"I Came Here with So Many Dreams"

Labor Rights Abuses and the Need for Change in Mauritius' Apparel Factories



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The photos included in this report are solely to illustrate the types [or kinds] of locations and situations described by Transparentem. The people and factories that appear in the photos do not represent any person or group of people or locale discussed in this report.

In 2023, Transparentem completed an investigation into labor abuses in Mauritius' apparel manufacturing industry. This investigation and company responses to Transparentem's findings bring three stark realities to light:

- 1. Many migrant workers at investigated suppliers reported they paid exploitative recruitment fees and faced abusive living conditions and intimidation, as well as other indicators of forced labor.
- 2. As of December 17, 2023, just three buyers—PVH, Barbour, and Second Clothing—have committed to reimbursing migrant workers for recruitment fees and related costs. Their action is commendable. Those three companies committed \$420,593 to be used for repayments at one factory. Groups of buyers also came together to work with suppliers to improve working and living conditions.
- 3. Workers are still at risk of exploitation. Currently pledged repayments will not reach workers across all factories investigated, and most workers will likely not receive full repayment. Recruitment-related issues still must be prevented and addressed, including in the country of origin for workers, and many reported findings still must be addressed.

During the initial investigation, investigators interviewed 63 workers: 23 at Denim de l'Île (DDI) Ltd., 14 at R.E.A.L Garments Ltd., and 26 at three factories owned by Firemount Group Ltd. (FM Denim, Firemount Textiles [SLDC Industrial Zone], and Firemount Textiles [Didi Industrial Zone]). During follow-up interviews in 2023, investigators interviewed an additional 25 workers. The investigation revealed evidence of forced labor indicators, as defined by the International Labour Organization, and other abuses at all five factories, including:

- 1. Recruitment fees
- 2. Deception
- **3.** Abusive working and/or living conditions
- 4. Intimidation and threats

- **5.** Abuse of vulnerability
- 6. Audit deception and deficiencies
- **7.** Inadequate response to grievances

Investigators also interviewed 16 workers at a sixth factory, Aquarelle Clothing Ltd., and found evidence that workers paid high recruitment fees there.

In the fall of 2022, Transparentem contacted buyers connected to the investigated suppliers, ultimately engaging with 18 buyers and the management at

"I came here with so many dreams. If I had known the reality, I definitely wouldn't have come here."

- Firemount worker

all four implicated suppliers with the findings and recommendations. Transparentem utilized various data points to confirm the relationship between the manufacturers and buyers, such as publicly available shipping data, publicly available supplier lists, and worker interviews.

Please note: Not all brands owned by the buyers are produced in Mauritius or connected to the investigated factories. The brand names are provided solely for identification and descriptive purposes.

PVH (which owns major brands such as Tommy Hilfiger, Calvin Klein, and others²), **Rodd & Gunn**, **Barbour**, **Second Clothing**, and **Diesel** formed a group of buyers from R.E.A.L.

Centric Brands (which owns major brands such as Hudson, Zac Posen, and others and licenses more than 100 brands³), **Diesel**, **G-Star RAW**, and **The Foschini Group** formed a group of buyers from DDI.

The Foschini Group (whose portfolio includes 34 brands such as Whistles, Fabiani, Hobbs, and others⁴), **WE Fashion**, **Boden**, **Rodd & Gunn**, and two additional buyers that have not been disclosed to Transparentem, formed a group of buyers from Firemount.

All three of these buyer groups commissioned audits by Verité to evaluate Transparentem's findings at DDI, Firemount, and R.E.A.L. **PVH**, **Rodd & Gunn**, and **The Foschini Group** formed a group of buyers from Aquarelle and opted to work from audit findings provided by PVH and conducted by LRQA (formerly ELEVATE).

These audits reportedly confirmed some findings related to abusive working and living conditions. Buyers said the Verité and LRQA audits were unable to confirm Transparentem's findings regarding high recruitment fees. In follow-up investigative work conducted by Transparentem, workers across the factories reported being intimidated and said they did not feel comfortable reporting grievances, including how much they paid in recruitment fees and related costs.

Despite repeated requests, none of the buyers or suppliers provided the Verité or LRQA audit reports to Transparentem.

Woolworths SA also relayed audits that it commissioned Quality Inspection Management (QIMA) to perform at two Firemount factories, which confirmed only Transparentem's finding on poor food quality.

Seven brands that Transparentem approached did not participate in remediation, including:

- Armani
- ASOS (which owns major brands such as Topshop, Miss Selfridge, Reclaimed Vintage, AsYou, and Dark Future⁵)

- Boardriders (which owns the brands ROXY, Billabong, Quiksilver, DC Shoes, RVCA, Element, and VonZipper⁶)
- **Foxcroft** (whose parent company, The Apparel Group, operates more than 85 brands⁷)
- John Lewis Partnership
- Kontoor Brands (which owns brands including Wrangler, Lee, and Rock & Republic⁸)
- Western Glove Works

Four of these buyers declined to participate in remediation on the grounds that they no longer sourced from the implicated factories at the time Transparentem engaged with them. These four buyers did not deny that they had sourced from the factories at the time of the reported abuses. **ASOS** has played a role in a number of initiatives concerning migrant workers in Mauritius, and signed onto a Transparentem-organized letter to the Government of Mauritius, but did not participate in remediation.⁹

When asked for comment, suppliers responded by sending Transparentem their policies, which included measures intended to prevent many of the problems found, or noted that they were working to improve policies and implementation. This included predeparture information on employment terms and conditions for workers, stipulations that employers covered recruitment fees and related costs, zero-tolerance policies for harassment, or documentation that dorms passed government inspections. Firemount provided Transparentem with 2023 QIMA and Worldwide Responsible Accredited Production (WRAP) audits, which did not confirm Transparentem's findings. All four manufacturers denied that their workers had paid any recruitment fees.

In the summer of 2023, Transparentem began engaging with the government of Mauritius and presented a letter to the government—co-signed by the American Apparel & Footwear Association (AAFA), Fair Labor Association (FLA), amfori, the Ethical Trading Initiative, and **ASOS**—calling for better support of migrant workers' human rights in Mauritius. Transparentem leadership met with representatives from the Mauritius government including the Mauritius ambassador to the United States, the minister of labour, and the minister of financial services and good governance, in Washington, DC, and in Port Louis, upon invitation by the government.

The government has taken initial steps, but much work is needed. For instance, Mauritius adopted the Private Recruitment Agencies Act in October 2023. The act includes important protections for migrant workers. But among other shortcomings, it fails to clarify that foreign agents must not charge fees to workers and does not provide for mechanisms through which migrant workers can seek remedy for the problems they experience. The government is deliberating a welcome proposal to exclude the costs of food and accommodation for migrant workers from the national minimum wage, ¹⁰ but did not respond to calls for improving the labor inspectorate, among other issues.

We are telling this story at one moment in time. The ending is yet to be determined. Either the problems faced by migrant workers will continue, or Mauritius can transform itself into a destination for ethical sourcing.

Call to action:

Despite buyers' engagement for months to improve conditions for workers in investigated Mauritian factories, many problems remain unresolved. Implicated buyers, suppliers, industry groups, and governments all have key roles to play in ensuring that migrant workers in the Mauritian garment industry are recruited ethically and enjoy decent living and working conditions.

Buyers must work with suppliers to:

- Ensure that migrant workers are encouraged to disclose if they have paid recruitment fees, and are swiftly reimbursed for 100 percent of any fees and related costs
- Improve recruitment processes so migrant workers are not deceived and do not pay for their jobs
- Empower workers to feel safe reporting grievances and ensure workers are central to the development and effective implementation of solutions for all problems identified
- Root out intimidation and threats, including by ensuring that unions have unimpeded and consistent
 access to workers and worksites
- Reform audit and inspection methodologies so they are capable of identifying all issues and enable workers to speak their truth
- Publicly disclose all detailed social audits of Mauritian factories

Other stakeholders must also play a role in improving conditions for workers. Among other key actions, auditors should prioritize auditing practices that minimize the risk of deception and maximize worker agency. The government of Mauritius should ensure that enforcement agencies have adequate resources and authority to investigate and take concrete action to prevent labor abuses. Investors should demand transparency from investees regarding preventative actions taken to protect workers in portfolio companies' supply chains. (Please see the *Call to Action* chapter for the complete list of Transparentem's recommendations.)

