up in accordance with the format set out in Guideline C1 'Kleine organisaties zonder winststreven' for financial reporting published by the Dutch Accounting Standards Board (DASB).

#### 3. Accounting policies and determination of the result

Unless stated otherwise, the balance sheet items are carried at face value. Income and expenditure are based on historical cost and revenues are allocated to the year to which they relate, unless stated otherwise. To the extent anticipated, account has been taken of receivables net of a provision for doubtful debts.

#### 4. Tangible fixed assets

Fixtures and fittings are stated at purchase price. Depreciation is calculated as a percentage of the purchase price in accordance with the straight-line method based on the estimated economic life of the asset. The depreciation rate is 20%-33.33%.

#### 5. Reserves and funds

Total equity is available for allocation to SKC's objectives.

#### 6. Management and administration costs

Management and administration costs are costs incurred by the organisation for the purpose of internal control and keeping the accounts. They are not allocated to the objectives or income generation.

#### 7. Determination of the result

The result is determined as the difference between the income and expenditure allocated to the year.

Charitable and other donations are recognised in the year of receipt.

Grants are recognised in the same period in which the costs were incurred.

#### Notes to the balance sheet

#### **Fixed assets**

	31 December	31 December
	2023	2022
Fixtures and fittings		
Opening balance		
Purchase cost	€ 78,045	€ 74,252
Accumulated depreciation	€ -69,005	€ -59,912
Book value	€ 9,040	€ 14,340
Capital expenditure in the financial year	€ 4,457	€ 3,793
Depreciation in the financial year	€ 6,401	€ 9,093
Total movements	€ 10,858	€ 12,886
Closing balance		
Crooming Datament		
Purchase cost	€ 82,502	€ 78,045
Accumulated depreciation	€ -75,407	€ -69,005
Book value	€ 7,095	€ 9,040

#### **Current assets**

Pagaiyahlas and pronovments	31 December	31 December	
Receivables and prepayments	2023	2022	
Debtors	_	€ 2,888	
Amounts due from partners	€ 3,856	€0	
Grants receivable	-	€ 199,682	
Deposit	€ 9,400	€ 7,700	
Interest receivable	€ 1,996	-	
Sick pay receivable	€ 6,555	€ 5,467	
Prepaid expenses	€ 37,641	€ 52,085	
Staff	€ 2,477	€ 1,634	
Other receivables	€ 43,954	€ 21,885	
	€ 105,879	€ 291,341	

The post 'amounts due from partners' represents the difference between advances granted and amounts reported.
The deposit relates to three months' rent and Post NL.

Cash and cash equivalents	31 December	31 December	
Casii and Casii equivalents	2023	2022	
ASN	€ 265,457	€ 1,962,650	
ING	€ 1,589,458	€ 422,118	
ABN	€ 148,978	€ 149,381	
Triodos	€ 216,869	€ 377,587	
Paypal	€ 42,734	€ 34,288	
Cash in hand	€ 3,426	€ 2,187	
	€ 2,266,922	€ 2,948,211	

Cash and cash equivalents are payable on demand.

#### Reserves

Continuity reserve	2023	2022	
Opening balance	€ 464,905	€ 504,689	
Result for year	€ 123,315	€ -39,783	
From the earmarked reserve for operating assets	-	-	
Closing balance	€ 588,220	€ 464,906	
Earmarked reserve for NPL activities  Opening balance  Transfer to/from	€ 25,665	€ 25,665	
Closing balance	€ 25,665	€ 25,665	
Earmarked reserve for training budget for individual employees			
Opening balance	€ 25,001	€ 46,741	
Transfer to/from	-	€ -21,740	
Closing balance	€ 25,001	€ 25,001	

The organisation aims to hold a minimum
general reserve to cover six-months staff,
accommodation and office costs. In 2023
this would amount to € 1,711,253 x 50% =
€ 855,626. At the end of the 2023 there is a
discrepancy between this aim and the general
reserve of € 855,626 less € 588,220 =
€ 267,406.

The earmarked reserve was formed for the purpose of performing activities in accordance with the Nationale Postcode Loterij (NPL) contract of 4 March 2014. The reserve will be spent on these activities in the years to come and/or allocated to the continuity reserve to compensate for a negative result for the year.

