

Brazil



Sustainability Report 2012

2010-2011 Activities

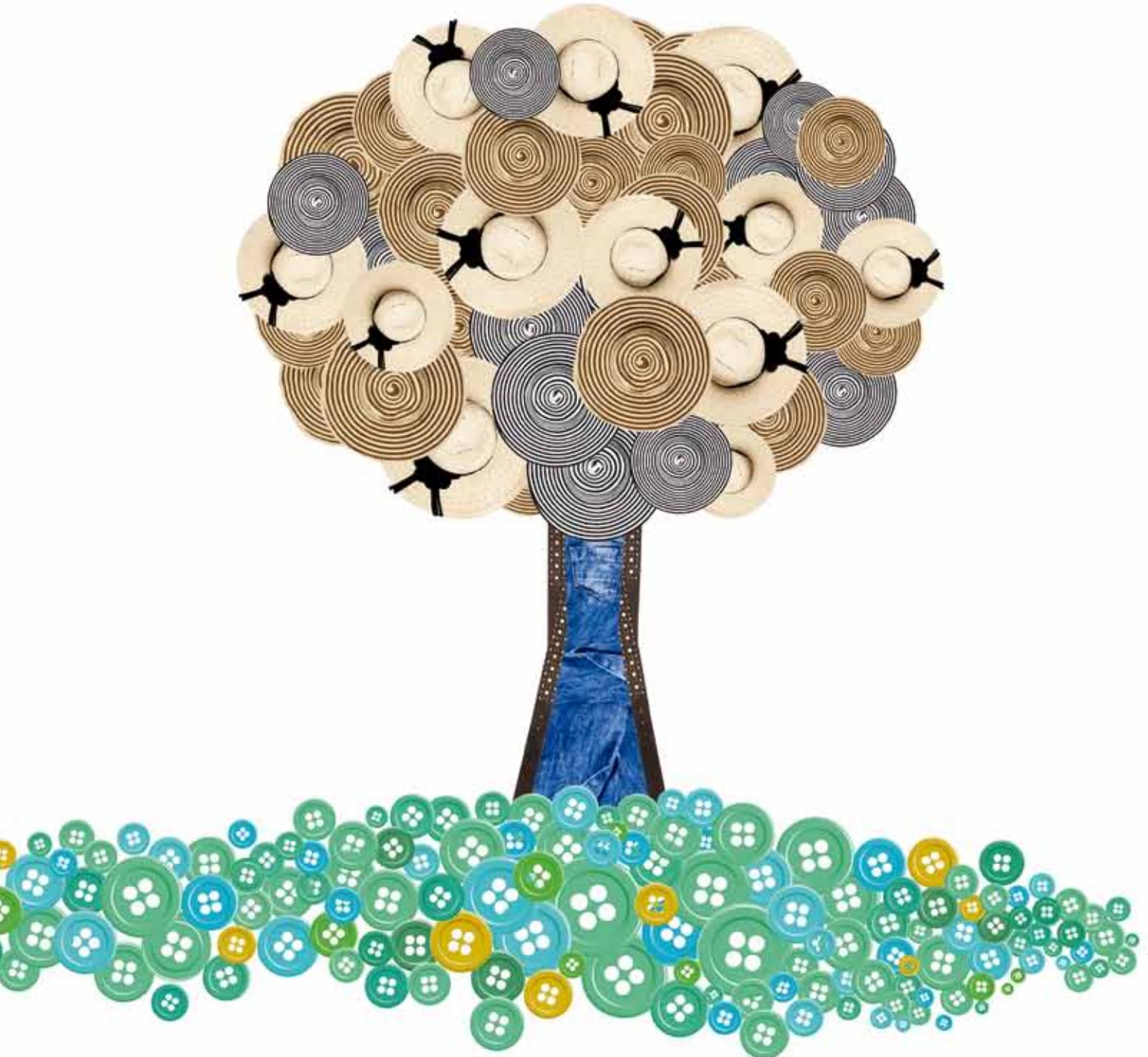


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ICONS OF MATERIAL TOPICS



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NO. - PLACE IT OCCUPIES IN THE MATERIALITY MATRIX

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C&A
SUSTAINABILITY
REPORT
2010-2011

PRESENTATION



Our Report

In 2009, we became the first company in the fashion retail sector in Brazil to produce a report based on Global Reporting Initiative (GRI) guidelines. We thus initiated a new reporting cycle, reinforcing our vocation for establishing ties with people, expressed in each page of this report.

The information about our experience in sustainability management, reported in this publication, is organized around our key stakeholders – customers, employees, suppliers and the community.

We present the current configuration and recent initiatives, as well as the strategy we have adopted in order to conduct our business and implement sustainability guidelines in our day-to-day operations. **GRI 2.1**

Throughout this report, we address material topic defined in our Materiality Matrix, which was conceived in conjunction with our stakeholders.

In the final part, you will find our index of GRI indicators, where we record our initiatives and progress, with an assessment of our evolution in sustainable management practices.

We look forward to receiving your feedback and comments at sustentabilidade@cea.com.br.

In Brazil, our **TRAJECTORY** of success extends for over 35 years

Inspired to build long-lasting relationships, we expanded our presence in the country with the objective of offering an irresistible fashion experience to our customers

At the end of two landmark years in C&A's trajectory in Brazil, we are proud to share some of the stages in the transformation process we have experienced. Prepared in accordance with Global Reporting Initiative (GRI) guidelines, our second Sustainability Report expresses a collective effort that involves teams and stakeholders. With it, we aim to create an internal culture driven by sustainable management principles and focused on establishing long-lasting ties. In turn, this enables us to offer an irresistible fashion experience and products of excellent value through an ethical and professional business approach.

This supports our strategic plan, through which we intend to reach 2015 as the best fashion retail company in Brazil. Creating

a culture that we aspire to involves the entire company and is already visible in our policies, business models, as well as many other business activities that have taken place over the past two years.

Our commitment to the continuous improvement of internal processes is expressed in the information presented in this report. We have selected those we consider to be the most representative in 2010 and 2011:

› In 2010, we initiated the Strategic Sustainability Committee composed of leaders from various C&A areas.

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C&A SUSTAINABILITY REPORT 2010-2011



- › In 2011, we held our first Stakeholder Dialogue Panel with 81 participants. This panel included customers, employees, suppliers and specialists in sustainability matters. The panel defined the key topics of our sustainability platform and also resulted in our Materiality Matrix, which guided the preparation of this report. The sustainability platform is currently being built.
- › The agenda of C&A commitments (compiled based on demands pointed out in the 2009 report) resulted in initiatives with strategic implications. For example, the restructuring of the Communications and People Management area.
- › Our employees responded to a second engagement survey, with positive results indicating that

the initial efforts to improve our internal climate are succeeding.

- › In 2010, we reformulated the performance management process to be more meritocratic. This new competency-based model was designed in alignment with our strategy.
- › As an important part of our organization's cultural transformation, we restructured internal communication processes, expanded internal spaces for sharing information, promoted dialogue and recognized the efforts of our team. This engaged them in change with a focus on making our business strategy clearer.
- › We promoted greater engagement with suppliers with a focus on responsible supply chain management.
- › We joined the Brazilian Association of Textile Retail's (ABVTEX) Qualification

Program for Retail Suppliers, which aims to promote better working conditions in the textile sector.

- › C&A and 40 other supplying companies jointly signed the National Pact for the Eradication of Slave Labor. This was the culmination of our engagement efforts towards suppliers over the last five years in the pursuit of good working conditions for all those in our supply chain.
- › The activities of the C&A Institute during 2010-2011 involved 126 institutions and 133 projects in which over 140 thousand children, adolescents and youngsters participated.



› The Electronic Waste Collection Program is present in all of our stores. 35,000 cell phones, batteries, and other electronic products were deposited at the collection points in our stores.

› We adopted in Brazil the new C&A logo, unified worldwide. This change marks the start of a new era of renewal, incorporating more levity and the same values practiced in all our stores throughout the world.

› The relentless pursuit of getting to know our customers more and more has led us to restructure our communication channels.

Part of our strategic objective is to maintain a leading position in the sector. We continued with our expansion policy, which resulted in 11 new stores in 2010 and 23 new stores in 2011. Another 30 stores were remodeled, adapting them

to the new visual standard created in 2008 which improves the purchasing experience. We ended 2011 with 210 stores operating in all regions of the country.

For 2012, we will maintain the same level of investment in marketing and special collections. We are updating our logistics services as well. To support to the commercial area, we are opening up our third Distribution Center in São Paulo. We perceive Brazil as one of the strongest markets for our group.

We dedicate this report to show our achievements over the last two years and to present the strategies and commitments which we will lead C&A to a new level in sustainability. We established 2015 as a landmark year for the transformations we aspire for the company and hope that our advancements in sustainability are recognized.

We would like to thank all those who contributed to the production of this report, particularly our main stakeholders who inspired us with their input on how we could improve with more sustainable practices.

We hope that all of you who wish to share this trajectory with us enjoy reading this report.

Enjoy the reading.

C&A – more than 35 years OF ATTITUDE

With our pioneering model in the fashion retail market, we make our customers the reason for our existence

We arrived in Brazil in 1976, bringing with us a fashion retail model that made us one of the world leaders in this market. We opened our first store in the country at the Shopping Ibirapuera Mall, in São Paulo, which became the first link in the biggest clothing chain in the country. Thirty-five years later, we now have 210 stores in 84 cities, and more than 18,000 employees. The company's administrative headquarters is located in the city of Barueri (SP) and all our stores are supplied from three Distribution Centers, one in the state of Rio de Janeiro and two in São Paulo. **GRI 2.3, GRI 2.9**

We are a family-owned, privately-held company. Our operations in Brazil involve the commercialization of apparel for women, men and children; accessories; footwear; electronic goods; and financial products, the latter managed by Banco Bradesco. **GRI 2.2, GRI 2.6, GRI 2.7**

C&A is present in Brazil and 21 other countries, with 1,514 stores in Europe, 35 in Asia and 70 in Mexico, constituting one of the main fashion retail chains in the world. **GRI 2.5, GRI 2.7**

We are part of Cofra Holding AG, headquartered in Switzerland, whose business activities also include financial services, real estate and business ventures in the renewable energies segment. Customer satisfaction has always been one of our main goals and a permanent part of our corporate culture. Our strategies are based on ethical and transparent relationships with customers, employees, suppliers and the community at large.

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VERÃO TROPICAL



PROFILE

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C&A: 170 years worldwide and 35 years in Brazil

For 170 years, we have made fashion a form of expression available to everyone. The C&A name stems from the initials of brothers Clemens and August Brenninkmeijer and the business they started in 1841, in the Dutch city of Sneek. The company was already a pioneer in the 19th century, when it developed the strategy of democratizing fashion by offering quality products at affordable prices.

In 1911, the company went international and opened its first store in Germany. Its arrival in Brazil, in 1976, gave Brazilian consumers, especially the female target, the opportunity to see the latest fashion trends on display in store windows around the world. Since then, C&A has been a reference in the fashion segment in Brazil, lending a touch of charm and style to specialized retail.

AWARDS AND RECOGNITION 2010-2011 GRI 2.10

IMPAR Award (Index of Preferred Brands and Regional Affinity), by the RICTV Group (Rede Record Paranaense): first-place in the category of Preferred Clothing Store in the City of Curitiba and Paraná Coast.

The **Brand That Fits in Your Wallet**, according to a study conducted by the Brazilian Marketing and Business Association (ABMN).

Most Important Award in the Retail Sector, presented by Padrão Group's Consumidor Moderno No Varejo magazine, in the Innovation in Store Format category.

The Company that Best Communicates with Journalists in the Textile Sector, in a survey conducted by Negócios da Comunicação magazine.

Planet Sierra Tenant Award, presented by the Sonae Sierra International Group, in recognition of the best sustainable performance among stores in the 10 shopping malls owned by the group.

Elected **Best Retail Brand** for the third consecutive time by the Brazilian Association of Shopping Mall Storeowners (Alshop).

Brand Recall Award, presented by Jornal do Commercio newspaper in Recife (PE), in the Men in Women's Clothing Store category.

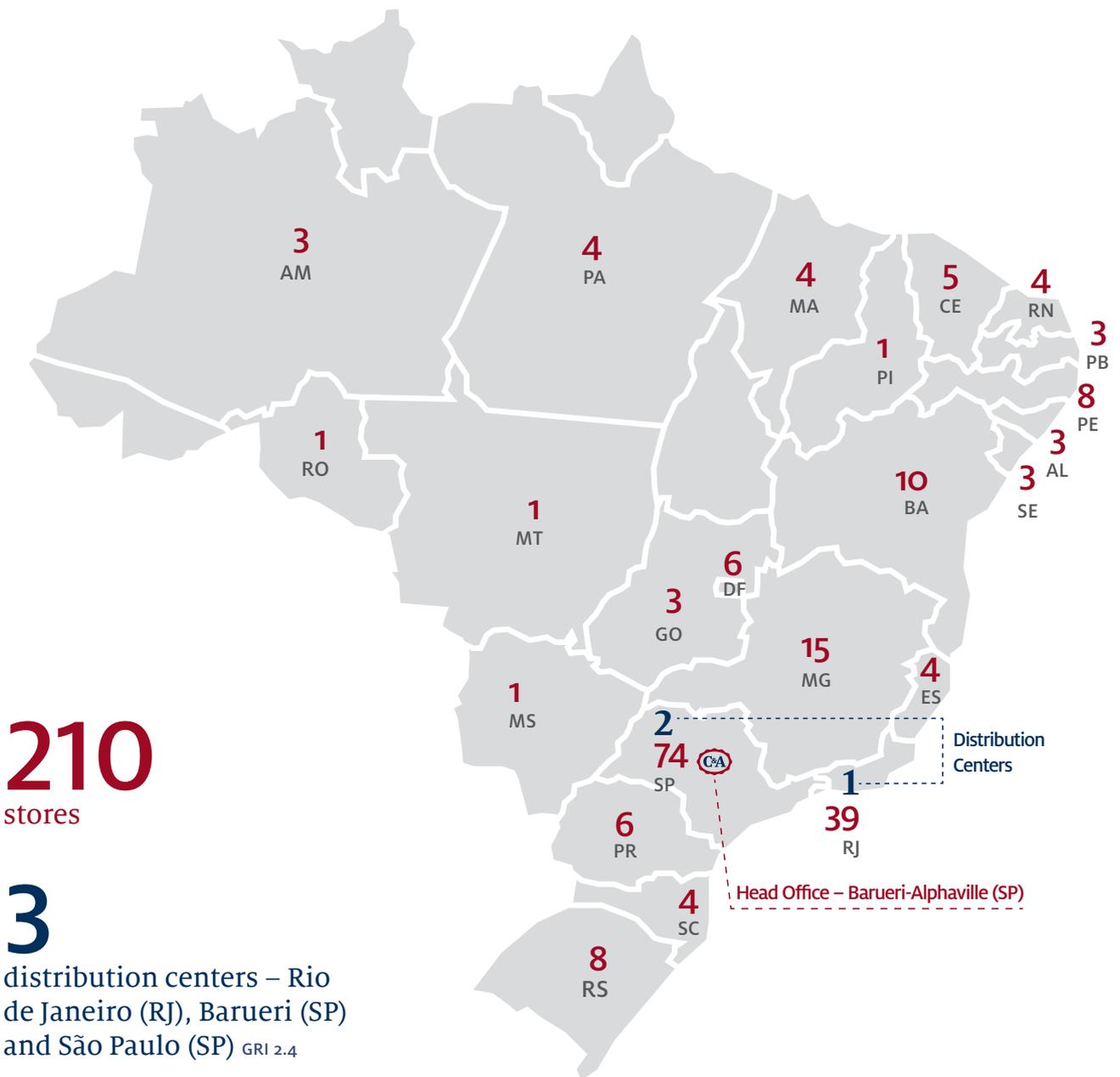
The Most Important Brand in the Retail Sector award, presented by Brazilian Retail Week, in the Marketing and Communication Campaign category.

Partnership of the Year award, presented by the IG Moda portal.

National Expansion and Best News in 2011, considered an exemplary company by Portal Chic, headed by journalist Gloria Kalil, highlighting the Stella McCartney collection for the brand.