Buyers, suppliers, and the government of Mauritius must do more to improve conditions for workers who have been marginalized and exploited. The window for effective action is brief. Mauritius has an opportunity to become a leader in ethical sourcing, but only if buyers and suppliers can demonstrate that labor rights have been upheld.

"If someone stood beside us," one DDI worker told investigators, "we would be very happy. . . . We spend our days in hardship." Now is the time to stand beside, and for, the migrant workers in Mauritius.

About Transparentem

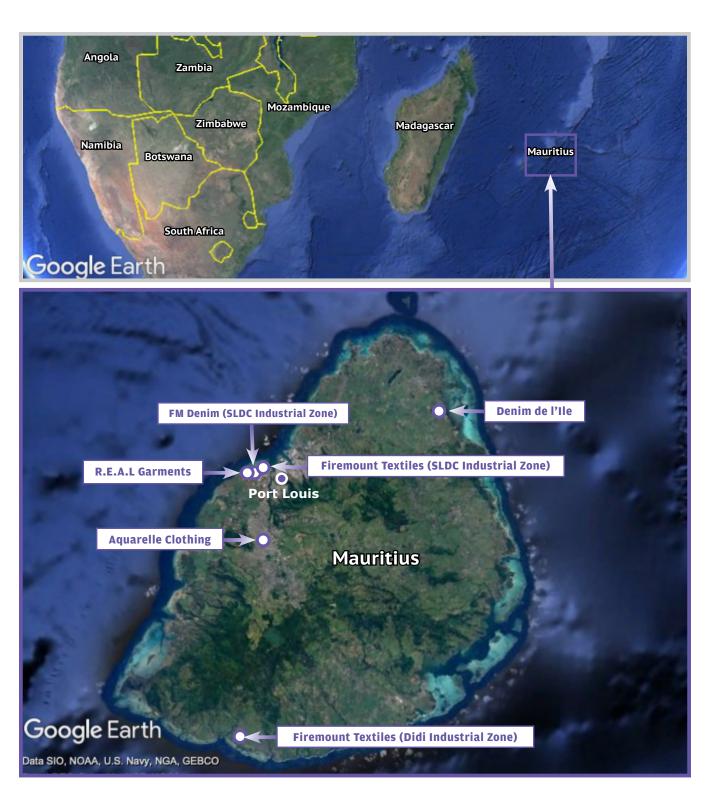
TRANSPARENTEM is an independent, philanthropically funded nonprofit organization that uses frontline investigative methods to identify environmental and human rights abuses in global supply chains. Our mission is to advance the well-being of workers and their communities by exposing hard truths to those with the power to transform industries.

We strive to be a catalyst for systemic change and work with diverse stakeholders, including brands and suppliers, to eradicate those abuses, and encourage supply chain due diligence.

Transparentem is tax-exempt in the United States under Section 501(c) (3) of the Internal Revenue Code.

Timeline of Transparentem's Investigation, Responses, and Related Events

October 2021-August 2022	Transparentem conducts the initial investigation					
November 2022	Transparentem begins outreach to buyers					
November-December 2022	Transparentem presents investigative findings and recommendations to all 17 buyers					
January 2023	Verité conducts an audit of DDI, which was commissioned by the DDI buyer group					
February 2023	LRQA (formerly ELEVATE), which was commissioned by PVH, conducts audit of Aquarelle; findings shared with the Aquarelle buyer group.					
February 2023	QIMA conducts audits of two Firemount factories					
February 2023	Transparentem is connected to an additional buyer, The Foschini Group, and shares investigative findings and recommendations					
June 2023	Verité conducts an audit of R.E.A.L, which was commissioned by the R.E.A.L buyer group					
June 2023	The US State Department's 2023 Trafficking in Persons Report downgrades Mauritius to its Tier 2 Watchlist					
June 2023	Worldwide Responsible Accredited Production (WRAP) conducts an audit of Firemount					
July 2023	Verité conducts an audit of Firemount, which was commissioned by the Firemount Buyer Group					
July-August 2023	Transparentem conducts follow-up investigation					
August 2023	Transparentem sends a letter to the Mauritius government with recommendations to better protect migrant workers					
October 2023	Mauritius passes the Private Recruitment Agencies Bill, which is intended to regulate the recruitment of migrant workers					
December 2023	PVH, Barbour, and Second Clothing commit to repayment at R.E.A.L					
December 2023	Transparentem's public report is released					



The locations of Denim de l'Ile, Firemount Group factories (FM Denim, Firemount Textiles [SLDC Industrial Zone], and Firemount Textiles [Didi Industrial Zone]), R.E.A.L Garments, and Aquarelle Clothing in Mauritius.

2.0 Background

At the time of the initial investigation, nearly 29,000 foreign nationals worked in Mauritius. Migrants from Bangladesh made up the largest portion of the foreign workforce, followed by workers from India, China, and Madagascar. 2

Exploitative labor conditions for migrant workers appear to be a widespread but underreported problem in the Mauritian textile and apparel industries. The US State Department's 2023 *Trafficking in Persons Report* recognizes that some migrant workers in the Mauritian manufacturing sector are subject to forced labor.¹³ In the report, the State Department downgraded Mauritius to its Tier 2 Watch List, which designates those countries requiring special scrutiny for their poor performance combatting trafficking. Local media reports have indicated that migrant workers face abusive working and living conditions, no pay or less pay than promised, forced overtime, sexual violence, restrictions on freedom of movement, and deportation upon protesting labor conditions.¹⁴ A 2019 UN Committee on Economic, Social and Cultural Rights report on Mauritius expressed concern that migrant workers experienced forced labor, underpayment of wages, poor living conditions, denial of allowances, deportation, and termination due to pregnancy.¹⁵ The UK Home Office Modern Slavery Fund recently funded a project aimed at reducing forced labor of migrant workers in Mauritian export-oriented industries.¹⁶

3.0 Investigated Factories and Their Supply Chains

Denim de l'Ile

Denim de l'Île Ltd. (DDI) is a vertically integrated, privately owned manufacturer of denim apparel that has been incorporated in Mauritius since 2004. For the fiscal year ending in June 2022, the company reported revenue of more than 1.9 billion Mauritian rupees (\$43.4 million).¹⁷

DDI says it produces six million meters of denim and 3.5 million garments every year.¹⁸ Its website notes that the markets for its products are in Europe, North America, Africa, and Asia.¹⁹

Firemount Group

Established in 1987, Firemount Group Ltd. is a private, vertically integrated apparel manufacturer specializing in the production of denim garments. Firemount operates three factories in Mauritius: Firemount Textiles Ltd. (Didi Industrial Zone) in St. Felix, Firemount Textiles Ltd. (SLDC Industrial Zone), and FM Denim in the SLDC Industrial Zone. Firemount Textiles Ltd. reported a revenue of 3.1 billion Mauritian rupees (\$68.5 million) in 2022. FM Denim reported a revenue of 1.1 billion Mauritian rupees (\$24.5 million) in 2022.

According to the Firemount Group website, Firemount Textiles Ltd. has a production capacity of eight million units annually.²³ Firemount exports clothing to the United States, Europe, South Africa, Israel, and Australia, among other countries.²⁴

R.E.A.L Garments

Established in 1985, R.E.A.L Garments Ltd. is a private, vertically integrated apparel manufacturer specializing in the production of denim garments.²⁵ The company operates a factory in Pointe aux Sables, Mauritius.²⁶ In June 2021, the company reported an annual revenue of 804 million Mauritian rupees (\$18 million).²⁷

Investigated Factories and Their Supply Chains

On its website, R.E.A.L Garments reports an annual production capacity of two million pieces.²⁸ The company produces clothing for men, women, and children.²⁹

R.E.A.L Garments states on its website that it maintains a workforce of 1,200 employees.³⁰ According to local media reports, most workers employed at the factory are migrants from Bangladesh, Madagascar, and India, among other countries.³¹

Aquarelle Clothing Ltd.

Established in 1994, Aquarelle Clothing Ltd. is a vertically integrated garment manufacturer and a subsidiary of CIEL Textile.³² Aquarelle produces casual and denim shirts for men, women, and children.³³ Aquarelle's parent company, CIEL Textile, is based in Mauritius and has 19 locations.³⁴ Aquarelle Clothing Ltd.'s revenue for the financial year ending on June 30, 2022, was 704.4 million Mauritian rupees (\$15.6 million).³⁵

Overview of Investigation

In 2022, Transparentem completed the first phase of an investigation into possible labor abuses at five factories in Mauritius, which included interviews with 63 workers. Investigators also interviewed 16 workers at a sixth factory, Aquarelle Clothing. After Transparentem shared the investigation's findings with buyers, investigators conducted additional interviews with 31 workers at DDI, Firemount, and R.E.A.L in 2023. Investigators had interviewed six of these workers during Transparentem's original investigation.