Each employee is entitled to an individual training budget to which the organisation makes a contribution each year. This earmarked reserve represents the total amount of accrued entitlements for all employees.

Current liabilities, accruals and deferred income	2023	2022
Creditors	€ 87,284	€ 120,561
Amounts payable to partners	€ 285,615	€ 700,356
Statutory payroll tax and social security contributions	€ 1,887	€ 34,710
Pension contributions payable	-	-
Grants to be spent	€ 1,060,973	€ 1,479,326
Amount reserved on account of holiday entitlement	€ 128,049	€ 143,446
Amount reserved on account of holiday pay	€ 140,594	€ 118,484
Net salary	€ 3,212	€ 18,094
Accrued expenses	€ 33,396	€ 118,044
	€ 1,741,010	€ 2,733,021

Amounts payable to partners relate to the difference between the advances granted and amounts reported in 2022-2023.

#### Liabilities not shown on the balance sheet

A 4.5 year rental contract was signed for the office on Nieuwezijds Voorburgwal 292, Amsterdam, taking effect on 1 July 2021 and expiring on 31 December 2025. The annual rent is € 74,330, the total liability until the end of the contract is € 328,650. For the office in Brussels a 10 year rental contract was signed, taking effect on 1 October 2017 and expiring on 30 September 2026. The annual rent was € 6,194.

#### Statement of income and expenditure

Income	Actual 2023	Budget 2023	Actual 2022
Income from private individuals			
Donations and gifts	€ 66,961	€ 22,000	€ 30,782
	€ 66,961	€ 22,000	€ 30,782
Income from government grants			
Ministry of Foreign Affairs-DGIS (2021-2025)	€ 1,399,340	€ 1,947,936	€ 1,620,187
EuropeAid: Filling the Gap (2019-2022)	-	-	€ 147,465
	€ 1,399,340	€ 1,947,936	€ 1,767,652
Income from lottery organisations			
Nationale Postcode Loterij	€ 336,086	€ 277,082	€ 385,837
Income from other non-profit organisations			
Tides Foundation (2021-2022)	€ 20,808	-	€ 35,406
Tides Foundation (2022-2023)	€ 386,868	€ 435,417	€ 648,893
Open Society (2022-2023)	€ 516,104	€ 244,722	€ 853,395
Open Society (2023-2026)	€ 71,318	-	-
Wellspring (2020-2022)	€ -548	-	€ 182,661
Wellspring (2023-2024)	€ 122,121	€ 66,992	
Ford	€ 31,117	€ 15,000	€ 11,450
CNV Internationaal and FNV Mondiaal	€ 174,476	€ 219,638	€ 171,882
	€ 1,322,263	€ 981,768	€ 1,903,687
Other income			
Proceeds from merchandise and other income	€ 74,489	€ 102,767	€ 31,867

#### Expenditure

Staff costs	Actual 2023	Budget 2023	Actual 2022
Salary costs	€ 1,218,711	€ 1,313,415	€ 1,217,839
Social security charges	€ 224,383	€ 233,605	€ 222,801
Pension charges	€ 108,590	€ 125,959	€ 121,793
Sick pay insurance/incapacity for work	€ 55,524	€ 18,874	€ 55,743
Payments from sickness insurance	€ -38.920	-	€ -5,467
Travel and subsistence expenses	€ 12,152	€ 25,637	€ 11,152
Temporary employees/agencies	-	€ 5,000	
Volunteers	€ 3,800	€ 2,000	€ 1,700
Other staff costs	€ 37,896	€ 45,638	€ 46,356
	€ 1,622,134	€ 1,770,129	€ 1,671,918

Payments from sickness insurance are not taken into account in the budgeting process.