C&A FIGURES IN BRAZIL	
Cities	84
Stores	210
Customers/day	1 million
Employees	18,336

Our Presence
GEOGRAPHIC REACH



C&A Brazil – 35 years

* COMPANY EVOLUTION IN BRAZIL

* SUSTAINABLE EVOLUTION

* C&A INSTITUTE

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C&A
2010-2011
SUSTAINABILITY
REPORT



1976

* INAUGURATION OF THE FIRST STORE IN SÃO PAULO – IBIRAPUERA UNIT

1984

* LAUNCH OF THE C&A CARD, THE FIRST PRIVATE LABEL CARD IN THE MARKET

1989

* DANCER AND ACTOR SEBASTIAN, THE FIRST BRAZILIAN OF AFRICAN DESCENT EVER TO BE HIRED AS A BRAND AMBASSADOR FOR A MAJOR BRAND IN BRAZIL

1991

* C&A INSTITUTE FOUNDED

1995

* C&A INSTITUTE PARTICIPATES IN THE FOUNDING OF GIFE

1998

* C&A PARTICIPATES IN THE FOUNDING OF ETHOS INSTITUTE

2001

* GISELE BÜNDCHEN IS HIRED FOR C&A'S 25TH ANNIVERSARY CAMPAIGN

2005

* BEGINNING OF COLLECTIONS BY RENOWNED SYLISTS

* BIODIESEL TO BE USED TO FUEL TRUCKS FOR TRANSPORTING MERCHANDISE

2006

* CREATION OF SOCAM BRAZIL, RESPONSIBLE FOR MONITORING WORKING CONDITIONS IN THE SUPPLY CHAIN

* LAUNCH OF C&A INSTITUTE'S PLEASURE TO READ PROGRAM

2007

* > CREATION OF A COMMITTEE FOR ENVIRONMENTAL INITIATIVES
> SUPPORT TO 'IN THE RIGHT DIRECTION' PROGRAM
> START-UP OF THE WASTE COLLECTION PROGRAM IN STORES



2008

- * LAUNCH OF THE NEW STORE CONCEPT

- * MAPPING OF SOCIAL AND ENVIRONMENTAL IMPACT FACTORS

2009

- * > 2015 STRATEGIC PLAN
- > ELECTED THE MOST ADMIRERED RETAIL COMPANY BY *CARTA CAPITAL* MAGAZINE
- > PARTICIPATION IN THE SÃO PAULO FASHION WEEK (SPFW) AND FASHION RIO
- > WITH THE STRUCTURING OF C&A *COLLECTION*, THE PARTNERSHIP WITH PRESTIGIOUS STYLISTS GAINS STRENGTH
- > UNDER THE POP FASHION CONCEPT, WE INTRODUCED EXCLUSIVE COLLECTIONS WITH CELEBRITIES SUCH AS FERGIE

- * > IMPLEMENTATION OF THE SUSTAINABILITY AREA
- > INAUGURATION OF THE FIRST ECOEFFICIENT STORE IN BRAZIL, IN PORTO ALEGRE (RS)

2010

- * LAUNCH OF POP FASHION COLLECTIONS WITH NICOLE SCHERZINGER AND BEYONCÉ

- * > PUBLICATION OF THE FIRST SUSTAINABILITY REPORT
- * LAUNCHING OF THE INFANT EDUCATION PROGRAM
- > IMPLEMENTATION OF THE NATIONAL ELECTRONIC WASTE COLLECTION PROGRAM AT C&A STORES (DISPOSAL OF MOBILE PHONE BATTERIES AND HANDSETS AND OTHER TYPES OF BATTERIES)
- > IMPLEMENTATION OF THE STRATEGIC COMMITTEE ON SUSTAINABILITY
- > C&A JOINS THE ABVTEX QUALIFICATION PROGRAM FOR RETAIL SUPPLIERS

2011

- * > 35TH ANNIVERSARY OF C&A BRAZIL
- > INAUGURATION OF THE 200TH C&A STORE
- > LAUNCHING OF THE POP FASHION COLLECTION WITH CHRISTINA AGUILERA
- > GISELE BÜNDCHEN LAUNCHES HER OWN COLLECTION FOR C&A
- > C&A LAUNCHES ITS EXCLUSIVE STELLA MCCARTNEY COLLECTION

- * > ENGAGEMENT OF STAKEHOLDERS TO DEFINE STRATEGIC SUSTAINABILITY TOPICS FOR 2015
- * C&A INSTITUTE'S 20TH ANNIVERSARY
- > SIGNING OF THE PACT FOR THE ERADICATION OF SLAVE LABOR IN BRAZIL
- > C&A STARTS BUYING ENERGY ON THE FREE MARKET

PROFILE

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It's a pleasure to help

We are continuously seeking to improve the quality of service we extend to our customers. We conduct surveys focused on the continuous improvement of the products and services we offer. We also invest in employee training and development, aimed at improving customer service.

More responsible suppliers

In our quest to raise awareness among our commercial partners, we have taken some important steps. Together with 40 of our suppliers, we signed the National Pact for the Eradication of Slave Labor. We also began demanding that clothing suppliers undergo the Qualification Program for Retail Suppliers provided by the Brazilian Association of Textile Retailers (ABVTEX).



and sustainability

Safe infant clothing

We test 100% of our infant products in accordance with European mechanical-safety standards for the sector. Our attention with regards to infant clothing is present right from the moment it is designed.



Biodiesel driven

In 2006, we started to use biodiesel to fuel the trucks that transport our merchandise ahead of environmental legislation mandating this practice.



Offering the best

Two years ago, we increased our quality testing requirements for the clothing, footwear and accessories produced by our suppliers.



Reducing emissions

We are constantly developing initiatives to help reduce global warming. One example is the optimization of space on trucks that transport our merchandise. We also regularly test the exhaust emissions of all trucks in the C&A fleet.

Green Buildings

The success of our first Eco Store in Porto Alegre has inspired us to replicate some of its features in other stores, resulting in water and energy savings. Opened in 2011, our new distribution center was built with more sustainable construction technologies and processes.



Ecological remodeling

In 2011, we initiated a pilot project aimed at the correct disposal of waste produced during store remodeling, with the objective of implementing environmental controls in our construction work.

Waste collection of electronic items

Bins available at all our stores collect mobile phone handsets and batteries, as well as regular batteries. Between August 2010, when we implemented the electronic waste collection program, and the end of 2011, we collected more than 35,000 items to be disposed of properly.



Recycling

We have implemented a waste sorting system at our head office, distribution centers and 40 stores, with an appropriate system for disposing of each type of waste. We have started to use recycled paper instead of white paper for everyday use, and recycled material for the production of clothes hangers in stores.



Developing readers

We promote the education of children and adolescents by building libraries, training public school professors and encouraging a taste for reading. Among the initiatives we have developed, the Pleasure to Read program has created 15 reading centers. We encourage volunteer activities, involving more than 5,600 of our employees nationwide.



In the right direction

We have been raising awareness among the truck drivers in our fleet and that of third parties, with regards to the struggle against sexual exploitation of children and adolescents along highways. We are signatories to the *In the Right Direction business pact*, introduced in 2007 by the NGO Childhood Brazil and Ethos Institute.

Awareness

Raising awareness sustainable practices among our customers is also part of our everyday business activities. Our plastic bags are oxybiodegradable and our gift packaging is made of recycled paper. We also sell reusable bags at our stores.



“

I have followed the evolution of the company and, for me, it's a reference in sustainability. C&A has stood out in the retail market for many years and this gives it a reputation for competence among its customers.”

ELAINE MARTINS HIRAKAWA,
STYLIST, customer since 1992.



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C&A
2010-2011
SUSTAINABILITY
REPORT

Times of CHANGE

Reinventing C&A involves the construction of a new corporate culture, in alignment with our long-term strategy

2010 and 2011 were years of intense transformation at C&A. The year before, we redefined our long-term strategic realignment, which focused on our customers as being the reason for our business and the source of perennity we seek. The new strategic planning cycle consists of a series of cultural changes and employee engagement initiatives, designed to place our customers at the center of everything we do.

Because of our transformation process, we have designed new business policies and models and grouped managers into multifunctional groups with the mission of transforming corporate projects and goals into concrete measures. We have defined the internal skill set (more on page 41) we need so that our employees and business areas can assimilate the importance each one has towards achieving our Aspiration.

Valuing corporate culture through new behaviors involves all areas of the company and is already visible, for example, in our people management and communication initiatives. Our desire is to reach 2015 as an organization fully capable of satisfying our Aspiration, which are as follows: **GRI 4.8**

- › She loves us, because we offer her an irresistible fashion experience and excellent value-for-money products, which delight her and her Family, each and every time she visits us.
- › We are proud to belong to an innovative, fun and inspiring company, which is both ethical and professional, where we create sustainable long-term business performance by means of consistent short-term results.
- › I commit to grow as a leader by means of teamwork, being a reference in personnel development, assuming autonomy with responsibility and seeking to learn continuously so that I can be the best I possibly can.
- › As a result, we aspire to be the undisputed leader of the fashion retail segment in Brazil, in the eyes of our customers, partners, suppliers and the community at large.

STRATEGY,
BUSINESS AND
SUSTAINABLE
DEVELOPMENT

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Transparency

We published our first Sustainability Report in 2010

Areas Represented in the Sustainability Committee

- > Management Team
- > Purchasing
- > Corporate Communications
- > Expansion
- > Engineering
- > Finance
- > C&A Institute
- > Logistics
- > Marketing
- > Human Resources
- > Operations
- > SOCAM
- > Sustainability

SUSTAINABILITY STRATEGY: A NATURAL EVOLUTION

Since 2008, C&A has been structuring itself to better manage its sustainability pillars – social, environmental and economic. The theme became part of the company's organizational structure in 2009 with the creation of a specific area, responsible for developing, creating and implementing the company's sustainability strategy, by disseminating concepts and orienting the different company departments in their implementation of socioenvironmental initiatives and actions.

Used as a management tool, our **first report** under the GRI methodology was produced in 2010 and presented a balance for 2009. The document represented a moment of awareness and mobilization, from which we were able to envision the challenges of this trajectory. The commitments assumed by the various company areas in the first Sustainability Report in 2009 gave rise to several initiatives that we executed in 2010 and 2011 (*see page 18 - C&A Goals*).

We created the **Strategic Committee on Sustainability**, made up of leaders from various areas in the company (*see top of page*), which reports to the Management Team. Its purpose is to establish guidelines for sustainability and to monitor the results of the proposed initiatives. **GRI 4.7**

Initiatives are implemented by multifunctional **workgroups**, consisting of representatives from the company areas responsible for each initiative.

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PARTICIPATIVE CONSTRUCTION

In 2011, we began building our **sustainability platform**. We kicked off the process by mapping sustainability topics related to our business. Based on interviews with our executives, sectorial studies and assessments of practices considered benchmarks in the Brazilian market, we drew up a preliminary list of sustainability topics pertinent to our company (see *Topics Mapped*).

The group of 10 topics resulting from the interview and survey process was presented to the **Stakeholder Panel**, which allowed for a multistakeholder view on topics relevant to the textile retail market. A total of 81 participants (26 customers, 20 suppliers, 21 employees and 14 sustainability specialists) attended four meetings separated according to audience category. In order for the meetings to truly reflect the profile of each of our stakeholders, we defined

criteria that ensured diversity among representatives, such as age brackets, different occupations and employee and customer relationship time with C&A. In the case of suppliers, our criteria took into account diversity in terms of size, type of products or services and geographical location. With regards to sustainability specialists, we considered those who represented civil society, specializing in environmental, social and economic topics. **GRI 4.15**

During meetings, the groups analyzed the list of pre-defined topics and defined key topics according to their vision of what they believed would be the major impacts for the company.

The Stakeholder Panel included employees, customers, suppliers and sustainability specialists

Preliminary Topics Mapped

- 1 Sustainable Construction
- 2 Conscientious Consumption
- 3 Conscientious use of Credit
- 4 Employee Development and Appreciation
- 5 Environmental Impacts
 - > Waste Generation
 - > Greenhouse Gas Emissions
 - > Use of Water
 - > Use of Energy
 - > Use of Chemicals
- 6 Community Investment
- 7 Sustainable Products
- 8 Quality in Customer Relations
- 9 Accountability in the Supply Chain
- 10 Transparency and Ethics



C&A 2010/2011 GOALS

Status of goals assumed by C&A for the 2010/2011 cycle, based on the last Sustainability Report.

AREA	2010/2011 GOALS	RESULTS
SUPPLY CHAIN	Incorporate environmental aspects into SOCAM audits.	☆ The SOCAM audit checklist was reformulated and now includes a block of environmental aspects.
	Reinforce engagement with suppliers, by reformulating workshops to include sustainability aspects.	☆ A commercial workshop for suppliers held in 2010 dedicated one-third of the content to sustainability issues, with a focus on the 'Decent Work' theme. ☆ 40 suppliers were engaged by C&A and together we signed the National Pact for the Eradication of Slave Labor. ☆ Two workshops were held for suppliers in 2011 covering practical initiatives for implementing the commitments of the Pact.
	Implement a new internal portal as a channel for communicating with employees.	☆ The C&A online portal was introduced in September 2010, to serve as a new platform for internal communication, with a focus on making our business strategy clearer.
EMPLOYEE DEVELOPMENT AND APPRECIATION	Expand the Trainee Program to the Purchasing Department.	☆ Part of the trainee selection process was directed at the Purchasing Department in 2010 and 2011. We already have 21 trainees working in the Purchasing Department.
	Implement online courses at stores starting 2010.	☆ Implementation of the distance learning platform was concluded in January 2011, with 18 training courses available.
	Implement the Academy of Executive Leaders starting 2011.	☆ Implementation of the development program for directors and senior managers.
	Provide continuity to the Train and Happen Program (courses offered to employees at the Tamboré Distribution Center - CDT).	☆ In view of a lack of interest for this program on the part of our employees, this course was discontinued.
	Offer college-level courses at the Tamboré Distribution Center (CDT).	☆ Our HR area established agreements with certain universities in the region, where employees receive discounts on monthly tuition fees.
	Restructure the People Management area over the next five years.	☆ The 19 projects defined are at different stages: 10 have been implemented; 7 are under development; and 2 are in the planning stage.

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CUSTOMERS	Review the communication channels with customers in order to effectively address complaints, including the feedback process.	 The following initiatives were carried out: visits to benchmark customer service companies, mapping of processes and bottlenecks, identification of costs and suppliers, and definition of the structure of the area.
	Replicate Customer Service Quality training to all employees.	 Training is given prior to special dates (events), or according to given projects for all employees, outsourced and temporary personnel, or a group of employees from a specific department.
		 Online training is available through the Corporate Education Portal.
	Review the Loss Prevention training program.	 The program was restructured and adapted for an online version and is available through the Corporate Education Portal, being obligatory for inspectors at all stores.
C&A INSTITUTE	Create 13 reading centers throughout Brazil, totaling 120 entities supported in 2010.	 15 reading centers were created, totaling 303 participating institutions, among NGOs and schools.
	Invest in the School of Readers project.	 The Institute invested BRL 834,000 in the School of Readers contest, an initiative linked to the Pleasure to Read Program, involving 22 public schools in the cities of São Paulo (SP), Rio de Janeiro (RJ), Paraty (RJ) and Natal (RN).
	Participate in the 2010 National Education Conference (CONAE), when the 2011-2020 National Education Plan will be defined.	 The Institute participated in the Conference and was elected to occupy one of the seats as an observing organization.
ENVIRONMENT	Monitor the total weight of waste, according to type and disposal method.	 The weighing process is monitored monthly through reports. Controls are executed at the Head Office and the three Distribution Centers.
	In 2010, fully structure the Textile Chemical Safety Area, with the goal of analyzing an average of 10,000 products from approximately 300 suppliers. Additionally, footwear and accessories will be included in this analysis process over the next few years.	 Due to the wide variety of products, high level of fashion, format diversity and high cost of testing, the project scope was rescaled to focus on the four main suppliers of infant clothing fabric.

STRATEGY,
BUSINESS AND
SUSTAINABLE
DEVELOPMENT

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LEGEND:



MET



IN PROGRESS



REFORMULATED



NOT MET

FUTURE GOALS

SUPPLY CHAIN

- * Reinforce engagement of the Purchasing Department, particularly in relation to the responsible supply concept.
- * Qualify all clothing suppliers and their subcontractors in Brazil through the ABVTEX Qualification Program by December 2013.

EMPLOYEE DEVELOPMENT AND APPRECIATION

- * Implement, in the next stage of the Corporate Education Project, the development paths focusing on the needs of individual employees.
- * Increase the number of courses, including crisis management, sustainability topics and health & well-being.
- * Expand the Academy of Leaders program to include management-level employees.
- * Implement the job position and compensation methodology, focusing on career and development paths.
- * Restructure the Trainee Program, with a new proposal to bring the program further into alignment with the needs of the business.
- * Structure the Internship Program for the IT area.
- * Structure the Manager Training Program for training trainees and supervisors.
- * Monitor the 2010/2012 Engagement Survey action plan and conduct a new survey in 2012.

CUSTOMERS

- * Implement a call-center more effectively structured to handle complaints regarding C&A services and products, and include manifestations submitted through social networks.

C&A INSTITUTE

- * Articulate the development of Municipal and/or State Book and Reading Plans at 70% of the 13 reading centers.
- * Provide technical and financial support to implement, perfect and consolidate the reading projects at 24 municipal schools.
- * Provide technical and financial support to implement, perfect and consolidate management processes at 20 social organizations.

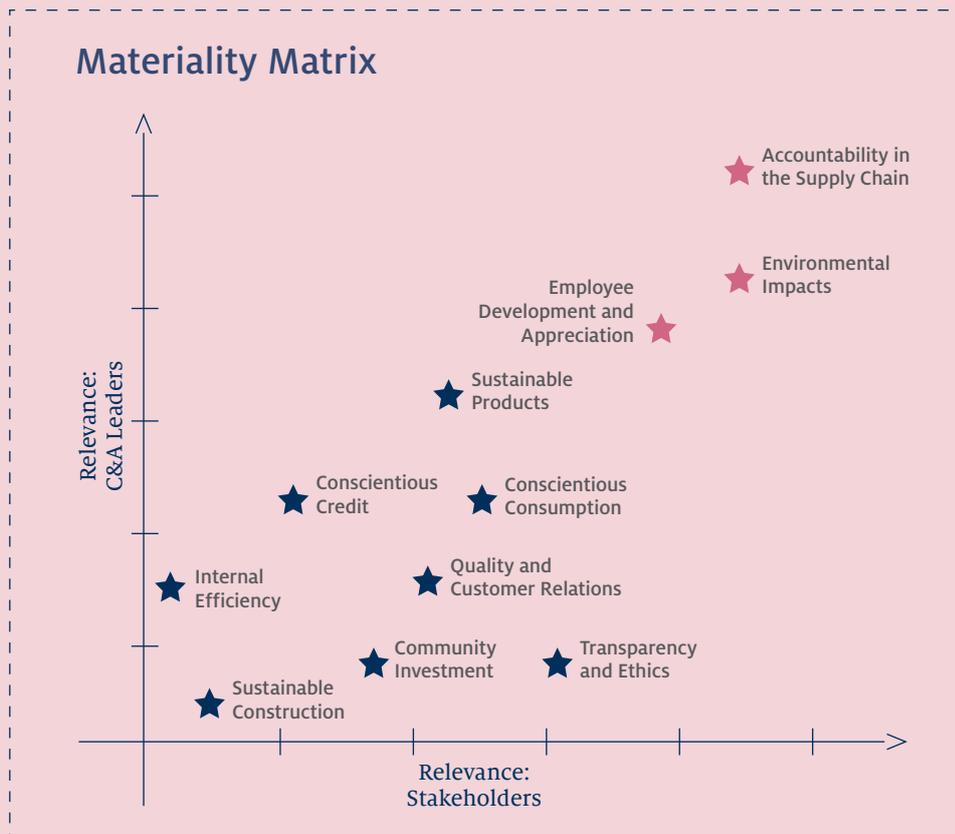
ENVIRONMENT

- * Initiate the company's waste management process, by preparing a Corporate Solid-Waste Management Plan, based on Brazilian solid-waste legislation.
- * Conduct a new campaign for the Electronic Waste Collection Program and launch the online program course to update employee training.
- * Increase the number of stores that participate in the program of purchasing energy on the free market.