Investigation Findings

Deceived and Disillusioned: Life as a Migrant Worker in Mauritius

These stories present the experiences of real migrant workers employed at DDI, Firemount, and R.E.A.L. Workers' names have been changed. Other workers at these factories may have had different experiences.

During Transparentem's investigation, migrant workers talked about their struggles at DDI, Firemount, and R.E.A.L. Their words reveal the feelings of disillusionment, helplessness, and despair that workers experienced when they realized their recruitment agents misled them about the terms and conditions of their jobs, after they had paid high recruitment fees and related costs to secure their employment.

Transparentem's investigation found evidence that many migrant workers at DDI, Firemount, and R.E.A.L paid high recruitment fees and experienced forced labor indicators, including deception, abusive living and/or working conditions, intimidation and threats, and abuse of vulnerability. According to the International Labour Organization (ILO), finding one or more forced labor indicators points to the possible presence of forced labor,³⁶ which it defines as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily."³⁷ Investigators also found evidence that workers at a fourth manufacturer, Aquarelle Clothing, paid high recruitment fees.

Transparentem's investigation found evidence of the following problems at DDI, Firemount, and R.E.A.L:

- **1.** Recruitment fees
- 2. Deception
- **3.** Abusive working and/or living conditions
- **4.** Intimidation and threats

- **5.** Abuse of vulnerability
- **6.** Inadequate response to grievances
- **7.** Audit deception and deficiencies

Deception

"Abdul" (a pseudonym) paid his recruitment agent in Bangladesh \$1,600* for his job at DDI. To pay the fees, he borrowed \$550 from a cousin and took \$1,050 from another lender. With interest, paying off the two loans eventually cost him and his family, in total, more than \$4,000.

After he arrived in Mauritius, Abdul discovered that his wages were only \$230 to \$240 per month—much less than the \$580 the agent had promised. And food and lodging were not free, as his agent had told him: The factory deducted money from his wages each month. It took more than two years for Abdul to earn back nearly \$4,100 he spent to secure his job at DDI, because he had to support his family at the same time. Abdul said, "Our life is such that it is so hard that I don't know how to put this in words. It's extremely painful. I actually never thought that I would be in such a difficult situation. . . . But I pray to Allah that this does not happen to those who will come abroad after us."

Consumed by debt

"Ahmed" (a pseudonym), a struggling Bangladeshi garment worker at R.E.A.L, also borrowed a substantial sum—\$2,300—at high interest rates to pay his recruitment fees and related costs for work at R.E.A.L. But since he earned substantially less than what his agent had promised he would receive, he was unable to support himself and his family and also pay his debts.

It took Ahmed several years to finally pay off his loan. In the end, due to high interest rates and low

wages, he gave his lenders five times the amount he had borrowed—more than \$11,500. He reported enduring difficult working and living conditions, including stifling heat on the factory floor.

"My mental state was severely bad," he said. "I just had the tension about when am I going to be free of this debt and go back to my family." Ahmed said he now regrets his decision to leave his home country. "If I had any idea or any understanding of any of this," he said, "I would never work at this company."

Intolerable conditions

"Syed" (a pseudonym) endured poor conditions at Firemount after his recruitment agent, who charged him steep recruitment fees and related costs, misled him about the terms and conditions of his job, including his wages.

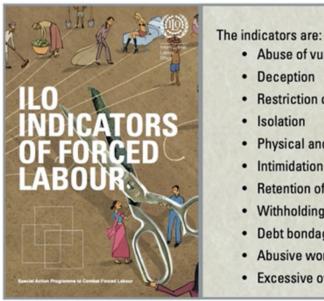
The food was an intolerable part of life at Firemount, according to Syed. "The condition of food at this factory is so poor that it is beyond imagination," he said. Despite going hungry and becoming physically weak due to inedible food, Syed found he had no recourse. "There is no one to talk to. There is no representative whom we can speak to," he said. According to Syed, workers who complained about the food were sent home. Syed said management would also repatriate workers for production mistakes, falling ill, or trying to form a union.

After several years with the company, Syed said he regretted coming to Mauritius and was heading home. "The food is so bad, I would have never come," he said. "I would rather starve in Bangladesh."

^{*} For currency conversions, Transparentem used the US Treasury Department exchange rates.

Recruitment fees

High recruitment fees, often financed through debt, put vulnerable migrant workers at risk of exploitation. According to the US State Department and the United Nations Office on Drugs and Crime (UNODC), these recruitment fees, often exacted under false promises about the terms and conditions of the job, can in some cases com-



- · Abuse of vulnerability
- Deception
- Restriction of movement
- Isolation
- Physical and sexual violence
- · Intimidation and threats
- Retention of identity documents
- Withholding of wages
- Debt bondage
- Abusive working and living conditions
- **Excessive** overtime

Eleven key indicators of forced labor as described by the ILO.³⁹

pel migrant workers to endure abusive conditions to pay off their debts, potentially leading to forced labor in the destination country.³⁸ In Bangladesh, the home country of many interviewees in this investigation, and other source countries, it is common for unscrupulous agents to charge high fees to migrant workers. Most interviewees at DDI, Firemount, and R.E.A.L said they paid recruitment fees and related costs. Half the interviewees at a fourth manufacturer, the Grand Bois location of Aquarelle

At DDI, Firemount, and R.E.A.L, these costs ranged from \$1,160 to \$3,100. At Aquarelle, recruitment fees and related costs ranged from \$230 to \$1,920.

Clothing Ltd., also said they paid recruitment fees and related costs.[†]

"I have come here by spending so much money. How will I go back?"

- DDI worker

Pressured to lie about recruitment fees and related costs

Some workers at DDI, Firemount, and R.E.A.L said that recruitment agents told them to lie if asked about any fees they paid. Two DDI workers said their recruitment agents compelled them to record videos in which they falsely stated that they had not paid fees. Some workers at DDI and R.E.A.L and many workers at Firemount said that they went into debt to pay fees. Workers' debts ranged from a few hundred dollars to thousands of dollars. One R.E.A.L worker said he ended up paying \$11,500 to settle his debt due to high interest rates.

During follow-up interviews conducted in 2023, all R.E.A.L interviewees and most Firemount and DDI interviewees said they paid recruitment fees. Three Firemount workers said they borrowed significant sums to pay their recruitment expenses (between \$900 and \$2,800) and remained in debt at the time of their interviews.

[†] Although Transparentem found evidence that Aquarelle workers paid substantial recruitment fees, investigators did not find significant evidence of debt bondage or other forced labor indicators there. Therefore, Transparentem did not create a full Primary Intelligence Note (PIN) for Aquarelle. Instead, Transparentem produced a special insert for Aquarelle buyers, which included findings on recruitment fees and recommendations for companies to ensure that workers are reimbursed for their fees and that no future Aquarelle workers pay for their jobs.

The QIMA, WRAP, and (according to several buyers) LRQA and Verité audits did not confirm Transparentem's finding that workers paid hundreds or thousands of dollars in recruitment fees. According to several buyers, the Verité audits instead found that workers paid small sums.

However, workers reported intimidation and threats, as well as audit deception, to Transparentem investigators in 2023. DDI, Firemount, R.E.A.L, and Aquarelle stated that they cover the costs of recruitment of migrant workers in line with their policies. Firemount shared a notice it sent to all workers (and posted publicly in the factory) stating that "recruitment is a free service and no money is required to be paid directly or indirectly" to agents or sub-agents.

Importantly, the Firemount notice further warns workers: "If at any stage it is discovered that you have paid any money to the agent or a third party or other persons to secure a job at FMT Ltd., your selection will be disqualified." Such a warning could intimidate workers and prevent them from disclosing that they paid recruitment fees, and thus hinder remedy.

Full responses from the suppliers and buyers can be found **here**.

Deception (ILO Forced Labor Indicator)

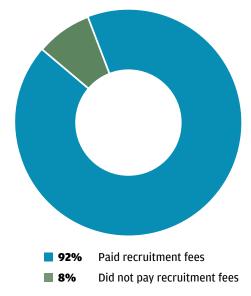
Most interviewed workers at DDI, Firemount, and R.E.A.L said recruitment agents in their home countries deceived them about wages (including deductions for food and accommodation) as well as the terms and conditions of their contracts. In Bangladesh and other source countries for migrant workers, it is common for recruitment agents to deceive prospective employees about their jobs.