Accommodation costs	Actual 2023	Budget 2023	Actual 2022
Office rent	€ 74,334	€ 31,360	€ 69,148
Energy	€ 18,200	€ 13,000	€ 13,265
Fixed costs	€ 1,758	€ 4,600	€ 1,475
	€ 94,293	€ 48,960	€ 83,888
Office and general expenses			
Office	€ 3,241	€ 7,800	€ 1,160
Business entertainment expenses	€ 11,127	€ 2,000	€ 1,183
Print and photocopying costs	€ 494	€ 1,300	-
Communication	€ 1,563	€ 5,470	€ 2,746
Insurances	€ 1,934	€ 4,000	€ 1,820
Accounting costs and auditor's fees	€ 13,053	€ 47,100	€ 53,772
IT	€ 4,139	€ 6,000	€ 5,428
Consultancy fees	€ 9,103	€ 12,000	€ 4,659
Depreciation	€ 6,401	€ 10,000	€ 9,040
Board costs	€ 59	-	-
Non-collectible dues partners	-	-	-
Other general expenses	€ 36,247	€ 11,000	€ 16,018
	€ 87,361	€ 106,670	€ 95,825
Balance of financial income and expen	diture		
Interest income	€ 20,380	-	€ -11.305

The post 'other general expenses' mainly consists of costs for the acquisition of grants (i.e.  $\in$  16,018).

#### Other information

#### STATUTORY PROVISIONS GOVERNING PROFIT APPROPRIATION

The articles of association of the Stichting do not stipulate any provisions governing the appropriation of result.

#### APPROPRIATION OF RESULT

By decision of the board the result of € 123,315 will be added to the reserves.

#### **AUDITOR'S REPORT**

See next page.



#### INDEPENDENT AUDITOR'S REPORT

To: the Board of Stichting Schone Kleren Kampagne / Clean Clothes Campaign

#### Report on the audit of the financial statements 2023 included in the annual report

#### Our opinion

We have audited the financial statements 2023 of Stichting Schone Kleren Kampagne / Clean Clothes Campaign based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Schone Kleren Kampagne / Clean Clothes Campaign as at 31 December 2023 and of its result for 2023 in accordance with the Guideline for annual reporting C1 'Kleine organisaties-zonder-winststreven' of the Dutch Accounting Standards Board.

The financial statements comprise:

- 1. the balance sheet as at 31 December 2023:
- the statement of income and expenditure for 2023; and
- 3. the notes comprising a summary of the accounting policies and other explanatory information.

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Schone Kleren Kampagne / Clean Clothes Campaign in accordance with the 'Verordering inzake de Onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.



Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by the Guideline for annual reporting C1 'Kleine organisaties-zonder-winststreven' of the Dutch Accounting Standards Board.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Board is responsible for the preparation of the management report and other information in accordance with the Guideline for annual reporting C1 'Kleine organisaties-zonder-winststreven' of the Dutch Accounting Standards Board.

#### Description of responsibilities regarding the financial statements

#### Responsibilities of the Board for the financial statements

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting C1 'Kleine organisaties-zonder-winststreven' of the Dutch Accounting Standards Board. Furthermore, the Board is responsible for such internal control as the Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board should prepare the financial statements using the going concern basis of accounting unless the Board either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so.

The Board should disclose events and circumstances that may cast significant doubt on the foundation's ability to continue as a going concern in the financial statements.

#### Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.



We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

#### Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit
  procedures that are appropriate in the circumstances, but not for the purpose of expressing an
  opinion on the effectiveness of the foundation's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;
- concluding on the appropriateness of the Board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a foundation to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amersfoort 8 July 2024

WITh Accountants B.V.

Digitaal ondertekend door:

Jan Snoei July 8 2024 4:41 PM +02:00

Drs. J. Snoei RA

## About us

We are dedicated to empowering workers to improve working conditions in the global garment and sportswear industries.

Our work is worker-centred. Our Urgent Appeal system offers direct solidarity support to workers fighting rights violations. We collaborate with workers to co-develop global campaigns on systemic issues such as wages, safety and gender violence in the workplace, to educate and mobilise consumers and lobby companies and governments at a regional and national level. We also co-organise trainings with worker groups.

Clean Clothes Campaign was founded in the Netherlands in 1989 as Schone Kleren Campagne. We are now a global network of over 200 organisations in over 45 countries. Our network connects people and organisations across the garment and sportswear industry, linking homebased worker organisations, women's groups, trade unions, labour rights organisations, CSOs and activists in both garment-producing and consumer market countries. Our horizontal structure helps us identify local problems and transform them into global actions.

cleanclothes.org schonekleren.nl