MATERIALITY MATRIX: FOCUS AND CHOICES

The objective of the Stakeholder Panel was to establish the **Materiality Matrix**, which allows us to analyze topics of the greatest importance, from the point of view of the company, ascertained through interviews with managers, as well as from the perspective of the public – consulted during the Stakeholder Panel process. The main topics we identified were: accountability in the supply chain; employee appreciation; environmental impacts (with a focus on waste management). **GRI 4.17**

The process also included a validation stage for topics in the Materiality Matrix in the Strategic Committee on Sustainability. After this stage, the priority topics were validated by the Management Team and will serve as the foundation for building the Sustainability Platform to be integrated into our business strategy and C&A corporate culture in Brazil. The next steps include defining the positioning, goals, indicators and action plans for each theme. **GRI 3.5**





Evolution supported **BY ETHICS** and responsibility

Structured decision-making and monitoring processes are part of our corporate governance practices

Perceived as a system by which organizations are directed and monitored, corporate governance has the objective of preserving a company's value and reputation, while also contributing to its perennity. At C&A, our governance structure is responsible for defining strategies, making decisions and preserving ethics in the relationships we maintain with our stakeholders. Our strategy is planned by the Management Team, consisting of the CEO and key leaders from the Purchasing, Store Operations, Finance and HR areas. The criterion used in forming this committee is for strategic areas of the business to be represented by key leaders, who contribute with their in-depth business knowledge. [GRI 4.1](#), [GRI 4.7](#), [GRI 4.2](#)

Stemming from the Management Team is a structure of committees in the form of a decision-making chain, through which the forums are interconnected and communicate with the entire company. The committees operate on two fronts: one relating to monitoring and strategic decision-making, and the other related to management and business operations issues. An agenda of meetings is structured according to the frequency necessary for each front and operation pace. Strategic meetings occur every 3 to 6 months, while operational meetings can be weekly or monthly. Socio-environmental matters are handled by the Strategic Committee on Sustainability, which meets every two months. [GRI 4.1](#), [GRI 4.6](#), [GRI 4.9](#)

Leaders are encouraged to delegate and entrust matters that require greater analysis and scrutiny to smaller groups, as a means for accelerating the decision-making process. [GRI 4.9](#)

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GOVERNANCE AND
ENGAGEMENT

RISK MONITORING TOOLS

In order to avoid conflicts of interest, there is a Code of Ethics that establishes parameters to help conduct our internal and external relationships, providing guidelines for the behavior of all company employees, regardless of job position, salary, function, number of years at the company, business area or any other criteria. **GRI 4.8**

Established conduct includes:

- › Employing the Company's financial resources in accordance with company policies and avoiding commercial relationships with legal entities or individuals that may be based on a friendship or a family relationship.
- › Not using the company structure for personal purposes.
- › Not using one's job position to obtain personal advantages.
- › Refusing favors and gifts that denote traffic of influence.
- › Infringement of the Code of Ethics are submitted to the Open Channel where the information is investigated and measures are taken. **GRI 4.6**

Risk Management: Created in 2009, the Risk Management area reached the end of 2011 in the phase of analyzing internal processes and preparing improvement action plans to reduce the impact of adverse factors on company results. **GRI 4.11**

Prevention and Management of Image Crises: We have a specific process for instructing managers on procedures to avoid image crises. We also created two committees in 2010: one to analyze online crises and, the other, to analyze incidents that may generate negative brand exposure. These initiatives are under the responsibility of the Corporate Communications area. **GRI 4.11**

The Product Development, Purchasing and Quality areas are responsible for testing our products



CHANNELS FOR DIALOGUE

At the end of 2011, the following channels of access to the company were available:

Internal Code of Ethics (Employees) – Presented to employees at the moment they are hired, it applies to the entire company workforce, regardless of hierarchical level. Matters addressed in the Code include commitments to the company, professional exemption and ethics in relations with other employees, suppliers, customers, press and competition. This document is available on the C&A Online Portal. **GRI 4.8**

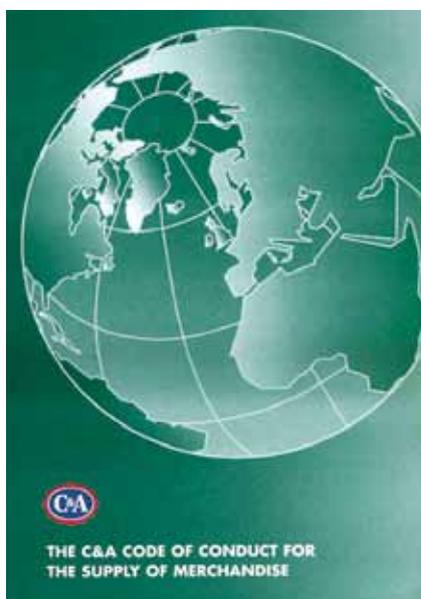
C&A Code of Conduct for the Supply of Merchandise (Suppliers) – All suppliers contractually commit to complying with the C&A Code of Conduct for the Supply of Merchandise. Monitoring compliance with items covered in the Code is the responsibility of SOCAM, an audit company that belongs to the Cofra group, which C&A also belongs to. **GRI 4.8**

Supplier Support (Suppliers) – We have implemented a communication channel especially for our suppliers (suporte.fornecedores@cea.com.br), through which they can solve any doubts they may have, present suggestions and make criticisms and complaints. **GRI 4.4**

Talk to Us (Customers) – A special communications channel for customers to register complaints, make suggestions or compliments. Consumers have three options: they can deposit a letter in boxes installed in all our units, make use of electronic terminals available in several of our stores or send us an e-mail through www.cea.com.br. (*More in Customers chapter*) **GRI 4.4**

Open Channel (Employees) – To report infringement of the Code of Ethics we offer this channel with a specific e-mail address (canalaberto@cea.com.br). Reporting can not be anonymous. Messages are received by the Corporate

Communications area and submitted to the Management Team, which verifies the information and defines the procedures to be adopted. The employee receives a personal position of measures taken. **GRI 4.4, GRI AF4**



Our Influence

Through our participation in associations and social initiatives, we seek to positively influence the textile industry. We are members of the Brazilian Association of Textile Retailers (ABVTEX), where we occupy a seat on the board, in addition to actively participating in the association's Qualification Program for Retail Suppliers, which also includes the participation of other large retail chains in Brazil. We also hold a seat at the Retail Development Institute (IDV) and participate in the Employers' Association. We are also members of the Brazilian Association of Business Communication (Aberje) and Ethos Institute.

In 2007, C&A was the first fashion retail company to become signatory to the In the Right Direction Program, led by NGO Childhood Brazil and Ethos Institute, which aims to combat the sexual exploitation of children and adolescents along highways. A representative from our company is the Managing Director of the program's Participative Management Committee. We also support Abrinq Foundation's Child-Friendly Companies program, which raises awareness and recognizes companies that work for the benefit of children and adolescents in Brazil. **GRI 4.12, GRI 4.13**

STAKEHOLDER ENGAGEMENT – GRI 4.14, GRI 4.15, GRI 4.16

TARGETS	ENGAGEMENT MEANS	FREQUENCY
PUBLIC IN GENERAL	Sustainability Report	Biennial
	Image Survey	Annual
CUSTOMERS	Communications Survey and Campaigns	Permanent
	Satisfaction Survey	Permanent
	Social Networks and Profiles	Permanent
	Website	Permanent
	Fashion Council	Annual
	Customer Space	Permanent
	Talk to Us	Permanent
	Open Channel	Permanent
	Performance Management Program	Annual
	Engagement Survey	Biennial
EMPLOYEES	C&A Portal	Permanent
	Bulletin Board Newsletter	Biweekly
	Internal Events and Campaigns	Flexible Calendar
	Electronic Newsletter	Weekly
	Communication Committee	Monthly
	Direct Connection	Monthly
	Workshops	Sporadic
SUPPLIERS	SOCAM Audit Process	Permanent
	Opinion Survey	Biennial
	Supplier Support	Permanent
COMMUNITY	Volunteering Program	Permanent
	In the Right Direction Program	Permanent
	Infant Education and Fulltime Education Programs	Permanent
	Surveys and advance consultations regarding projects	Permanent
	Diagnoses	As needed
GOVERNMENTS AND CIVIL SOCIETY	Participation in associations and entities	Permanent
	Seat on CONAE as an observer (C&A Institute)	Permanent



The Sustainability Report is one of the means for engaging with our stakeholders

Our contributions
SOCIO-ENVIRONMENTAL INVESTMENTS (IN BRL X 1000)



“

Since 1996, we have undergone many C&A processes in order to qualify; we soon realized that these new attitudes would bring about positive results. We managed to adapt and this was important in order for us to grow as an organization.”

SANDRA MIAN MEDEIROS,
C&A SUPPLIER,
in the infant knitwear
segment since 1996.



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C&A
2010-2011
SUSTAINABILITY
REPORT



The commitment of EACH PLAYER in the chain

We engage our supply chain in the dissemination of good labor practices

One of our most important pillars is our commitment to sustainability in our relationships with suppliers. Together with our trade partners, we participate in a system aimed at offering our customers products manufactured according to fair and favorable labor conditions including appropriate health and safety precautions and environmental protection practices.

At the same time, we are aware that the fine-tuning of the supply chain is subject to the joint efforts of several social players and other companies in the textile and clothing industry. In 2010 and 2011, we achieved the following significant advances:

- › Agreement with merchandise suppliers to work towards the formalization of outsourced workshops servicing the industry, in total compliance with labor legislation in all links of the chain.

- › The signing, by C&A and 40 of our main suppliers, of the National Pact for the Eradication of Slave Labor.
- › Awareness and training workshops involving our suppliers in order to share responsibilities for monitoring the chain and to pursue good working conditions for all.
- › C&A and other large retail chains adhered to the ABVTEX (Brazilian Association of Textile Retailers) Qualification Program for Retail Suppliers, aimed at ensuring suitable labor conditions for workers employed by suppliers and their subcontractors.

These advances stem from the maturity of guidelines assumed since 1996, through our Code of Conduct for the Supply of Merchandise, which describes the ethical standards of trade conduct that we understand as fundamental for our negotiations with merchandise suppliers. We also require that our suppliers extend this same principle to all those with whom they maintain relations, including employees, subcontractors and other outsourced parties.

The code demands supplier compliance with certain requirements: respect for legal aspects and intellectual property rights; issues pertaining to adequate employment conditions based on respect for human rights; freedom of association for employees; fulfillment of obligations aimed at environmental protection; total disclosure of information pertaining to the production process and outsourced units; and authorization to carry out unit inspections and monitoring on supplier and subcontractor premises.
GRI Management Approach (human rights category, child labor, slave/forced labor)

Infringements of requirements set forth in the Code of Conduct can lead to commercial sanctions, including suspension of the respective trade relationship. Monitoring of this Code, which covers 100% of our merchandise suppliers (see page 31), is carried out by SOCAM auditors (Service Organization for Compliance Audit Management), an audit company that belongs to the Cofra Group (which C&A also belongs to). **GRI AF1, GRI AF2**

SOCAM has its own auditors and their selection process involves the following criteria: experience within the auditing field, standards and/or social responsibility; undergraduate degrees and necessary training for the job. Once contracted, these auditors receive periodic training in labor legislation, health and safety standards and audit procedures. Auditor performance assessments are carried out annually, based on pre-established goals and Skills. **GRI AF2**

Employees at the Head Office,
in Barueri (SP)



DISTRIBUTION OF SUPPLIERS SUBJECT TO THE CODE OF CONDUCT – GRI AF1, GRI AF7						
Suppliers of footwear, accessories and clothing	2009		2010		2011	
	Suppliers	Subcontractors	Suppliers	Subcontractors	Suppliers	Subcontractors
Bahia	9	3	7	20	6	19
Ceará	8	10	10	5	8	4
Espírito Santo	14	26	6	28	7	30
Goiás	4	11	3	5	6	7
Minas Gerais	56	138	24	121	22	129
Mato Grosso	0	1	0	0	0	1
Mato Grosso do Sul	7	6	5	4	3	3
Paraíba	4	0	2	1	2	0
Pernambuco	4	1	2	1	1	1
Paraná	16	68	10	62	6	71
Rio de Janeiro	49	41	17	32	13	22
Rio Grande do Norte	2	34	1	10	3	10
Rio Grande do Sul	46	102	34	124	36	122
Santa Catarina	72	431	42	423	35	299
São Paulo	262	1,069	139	914	124	745
Sergipe	3	0	2	3	2	4
Tocantins	0	0	0	0	0	1
Total	556	1,941	304	1,753	274	1,468

Note 1: 2010 figures were extracted from our database on March 18, 2011, since consolidation was carried out based on the C&A business year, which ends in February.

Note 2: There was a significant reduction in our active supplier base as of 2009, which was more acute when we compare the 2009 and 2010 bases, due to two main factors: greater concentration on more strategic suppliers for the business and a higher degree of requirements with regards to social issues, such as the formalization process; and the ABVTEX Qualification Program (see AF3 indicator). As of April 2011, C&A also began to require that all new suppliers present their qualification policies and those of its subcontractors to the ABVTEX program in order to be registered, thereby making the inflow process of new suppliers more rigorous.

Note 3: The number of subcontractors represents the totality of the supplier subcontractor chain and not only those that make products for C&A.



We visit our suppliers with the objective of providing orientation on how to improve their practices

PIONEER MAPPING IN THE SECTOR

In light of the challenges faced by this sector, which are characterized by supply chain fragmentation, we have prepared a unique mapping process within the Brazilian fashion retail sector in order to monitor the entire chain. Accordingly, in 2006, we brought audit company SOCAM to Brazil. Organized as an independent structure for the preservation of operational independence, the company implemented the same model used in Europe, thereby ensuring that all clothing, footwear and accessories suppliers that supply our chain directly or through subcontractors, nationally or internationally, are monitored and regularly audited.

Since 2006, more than 9,500 inspections have been carried out with suppliers and subcontracted units (sewing workshops, printing and laundry shops, among others). Visits are made without prior scheduling. Time periods between visits vary according to scores allocated during audits and the conditions on

the ground at the audited locations. The audits are executed in four stages: verification of documentation, interviews with employees, plant walk-throughs and closing meetings. All information collected by auditors, based on a checklist containing 110 items, is recorded on a digital platform, allowing SOCAM and the suppliers themselves to monitor the evolution of audits. **GRI Management Approach (human rights category, buying process aspect), GRI AF3, GRI AF16**

At the end of the visits, which are always carried out with the objective of improving practices rather than punishing or coercing, the auditor details the issues to be corrected in conjunction with the owner of the location. In cases of non-compliance with the code, SOCAM outlines a corrective action plan together with the suppliers in question in order to carry out the necessary adjustments to their supply chains (*see page 34*). **GRI AF6**

The social and labor conditions of new suppliers and of their subcontractor chains are assessed by SOCAM before a new registration is approved. In the case of clothing suppliers, it is further requested that suppliers and their entire chains undergo the ABVTEX Qualification Program for Retail Suppliers. Upon registration, all new suppliers receive and sign the C&A Code of Conduct for the Supply of Merchandise and the General Supply Terms, which cover aspects associated with labor obligations, including prohibition of child labor and that akin to slave or forced labor, commitments which are also extended to subcontracted units. **GRI AF6**

SOCAM's undertakings not only allow us to monitor and act on problem areas, but also to go further with initiatives targeted at raising awareness and guiding and training supplier companies. During this period, we seek to emphasize each supplier's co-responsibility in the process of improving labor conditions in the market and contributing to eliminate practices contrary to human rights.

COMMITMENT TO DECENT WORKING CONDITIONS

Within our operations, there is no risk of the occurrence of child labor, considering that all employees hired by C&A are properly registered according to current Brazilian labor legislation, especially with regards to the minimum legal age for employment.

Within our clothing, accessories and footwear supply chain, we identify the risk of work being carried out by minors under 16 years of age at firms subcontracted by our suppliers, especially those that are family-owned. In order to offset the risk of minors under 16 working, we do not accept firms that have workshops in the same location as family residences.

We consider work being carried out by minors under 16 as an unacceptable infringement of our code of conduct. Whenever we ascertain this problem, the respective supplier is immediately suspended. In order to be reinstated as a C&A supplier, the latter must present proof of a definitive solution for this issue.

With regards to minors aged 16 or 17, we rigorously comply with the provisions of Brazilian labor legislation. In case of non-compliance, suppliers will have 30 days to submit documentation proving that

the infringement has been remedied. The solution to these topics is always handled in conjunction with our suppliers directly, and the latter is responsible for informing its respective subcontractors. **GRI HR6**

In 2011, we also started to monitor non-compliance with discrimination standards with regards to our supply chain. We did not ascertain any infringement of this item in 2010 and 2011, which was confirmed by audits carried out by the ABVTEX Qualification Program for Retail Suppliers, of which we are signatories. **GRI AF13**

We identified the risk in our supply chain of forced labor or that akin to slave labor in sewing workshops subcontracted by our suppliers. This risk was greater in situations in which the workshop owner and the labor force are foreigners (especially of Bolivian, Paraguayan and Peruvian nationalities). This risk increases when the workers are in the country illegally, making them even more vulnerable to exploitation. This situation is more common in the city of São Paulo, the greater São Paulo area and in certain cities in the country areas of São Paulo state.

In 2010 and 2011, we undertook several initiatives to combat working conditions akin to slavery or forced labor follows: **GRI HR7**

- › In 2010, we held a workshop for 85 strategic suppliers and dedicated one-third of the event to addressing supply chain accountability.
- › In 2011, we signed the National Pact for the Eradication of Slave Labor and held four meetings with suppliers who also became signatories of the Pact (*more on page 35*).
- › Also in 2011, we held a meeting with roughly 70 suppliers from the State of São Paulo to raise awareness about the importance of complying with labor legislation when hiring and maintaining employees and when working with subcontractors.
- › In 2011, we carried out a follow-up initiative involving our suppliers, in order to help them and their subcontractors to obtain qualification from the ABVTEX Qualification Program for Retail Suppliers. The program includes requirements related to working conditions, including prohibition of forced labor or that akin to slavery.