Workers at DDI, Firemount, and R.E.A.L also reported problems with their contracts:

Some workers said they were rushed to sign contracts they did not fully understand.

Percentage of Interviewed Migrant Workers Recruited Directly to DDI, Firemount, and R.E.A.L Who Said They Paid Recruitment Fees

(Findings from Original Investigation)





Firemount Textiles Ltd

Firemount Textiles Ltd Didi Industrial Zone St-Felix CheminGrenier Tel: (230) 6227427/30

NOTICE TO ALL APPLICANTS REGARDING FOREIGN RECRUITMENT FOR

FIREMOUNT TEXTILES LTD - MAURITIUS

The management of Firemount Textiles Ltd-Mauritius makes a humble request to you to read the below notice on recruitment for foreign.

- The recruitment is a free service and no money is required to be paid directly or indirectly to the Recruitment Agency or any other person or any third party
- All applicants are required to read and clearly understand about Recruitment Policy before applying for the job at FMT Ltd.
- All application to be made on Firemount Textiles ltd Job Application Form with the help of the Agency if required.
- Once you have been selected by FMT Ltd and after work /residence permit approved by Government of Mauritius(Ministry Of Labour Industrial Relations and Employment),then , you will be provided free of cost air ticket from your home country to Mauriting
- If at any stage it is discovered that you have paid any money to the agent or a third party or other persons to secure a job at FMT Ltd., your selection will be disqualified
- After selection by FMT Ltd, candidate will be required to write in his/her own
 handwriting and in his/her native language on the FMT declaration form that you have
 not paid any fee to the recruitment agent or a third party or to other persons.



"Notice to All Applicants Regarding Foreign Recruitment for Firemount Textiles LTD -Mauritius," provided to Transparentem by Firemount in December 2023.

• Some workers said they signed contracts that were not in a language they could understand.

In 2023, nearly half of all Firemount interviewees and a few workers at DDI and R.E.A.L said they were deceived during the recruitment process.

The buyers reported that the Verité audits did not confirm Transparentem's findings on deception. DDI, Firemount, and R.E.A.L stated that migrant workers are provided with the terms of employment prior to their arrival in Mauritius. DDI and R.E.A.L said they would be implementing new measures to ensure migrant workers would see contracts in advance. DDI stated that it would improve its explanation of food and accommodation deductions given to applicants in Mauritius and during home-country meetings. Firemount suggested that it would implement "comprehensive education programs for workers to make them aware of their rights, including information on recruitment processes and associated costs."

Full responses from the suppliers and buyers can be found here.

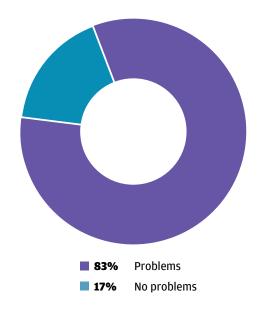
Abusive working and living conditions (ILO Forced Labor Indicator)

Most interviewed workers at DDI, Firemount, and R.E.A.L reported abusive living conditions. Key concerns raised included:

- overcrowded hostels
- insect infestations in hostels
- substandard factory-provided food
- excessive heat
- · dirty bathrooms

Workers at DDI and R.E.A.L said they faced issues related to medical care, including:

 Problems accessing medical care at DDI because the factory did not provide migrant workers with a representative who could speak their native language, resulting in a language barrier with care providers, according to several workers. Percentage of Interviewed DDI, Firemount, and R.E.A.L Workers Who Reported Problems With Their Living Conditions
(Findings from Original Investigation)



Substandard medical care at R.E.A.L, according to several workers who said that doctors only offered
acetaminophen for any health problems, and others who said the factory denied treatment to workers
until their condition became an emergency; two R.E.A.L workers said medical care was fine.

In 2023, most Firemount workers said living conditions were fine, a sign of possible recent improvement, although some workers said their dorms were crowded. Most DDI interviewees and two R.E.A.L workers in 2023 reported continued problems with their living conditions. Three DDI workers in 2023 said they had trouble accessing medical care, confirming the original investigation's finding.

According to the buyers, the Verité audits confirmed Transparentem's findings on working and living conditions. When asked for comment, DDI and R.E.A.L both stated that dormitories were subject to inspections and had policies in place that ensured high standards. DDI stated it was updating its policy on dorms. The company also stated that a Bangladeshi Liaison Officer was available to accompany Bangladeshi workers to the hospital to support communication with medical staff. Firemount said it complies with the Employees Lodging Accommodation Regulation 2011, a governmental regulation that requires employers to provide clean and healthy accommodations for workers.

Full responses from the suppliers and buyers can be found **here**.

Intimidation and threats (ILO Forced Labor Indicator)

During the original investigation, more than half of interviewed R.E.A.L workers and some workers at DDI and Firemount said they faced intimidation and threats, including the threat of being sent home. Several workers at all three suppliers said they knew of workers who were repatriated as punishment for mistakes. Workers at all three suppliers said they faced intimidation and threats of punishment for speaking to auditors or complaining about the terms and conditions of their employment. Threatening vulnerable migrant workers with being sent home could be considered an abuse of vulnerability, an ILO indicator of forced labor. According to the ILO, abuse of vulnerability can occur when an employer "takes advantage of a worker's vulnerable position." Several workers at R.E.A.L also

said they could face fines or suspensions, or threats thereof, usually as punishment for production mistakes.

"It's like the jails in Bangladesh.
Only this is a jail abroad. It's the same."

In 2023, after Transparentem engaged with buyers and buyer groups commissioned Verité audits to evaluate Transparentem's findings, work-

- R.E.A.L worker

ers at all three suppliers told Transparentem investigators that they faced intimidation and threats. At DDI, the majority of interviewees said workers experienced fear or intimidation related to audits. At one manufacturer, two workers said that, in April 2023, some labor recruiters visited the worker dormitory to find out which workers had spoken to Transparentem's investigators. One recruiter brandished a stick and shouted at workers, threatening to hurt them if they continued to speak about their experiences, according to these workers. In 2023, during interviews at Firemount, one worker reported intimidation. Other interviewees said there were no problems, said they did not know about any issues, or provided ambiguous responses.

The buyers said that Verité audits did not confirm Transparentem's findings on intimidation and threats. When asked for comment, DDI, Firemount, and R.E.A.L stated that they have anti-harassment policies in place. DDI noted that no third-party audit had ever detected non-compliance with its policy.

Full responses from the suppliers and buyers can be found **here**.

Audit deception and deficiencies

During the original investigation, workers at DDI, Firemount, and R.E.A.L described factors that might have prevented auditors from seeing the factory's true conditions.

- At all three suppliers, several workers said that supervisors ensured that only certain workers spoke
 to auditors. Several workers at DDI and R.E.A.L and two workers at Firemount said they felt they
 could not speak freely to auditors because they feared being sent home or because a company representative would be in the room.
- At DDI and R.E.A.L, several workers said that factory staff coached workers on what to say to auditors.
- At all three suppliers, several workers said that some auditors did not interview workers at all, raising
 questions about whether audits were identifying actual conditions. Other workers at all three suppliers said auditors did speak to workers.

In 2023, after Transparentem engaged buyers and buyer groups commissioned audits of the investigated suppliers, workers at all three suppliers described efforts that could amount to audit deception. (Note: Workers did not specify which audits they were referring to.)

- At DDI, several workers said factory supervisors either coached them on what to say or threatened them with retaliation if they spoke candidly to auditors.
- At Firemount, three workers said factory staff would be present during audits, preventing them from speaking freely. One of these workers said that workers were forced to lie about conditions to auditors. Another worker said management would send workers who would not disparage the factory to speak to auditors. Several workers reported no problems with audits.
- At R.E.A.L, two workers said supervisors coached them on what to say to auditors, including that
 they should state falsely that they did not pay recruitment fees. The other three interviewees said
 workers could speak freely with auditors.

Transparentem did not ask suppliers about measures taken to prevent or respond to instances of audit deception or deficiencies. Responses from suppliers about the scope of audits can be found **here**.

Inadequate response to grievances

Interviews with workers at all three suppliers indicated that the factories did not adequately resolve worker grievances:

- At all three suppliers, most workers said that factory management did not respond to worker complaints or were slow or ineffective.
- At all three suppliers, some workers said that worker leaders who were meant to address complaints
 were selected by factory management. Worker leaders at Mauritian factories are ostensibly tasked
 with representing workers' interests with management but are often seen as compromised. At Firemount and R.E.A.L, two workers said they could face retaliation if they complained.

The DDI buyer group said that Verité's audit of DDI confirmed Transparentem's findings on ineffective grievance mechanisms, while other buyers said the audits for Firemount and R.E.A.L did not. When asked for comment, DDI, Firemount, and R.E.A.L said they had grievance mechanisms in place. DDI and R.E.A.L said workers could raise grievances through the workers' councils. Asked about changes since January 2023, DDI said, "We have recently established that issues raised during Workers Council meetings are carried forward and reviewed in future meetings until an agreement or solution is found."

Full responses from the suppliers and buyers can be found **here**.

Other potential issues

Transparentem identified other potential issues during its original investigation, including restrictions on sick leave, incorrect pay, and lack of freedom of association, which this report does not fully detail. DDI, Firemount, and R.E.A.L said they had policies in place to prevent these problems and/or had not found these issues in their factories.

In the 2023 follow-up interviews, workers at all three suppliers reported obstacles to freedom of association and inadequate grievance mechanisms. Several interviewees at DDI said management had not purchased airline tickets for some workers whose contracts had ended and who wished to return to their home country and that this caused grave mental distress for workers. The Mauritius government requires factories to purchase flights for workers at the end of their contracts. According to DDI buyers, factory management did not know of any workers in these circumstances.⁴¹

Transparentem initially approached 17 buyers and the management at all four implicated suppliers with the findings and recommendations for action. **ASOS** then connected Transparentem with an additional buyer, **The Foschini Group**, following Transparentem's outreach. Some buyers joined together to commission audits to verify the investigation's findings and engage in remedial actions. Others chose not to act. Management at DDI, Firemount, and R.E.A.L disputed most of Transparentem's findings, with the exception of some findings on living and working conditions. They also told Transparentem that they had policies in place to prevent the identified issues from occurring. Several buyers reported that Verité audits confirmed many of the findings concerning abusive working and living conditions and that factory management took corrective action. However, buyers reported that audits did not confirm the payment of excessive recruitment fees reported by workers to Transparentem. Additional fieldwork by Transparentem in 2023 reconfirmed workers' payment of high recruitment fees and found evidence that workers faced intimidation and threats, including being told not to discuss grievances.

Three buyers at R.E.A.L—**PVH**, **Barbour**, and **Second Clothing**—committed funds to repay migrant workers for recruitment fees and related costs. This repayment will act as an important acknowledgement that workers should not pay for their jobs. However, no other buyers from R.E.A.L and no buyers from Firemount or DDI have committed funds at this time. One other buyer, **Western Glove Works**, proposed repayment at DDI, but it is unclear if the proposal will be implemented.

Transparentem has made repeated requests to buyer groups to receive the full reports for audits conducted by Verité and LRQA. To date, no buyer has agreed to share Verité's or LRQA's detailed audit reports and Transparentem therefore cannot confirm the full extent of what they found or did not find.

The bottom line: significant repayments will be made to Bangladeshi migrant workers at R.E.A.L, but only small repayment amounts will be made to migrant workers at DDI, Firemount, and Aquarelle. Some living and working conditions have been improved. However, workers who said they paid thousands of dollars in recruitment fees are still awaiting significant repayment; new recruits still face risks of exploitation; and workers are reporting ongoing issues related to working and living conditions.

Transparentem has met with the government of Mauritius, the Mauritius Export Association (MEXA), the US government, local civil society, and representatives from the United Nations, in addition to buyers and suppliers. There are new efforts to create a more hospitable environment for migrant workers in Mauritius, including new legislation and a new code of conduct for factories.

These commitments must be turned into action—and urgently. Initiatives to improve the recruitment process and working conditions for migrant workers must be developed and implemented with the involvement of worker unions and workers themselves to effectively address the problems found in Mauritius.

Some buyers take no remedial action

Beginning in November 2022, Transparentem approached 18 companies that sourced from the implicated factories at the time of Transparentem's investigation. All had initial meetings with Transparentem where they were presented with the findings from Transparentem's investigation, including worker quotes and personal testimonies, as well as recommendations for remedial action and information on international standards.

Seven buyers did not engage in any meaningful action to remediate in response to Transparentem's investigation:

Boardriders (which owns the brands ROXY, Billabong, Quiksilver, DC Shoes, RVCA, Element, and VonZipper⁴⁴) originally agreed to work with other buyers on remediating issues. The company then reported to Transparentem in May 2023 that, due to Boardriders' signing of "an agreement to sell to a third party," it was "not in a position to make any immediate commitments." According to public reports, Authentic Brands Group signed an agreement to acquire Boardriders in April 2023. 46

Armani, whose operations are conducted by **GA Operations**, originally agreed to work with other buyers on remediating issues, and joined discussions on that topic. But ultimately, Armani did not remain a part of these groups. Armani has not reported back to Transparentem regarding how or if it has taken any remedial actions.

ASOS (which owns major brands such as Topshop, Miss Selfridge, Reclaimed Vintage, AsYou, and Dark Future⁴⁷) was active in issues regarding migrant workers in Mauritius prior to Transparentem's investigation. These efforts included the Just Good Work application⁴⁸ and the Migrant Resource Center,⁴⁹ both of which provide information and resources to migrant workers about their rights. During the investigation, ASOS was also active in discussions with other implicated buyers. ASOS was the only buyer that co-signed a letter to the Mauritius minister of labour (see the 'Mauritius Government Engagement' section below). ASOS initially joined the DDI buyer group but left the group after ASOS stopped sourcing from DDI for reasons it reported were unrelated to Transparentem's investigation. ASOS stated that it would still be willing to participate in remediation, if needed.⁵⁰ ASOS has not informed Transparentem of any actions it has taken to improve the situation for workers at the implicated factory since Transparentem's initial outreach.

Kontoor Brands (which owns brands including Wrangler, Lee, and Rock & Republic⁵¹) has not informed Transparentem of any work with suppliers on improvements. According to the company, it did not have a direct sourcing relationship with Firemount Textiles, though its licensee had a buying relationship with the manufacturer that was "inactivated" in December 2022.⁵² The company told Transparentem that DDI was "inactivated" as a supplier in October 2022.⁵³ As a member of the American Apparel and Footwear Association (AAFA), Kontoor urged the AAFA to engage with apparel brands and sign Transparentem's letter to the government of Mauritius.

John Lewis Partnership declined to join buyer groups or take remedial action, citing that it did not work with the supplier at the time of Transparentem's investigation.⁵⁴

Foxcroft (whose parent company, The Apparel Group, operates more than 85 brands⁵⁵) stated that it did not "feel [it] appropriate to engage" due to its short business relationship that was no longer active and minimal purchases.⁵⁶ It also stated that its small team did not have the capacity to participate in building solutions.⁵⁷

Western Glove Works declined to join the DDI buyer group, stating that it had begun exiting its business relationship with DDI prior to engaging with Transparentem. (Western Glove Works at one time proposed \$50,000 to repay workers, but it is unclear whether the proposal will be implemented because there is no commitment to identifying a mechanism to ensure those funds will reach workers. No other DDI buyers have proposed to participate in reimbursement of workers at this time.)

Buyers have a responsibility to take remedial action at factories that produce their products, even if they are no longer sourcing from those suppliers. Some buyers, such as Boden and Rodd & Gunn, joined buyer groups even though they had stopped sourcing from the suppliers prior to outreach from Transparentem. It is recommended practice for buyers to take remedial steps to address issues that occurred during past buying relationships. In past projects, Transparentem has seen buyers take on leadership roles and materially contribute to efforts—such as fee reimbursements—at factories where they had not placed an order for several years prior to Transparentem's engagement.

Abusive working and living conditions: confirmation and responses

The majority of buyers chose to form groups for each of the four suppliers and commissioned audits of the factories. The group of buyers from DDI, Firemount, and R.E.A.L worked with the independent nonprofit organization Verité, while the group of buyers from Aquarelle chose to work collaboratively on the basis of previous individual company audits.

The buyers characterized the Verité audits as confirming many of Transparentem's findings regarding poor living and working conditions but said that they did not confirm several other key findings.

No groups of buyers that commissioned Verité or LRQA audits shared the full audit reports with Transparentem, despite Transparentem's many requests. Accordingly, this report can only represent what buyers

reported was found during those audits. Transparentem cannot confirm the full scope or nature of what Verité or LRQA found.