We held two training workshops to instruct our suppliers about each commitment in the National Pact for the Eradication of Slave Labor

ACCOUNTABILITY
IN THE
SUPPLY CHAIN

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CLASSIFICATION OF INFRINGEMENT LEVELS

SEVERITY LEVELS	OCCURRENCES	MEASURE
UNACCEPTABLE	<ul style="list-style-type: none"> > Use of foreign labor without permission to work and/or reside in the country. > Use of foreign labor without proper work registration. > Offer foreigners accommodation at their places of work. > Employ minors under 16. > Unacceptable building infrastructure conditions. 	<p>Immediate suspension of operations involving C&A. If the supplier provides proof of correction of the infringement in question, the situation will be reassessed and the supplier may be reinstated. This will depend on the seriousness of the situation, the supplier's history with regards to SOCAM audits, as well as its commitment to resolving the issue and creating mechanisms to prevent the situation from reoccurring.</p>
VERY SERIOUS	<ul style="list-style-type: none"> > Omission of subcontractors from the list provided by the supplier. > Outsourcing of outsourcing. > Unregistered employees. > Salaries and compensation not in compliance with labor legislation. > Hours worked above limit permitted. > Presence of children in the production area. > Discrimination in the workplace. > Proof of abuse or harassment. > Proof of restriction of workers' freedom of association. > Lack of mechanisms for order tracking. 	<p>The supplier is notified and has 30 days in which to submit proof that the infringement have been resolved. If it fails to do so within 30 days, it will be suspended from receiving production orders, until proof is presented. When very serious infringement are recurrent, the supplier is summoned to a meeting in which structural initiatives to be implemented by the supplier are defined. The Purchasing Department will accompany this meeting and clarify to the supplier that continuity of the partnership will depend on implementation of the agreed action plan. Over the following months, the supplier will be more closely monitored by our team and if the agreed-upon initiatives are not implemented, the supplier will be suspended until they are complied with.</p>
SERIOUS	<ul style="list-style-type: none"> > Payment irregularities pertaining to FGTS and INSS labor obligations. > Work carried out in private residences. 	<p>The supplier will be notified and will have a period of 30 days in which to submit proof that these infringement have been resolved. If it fails to do so within 30 days, it will be suspended from receiving production orders, until proof is presented.</p>
MODERATE	<ul style="list-style-type: none"> > Substandard occupational health and safety conditions in the work environment. > Absence of mechanisms to monitor the supply chain. > Lack of environmental documentation. 	<p>The supplier will be notified and will have a period of 30 days to describe a corrective action plan, to be checked by SOCAM in the next audit.</p>

GRI Management approach (human rights category, non-discrimination aspect), GRI AF3, GRI AF6 and AF16

National Pact for the Eradication of Slave Labor

In 2010, with the intention of combating any form of worker exploitation, we signed the National Pact for the Eradication of Slave Labor, a civil society initiative created to mobilize the business community and society to avoid marketing products from suppliers that use slave/forced labor. Accordingly, signatory companies incorporate ten commitments into their management policies. Initiatives under the Pact are coordinated by a Monitoring Committee, formed by Ethos Institute, Observatório Social Institute, NGO Repórter Brasil and the International Labor Organization (ILO).

We were the first company in the industry to adhere to the commitment. By the beginning of 2011, 40 of our suppliers had also joined, thus becoming signatories together with C&A and taking on the commitments set forth in this initiative. We held two meetings with our suppliers to set up this joint effort. In the first, we banked on the participation of the Monitoring Committee that informed our suppliers about the objectives and commitments of the Pact. A second meeting was held to celebrate our membership and that of our suppliers in this initiative.

In 2011, we conducted two training workshops in order to train our suppliers as to the application of practical initiatives for the implementation of each of the commitments.

CODE OF CONDUCT INFRINGEMENT – GRI AF14					
Infringement	2009	2010		2011	
	Consolidated	Suppliers	Subcontractors	Suppliers	Subcontractors
Illegal immigrants	14	0	26	0	6
Child labor	5	1	6	0	9
Minors engaged in unhealthy work	2	1	3	2	8
Unacceptable infrastructure conditions	4	0	0	0	6
Workers paid less than the minimum wage	85	1	133	8	64
Hours worked above the legal limit	5	1	42	8	11
Total	115	4	210	11	104

Obs. 1: In 2010, there was an increase in the number of violations, especially those related to workers' compensation and hours worked as a result of the formalization process, which introduced greater rigor in relation to these issues among subcontractors. There was also an increase in relation to infringement related to illegal immigrants, in light of more frequent monitoring of outsourced workshops that employ foreign labor. In 2011, there was a reduction in the occurrence of these infringement due to greater monitoring proximity of our team, aimed at supporting the suppliers and their subcontractors in the formalization process and the adaptation of these locations to the ABVTEX Program standards, as well as the fact that we carried out fewer audits in 2011.

Obs. 2: Upon each visit, any infringement encountered were flagged. Several different infringement may have been ascertained during a single visit. Therefore, the data in this table refers to the number of occurrences of a particular infringement, not to the number of visits during which infringement were ascertained.

Based on the audits carried out, we saw that Greater São Paulo area is the region with the greatest risk, with regards to breaches of our Code of Conduct. Therefore, it is one of the priority areas in our monitoring activities. Risk analysis of each supplier and its subcontractor chain is one of the variables fed into our SOCAM audit system, which is part of the supplier scorecard. **GRI AF15**

JOINING EFFORTS

Another important SOCAM challenge was to seek greater integration with the commercial area, especially with the Purchasing Department (more in Responsible Buying, page 37). One of the initiatives undertaken in 2010 was the inclusion, in the Trainee Program, of training targeted at SOCAM field experience in order to determine supply chain complexity.

SUPPLIERS THAT HAVE UNDERGONE HUMAN RIGHTS SCREENING (QUANTITY) – GRI HR2			
Description	2009	2010	2011
Number of audits carried out covering human rights criteria			
Number of audits and inspections of major suppliers (clothing, accessories and footwear)	272	117	141
Number of audits and inspections of subcontractors of suppliers	1,864	1,249	422
Special visits (supplier follow-up meetings, without application of the checklist and audits of subcontractors not registered in our system)	ND*	117	89
Audits not carried out (reasons: closed location, change of address or permission not provided)	ND*	294	68
Number of significant contracts with major suppliers, contracted companies and other business partners that were rescinded	ND	3	1
Percentage of significant contracts with major suppliers, contracted companies and other business partners that were rescinded (%)	ND	1.0%	0.4%
Number of contracts with direct suppliers that included Human Rights clauses	556	304	274
Percentage of contracts with direct suppliers that included Human Rights clauses (%)	100%	100%	100%

*In 2009, these lines were recorded in audits of suppliers and subcontractors.

In 2010, three companies were suspended from the C&A supply chain due to the recurrence of unacceptable infringement and/or omission of subcontractors with regards to poor working conditions. In 2011, one supplier was suspended for the same reason. Of these, only one supplier was subsequently reinstated to the supplier portfolio after a review of its production structure and adaptation to SOCAM requirements and those of the ABVTEX Qualification Program for Retail Suppliers.

As of 2010, we revised our strategy and decided to stop carrying out audits of suppliers of other products and services. We prioritized our monitoring of suppliers and subcontractors of merchandise (clothing, accessories and footwear), considering that, currently, the most significant risk of breaches is linked to labor and human rights issues, especially among subcontracted firms.

The reduction in the number of audits is due to expansion of the focus of SOCAM, with the inclusion of new supplier support initiatives and activities. The team undertook orientation activities in conjunction with suppliers and also monitored the entire formalization process, which required reallocation of time and longer visits given its orientation focus.

CONTRIBUTIONS FROM THE SECTOR

SOCAM's experience with good practices in the value chain played an important role in the development of sector practices during this period. We were one of the driving forces and one of the first companies to join the ABVTEX Qualification Program for Retail Suppliers.

The deadline to have the entire chain qualified by the program ends December 2013. Thereafter, signatory retailers will be committed to purchase only from suppliers approved by the program. Auditing is carried out by approved independent auditing firms. Currently, the program only applies to clothing, bedding and bathroom suppliers and their subcontractors, but not yet to footwear and accessory suppliers.

In addition to substantial cooperation in formatting the program, we monitor and support (through visits and guidance) the preparation of our suppliers in their quest to obtain qualification. By the end of 2011, we had overseen the qualification of 55 suppliers and 390 of their subcontractors in Sao Paulo.

Responsible Buying

Initiatives we developed in our supply chain also covered a workshop involving managers from our Purchasing Department, which was held in 2011. The purpose was to promote the concept of sustainability and responsible sourcing to the commercial area.

During the event, about 90 purchasing managers had the opportunity to reflect on the purchaser-supplier relationship and how to improve it, as well as generate pride in contributing to this theme both internally and externally.

ABVTEX guidebook for orienting retail suppliers





Team engaged WITH THE NEW C&A culture

Aspiration and Skills guide People Management, which is the pillar of our strategic plan

The cultural transformation process being experienced by C&A, which is customer and sustainable-business oriented, has the restructuring of people management as its focal point. Development and appreciation of our employees has become the pillar of our strategic plan.

In 2010, we applied the employee engagement survey for the second time, which evaluates the perception of our employees in relation to a number of factors, such as company, career and internal atmosphere. With the voluntary participation of 94% of the employees, the survey gave continuity to the one conducted in 2008. **GRI 4.17**

In these two years, the measures already implemented to meet the main demands of the internal audience (provide more clarity to C&A's direction and professional development opportunities and prioritize meritocracy in management processes) reflected on the positive evaluation revealed by the 2010 survey. Demands were aligned with company objectives of encouraging a high performance oriented culture.

Although average favorability growth in most companies is 2 percentage points per year, we established a 5-point growth target over the 51 total points received in 2008; we achieved 61 total points in 2010. Among the results that stand out, 72% of our employees perceive that there are opportunities for professional growth in C&A and 89% understand how their role contributes to achieving company goals. Some of the points to be improved on are work processes and workload, which are considered satisfactory by 43%, and training for current position, by 34%.

GRI Management Approach (labor category, training and education aspects) GRI 4.17



“

I started out at C&A in a temporary job and never left. I grew professionally here, I took a lot of courses and learned to overcome my shyness. I joined as one person and now I see the world much differently.”

MICHELLE COSTA PACIUKEVICH,
SHOPPING MORUMBI
STORE MONITOR,
in São Paulo,
employee since 2007.

EMPLOYEE
DEVELOPMENT AND
APPRECIATION

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A series of movements stemming from this cultural transformation process reinforce values aimed at customer expectations, pride in being part of a team, teamwork and they encourage each employee to be a protagonist of change. A definition of values has led to a need to understand which skills would be needed and how to put them into practice in everyday life.

The strengthening of this skill set guides the construction of the people management platform, which aims to strategically integrate the different processes pertaining to selection, training and development, compensation and benefits, performance management and career development, leadership training and succession, health and quality of life.

Our Workforce
EMPLOYEES AND CONTRACTORS – GRI LA1



EMPLOYEES ACCORDING TO AGE BRACKET

		2010	%	2011	%
< 18 years of age	Male	248	4%	231	5%
	Female	524		617	
18 to 25 years of age	Male	2,863	60%	2,461	58%
	Female	8,732		8,086	
26 to 30 years of age	Male	1,224	20%	1,076	20%
	Female	2,709		2,625	
31 to 40 years of age	Male	966	11%	1,000	13%
	Female	1,230		1,344	
41 to 50 years of age	Male	276	3%	303	4%
	Female	376		392	
> 50 years of age	Male	79	1%	83	1%
	Female	103		118	
Total		19,330		18,336	

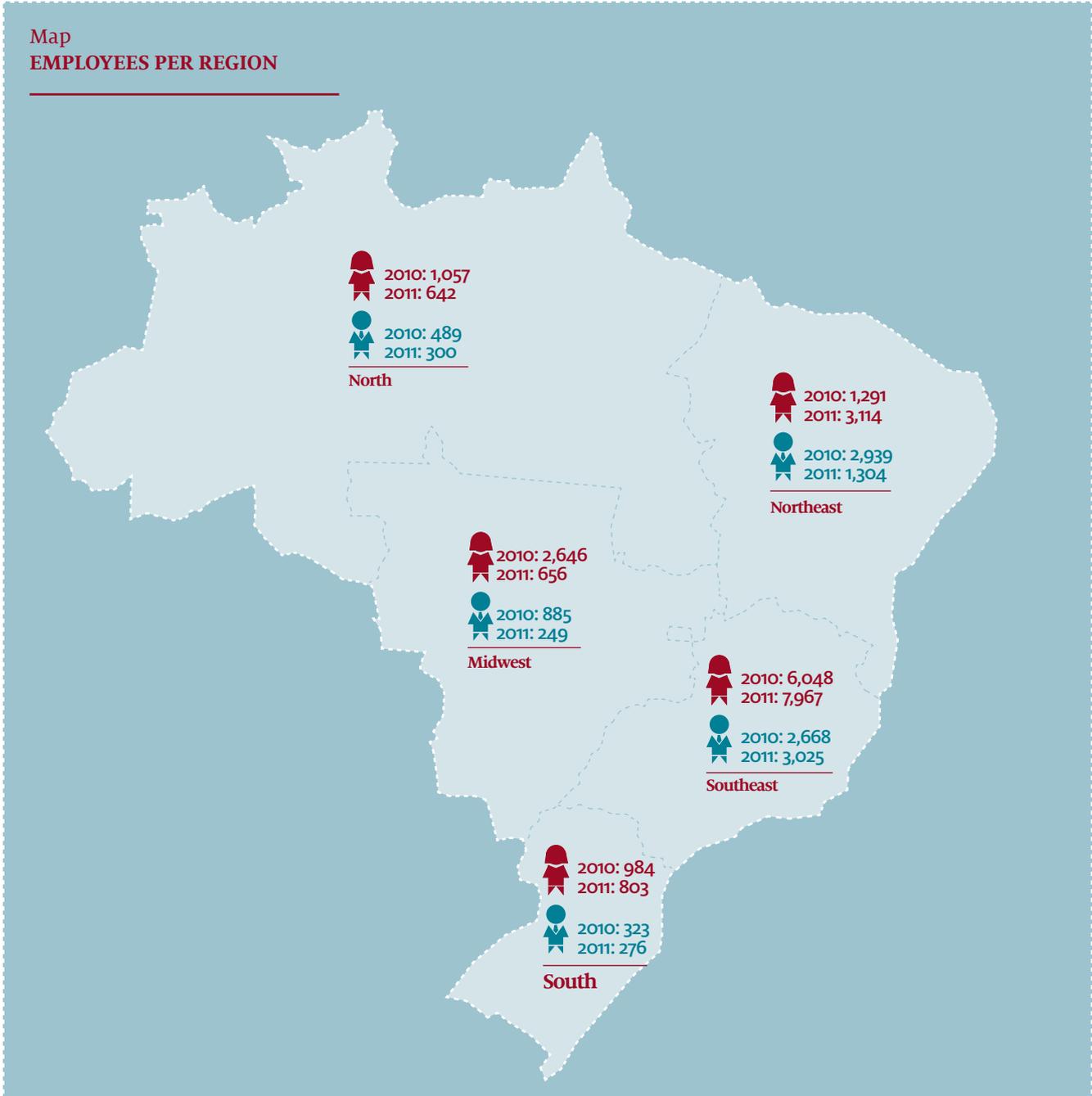


SKILLS THAT DRIVE C&A

- > Focus on her (customer)
- > Outdoing oneself
- > Transforming influence
- > Inspiring leadership
- > Together we are stronger
- > Autonomy with responsibility
- > Committed to development

GRI 4.8

Map EMPLOYEES PER REGION



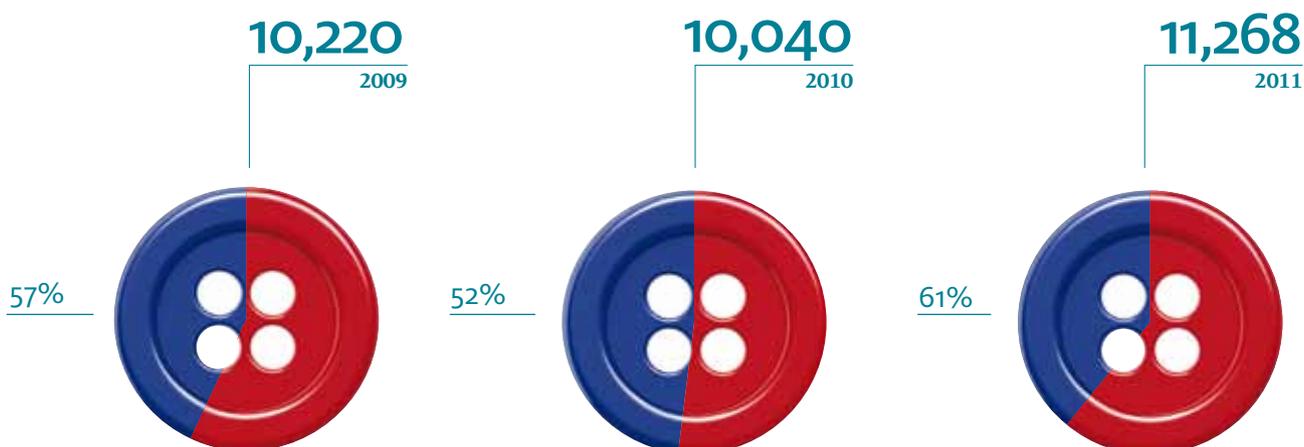
There is a difference in information per region, because the regional areas established by C&A and used as a basis were changed. In previous years, regional areas defined by the company according to store location were considered. In 2011, data was collected according to country regions. Hence, the movement of employees, particularly in the Midwest in 2011. There was a review of processes to meet sales volumes and, consequently, an adjustment of staff.

COMPANY EMPLOYEES PER PERIOD		2009	2010	2011
Full Time	Male	4,095	4,537	4,347
	Female	8,176	9,978	10,534
Part-Time	Male	1,341	1,119	807
	Female	4,250	3,696	2,648
Total		17,862	19,330	18,336

Employees considered part-time: interns, trainees and any other employees who don't work full time.

TERMINATIONS

EMPLOYEE TURNOVER – GRI LA2



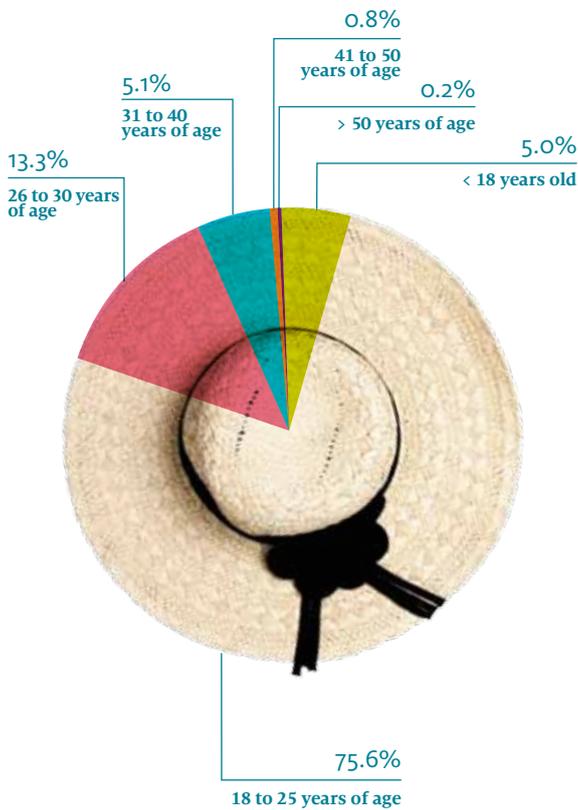
TOTAL TURNOVER

Personnel turnover is a characteristic inherent to the retail sector. C&A has the practice of hiring professionals entering the labor market for the first time and developing them through a training program. With this preparation, some of them are absorbed for in-company opportunities while others seek opportunities elsewhere in the labor market, which has a demand for already-qualified labor. C&A is also developing a specific project to assess possible improvements to the turnover rate, comprising a study of quantitative and qualitative aspects of this indicator. Over the two year period, 1,003 openings (689 and 314 in 2010 and 2011, respectively) were filled through the Internal Recruitment Program.