Findings and remediation related specifically to recruitment fees are discussed in a subsequent section.

R.E.A.L

PVH (which owns major brands such as Tommy Hilfiger, Calvin Klein, and others⁵⁸), **Rodd & Gunn**, **Barbour**, **Second Clothing**, and **Diesel** joined together to form a group of buyers from R.E.A.L and commissioned an audit by Verité.

At R.E.A.L, the buyers said that the Verité audit confirmed abusive living and working conditions, including lack of potable water, cockroach and bed bug infestations, stench/lack of ventilation, and cracks and leaks in buildings. They said Verité also identified the following issues:

- Workers were not receiving copies of their contracts.
- Workers did not receive predeparture briefings, or predeparture trainings were ineffective.
- Grievances persisted even after the workers' council—a group of workers meant to bring employee concerns to management—said they had been resolved.
- Workers had low levels of understanding about the workers' council.
- Work permits, which are necessary for legal employment, had expired for 206 workers.
- Workers were working over 60 hours per week.⁵⁹
- One gate was kept locked, restricting workers' movement.
- Management rather than workers retained original copies of their work or resident permits issued by the government of Mauritius.

This description is not exhaustive. Refer to the **corrective action plan** and **questionnaire** submitted by the buyer group.

The R.E.A.L buyer group reported that factory management had committed to remediating all of the issues mentioned above. ⁶⁰ This included, for example, implementing a two-day training on the workers' council, requesting a meeting with the Mauritius Ministry of Labour to rectify the situation around the expired work permits, and inviting the ministry to conduct a training on workers' rights to freedom of association and collective bargaining. Factory management also committed to undertaking a more complete mapping of its recruitment agents in Bangladesh and adopting new policies and procedures for appointing recruitment agents.

All R.E.A.L buyer group members also agreed to sign the <u>American Apparel & Footwear Association/Fair Labor Association Industry Commitment to Responsible Recruitment</u>, if they had

not already done so. Signatories commit to ensuring that no worker pays for their job; workers are refunded for past fees paid; workers retain their freedom of movement and maintain control of their travel documents; and workers are informed about the terms of their employment prior to leaving their country of origin.

Asked for comment on the deception of workers, R.E.A.L said its human resources manager delivered trainings to all job candidates in their home countries that covered the terms of employment. The factory said it had changed its procedures in December 2022 so that migrant workers would receive their contracts earlier in the recruitment process. Poliving and working conditions, the manufacturer said it conducted daily, weekly, monthly, and quarterly dormitory checks and assessments, with a variety of staff ensuring safe and high-quality dormitories. In response to Transparentem's questions on intimidation and threats, R.E.A.L referred Transparentem to its anti-harassment policy, which states that the company has a zero-tol-erance policy for harassment and includes channels workers can use to report harassment, including human resources, direct reporting to senior management, and the workers' council. In its response to worker grievance, R.E.A.L said workers could file grievances in a variety of ways, including through the workers' council, direct reporting to management, a suggestion box, or "reporting through a person of confidence." R.E.A.L also said that the factory had an anti-retaliation policy, that the mechanisms were effective, and that the factory addressed grievances promptly.

R.E.A.L adopted a new labor supplier monitoring policy in July 2023, which requires the termination of contracts for labor suppliers charging recruitment fees to workers.

DDI

Centric Brands (which owns major brands such as Hudson, Zac Posen, and others and licenses more than 100 brands⁶⁷), **Diesel**, **G-Star RAW**, and **The Foschini Group** (whose portfolio includes 34 brands such as Whistles, Fabiani, Hobbs and others⁶⁸) joined together to form a group of buyers from DDI and commissioned an audit by Verité.

At DDI, buyers reported that the Verité audit had found the following issues:

- Grievance mechanisms for workers were ineffective.
- Workers were criticized for making minor mistakes.
- Workers believed that workers' council members were chosen based on their relationship with management, or that other workers were unaware of the workers' council.

The buyer group reported that the audit also found "health and safety issues...relate[d] to dated buildings and/or unsafe and/or unhygienic conditions" and that some migrant workers were not told during the recruitment process that there would be deductions to their pay for food and accommodation. However, the buyer group reported that the Verité audit did not find evidence of coaching workers before audits or threats

of deportation. The buyer group did not find or report on remediation actions related to deception in the recruitment process, restrictions on the freedom of association, the underpayment of wages, or gender-based violence and harassment.

The buyer group reported that a new dorm would be constructed and that workers in older dormitories would be transferred to the newer ones. It also reported that DDI management planned to review and, if necessary, update its recruitment policy for migrant workers. Additionally, the buyer group said that all workers would be trained on the functions of the workers' council and that DDI would review the process to ensure election of members is "formal and democratic in nature." In response to investigative reports of coaching or threatening workers to lie to auditors, the buyer group stated that management would provide a comprehensive operating procedure for the company's human rights policy to be communicated to managers, supervisors, and workers. The buyer group reported that DDI management committed to investigating cases of potential verbal abuse of workers. Buyers also reported that DDI would implement improved processes for discussing dorm issues during workers' council meetings and install a new dormitory housekeeping supervisor. The buyer group committed to remediation related to improving grievance mechanisms. This description is not exhaustive. Please refer to the **corrective action plan** and **questionnaire** submitted by the buyer group.

The buyer group also reported that DDI has been selected for a pilot project by the International Organization for Migration (IOM). This pilot would test the feasibility of recruiting new migrant workers through IOM's International Recruitment Integrity System (IRIS), which is an initiative to promote ethical recruitment of migrant workers.

Beyond this, **G-Star RAW** reported that, as a result of Transparentem's investigation, it expanded its auditing scope to include foreign recruitment agents (including in Bangladesh) and is developing a new "housing policy" to monitor conditions of worker dormitories not directly owned by factories. It also reported implementing an "extra desktop check" to understand which of its suppliers employ foreign migrants and to assess their recruitment practices. G-Star RAW said it visited Mauritius and worked with DDI to strengthen policies. It developed post-arrival checklists for workers and publicly posted information on policies and grievances for workers, including contact details to report grievances. G-Star RAW also started an investigation into an additional factory in Mauritius that was not part of Transparentem's investigation and said it was still evaluating remediation needs. The company said it is committed to securing remediation for any labor violations found and is "remaining open to financially contribute if needed."

Western Glove Works did not join the DDI buyer group but did propose contributing \$50,000 to repay migrant workers at DDI. However, it is unclear whether that proposal will be implemented because there is no commitment to identifying a mechanism to ensure those funds will reach workers. No other DDI buyers have proposed to participate in reimbursement of workers at this time.

Asked about deception, DDI said its human resources team explained all job details and provided translated contracts to foreign candidates during meetings in their home country. ⁶⁹ The factory said it was implementing procedural changes to allow workers more time to read contracts. ⁷⁰ On working and living conditions, DDI said it was working on a new policy for factory dormitories. ⁷¹ DDI said its dorms were approved by three government bodies, held a Lodging and Accommodation Permit and a Fire Certificate, and were routinely inspected by the Ministry of Labour, the Ministry of Health, and the fire service. ⁷² DDI said it had a full-time nurse at the factory and a doctor available three times a week for free medical consultation. ⁷³ A liaison officer was also available to assist with communication. On intimidation and threats, DDI said it did not tolerate any forms of violence—including "sexual, verbal, physical, psychological, [and] moral" violence—and no third-party audit had ever detected non-compliance with this policy. ⁷⁴ With regard to addressing worker grievances, DDI said workers could raise grievances through personal reporting, the workers' councils, and/or suggestion boxes, with all grievances recorded and kept in strict confidentiality. ⁷⁵ DDI also noted that parallel mechanisms were available through the Mauritius Ministry of Labour and the Fair Wear Foundation. ⁷⁶ DDI said addressing a grievance never took more than three months. ⁷⁷

Firemount

The Foschini Group, **WE Fashion**, **Boden**, **Rodd & Gunn**, and two additional buyers that the group has not disclosed to Transparentem, joined together to form a group of buyers from Firemount and commissioned an audit by Verité.

The buyer group reported that the audit found poor hygiene and safety conditions (including foul smelling toilets, inadequate ventilation, and lack of privacy), cleanliness issues, problems with the building's structure and equipment, electrical safety issues, low levels of worker awareness on topics of safety, and reports of poor food quality.

The buyer group reported that Firemount disputed a substantial number of Verité's findings and "raised various concerns relating to the audit." The buyer group also reported that it "received their [Firemount management's] specific complaints, as well as supporting documentation refuting those findings with which they disagree and referred these to Verite for their consideration and response."

The buyer group also said the nature and extent of those disputed findings are "material and has meant that the Brand Group has been set back in [its] attempts to agree [to] those points with Firemount management in the Corrective Action Plan."⁷⁸

The buyer group stated that it was finalizing a corrective action plan in September 2023 "that appropriately reflects those findings made by Verité and that [they] can work from with Firemount management." It reported improvements in increased cleaning, additional fans, repaired structures, and cleaning of electrical equipment. The buyer group also reported that Firemount management indicated that private recruitment agencies would no longer be used to recruit migrant workers. Instead, the manufacturer will utilize

a government-to-government recruitment arrangement. The buyers reported that workers will also have a predeparture video call providing them with the opportunity to share any recruitment-related concerns or declare any fees paid. However, Firemount shared a policy with Transparentem that requires new workers to sign an affidavit swearing they did not pay recruitment fees.⁸⁰ The policy states that any applicants who are found to have paid recruitment fees will be disqualified from employment with the manufacturer.⁸¹ This policy could effectively punish vulnerable workers who were exploited by unscrupulous recruitment agents and places the burden on them to address the issue, rather than the manufacturer itself and its buyers. It also could compel or incentivize workers to lie about any fees they may have paid for fear of losing their job.

Firemount also described another concerning new policy, encouraging workers to "voluntarily record a video clip" in which they declare that they have not paid recruitment fees. Eiremount claims that these video declarations provide "an extra layer of assurance and transparency in the recruitment process." However, when speaking with workers at a different factory in Mauritius, and in past investigations in Malaysia, Transparentem has found that workers have been pressured to falsely record such video statements when they have in fact paid fees. If misused, this policy could have the effect of coercing workers to lie about the fees they paid, which could conceal the problem rather than correct it, and compound workers' sense of culpability for their own exploitation.

Shortly before publication of this report, Firemount sent an additional report of a Worldwide Responsible Accredited Production (WRAP) audit conducted at one of their facilities in June 2023. The report found that "the facility was in compliance with the WRAP Principles," which include a prohibition on forced labor.

On deception, Firemount said recruitment agents were required to tell workers about the job description, wages, payment for overtime, and working and living conditions.⁸⁴ The manufacturer said it trained recruitment agents to ensure workers received this information.⁸⁵ Firemount said that before it made any commitments, workers received contracts that would be translated to "the primary language spoken by the workers."⁸⁶ On living and working conditions, the manufacturer stated that it has a social compliance manual that is "an essential tool for maintaining a healthy work environment."⁸⁷ The manufacturer said it follows government regulations to maintain high standards for factory-provided accommodations and a healthy work environment, and that unannounced audits by the government of Mauritius never identified major issues.⁸⁸ Firemount said that it recently provided workers with new cooking facilities, following a vote facilitated by the workers' council in which all workers could participate.⁸⁹

On harassment and intimidation and threats, Firemount said its workplace harassment policy was "posted in different languages and in compliance with the Workers' Rights Act 2019. . ." and that employees are regularly trained on the policy. Firemount said workers could report complaints directly to a supervisor, the human resources department (including through a WhatsApp group run by HR), compliance executives, suggestion boxes, or through an anonymous reporting system. The manufacturer also said it had introduced a whistle-blowing policy prominently displayed on notice boards.

Aquarelle

PVH, **Rodd & Gunn**, and **The Foschini Group** joined together to form a group of buyers from Aquarelle and opted to work from previous audit findings provided by PVH and conducted by LRQA.

In response to identified issues related to the recruitment process, the buyer group reported that all workers will now receive copies of their assignment letter and will receive an orientation before departing their home countries, which Aquarelle's human resources manager will deliver. Prior to working with a new agent, the buyer group reported, the human resources manager will meet with them to ensure the manufacturer's policies are conveyed to prospective workers. After workers arrive in Mauritius, the human resources department will meet and interview workers to ensure that ethical standards were met, especially regarding the payment of recruitment fees and related costs. The buyer group reported that coaching of workers to lie to auditors was not detected during the audit. PVH had also, in 2022, reimbursed workers for some medical and agency fees.

Asked for comment about recruitment fees, Aquarelle said that it is "responsible for the payment of recruitment fees and related costs directly to the agent through bank transfers." The supplier stated that until February 2023, workers were asked during interviews if they paid recruitment fees, and the answer was always no. 4 The supplier also said it briefs recruitment agents on Aquarelle's policies, including that "agents are prohibited from imposing any commissions."

Workers reported paying as much as thousands of dollars in recruitment fees—some buyers committed to significant repayments, but most did not.

According to the buyer groups, the Verité and LRQA audits either were unable to confirm that workers had paid significant recruitment fees and related costs or were unable to uncover information on how much workers paid for their jobs or to whom. The buyer groups reported that the Verité and LRQA audits determined, however, that workers paid small amounts, such as local travel costs, medical examinations, or "gifts" that the buyer groups said were given "willingly as tokens of appreciation or gratitude." They did not confirm Transparentem's finding that workers paid hundreds or thousands of dollars in recruitment fees. Buyer groups initially reported that all four suppliers said they repaid some migrant workers around \$30 each.

Three buyers committed to repayment for migrant workers at R.E.A.L, PVH, Barbour, and Second Clothing committed to repayments determining that each Bangladeshi migrant worker at R.E.A.L was owed \$1,800, and that each buyer would repay a portion of the total amount owed. PVH committed to repaying a total of \$390,456, Barbour committed to \$19,523, and Second Clothing committed to \$10,614.

At Firemount, migrant workers reported that they paid \$1,280–\$3,140 each. The Firemount buyer group reported that Firemount management would repay migrant workers \$35 per worker. At Aquarelle, migrant workers reported that they paid \$230–\$1,920 each. The Aquarelle buyer group reported that Aquarelle management would repay Bangladeshi migrant workers \$28 each, Malagasy workers \$18, and Indian

workers \$14. There were no buyers that committed to larger repayments for migrant workers at Firemount or Aquarelle. Factory management also did not commit to larger repayments. At DDI, migrant workers reported that they paid \$850–\$2,100. The DDI Buyer Group reported that migrant workers would be repaid \$35 per worker by management. At R.E.A.L, migrant workers reported that they paid \$1,160–\$3,020 each. The R.E.A.L buyer group initially reported that migrant workers at R.E.A.L would be repaid \$27 each by management. However, the total amount committed by PVH, Barbour, and Second Clothing would be repaid to migrant workers, and would meaningfully and positively redress an important portion of the recruitment fees for those R.E.A.L workers. Repayment for migrant workers at R.E.A.L will be significant but will fall short of full reimbursement for those workers unless other buyers also commit to repayment in the near future.

Workers should be immediately reimbursed for 100 percent of the recruitment fees and related costs they paid, additionally factoring in inflation, interest, currency exchange rates, and opportunity cost. Buyers and suppliers should improve their oversight and control of the recruitment process to ensure that no worker pays recruitment fees going forward.

Audits-A Start, but Derailed by Intimidation and Deception

Critically, according to the buyer groups, the audits all failed to confirm that workers paid high recruitment fees and failed to verify the amounts of those fees.

Audit deception is a widespread problem, as documented by Transparentem and by other experts in the field. Buyers must understand that the visibility provided by conventional audits is limited—a concern that Transparentem highlighted for buyers during this project. Transparentem found evidence of audit deception at DDI, Firemount, and R.E.A.L during its original investigation. For more context, see Transparentem's report "Hidden Harm: Audit Deception in Apparel Supply Chains and the Urgent Case for Reform" Numerous other reports have documented similar problems with social audits; for instance, research by the New Conversations Project shows that auditors in the apparel sector are frequently given unreliable information. 97

Woolworths SA worked with the auditing firm QIMA to assess conditions at Firemount. According to Woolworths SA, the audit findings, in most instances, "came to conclusions diametrically opposed" to Transparentem's investigation. Notably, the QIMA report itself states that "interviewees seem cautious about their answers" and the questionnaires do not include a direct question as to whether workers paid recruitment fees or fully cover the issue of deception in the recruitment process. The QIMA audits, for which senior Firemount management was present, included a summary of 77 interviews with migrant workers (out of 2,566 migrant workers then employed) at Firemount's SLDC and Didi facilities. The subsequent reports provided no evidence of workers paying recruitment fees, encountering deception in recruitment, experiencing abusive working conditions, or any other meaningful issues.