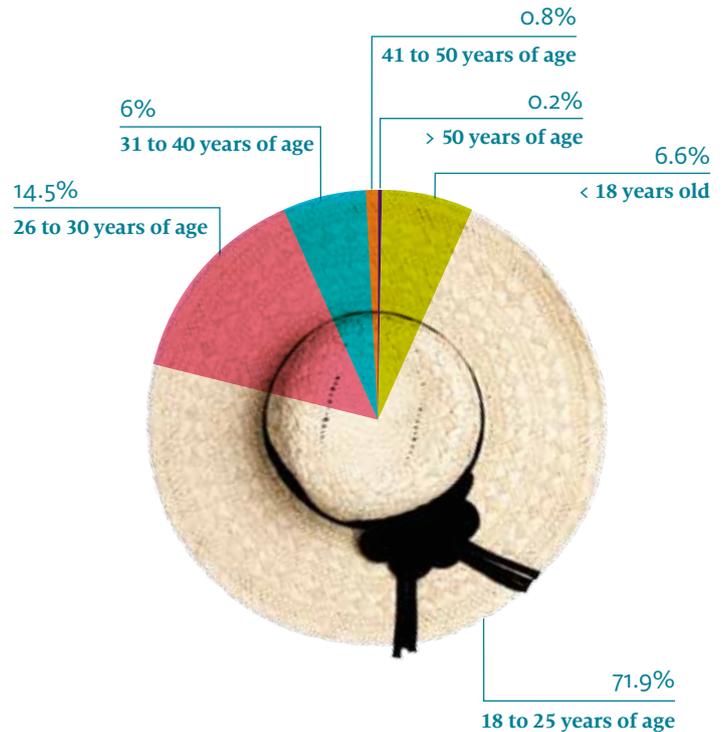
Employees who left the company during the period covered by the report, by gender	2010	%	2011	%
Female	6,945	69.2%	8,126	72.1%
Male	3,095	30.8%	3,142	27.9%

EMPLOYEES WHO LEFT THE COMPANY DURING THE PERIOD COVERED BY THE REPORT, BY AGE BRACKET

2010



2011

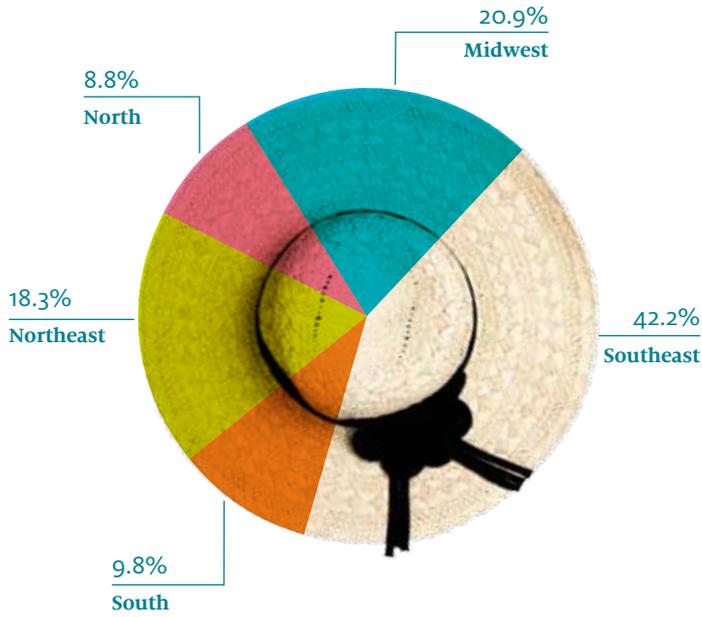


44

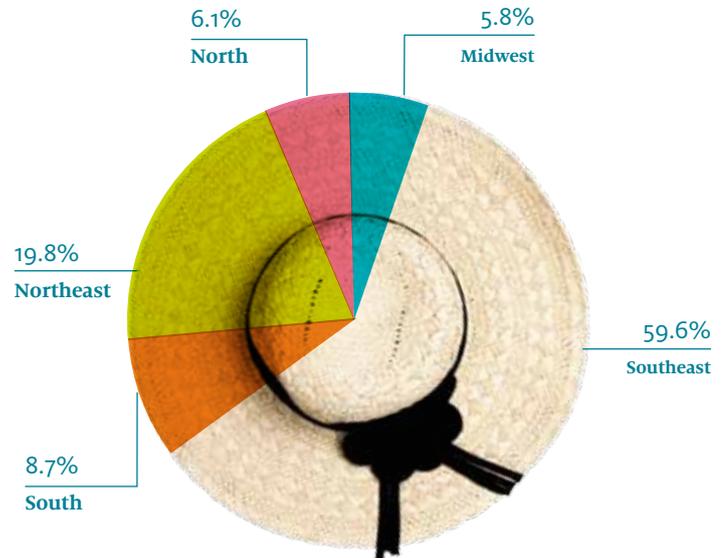
The turnover concentration among women in the 18-25 age bracket reflects the main characteristic of our workforce, which is mainly comprised of young women.

EMPLOYEES WHO LEFT THE COMPANY DURING THE PERIOD COVERED BY THE REPORT, BY REGION (%)

2010



2011



SALARY BASE – GRI EC5		
Description	2010	2011
Proportion of employees whose salaries are pegged to the minimum wage	3.8%	3.8%
Local minimum wage officially established by the Government	R\$ 510	R\$ 545
Lowest wage in the organization as a percentage of the national minimum wage	105.9%	100.4%
Lowest wage in the organization	R\$ 540	R\$ 547

We conducted an in-depth restructuring of the communications for increased clarity, uniformity and transparency



ENGAGEMENT

The People Management area has been made more strategic, thus aligning itself with the current business model. In the new methodology being implemented by C&A, engagement has become increasingly important for good professional performance. Based on this, a professional development culture and inspirational leadership towards customers will be consolidated.

The information sharing process, essential to our new commitments, has been thoroughly revised over the last two years, leading to an in-depth restructuring of the communications area in terms of clarity, uniformity and transparency. Based on the creation of a grid of internal communications channels, the C&A Portal was introduced on the intranet, along with a weekly electronic newsletter. A new biweekly bulletin board journal will arrive simultaneously at the head office, distribution centers and stores, so that the entire company has access to the same information and can keep up with initiatives and results.

DEVELOPMENT CULTURE

2010 and 2011 were dedicated to personnel and leadership development processes. Starting with the members of the Management Team, directors and senior managers, the program will be extended to middle management, covering all company managers by 2012. In order to be able to take on the role of employee development advisor, leaders must undergo intense training. In 2011, we launched an online space to support the Leadership Development Program. Directed at developing our managers and directors, content from renowned universities such as Harvard and also videos and articles from experts and CEOs of companies in Brazil and abroad is made available fortnightly.

Among the measures in this area, we implemented the corporate education portal in 2010. The target of implementing the long-distance training (e-learning) mode in stores, defined in 2009, has been fully established and we also extended this model for the other areas in the company. We finished 2011 with a total of 68,549 online courses completed, with a total duration of 54,849 hours. Over the 2010-2011 period, we completed 73,843 online courses, with a total duration of 58,290 hours.

Corporate education also supports the training programs – trainees, supervisors, interns and operational leaders – through methodology provided by the Corporate Education Project to ensure program alignment and quality.

Inhibition and Approach Procedures Training (e-learning) was created in November 2010. The course underlines respectful treatment in order to avoid any form of prejudice or exposure of people to humiliation. The course covers the prohibition

of any form of violence, whether physical or verbal, to anyone. All affected employees were advised to take the course as a form of recycling. Since then, recently hired employees are obliged to take the course, which lasts approximately one hour. In 2011, 89% of our security personnel participated in this training. **GRI Management Approach (human rights category, safety practices aspect) GRI HR8**

For those entering their retirement phase, we offer the following: pre-retirement planning; re-training for those who intend to continue working; layoff compensation, taking into consideration age and time of service; relocation in the labor market; and assistance, through training and counseling, for life after work. **GRI LA11**

In the trainee program, which has existed since 1978, reformulations involved strict alignment with strategic guidelines and training focused on leadership formation.

68,549
Total number of online
courses concluded in 2011

104,810
Total number of
training hours (online
and attendance-based)



PERFORMANCE ASSESSMENT

All our employees undergo a performance management process once a year, as long as they have been with the company for more than three months. This assessment is carried out based on corporate, area and individual goals, roles and responsibilities, skills and future potential. Managers' assessments are taken to a committee governed by rules in order to minimize subjectivity. The same criteria are applied throughout C&A as a whole, with a view to ensuring meritocracy. **GRI Management Approach (labor category, training and education aspects) GRI LA12**

A natural consequence of the clarity attained by the implementation of this tool was the creation of an internal recruitment program. Based on these assessments, it is possible to look at an area and identify those who

are most suited to occupy positions available, thereby allowing for greater in-company mobility. Over a two-year period, more than 1,000 openings were filled through the program.

In order to face challenges to the C&A strategy, we have accelerated leadership training. The leadership development plan for 2010 and 2011 was carried out for the Management Team, directors and senior managers. Leaders assessed themselves, and were in turn assessed by their respective teams, with regards to team atmosphere and leadership style, based on a methodology recognized by the market. Based on these assessments, they received coaching and participated in group development initiatives; for senior managers, workshops were held in order to help close any gaps. **GRI 4.10**

Women represent 71.9% of all employees

TOTAL HOURS DEDICATED TO TRAINING – GRI LA10		
Gender	2010	2011
Male	11,703	32,723
Female	17,957	72,087
Total	29,660	104,810*

*Of the 104,810 hours invested in training in 2011, 54,849 hours pertained to online training and 49,961 hours pertained to attendance-based training.

AVERAGE AMOUNT OF TRAINING HOURS PER FUNCTIONAL CATEGORY			
Function		2010	2011
Board	Male	1	4
	Female	0	2
Management	Male	16	17
	Female	15	16
Supervision/Administrative	Male	26	23
	Female	16	24
Operational	Male	0.8	5
	Female	0.4	4
Trainee	Male	186	388
	Female	205	363
Intern	Male	16	163
	Female	12	51
Average		1.5	5.7

There was an increase in the average number of hours due to a greater number of online and attendance-based training sessions recorded in the education portal. With regard to training for trainees, the program underwent an improvement analysis that resulted in an increase in the number of training hours.

EMPLOYEE
DEVELOPMENT AND
APPRECIATION

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INCENTIVES FOR HIGH PERFORMANCE

After two years of planning and evaluation, a new job position and salary methodology will be implemented in 2012/2013, based on the career path concept and with a completely redesigned compensation strategy. The new structure aims to provide more clarity to the career development process. Employees will know what position they occupy within the structure, what the scope is, what the requirements of the position are and which opportunities can be targeted. Learning the new process can be accomplished via online training, individual meetings with managers, career workshops and career and performance training sessions.

The benefits package offered by C&A, broken down according to hierarchical level, is compatible with the industry and undergoes frequent competitiveness analyses.

MATERNITY LEAVE – GRI LA15						
Return to work after maternity leave	2009	%	2010	%	2011	%
Women	122	100%	184	100%	179	100%
Return to work after maternity leave and those still employed 12 months after their return to work	2009	%	2010	%	2011	%
Women	117	95.9%	180	97.8%	149	75.3%

Maternity leave is linked to the month of pregnancy, thus the difference between numbers presented. In 2010, this assessment was carried out based on obstetric ultrasound statements provided by the healthcare operators. Considering that there might be a discrepancy in information provided, in 2011 we chose store-by-store assessment via telephone and e-mail contact.

SUSTAINABLE MANAGEMENT

The large number of C&A stores throughout the country and the large contingent of employees are characterized by their diversity and their inclusion of local labor. When hiring employees for future stores and distribution centers, where more than 90% of our staff are employed, we give preference to professionals who reside in neighborhoods or cities close to the workplace, provided they meet the necessary professional requirements.

We provide career opportunities for people with disabilities, an attitude adopted well before we were required to do so by law. In the Open Doors program, the training process is designed to provide guidelines to managers with regards to the functions that each one can take on. Materials pertaining to corporate processes, such as performance management and seminars, have versions in sign language for the hearing impaired. All our institutional videos contain subtitles. During 2011,

we hired 595 people with disabilities. It is our practice to allow the entry of these professionals, even though they may have less than the minimum required academic qualifications, and to give them the opportunity to achieve prerequisites after admission. **GRI Management approach (labor category, diversity and equal opportunity aspects)**

In 2011, women accounted for 72% of all company employees and occupied 61% of managerial positions and 13% of Board positions. With regards to top management positions (CEO, VPs and directors), in 2010, 81% were occupied by people from local communities; in 2011 this percentage rose to 83%. In 2011, we extended the same benefits earmarked for dependents, such as health plans, to those of same sex couples engaged in stable relationships. Our diversity is also evident among apprentices we hire and the large number of youngsters debuting in the labor market. **GRI Management Approach (economic category, indirect economic impacts aspects) GRI EC7**

Open Doors

A training program for people with special needs

Priority

To contract people who reside close to the workplace

MINORITIES BY FUNCTIONAL CATEGORY – GRI LA 13					
Gender		2010	%	2011	%
Director	Male	19	90%	14	93%
	Female	2	10%	1	7%
Manager	Male	163	45%	138	39%
	Female	196	55%	219	61%
Supervisor/ Administrative	Male	1,726	41%	674	37%
	Female	2,515	59%	1,169	63%
Operational	Male	3,557	25%	4,132	26%
	Female	10,926	75%	11,752	74%
Technical	Male	184	97%	184	98%
	Female	6	3%	4	2%
Trainee	Male	5	22%	8	30%
	Female	18	78%	19	70%
Intern	Male	2	15%	4	18%
	Female	11	85%	18	82%

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EMPLOYEES ACCORDING TO MINORITY – GRI LA13					
Employees		2010	%	2011	%
Board Level	Brown/Black	0	0.00%	0	0.00%
	Yellow	0	0.00%	0	0.00%
	Indigenous	0	0.00%	0	0.00%
Management Level	Brown/Black	14	3.70%	16	4.20%
	Yellow	1	0.30%	1	0.30%
	Indigenous	0	0.00%	0	0.00%
Administrative/ Supervisory Level	Brown/Black	1,692	39.90%	439	23.70%
	Yellow	70	1.60%	16	0.90%
	Indigenous	17	0.40%	4	0.20%
Technical Level	Brown/Black	77	40.50%	83	44.10%
	Yellow	5	2.60%	5	2.70%
	Indigenous	0	0.00%	0	0.00%
Operational Level	Brown/Black	7,324	50.50%	7,898	49.70%
	Yellow	305	2.10%	187	1.20%
	Indigenous	94	0.60%	72	0.50%
Total	Brown/Black	9,107	47.10%	8,436	46.00%
	Yellow	381	2.00%	209	1.10%
	Indigenous	111	0.60%	76	0.40%

EMPLOYEES WITH DISABILITIES – GRI LA13					
Employees with disabilities		2010	%	2011	%
Board Level	Male	0	0.0%	0	0.0%
	Female	0	0.0%	0	0.0%
Management Level	Male	0	0.0%	0	0.0%
	Female	0	0.0%	0	0.0%
Administrative/ Supervisory Level	Male	17	0.4%	24	1.3%
	Female	14	0.3%	15	0.8%
Technical Level	Male	1	0.5%	0	0.0%
	Female	0	0.0%	0	0.0%
Operational Level	Male	308	2.1%	229	1.4%
	Female	387	2.7%	327	2.1%
Total		727	3.8%	595	3.2%

PREVENTATIVE WELL-BEING

As a means of preventative health care, since November 2009 we have provided our store employees with a health and well-being manual, which covers subjects such as stretching, relaxation, rest periods (breaks during the day), posture and ergonomics and first aid. **GRI AF31**

With a focus on prevention, response and reduction of musculoskeletal injuries, we have the Medical Control and Occupational Health Program (PCMSO), aimed at identifying and preventing the occurrence and worsening of possible injuries. All employees undergo periodic medical examinations in compliance with legal requirements or recommendations by

occupational physicians. Employees with injuries/disorders or other health problems are submitted to care and monitoring by an expert. **GRI AF31**

Annually, we prepare an ergonomic report to assess the physical and environmental risks of job positions, which involves all C&A operations. After identification, the safety technician recommends the required adjustments. We also conduct the Labor Gymnastics Program at the CDT and CDR (Tamboré and Rio de Janeiro Distribution Centers) units due to characteristics of work activities. **GRI AF31**

With regards to health and safety, the management is carried out by means of a SLA (Service Level Agreement), which informs stores their absenteeism rate and presents practices to minimize these impacts for C&A. In order to reduce occupational diseases, we have changed the layout of most stores, seeking ergonomic improvements for employees. In cases of serious illnesses, the CIPA (Internal Accident Prevention Commission) control database is maintained by the HR Vida system and monitored by SLA. **GRI Management Approach (labor category, occupational health and safety aspects) GRI AF31**

EMPLOYEES PER AGE – GRI LA13					
Employees		2010	%	2011	%
Board Level	> 50 years old	3	14%	0	0%
	≥ 30 ≤ 50 years old	18	86%	15	100%
	<30 years old	0	0%	0	0%
Management Level	> 50 years old	8	2%	9	2%
	≥ 30 ≤ 50 years old	245	64%	259	67%
	<30 years old	127	33%	116	30%
Administrative/ Supervisory Level	> 50 years old	44	1%	78	4%
	≥ 30 ≤ 50 years old	1,753	41%	857	46%
	<30 years old	2,446	58%	916	49%
Technical Level	> 50 years old	13	7%	12	6%
	≥ 30 ≤ 50 years old	141	74%	138	73%
	<30 years old	36	19%	38	20%
Operational Level	> 50 years old years	114	1%	102	1%
	≥ 30 ≤ 50 years old	1,239	9%	2,333	15%
	<30 years old	13,143	91%	13,463	85%
Total	> 50 years old	182	1%	201	1%
	≥ 30 ≤ 50 years old	3,396	18%	3,602	20%
	<30 years old	15,752	81%	14,533	79%

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“

“I started my first job in Goiânia and there I became a C&A supervisor. I began taking on challenges and responsibilities and consequently was recognized by the company. I was invited to fill a job opening in Belo Horizonte, so I hit the road and went to live alone.”

ODAIR SINKUNAS,
VISUAL MERCHANDISING COORDINATOR
at the Sao Paulo Head Office, has been an
employee for 30 years.



“

There's a C&A store in every region of the country. The company has this knack for catering to all audiences, maintaining its reputation as a major brand with affordable prices and, consequently, setting itself apart from the competition. When I think of C&A, the image that comes to my mind is that of a serious and responsible company.”

CINTIA DOS SANTOS FERREIRA,
ATTORNEY, customer for over 10 years
and member of the Fashion Council.

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C&A
2010-2011
SUSTAINABILITY
REPORT





Fashion, savings and SAFETY

In all regions of Brazil, C&A customers have access to the fashion universe at affordable prices

In Brazil, roughly 1 million people visit our stores every day. Getting to know our customers better and better has been a strategic target for C&A. The Fashion Council was implemented as a permanent consultation and advisory forum, where roughly 1,400 loyal consumers regularly give their opinion about the development and improvement of our products and services. Every three months, a value-perception survey measures the willingness of consumers in relation

to our products and services and the way we satisfy their desires and motivations. Brand image is monitored closely every year in various capital cities in order to understand the loyalty rate we were able to achieve.

We have acknowledged the presence of social networks as a powerful factor of influence and created multiple communication channels capable of responding to the plethora of instant messages that our actions can cause (see *C&A is multi-channel*, page 58). The curatorship of fashion maintains dialogue with several levels of customers, helping it make the best purchase decision and allowing customers to multiply their wardrobe usage. In roughly 30 stores, we have a Customer Space, a place for exchanging information between our customers and the company, sharing the sustainability initiatives we have in the company.

We broke social barriers by offering quality products at fair prices, making fashion icons accessible everywhere in the country. We had 10 projects in 2010, and two in 2011, with renowned stylists such as Alexandre Herchovitch, Gloria Coelho and Stella McCartney. Top model Gisele Bündchen lent her name to four collections in 2011 alone, while key celebrities for our customers, such as pop star Beyoncé, have their image associated to our campaigns in order to value personal style, presenting fashion as an achieved self-esteem factor.

GREATER PRODUCT SAFETY

The Product Development, Purchasing and Quality areas are always concerned about customer comfort and safety when developing a new collection. C&A remains a pioneer in the textile retail sector with regards to this aspect. In 2011, 100% of infant products were tested according to European mechanical safety standards. The safety control mechanisms are registered in the Mechanical Safety Procedures Manual for Infant Products, and they are applied in all parts of the process, from product concept development to inspection in our laboratories. **GRI PR1, GRI PR2**

We test 100% of infant products in accordance with European mechanical safety standards



OUR RESPONSIBILITY FOR WHAT WE SELL

Two years after increasing the quality parameters for the supply of products, the pilot training project for suppliers was extended to the entire chain. We went from a 10% order rejection rate in 2008 down to 4.4% in 2011. Through this initiative, we benefited our customers, who received better quality products, and also our suppliers, who improved management and efficiency while also reducing financial losses.

By appreciating the value of the responsibility for the products we sell, through the adoption of detailed quality assessment procedures, we encourage suppliers to manage production in order to maintain their products within the required standards. Roughly 320 inspection orders are conducted daily.

Since we have the goal of continuously reducing product return rates, we analyze rejection levels on a monthly basis. When the supplier does not

C&A and Banco Ibi possess strict policies that ensure customer privacy rights and they have not received any complaints with regards to this matter. Customer records are the responsibility of C&A and the management of this data is the responsibility of our commercial partner, Banco Ibi, owned by Banco Bradesco, which manages the C&A card. Customer data is protected in accordance with Central Bank of Brazil regulations. **GRI Management Approach (product responsibility category, customer privacy aspects) GRI PR8**



We adopt strict procedures for analyzing the products we sell

NON-TOXIC FASHION

meet the expected result, we propose an action plan to identify and resolve the problems that cause the return. In the event as supplier does not attain the minimum standard within the established timeframe, its commercial relationship with C&A may be terminated. **GRI Management Approach (product responsibility category, customer health and safety aspects)**

With regards to customer satisfaction, upon analyzing the results of surveys we invite the areas responsible for each subject analyzed to a meeting, whereupon the results are presented and key lessons learned are discussed, in order to then develop an action plan. Some initiatives are short term, while others are medium and long-term projects. **GRI Management Approach (product responsibility category, product and service labeling and compliance aspects)**

The demand for replacing solvent-based adhesives used in the footwear industry for water-based adhesives represents a challenge for a large retail chain like C&A. We need to account for the cost of this alternative material, which is four times greater than the conventional adhesive, as well as the lack of legislation in the country that prohibits the use of solvents. Nonetheless, our footwear suppliers are replacing this solvent on a voluntary basis. In 2010, 6% of the production delivered was produced using water-based glue and in 2011 this figure rose to 9.5%.

Chemical safety is another field that the technical team at C&A has focused on when dealing with manufacturing responsibility and control over product lifecycles. Since 2009, we have invested in the voluntary structuring of processes based on European standards, since there is no legislation in Brazil. Based on the pilot project that started back in 2009, with seven suppliers in different product categories, the tests tracked 23 types of toxic substances. These can cause allergies and other health

QUALITY AND
CUSTOMER
RELATIONS

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SATISFACTION SURVEY: TO ALWAYS SERVE CUSTOMERS BETTER

problems when placed close to or in direct contact with the skin. The main problems occur during the printing, dyeing and laundry processes. **GRI AF19**

Due to the complex characteristics of our business, which involves a wide variety of products and a great diversity of product lines and formats, as well as chemical safety testing costs, we have not been able to make as much progress in this area as we would have liked. In 2011, we decided to reduce the scope of the project by focusing on our four main suppliers of infant clothing, which accounted for 10% of the product volume received for the infant segment in 2011 (accessories excluded). We mapped the supply chain of the printing and dyeing companies involved and we selected several samples in order to conduct analyses at a third-party laboratory.

We stopped offering customers jeans produced using the sandblasting technique, which give clothes a characteristic used-look, because this type of production can cause respiratory problems among those who treat this fabric. Now our suppliers only use chemical processes capable of producing the same visual effect, without causing health risks to people involved in production.

In 2011, we conducted more than 85 surveys, of which 92% focused on the continuous improvement of products and services for customers. In all, more than 10 thousand customers were interviewed. **GRI PR5**

One of the main surveys we conduct is the image survey, which has been carried out since 2002. Its methodology has been perfected over the years in order to talk more directly to women in the main state capitals around Brazil. The survey analyzes several customer perception indicators with regards to the company. Additionally, we implemented a brand loyalty/recommendation indicator in 2011 that is measured on a quarterly basis.

The Fashion Council, created in 2006, is a panel of continuous surveys with the purpose of monitoring company actions and testing new ideas, in order to help guide C&A initiatives and get to know our customers even better. At

present, roughly 1,400 customers answer surveys every month during the year, in all regions throughout Brazil. Since 2006, we have also conducted a weekly telephone survey involving customers who purchase C&A financial products. The objective is to control the quality of these products being marketed and sold.

Furthermore, the Hidden Customer survey conducted in all our stores is specifically directed at store operations. Three times a year all our units receive visits from "mystery customers" who assess important items of satisfaction for our customers, such as the size of checkout lines, assistance and service in changing rooms, cleanliness and organization. Stores need to achieve an annual average of 80% in terms of customer satisfaction. Those that obtain an unsatisfactory result are required to prepare an action plan in order to continuously improve customer service and their operations.

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C&A
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C&A IS MULTI-CHANNEL

www.facebook.com/ceaBrasil
http://twitter.com/cea_brasil
www.blogvista.com.br
www.youtube.com/cea
www.cea.com.br

Curatorship

C&A digital means and *Jornal Vista*

Contact Us

on the Internet: www.cea.com.br

Stores

complete list of stores on the website



**Roughly
1,400
customers**
answer surveys
conducted every month
throughout the year

QUALITY AND
CUSTOMER
RELATIONS

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Complaint Management

Customers who wish to contact the company in order to praise us, complain or make a suggestion have many channels available for this purpose (see *C&A is multi-channel*, page 58). Alternatively, there are also suggestion boxes in all stores and electronic totems in many units for this purpose. All questions or opinions are answered by the Marketing team.

We have increased the scope of the company with regards to press relations and today we have two tools that help us monitor where C&A is mentioned in the press and on the web.

Our press relations firm contacts press outlets and ascertains with the corporate communications area the best and quickest way to answer a request. In some cases, the legal area and other departments, such as the Purchasing Department, are called upon to provide a more specific and appropriate response. Through reports on customer channels and points of contact with C&A, we analyze all cases and submit doubts, suggestions, complaints and compliments to the parties responsible. GRI AF4

20 YEARS ENGAGED with the Brazilian community

C&A Institute supports quality education

Educating human beings means providing them with the conditions for incorporating knowledge, skills, attitudes and elements of culture, so that they may attain greater autonomy. This is the trademark of C&A Institute, created in 1991 to promote the quality education of children and adolescents, focusing on the development of citizens capable of continuously learning to construct their own life stories.

Over the past 20 years, some of the initiatives developed or supported by the C&A Institute, have gained importance and recognition. Examples include the continued training of primary education professors, fostering full-time education, particularly projects linked to art, culture and literature, promotion of joint projects and the institutional development of social

organizations and encouragement of social participation through corporate volunteering. **GRI AF33, GRI SO1**

Constituted as a non-profit public interest organization, the C&A Institute focuses on the analysis of social demands in Brazil, establishing partnerships with civil society organizations and government (*see Partnerships for the Good*). Over the last two decades, the Institute has invested more than USD 82 million in roughly 1,500 social initiatives, including technical resources and materials. **GRI SO1**

“

At C&A, I learned how to decide and act fast. The experience has also taught me to understand and accept others more, to work as a team. During our day-to-day activities, the company gives us the opportunity to participate in the social initiatives promoted by the C&A Institute.”

CAÍQUE HENRIQUE DA SILVA,
EMPLOYEE SINCE 2007,
operational leader of the Shopping Dom Pedro store, in Campinas (SP).
An C&A Institute volunteer since 2009.



C&A INSTITUTE

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RECOGNITION FROM SOCIETY

Present in all regions of Brazil according to the geographic distribution of C&A stores, the C&A Institute supported 126 social organizations and 133 projects that assisted roughly 141,000 children, adolescents and youngsters between March 2010 and February 2011, with investments totaling BRL 15.1 million. The financial statements of the C&A Institute are regularly checked by independent auditors.

Focusing on education and driven by the concept of social participation, the projects developed focus on three complementary areas: Education, Art and Culture; Institutional and Community Development; and Social Awareness. In the two-year period between 2010-2011, the initiatives of the C&A Institute prioritized two work fronts: the promotion of reading habits and childhood education. This has marked the trajectory of the Institute and has been the object of increasing attention on the part of public policies adopted by the federal government. **GRI AF34**

The monitoring process is systematized for each project, based on the submission of reports on activities undertaken and the financial report, presented by the partner twice during the year. Additionally, follow-up visits are made to discuss with the organization executing the project any difficulties or necessary adjustments, as well as any lessons learned. This process occurs 4 to 5 times throughout the year. **GRI Management Approach (social category, community aspects)**

The work carried out by the C&A Institute in 2011 received considerable recognition from society. The Institute received the Friend of Books Trophy, presented by the Rio Grande do Sul Book Chamber (CRL) for the Pleasure to Read Program. For the second time (2010 and 2011), it was recognized by the Brazilian Association of Judges, District Attorneys and Public Defenders of Children and Youth (ABMP) for its contributions to ensuring the human rights of children and adolescents.

The intensive participation of C&A volunteers in Salvador (BA), who led a fund-raising movement to build a building for a community library that was “evicted” from the premises where it had been based for nine years, received the Santa Casa de Misericórdia Volunteer Citizen award from the City of Salvador. **GRI 2.10**

Our Mission

The right to education and social participation are fundamental elements of our Mission, which is “to promote the education of children and adolescents in communities where C&A does business, through alliances and the strengthening of civil organizations”. **GRI AF33, GRI SO1**

Volunteers in action at a C&A store in downtown Teresina (PI)



VOLUNTEER INITIATIVES

Around 5,600 employees, organized into committees, participate as volunteers. The Volunteer program relies on funds from the C&A Institute for its activities, and on employee volunteers who are released from their professional duties at C&A in order to conduct community activities during working hours. In addition to benefiting the community, the corporate volunteer vision adopted by the C&A Institute takes into account the opportunity to develop a culture of social participation and community life among our employees.

In addition to the participation of volunteers in educational activities at NGOs and childhood education schools, the program also includes a pillar that provides assistance in emergency situations. In last two years, the C&A Institute and employee volunteers played an active role in the aftermath of two natural disasters: the floods in Morretes (PR) and in the highland region of Rio de Janeiro state. **GRI AF34**

In 2010, the program provided volunteer work to 89 social organizations in Brazil and thus made a name for itself in the universe of corporate volunteer work. Its operation was the object of research in the Study on Corporate Volunteering by Global Companies – State of the Art in Corporate Volunteering, published by the Global Corporate Volunteer Council (GCVC) in January 2011, in Singapore. At the 21st Global Volunteer Conference, organized by the International Association for Volunteer Effort (IAVE), the most representative institution in the movement, the C&A program was presented as a model for the world.

To facilitate their participation, volunteers have at their disposal communication resources in social networks offered through: <http://voluntarios.institutocea.org.br/>.

PROGRAM AREAS

EDUCATION, ART AND CULTURE

- > Childhood Education Program
- > Full-Time Education Program
- > Pleasure to Read Program

INSTITUTIONAL AND COMMUNITY DEVELOPMENT

- > Institutional Development Program
- > Networks and Alliances Program

SOCIAL AWARENESS

- > Volunteering Program

COLLECTIVE EFFORT FOR READING

The Pleasure to Read Program, created in 2006, is the initiative that receives the greatest financial support from the C&A Institute. It focuses on the training of reading mediation educators, the establishment of reading spaces, building library collections and awareness initiatives that disseminate the importance of reading, such as seminars, contests and campaigns. As of 2010, the Pleasure to Read Program began to foster joint initiatives among NGOs, in order to stimulate the creation of reading centers.

Over two years, the Pleasure to Read program supported the activities of 15 reading centers – 13 located within social organizations and 2 at schools –, including 72 projects in various states, and two centers catering to public schools, covering 102 schools in the cities of Natal and Parnamirim, in the state of Rio Grande do Norte, and the town of Paraty, in the state of Rio de Janeiro. For more information: <http://www.institutocea.org.br>.

USD 82 million

is the total amount invested by C&A Institute over the last two decades

C&A INSTITUTE

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CHILDHOOD EDUCATION ENSURED

Reformulated and reintroduced in 2010, the Childhood Education Program adopted new practices: to develop the continued training of professors and to provide access to good-quality teaching material for teachers and students alike. The initiative was developed with the objective of providing qualified education to children aged between 0 and 6, centering efforts on the training of professors at daycare centers and preschools, whilst supporting integration and awareness initiatives with regards to childhood education in Brazil.

The new project under the Childhood Education Program, called *Paralapraca*, was adopted in Campina Grande (PB), Caucaia (CE), Feira de Santana (BA), Jaboatão dos Guararapes (PE) and Teresina (PI), and it includes a partnership with the municipal education boards of these cities, involving roughly 1,100 professors and 18 thousand children. **GRI SO1**



PARTNERSHIPS FOR GOOD

The C&A Institute supports programs and projects developed by social organizations and maintains strategic partnerships with organizations that focus on ensuring the rights of children and adolescents (see page 65).

GRI AF33

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Porto Alegre: A Reading City

Notwithstanding all its literary tradition, Porto Alegre is still in need of a public support structure for the promotion of reading habits. There was no budget for purchasing books or organizing libraries, and setting up a library with official support seemed a distant dream. That was until a group of C&A Institute volunteers decided to set up new reading centers under the Pleasure to Read program.

The volunteers saw in this situation an opportunity to create a movement to enshrine the right to read or encourage reading into law. In 2011, in conjunction with the Reading Networks center, the volunteers got the city of Porto Alegre involved in the concept. Education and culture related institutions, writers and book lovers joined in the initiative that culminated in a public hearing at the Town Hall in August 2011.

At the end of 2011, City Councilmen approved the bill to implement the Municipal Book and Literature Plan (PMLL) – and create the Municipal Book and Literature Council (CMLL). One of the main objectives of the PMLL is the democratization of access and stimulus towards reading, the training of reading mediators, the appreciation of reading and support towards the creation and consumption of reading assets.

PARTICIPATION IN ENGAGEMENT FORUMS

In 2010 and 2011, the C&A Institute participated in the following forums on education, culture and social participation:

- > Committee of Partners of the National Campaign for the Right to Education
- > National Childhood Network Steering Committee
- > Proler (National Reading Incentive Program)/National Library Foundation – Ministry of Culture (MinC)
- > Rio De Janeiro Reading Commission – Municipal Education Board of Rio de Janeiro (SME-RJ)
- > Movement for a Literate Brazil
- > Brazilian Corporate Volunteering Council (CBVE)
- > Global Corporate Volunteering Council (GCVC)
- > Group of Institutes, Foundations and Enterprises (Gife)
- > Steering Committee of the Legal Framework Project, dedicated to creating a new legal framework for the service sector in Brazil
- > National Conference on Volunteering and Service 2010 – New York (NY)
- > National Conference on Volunteering and Service 2011 – New Orleans (LA)
- > IAVE 21st World Volunteer Conference (Singapore)
- > International Reading Congress 2011: To Read the 21st Century (Cuba)
- > World Forum on Early Care and Education 2011 (United States)

GRI AF33

C&A INSTITUTE

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The C&A Institute has supported 133 projects, assisting 141,000 children and adolescents



“

I worked at C&A for nine years, then left the company and was later invited to return. The company trained me to become a logistics professional. I admire its perennial vision, as well as its ethics and transparency.”

LUIS CLÁUDIO MARTÃO,
OPERATIONS MANAGER of the
São Paulo and Rio de Janeiro
DISTRIBUTION CENTERS.



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C&A
2010-2011
SUSTAINABILITY
REPORT

Control over ENVIRONMENTAL impact – awareness and influence

Employees and customers are involved in C&A environmental practices

From our standpoint, care towards the environment requires a collective effort. By assuming a commitment to reduce the impacts of our products and activities, we have the goal of working in conjunction with our supply chain, especially customers and suppliers. In 2007, we kicked off a process to identify and manage our environmental impacts. The importance of this matter for the company is reflected in the selection of material topics that will guide our Sustainability Platform, one of which is Waste Management.

In the two-year period from 2010 to 2011, we achieved progress with regards to several indicators, despite having expanded our operations with the inauguration of 34 new stores over these two years. For all the goals defined, met or underway, we maintained our improvement processes. This is how we manifest our commitment towards reconciling business expansion with a reduction in our environmental impact.

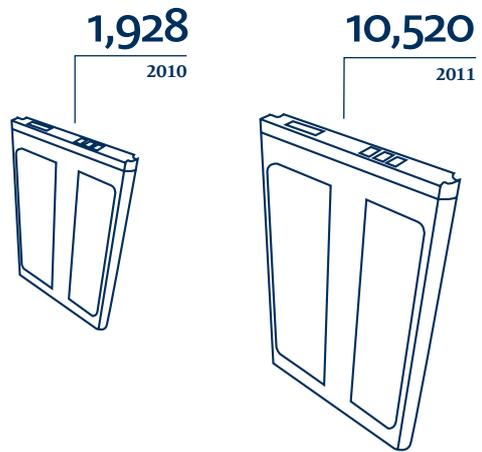
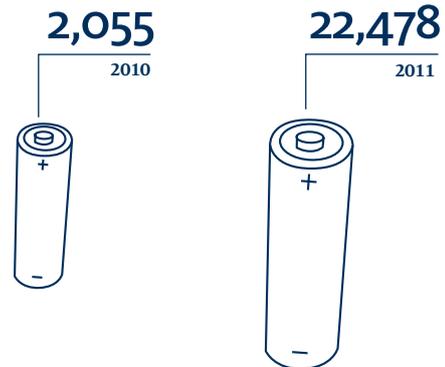
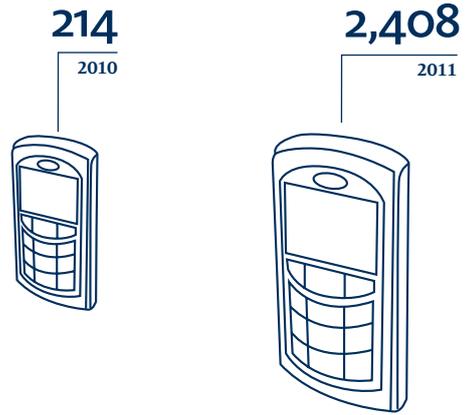


REVERSE LOGISTICS – ELECTRONIC WASTE

Initiated in August 2010 and consolidated in 2011, the Electronic Waste Collection Program gathers mobile phone handsets and batteries and regular batteries deposited by our customers in collection bins available at all our stores. We achieved 100% coverage of our chain with the program, with 210 participating stores, as well as the head office and the three distribution centers.

The material we collect is sent for recycling, whereby components in good working order are retrieved and reused, thus avoiding inadequate disposal and potential health problems to people and the environment.

VOLUME OF PRODUCTS
AND PACKAGING RECLAIMED – GRI EN27



The Electronic Waste Collection Program was implemented at all our stores



The Electronic Waste Collection Program was implemented in August 2010, when we collected a total of 4,197 products. In 2011, this figure increased to 35,406 in 2011.

TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD – GRI EN22		
Hazardous Waste (kg)	2010	2011
Amount of hazardous waste produced		
Light bulbs	891	619
Miscellaneous reactors	196	94
Electronic	8	33
Hospital waste*	59	53
Total	1,154	799
Final disposal method – hazardous waste		
Recycling	1,035	650
Incineration	59	53
<i>On-site storage</i>	60	96
Total	1,154	799

*Hospital waste is generated by the in-house clinics at the two Distribution Centers.

Non-Hazardous Waste (kg)	2010	2011
Amount of non-hazardous waste produced		
Paper and cardboard	7,021,003	7,358,562
Aluminum	108	156
Plastic	41,096	33,040
Scrap metal	6,816	21,833
Vegetable oil	2,783,635	3,373,527
Other materials (uniforms, materials with logos and promotional material)	402	2,898
Other materials (e-waste, wood and others)	21,875	22,785
Organic waste	3,687,440	4,792,876
Total	13,562,375	15,605,677
Final disposal method – non-hazardous waste		
Recycling	9,874,935	10,812,801
Landfill	3,687,440	4,792,876
Total	13,562,375	15,605,677

Quantitative data covers only the Distribution Centers (CDT and CDR) and the Head Office. The waste discarded by stores was not considered. For stores, we intend to implement a Waste Management Plan covering all units.

WASTE MANAGEMENT

Waste sorting is an integral part of our routine. Our head office, three distribution centers and 40 of our stores possess their own systems for disposing of each type of waste properly. The program calls for a close working relationship integration with some of our suppliers, such as the company responsible for outsourcing cleaning services. We are still seeking a solution for locations where we do business, but where waste is not recycled. **GRI Management Approach (environment category, product and services aspects)**

Other measures we've adopted include replacing white paper with recycled paper for everyday use, the use of recycled material to produce the clothes hangers we use in our stores and the distribution area and, among our employees, the use of personal mugs as an alternative to disposable plastic cups. **GRI EN22**

In 2011, we executed a waste management pilot project in the remodeling of a store. The main objective was to adopt and implement a philosophy of environmental control and sustainability in C&A projects. The results obtained underscore the necessity for correct disposal of waste generated during a remodeling project. In this particular project alone, we correctly disposed of 6 tons of metal, 1.4 tons of cardboard, 400 kg of plastic and 15 cubic meters of wood (approximately 11 tons).

PRODUCT IMPACT MANAGEMENT

One of the workgroups under the Sustainability Committee has been working and conducting research to identify other packaging options to offer our customers.

In widespread use in our operations, hangers have received special attention. At present, 40% of total raw materials used to produce them come from recycling. Around 70% of all hangers used in our stores are reused. The paper used to print receipts in cash registers is recyclable and possesses FSC certification. **GRI EN1**

MORE EFFICIENT OPERATION

Inaugurated in 2009, in the city of Porto Alegre, our first green store functioned as a test base for replicating the model in new stores and remodeling projects. Eco-efficiency actions tested and replicated include significant savings in electricity and water consumption and management of garbage and waste generated in construction/remodeling work. A new experience was put into practice with the inauguration of the new Distribution Center in the state of São Paulo.

The new Distribution Center received LEED certification (Leadership in Energy and Environmental Design), which guarantees the use of sustainable processes and materials in civil construction. The piece of land on which it was built was first landscaped to ensure low impact conditions for the building. It features interlocked blocks in vehicle and pedestrian circulation areas and high albedo paintwork, which reduces "heat island" effects and allows for greater water infiltration into the soil; the soil is covered with vegetation. The water supply system complies with the principles of rational use, such as treated effluent used to supply toilets and urinals; closed coupled cisterns with dual flush system; caps with a low water outflow and aerated streams and timers with automatic closing.

MATERIALS USED BY WEIGHT OR VOLUME – GRI EN1			
Materials (units/thousands)	2009	2010	2011
Materials from non-renewable sources	48,488	62,304	52,763
Oxybiodegradable bags	47,073	59,125	51,089
Hangers	1,415	2,709	1,324
Raffia palm ecobags	0	470	350
Materials from renewable sources	36,387	40,512	33,229
Recyclable paper gift boxes	13,952	16,307	12,976
Recyclable paper	21,350	23,290	19,485
Ecobag	126	236	17
Paper Reels	959	679	752

The evolution and figures is related to the operation of new stores and increased demand (sales). The above data refers to the head office, distribution centers and stores.

Savings

Our new stores consume less electricity and water

ENERGY

In the operational areas, we have intensified electricity efficiency measures, as well as the automation of lamp and air-conditioning controls. Our maintenance area receives continuous training in energy efficiency. New C&A stores, inaugurated after 2010, are 10.5% more efficient in terms of energy usage. While the stores prior to 2010 have a unit consumption of 325 kWh/year (per m² of sales area), the consumption level of new stores amounts to 291 kWh/year (per m² of sales area).

Since 2010, new measures have been adopted to curb energy consumption. All stores have been equipped with thermostats for remotely monitoring temperature and a programmable controller to automatically turn air-conditioning and lighting on and off, in accordance with working hours of stores and the head office. By the end of 2011, more than 90% of stores possessed more efficient air-conditioning systems that, in addition to consuming less energy, do not use water to cool the air.

The monthly consumption monitoring system at stores allows units that exceed planned targets to be alerted. We have timers installed on the lights of street stores, which are programmed to only turn on at night. At the end of 2009, 25% of stores were using new energy-saving light bulbs that reduce consumption by 8%. By the end of 2011, this figure increased to 50% of stores.

GRI Management Approach (environment category, energy aspect) GRI EN4, GRI EN5

We expect to reduce absolute energy consumption by 10% in all our stores between 2010 and 2015. Initiatives to reduce energy consumption constitute an ongoing process for updating and developing new projects that seek greater efficiency.

In 2001, we began buying energy directly on the free market from small hydroelectric power plants and biomass plants. The volume purchased in the free market represented, in 2011, 4.3% of the total energy we consume in our stores, head office and distribution centers. The main advantage of buying energy in the free market is the guarantee that the energy being purchased comes from renewable sources.

Our first Eco-Store in Porto Alegre (RS) is a reference in ecoefficient initiatives replicated at other units



TOGETHER FOR THE ENVIRONMENT

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DIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE (GJ) – GRI EN3			
Direct Energy (GJ)		2010	2011
Non-renewable	Diesel (company fleet + generators)*	17,051	19,728
	LPG (CDT + CDR + EC)	1,850	1,783
Subtotal (NR)		18,901	21,511
Renewables	Biodiesel**	6,467	6,440
Subtotal (R)		6,467	6,440
Total (NR+R)		25,368	27,951

*Until 2009, we did not measure the consumption of diesel by our power generators.

**Biodiesel is a renewable fuel made from vegetable oils, such as sunflower, castor, soy, Attalea speciosa and other oleaginous plants, or animal fat, for use in diesel engines, in any mixture concentration with diesel. In 2006, we began using B2 (2% concentration of biodiesel) in 100% of our company fleet. In 2010, when it became mandatory by law, we were already in compliance with this requirement. As of 2010, our fleet began utilizing B5 (5% concentration of biodiesel).

INDIRECT ENERGY CONSUMPTION BY PRIMARY SOURCE (GJ) – GRI EN4			
Direct Energy (GJ)		2010	2011
Intermediate energy purchased and consumed, by source			
Non-renewable		53,620	56,061
Electricity		53,620 (10.7%)	56,061 (10.2%)
Other Sources			
Renewable		447,504	491,691
Electricity		447,504 (89.3%)	491,691 (89.8%)
Total indirect energy used		501,124	547,752

Renewable and non-renewable energies were classified according to the Brazilian Power Grid, since our stores do not receive electricity supplied by the local utility. The increase in absolute energy consumption is due to the increase in number of stores.

WATER

In our operations, we have adopted several water-saving measures. We have concluded the installation of aerators in faucets at all our stores, reducing consumption by up to 80% in these locations. The majority of changes involved substituting the flushing system for dual flush system, thus reducing the amount of water consumed by 50%. We also monitor store water consumption on a monthly basis. At the end of 2009, we had 177 stores, in 2010 we had 188. In December 2011, we reached the 210 store mark, in addition to one Head Office and three Distribution Centers (the third began operating in 2011). Even so, we managed a 3.3% reduction in water consumption in 2010, compared to 2009. **GRI management approach (environment category, water aspect)**

At two stores in Rio de Janeiro, one in the center of town and the other in Bonsucesso, we implemented, in 2008 and 2009 respectively, a stormwater catchment system linked to the normal water supply system. Stormwater collected from the roof is used to flush toilets, clean sidewalks and water plants. In 2011, we implemented the system at another unit in Rio de Janeiro, capturing and re-using approximately 56 m³ of stormwater. Starting in 2012, we will begin measuring the volume of water reused in the system in order to estimate resulting water savings. The effluent generated by our stores, head office and distribution centers possess the same characteristics as domestic sewage systems. At the majority of units, our water is supplied by the local utility, which also collects the effluent and sends it to the municipal sewage system, except at the new Raposo Tavares Distribution Center, since the business park where it is installed in the Butantã neighborhood (SP), possesses its own waste treatment and collection system. **GRI EN8**

TOTAL WATER WITHDRAWAL BY SOURCE (M ³) – GRI EN8			
Water withdrawal (m ³)	2009*	2010*	2011
Rainwater	0	0	56**
Municipal water supplies or other water utilities	0	281,761	303,906
Other sources***	291,662	0	0
Total	291,662	281,761	303,962

*There is no data regarding the amount of water reused in 2009 and 2010.

**The figure for reuse of stormwater to flush toilets pertains to the Nilópolis (RJ) store as of September 2011.

***In 2009, the source of water withdrawal was not defined, therefore we declared the figure as other sources.



IMPACT ON GLOBAL WARMING

Over the last two years, we continued monitoring our emissions through an inventory count of gases emissions by our product transportation processes, employee travel and energy consumption.

In order to improve our transportation processes, we undertook two initiatives in 2010. One initiative was the freight return incentive, which helped reduce our CO₂ emissions. The other initiative involved optimizing space on the trucks transporting our products. In 2009, we contracted a consulting firm to conduct a study on the total number of objects transported versus the cubic availability inside our vehicles. Since then, we have been able to develop initiatives that have increased the quantity of objects transported, leading to a reduction in the number of trips necessary and, consequently, fewer emissions. These preventive and corrective measures are monitored by external auditors.

Accordingly, we were able to reduce CO₂ emissions in 2010 and 2011 (see table for more information). **GRI Management Approach (environment category, emissions, effluents and waste aspects)**

Another measure implemented to control emissions was to replace diesel for biodiesel in our fleet as of 2006. At present, 100% of the company-owned and outsourced fleet uses biodiesel.

With our transportation suppliers, we have adopted the use of opacimeters, a device that measures the amount of smoke emitted by trucks. Measurements are taken at our distribution centers, with the aim of controlling whether polluting gas emissions comply with the standards established in current legislation. **GRI Management Approach (environment category, emissions, effluents and waste aspects), GRI EN18, GRI EN26**

Emissions from our electricity consumption were higher in 2010, due to the increase in energy generated by thermoelectric power plants at the end of the year. In 2011, the participation of thermoelectric power plants in the country's energy grid was lower, stabilizing emissions at roughly 2009 levels. In 2010 and 2011, sea transportation became the main source of greenhouse gas emissions, due to the higher volume of products transported on ships.

In transportation, innovations in the company fleet have been extended to outsourced companies, always through training and awareness activities. At stores, some advances have been limited to street units, where we have complete autonomy over our operations. In turn, in shopping malls, where 80% of our stores are located, the idea is to utilize our power of influence to encourage eco-efficiency practice. **GRI EN16, GRI EN17**



Internal and external fuel at our new distribution center

TOGETHER FOR THE ENVIRONMENT

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80%

Reduction in water consumption at stores, following the installation of aerators in faucets



Inside view of our new distribution center

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C&A
2010-2011
SUSTAINABILITY
REPORT

INITIATIVES TO REDUCE GREENHOUSE GAS EMISSIONS AND REDUCTIONS ACHIEVED (TONS OF CO₂ EQUIVALENTS) – EN18

Emission Reductions	2009	2010	2011
Objects transported (tons)	53,620	65,079	66,352
Emissions (tCO ₂ e)	10,867	11,623	11,050
Index (tCO ₂ e/tons of objects transported)	0.20	0.18	0.17
Greenhouse gases not emitted (tCO ₂ e)	–	1,688	2,521

In order to compare the evolution in C&A greenhouse gas emissions (GHG) over the coming years, we have created a greenhouse gas emissions index, calculated based on total GHG (tCO₂e) emitted per “weight” transported on highways (tons) in 2009, 2010 and 2011.

Moreover, due to optimization of space on trucks transporting C&A products, we can see that there has been a reduction in GHG emissions stemming from highway transportation.

The evolution of our index (tons of CO₂e/tons of objects transported) during these three years indicates that the highway fleet is emitting less greenhouse gases per ton transported.

Using this index, we calculated what would be the hypothetical emission of GHG in the event the organization had not implemented the project of improving space optimization on trucks. In our calculations, we considered that the index in 2010 and 2011 was equal to that in 2009, that is, we created a scenario where no improvement initiatives were implemented and space optimization on trucks did not get any worse. For the calculation, we considered the real amount of cargo transported by C&A over the last three years.

When subtracting hypothetical GHG emissions from the actual emissions (published in the 2012 Greenhouse Gas Emissions Report), we arrive at a GHG emissions reduction of 1,688.50 tCO₂e in 2010 and 2,521.59 tCO₂e in 2011 due to the optimization of space on trucks. **GRI Management Approach** (environment category: transportation and emissions, effluents and waste aspects)

TOTAL AND OTHER DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS BY WEIGHT - TONS OF CO₂E – GRI EN16, GRI EN17

Other emissions (tCO ₂ e)	2009	2010	2011
Highway transportation - company-owned and outsourced ⁽¹⁾	10,867	–	–
Highway transportation – company-owned ⁽¹⁾	–	1,871	1,340
Highway transportation – outsourced ⁽³⁾	–	9,752	9,711
Electricity ⁽²⁾	3,035	6,983	3,870
Sea transportation ⁽³⁾	2,985	47,410	33,879
Air travel ⁽³⁾	1,824	2,586	2,809
GHG emissions	18,711	68,602	51,609

Scope 1⁽¹⁾ / Scope 2⁽²⁾ / Scope 3⁽³⁾

In order to calculate highway transportation emissions in 2009, we use the DEFRA (Department for Environment, Food and Rural Affairs) methodology, a British environmental entity, since the information available did not satisfy the methodology for Brazil’s GHG Protocol Program, used in the calculations for 2010 and 2011. Calculations for 2010 and 2011 were based on fuel consumption used by the company fleet, an estimate of fuel consumed by the outsourced fleet. For this estimate, we used the distance traveled by such fleet, and the average efficiency of their trucks.

The calculation of electricity emissions used the calculation based on the CO₂ emissions factor of the energy network supplying the operational unit (tCO₂/GWh-1), which was calculated and published by the Interministerial Commission for Global Climate Change.

For air travel and sea transportation, we used the DEFRA methodology.

About the REPORT

Our second Annual Sustainability Report covered the January 1, 2010-December 31, 2011 period and includes information about all our operations in Brazil. In this edition, the reporting process was coordinated by the Sustainability area, and the information was gathered in 2011. The report involved all areas of the company. This publication presents advances in structure, content and approach.

We consider having achieved a “B” **Application Level** of the Global Reporting Initiative (GRI) G3 Sustainability Guidelines. We reported 61 performance indicators, including 29 essential and 16 additional, as well as 17 specific to the clothing sector. In our approach to the Supply Chain theme, we opted to also incorporate specific indicators from the clothing sector developed by GRI to further assess the initiatives we adopted with our partners. Instead of conducting an external audit of the GRI indicators presented, we used the GRI Check.

The information gathered for this report involved operations located in Brazil – stores, distribution centers and head office. Data was included on the 34 stores opened between 2010 and 2011, as well as the new distribution center in São Paulo state.

To determine our evolution in sustainability matters, we counted on a series of assessment mechanisms. In 2011, the first stage included interviews with company executives in order to identify the topics of greatest importance for the business. In parallel, domestic and international benchmarking surveys were conducted to verify the most apparent matters on the agenda of the actions in the retail sector. Additionally, we conducted an analysis of studies performed by

civil society organizations in order to identify the matters considered to be top priorities by society and specialists.

In the second phase, we organized a Stakeholder Panel for a detailed discussion of the preliminary list of topics resulting from the first phase. Composed of representatives of customers, suppliers, employees and sustainability specialists, four meetings were held to discuss the perception and expectations of these different audiences with regards to C&A. The results obtained were topics considered top priorities for our activities. The selected topics gave rise to the Materiality Matrix.

The lessons we learned from this process and the definition of the Materiality Matrix guided the preparation of the 2010-2011 C&A Sustainability Report.

Details about materiality construction and stakeholder engagement are presented in the *Strategy, Business and Sustainable Development* chapter. For more information about sustainability practices at C&A, or to clear up any doubts or submit suggestions, please contact us at sustentabilidade@cea.com.br. **GRI 3.1, GRI 3.2, GRI 3.4, GRI 3.5, GRI 3.6, GRI 3.7, GRI 3.8**

ABOUT THE
REPORT

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Statement GRI Application Level Check

GRI hereby states that **C&A - Brazil** has presented its report "Sustainability Report C&A Brazil - 2010/2011" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, April 3rd 2012

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a light blue circular background.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on March 14th 2012. GRI explicitly excludes the statement being applied to any later changes to such material.

GRI Index

The *C&A Sustainability Report* complies with GRI requirements of the “B” Application Level (3.1), according to the parameters highlighted in the table below:

		C	C+	B	B+	A	A+
CONTENT OF THE REPORT	G3 Profile	Report on: 1.1; 2.1 - 2.10; 3.1 - 3.8, 3.10 - 3.12; 4.1 - 4.4, 4.14 - 4.15;	REPORT EXTERNALLY ASSURED	Report on all criteria listed for Level C plus: 1.2; 3.9, 3.13; 4.5 - 4.13, 4.16 - 4.17	REPORT EXTERNALLY ASSURED	Same as requirements for Level B	REPORT EXTERNALLY ASSURED
	G3 Management Approach	Not required		Management Approach Disclosures for Each Indicator Category		Management Approach disclosed for each Indicator Category	
	G3 Performance Indicators & Sector Supplement Performance Indicators.	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of: social, economic and environment.		Report fully on a minimum of any 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility.		Respond to each core and Sector Supplement indicator with due regard to the materiality principal by either: (a) reporting on the indicator or (b) explaining the reason for its omission.	

LEGEND:



INDICATOR FULLY REPORTED



INDICATOR PARTIALLY REPORTED

GRI INDEX

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PROFILE INFORMATION

STRATEGY AND ANALYSIS

Indicator	Description	Reported	Page
1.1	Statement from the President	★	3, 4 and 5
1.2	Description of key impacts, risks, and opportunities	★	3, 4 and 5

ORGANIZATIONAL PROFILE

Indicator	Description	Reported	Page
2.1	Name of the organization	★	2
2.2	Primary brands, products, and/or services	★	6
2.3	Operational structure of the organization	★	6
2.4	Location of the organization's headquarters	★	9
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability topics covered in the report	★	6
2.6	Nature of ownership and legal form	★	6
2.7	Markets served	★	6
2.8	Scale of the reporting organization	★	Large company.
2.9	Significant changes during the period covered by the report	★	6
2.10	Awards received during the period covered by the report	★	8 and 62

REPORT PARAMETERS

Indicator	Description	Reported	Page
3.1	Reporting period for information provided	★	75
3.2	Date of most recent previous report	★	75
3.3	Reporting cycle	★	Every two years
3.4	Contact point for questions regarding the report or its contents	★	75

3.5	Process for defining report content	★	We did not declare financial data due to the fact that C&A is a privately-held company and because we consider this information to be strategic. The financial statements are regularly checked by independent auditors. More information is provided on pages 21 and 75
3.6	Boundary of the report	★	75
3.7	State any specific limitations on the scope or boundary of the report	★	75
3.8	Bases for preparing the report	★	75
3.9	Data measurement techniques and the bases of calculations	★	The information about data measurement techniques and the bases of calculations are described throughout the texts, and identified whenever necessary to support a certain piece of data
3.10	Explanation of the effect of any re-statements of information provided in earlier reports	★	Information regarding any changes in relation to previous reports is accompanied by new information in the respective chapters or specific tables
3.11	Significant changes from previous reporting periods and the scope, boundary, or measurement methods applied in the report	★	During 2010 and 2011, we did not undergo any significant changes with regard to the size of the organization and structure. There was an increase in number of stores, however this is part of the growth strategy defined by the organization
3.12	Table identifying the location of the Standard Disclosures in the report	★	77 to 88
3.13	Policy and current practice with regard to seeking external assurance for the report	★	This report was not externally assured

GOVERNANCE, COMMITMENTS, AND ENGAGEMENT

Indicator	Description	Reported	Page
4.1	Governance structure of the organization, including committees under the highest governance body	★	22
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	★	22
4.3	Members of the highest governance body that are independent and/or non-executive members	★	There is no independent or non-executive member in the highest governance body

4.4	Mechanisms for shareholders and employees to provide recommendations	★	25
4.5	Link between compensation and organization performance (including social and environmental performance)	★	Our fixed and variable compensation strategy for members of the highest governance body and other executives is in line with the objectives and goals defined both in terms of economic aspects as well as employee engagement aspects. The goals for sustainability aspects are currently being defined
4.6	Processes in place to ensure conflicts of interest are avoided	★	22 and 24
4.7	Qualifications and expertise of the members of the highest governance body	☆	16 and 22
4.8	Internally-developed mission or values statements, codes of conduct, and relevant principles	★	15, 24 and 41
4.9	Responsibility for the implementation of economic, environmental and social policies	★	22
4.10	Processes for evaluating the performance of the highest governance body	★	48
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	★	24
4.12	Economic, environmental, and social charters, principles, or other initiatives developed externally	★	25
4.13	Membership in associations and/or national/international advocacy organizations	★	25
4.14	List of stakeholder groups engaged by the organization.	★	26
4.15	Basis for identification and selection of stakeholders with whom to engage	★	17 and 26
4.16	Approaches to stakeholder engagement	★	26
4.17	Key topics and concerns that have been raised through stakeholder engagement	★	21 and 38

DISCLOSURE OF MANAGEMENT APPROACH

Management Approach	Aspects	Reported	Page/ PDF Online
EC	Economic Performance		Confidential
	Market Presence	☆	3, 4 and 5
	Indirect Economic Impacts	☆	50
EN	Materials		Still evolving. We possess voluntary programs and initiatives, but the management method is still being consolidated
	Energy	★	71
	Water	★	72
	Biodiversity		-
	Emissions, Effluents and Waste	★	73 and 74
	Products and Services	★	69
	Compliance		-
	Transport		-
	Overall		-
	LA	Employment	
Labor/Management Relations		☆	Page 82 (LA4 and LA5)
Occupational Health and Safety		☆	52
Training and Education		★	38 and 48
Diversity and Equal Opportunity		★	50
HR	Purchasing Process	★	32
	Non-discrimination	☆	34
	Freedom of Association	☆	Page 84 (HR5)
	Child Labor	★	30
	Forced and Compulsory Labor	★	30
	Security Practices	★	47
	Indigenous Rights		-
SO	Community	★	62
	Corruption		Still evolving. We possess voluntary programs and initiatives, but the management method is still being consolidated
	Public Policies		-
	Anti-Competitive Behavior		-
	Compliance		-
PR	Customer Health and Safety	★	57
	Product and Service Labeling	☆	57
	Marketing Communications	☆	Page 88 (PR7)
	Customer Privacy	★	57
	Compliance	★	57

PERFORMANCE INDICATORS

ECONOMIC PERFORMANCE

Indicator	Description	Reported	Page
Market Presence			
EC5	Range of ratios of standard entry-level wage compared to local minimum wage	★	46
EC7	Local hiring	★	50

ENVIRONMENTAL PERFORMANCE

Indicator	Description	Reported	Page
Materials			
EN1	Materials used by weight or volume	★	70
Energy			
EN3	Direct energy consumption, by primary energy source	★	72
EN4	Indirect energy consumption, by primary source	★	71 and 72
EN5	Energy saved due to conservation and efficiency improvements	★	71
Water			
EN8	Total water withdrawal, by source	★	72 and 73
Emissions, Effluents, and Waste			
EN16	Total direct and indirect greenhouse gas emissions, by weight	★	73 and 74
EN17	Other relevant indirect greenhouse gas emissions, by weight	★	73 and 74
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	★	73 and 74
EN22	Total weight of waste, by type and disposal method	★	69
Products and Services			
EN26	Initiatives to offset environmental impacts	★	73
EN27	Percentage of products sold and their packaging materials that are reclaimed, by category	☆	68

AF19	Practices for seeking safer alternatives for restricted substances, including management systems	★	58
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	★	No fines were levied due to non-conformity with environmental regulations and laws
Overall			
EN30	Total environmental protection expenditures and investment, by type	★	We still do not have a breakdown in relation to other operating costs, therefore it is not possible to answer this indicator

SOCIAL PERFORMANCE – LABOR PRACTICES

Indicator	Description	Reported	Page
Employment			
LA1	Total workforce by employment type, employment contract, and region	★	40
LA2	Total number and rate of new employee hires and employee turnover, by age group, gender, and region	★	43
LA3	Comparison between benefits provided to full-time employees and temporary or part-time employees	★	All benefits are provided equally to all employees. The only exception is with regards to life insurance offered to job positions defined by law or collective bargaining agreements. Part-time or temporary employees contracted through employment agencies for annual events at stores (Christmas, Mother's Day, among others) do not receive the benefits offered to permanent C&A employees
Labor/Management Relations			
LA4	Percentage of employees covered by collective bargaining agreements	★	All employees are covered by collective bargaining agreements
LA5	Description of notices (terms and procedures)	★	There isn't any advance planning for the transfer of activities from one store to another. On average, four weeks is the ideal notification term. In 2009, the term was five weeks and, in 2010, four weeks. In 2011, the term was greater (13 weeks), because activities were transferred to a store that was yet to be opened

Occupational Health and Safety

LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees	★	100% of employees are represented by formal health and safety committees
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Training and Education

LA10	Average hours of training per year	★	48
LA11	Programs for skills management and lifelong learning	★	47
LA12	Percentage of employees receiving regular performance and career development reviews	☆	48

Diversity and Equal Opportunity

LA13	Composition of governance bodies and breakdown of employees per employee category according to gender	★	51 and 52
LA15	Return to work and retention rates after parental leave, by gender	★	49

AF9	Incidents of non-conformity with legal requirements or collective bargaining agreements about salaries	★	In 2009, 2010 and 2011, no non-conformities concerning standards and operations directly controlled by C&A were identified. All audits are accompanied by the company responsible for processing the payroll, which reports any assessments and notifications of correction to the HR area by means of monthly spreadsheets
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AF31	Initiatives and programs to respond, reduce and prevent the occurrence of musculoskeletal disorders	★	52
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AF32	Initiatives for handling gender discriminations and promoting career advancement opportunities for women	★	Women account for 72% of employees. The company has a Code of Ethics and offers employees the possibility to report any violations of this code to the Executive Board, through the Open Channel
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HUMAN RIGHTS

Indicator	Description	Reported	Page
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Procurement Practices

HR2	Percentage of contractors that have undergone human rights screening	★	36
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HR3	Total hours of employee training on policies and procedures concerning aspects of human rights, including the percentage of employees trained	★	No training concerning aspects of human rights was undertaken within the organization
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Non-discrimination

HR4	Total number of incidents of discrimination and corrective action taken	★	<p>Discrimination, in all its forms, is totally against the principles and values that the company holds dear. Our work aims to ensure respect for our values, particularly in doing business with integrity, transparency, confidence and respect for people. Complaints received regarding discrimination are analyzed by the Legal Department, HR Director and the area responsible. Contact is then made with the claimant in order to provide information about the measures being taken and the case is closed. In 2010, we do not have any information available regarding discrimination incidents. In 2011, 89 cases were registered, of which three involved discrimination of gender or sexual orientation and the other 86 referred to other forms of discrimination involving internal and/or external stakeholders in operations</p>
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Freedom of Association

HR5	Freedom of association policy and its application level	★	<p>C&A operates in large population centers under an already established union structure. As such, we fully comply with the determinations of existing bargaining agreements. When the time comes to review documents, we participate in meetings with industry associations. In the event store inaugurations occur in cities where we are not present, it is up to the regional manager or a manager designated by this person to contact the local unions in order to establish ties. When requested by unions, we provide a space for information to be delivered to employees</p>
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GRI
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Child Labor

HR6	Measures taken to contribute to the effective abolition of child labor	★	33
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Forced and Compulsory Labor

HR7	Measures taken to contribute to the elimination of all forms of forced and compulsory labor	★	33
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Security Practices

HR8	Percentage of security personnel trained concerning aspects of human rights	★	47
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Remediation

HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	☆	The grievances filed were registered by individuals belonging to minority groups and were registered through the Open Channel. The three cases presented in 2011 were analyzed and solved that same year
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SOCIETY

Indicator	Description	Reported	Page
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Community

SO1	Programs and practices to assess and manage the impacts of operations in communities	☆	60, 62 and 64
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Public Policies

SO6	Policies for financial contributions to political parties, politicians or institutions	★	C&A does not contribute financially to politicians, political parties and related institutions in Brazil
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SO7	Total number of legal proceedings for anticompetitive behavior	★	In 2010 and 2011, C&A did not receive any notification (judicial or extrajudicial) relating to anti-competitive behavior, antitrust and/or monopoly practices
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Compliance

AF33	Prioritization that complies with matters faced by workers, their family members and their community	★	60, 62, 64 and 65
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AF34	Total investment in the community of workers, according to location	★	62 and 63
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PRODUCT RESPONSIBILITY

Indicator	Description	Reported	Page
Customer Health and Safety			
PR1	Assessment of the impacts on health and safety during the lifecycle of products and services	★	56
PR2	Non-conformities relating to the impacts caused by products and services	★	56
Product and Service Labeling			
PR3	Type of product and service information required by labeling procedures	★	All our textile clothing products contain a regulated label with information about the product's composition, manufacture and clothing maintenance instructions. Since this is a requirement defined by Inmetro, 100% of textile products are sent to stores with this information. The regulated label is checked at the moment the order is delivered by the Quality Control area. Returns due to non-conformities in this obligatory label account for 0.5% of total products received by C&A. The label must state the product's composition, corporate taxpayer ID (CNPJ) and maintenance instructions
PR4	Total number of non-compliance incidents related to product and service labeling	★	The legal department adopts a reactive approach towards cases of label non-conformity, that is, when the company is audited by Inmetro. In such cases, we assess the notification issued, which contains the grounds for determining whether the assessment is valid or not. If necessary, we bring in the Purchasing Department and suggest that the products in question be removed from stores. In 2010, we registered 15 cases of non-conformity with regulations, which resulted in fines or penalties. In 2011, we had 19 cases. These numbers represent demands that did not necessarily originate in 2010 and 2011, but rather were discharged in these years. For example: one case that was discharged in 2010 originated back in 2005
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	★	58

Marketing Communications

PR7	Total number of incidents of non-compliance concerning product and service communications	★		In 2010 and 2011, we had no cases that resulted in definitive sentencing or levying of fines. For all ad campaigns, the marketing area consults with the legal area and external law offices before starting the production of a campaign or its respective disclosure
PR8	Total number of substantiated complaints regarding breaches of customer privacy	★	57	

Supply Chain

AF1	Content and coverage of the code of conduct	★	30, 31 and 58	
AF2	Outsourced personnel and employees engaged in the function of monitoring compliance with the code of conduct	★	30	
AF3	Compliance audit process	☆	32	
AF4	Policies and procedures for receiving, investigating and responding to claims and complaints	★	25 and 59	
AF6	Policies for selecting, managing and reregistering suppliers	★	32	
AF7	Number and distribution of work locations covered by the code of conduct	★	31	
AF12	Incidents regarding the use of forced labor	★		The AF12 indicator was reported in indicator AF14, regarding the supply chain. Within C&A, there is no risk of such occurrence, as demonstrated in indicators HR6 and HR7
AF13	Incidents of non-compliance with regulations pertaining to gender discrimination	★	33	
AF14	Incidence of non-compliance with the code of conduct	★	35	
AF15	Analysis of compliance audit data with the code of conduct in the supply chain	★	36	
AF16	Remediation practices for non-conformities identified	★	32	

Credits

General Coordination
C&A Sustainability Team

**Text and Editing/Graphic Design, Layout
and Graphic Production**
Report Comunicação

GRI Indicators
Keyassociados

Revision
Assertiva Produções Editoriais

Translation
Okidokie Translation Services (A. McDonnell)

Revision
Bureau Translations – Global Communication

Photos
Marcelo Min, Letícia Luppi
C&A Image Archives, istock/Pashalgnatov

Illustrations
Fernanda Guedes

Printing
Gráfica Ipsis

Print Run
300 copies

Paper
Internal pages Matt Couché 115 g/m² and
Cover Duodesign 300 g/m²

Font Family
CA Milo Pro / CA Milo Serif Pro



Sustainability

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