The QIMA report only confirmed that workers complained about the quality of the food, in particular the rice. Therefore, the only reported remedial action Woolworths SA reported taking was working with Firemount to improve the quality of the rice. Other Firemount buyers reported that the Verité audit of Firemount, on the other hand, found evidence of other problems including poor living and working conditions, hazardous working conditions, and low levels of worker awareness about safety protocols, in addition to bad food.

Woolworths SA and Firemount provided Transparentem with two QIMA audit reports from February 2023, and one WRAP audit report from June 2023, that did not confirm most of Transparentem's findings.

Workers reported they were being intimidated and threatened

After buyer groups reported that their audit did not confirm the high recruitment fees Transparentem identified, Transparentem conducted additional fieldwork in the spring and summer of 2023. This included coordinating with the R.E.A.L buyer group to try to put workers directly in touch with the Verité audit team. These attempts were unsuccessful, potentially due to intimidation and threats that workers reported to Transparentem investigators, which may have prevented them from disclosing the recruitment fees they paid or voicing concerns about working or living conditions. This was reported at DDI, Firemount, and R.E.A.L. Transparentem alerted all implicated buyers of the intimidation and threats in October 2023.

The Firemount Buyer group commissioned additional worker monitoring services from Verité to ensure that they "could learn of, and respond to any intimidation, threats of repatriation, or material changes in workers' conditions." The buyer group reported that none of the workers reported additional threats but that a feedback mechanism remained available to workers to report any such instances.

Workers reported to Transparentem that they faced threats of deportation. One recruiter reportedly brandished a stick and shouted at workers, threatening to hurt them if they continued to speak about their experiences, according to two interviewees.

Additionally, five interviewees said DDI did not purchase return air tickets for workers who had finished their contracts. This meant workers were stuck in Mauritius and could not return home. Two workers noted this caused severe emotional distress for one worker.

Unions need access to worksites to ensure they can connect with workers and understand working and living conditions for migrant workers.

Some steps taken by the government of Mauritius, but much more is needed

Transparentem leadership met with the Mauritian ambassador to the United States, the minister of financial services and good governance, and the minister of labour, in Washington, DC, and Port Louis, upon request of the government. At this meeting, Transparentem learned that a committee had been set up to respond to Transparentem's investigation. The organization also presented a letter to the government of Mauritius

calling for better support for the human rights of migrant workers in Mauritius. The letter was co-signed by the AAFA, FLA, amfori, the Ethical Trading Initiative, and one buyer, **ASOS**. You can view this public letter **here**. The government provided a written response to Transparentem about actions taken.

The government passed the Private Recruitment Agencies Act in October 2023. The law repealed the Recruitment of Workers Act and replaced it with a new framework which, among other provisions, enshrined the principle that workers should not pay for their jobs. This is an important change. However, the act failed to clarify that foreign agents must not charge fees to workers; did not provide for measures through which migrant workers can seek remedy for problems they experience, including deception and the payment of recruitment fees; and excluded measures that would make the act operational, such as establishing due diligence procedures and strengthening grievance processes. Transparentem submitted feedback on these shortcomings and recommendations to strengthen the proposed law to the government and other stakeholders when it was introduced in July 2023. However, none of these recommendations were adopted. However,

The government said it established a new memorandum of understanding (MOU) with the government of India in May 2023, which, according to the Ministry of Labour, included information on labor rights. ¹⁰² (The Mauritian government did not provide Transparentem a copy of the MOU when requested.) The government is in the process of signing an updated MOU with Nepal and said it continues to engage with the governments of Bangladesh and Madagascar on establishing an MOU. ¹⁰³

At the time of this report's publication, the National Wage Consultative Council was deliberating a proposal ensuring migrant workers' wages would not be less than the national minimum wage after deductions were made for food and accommodation.¹⁰⁴ This will represent a positive step, if enacted. The government is also in the process of expanding an existing online complaints platform for Mauritian nationals so that migrant workers can use it as well.

The government did not respond to calls for ensuring enforcement agencies have adequate resources and authority. It did not describe new efforts to enable migrant workers who experience abuse to easily change their employer or to vet employers' requests to cancel work permits and deport migrant workers.

Transparentem continues to be in dialogue with the government of Mauritius about these matters.

Mauritius Export Association (MEXA) takes initial steps, but implementation is key

Transparentem engaged with the Mauritius Export Association, which has been working with the International Organization for Migration to develop a voluntary **code of conduct** on the recruitment and employment of migrant workers for employers in export-oriented industries.¹⁰⁵ MEXA is currently developing standards to support the code as well as a certification process, which it expects will be completed in 2024.

Transparentem encouraged the factory groups to commit to adopt the MEXA Code of Conduct, once the certification process is finalized. All four suppliers have committed to adopting the code of conduct and undergoing the certification process.

MEXA has also produced a "Draft Standard Operating Process for Employment of Migrant Workers in the Export Sector of Mauritius." It includes recommendations for employers to abide by the employer-pays principle of recruitment fees, to enter into contracts with recruitment agents which specify penalties if recruitment fees are paid, and to take steps against deception in the recruitment process.

Transparentem formally provided input into the development of the code of conduct and also exchanged ideas related to the draft Standard Operating Procedures. Ensuring that the development and implementation of these initiatives is done in close coordination with unions and workers is necessary to ensure they respond to worker needs.

Buyer Responses

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BUYER	Supplier (Aquarelle, DDI, Firemount, R.E.A.L)	Participated in Buyer Group Actions? (Y/N)	Buyer Reported a Continued Business Relationship with the Supplier(s)?* (Y/N)	Engaged in Remediation Efforts?	Disclosed Full Social Audit Report? (Y/N)	Reimbursed Worker-Paid Recruitment Fees and Costs? (Y/N)	Other Actions	
Armani	DDI, R.E.A.L	NO (Joined discussions with DDI and R.E.A.L Buyer Groups but ultimately found it difficult to participate as they no longer had business relationships with the suppliers)	NO	NO (Initially joined the DDI and R.E.A.L Buyer Groups. Armani stated that its relationships with DDI and R.E.A.L had ended, and decided to not participate in buyer group actions)	NO	NO	_	
ASOS	DDI	NO (Initially joined the DDI Buyer Group. ASOS left the group after it exited its buyer relationship with DDI)	NO	NO (ASOS did not report taking remedial actions, ASOS co-signed a letter to the Minister of Labour)	NO	NO	 ASOS presented the Just Good Work App, an application that provides information to migrant workers about their rights, to other buyers engaged in this project. ASOS engaged in initiatives regarding migrant workers in Mauritius prior to engagement with Transparentem, including meeting with the Ministry of Labour and supporting the Migrant Resource Center. ASOS reported that LRQA (formly ELEVATE) audited DDI using ASOS' audit methodology in November 2022. 	
Barbour	R.E.A.L	YES	YES	YES , with the R.E.A.L Buyer Group	NO	YES	Barbour plans to incorporate the recommendations and learnings from the ongoing work in Mauritius into its policies going forward. Translated Supplier Code of Conduct into relevant languages for use in Mauritius supplier factories. Embedded a direct-to-brand grievance channel in Supplier Code of Conduct. Expanded "Forced Labor Policy" in Supplier Code of Conduct. Began reviewing physical conditions of all of Barbour's other Mauritius supplier factories and their linked dormitories.	
Boardriders	Firemount	NO (Initially joined the Firemount Buyer Group. Boardriders left the group following a transition to new ownership)	Information Not Provided to Transparentem	NO (Initially joined the Firemount Buyer Group. Boardriders left the group following a transition to new ownership)	NO	NO	-	
Boden	Firemount	YES	NO (Buying relationship ended prior to Transparentem engagement)	YES, with the Firemount Buyer Group	NO	NO	Joined the Firemount buyer group as recommended, despite ending its buying relationship prior to Transparentem engagement.	
Centric Brands	DDI	YES	NO	YES , with the DDI Buyer Group	NO	NO	_	
Diesel	DDI, R.E.A.L	YES (DDI, R.E.A.L)	Information Not Provided to Transparentem	YES , with the DDI and R.E.A.L Buyer Groups	NO	NO	OTB Group, the parent group of Diesel, drafted and is finalizing its "OTB Group Foreign Migrant Workers Policy" as of July 31, 2023.	
The Foschini Group	Aquarelle, DDI, Firemount	YES (Aquarelle, DDI, Firemount)	YES	YES , with the Aquarelle, DDI, and Firemount Buyer Groups	NO	NO	 Proactively initiated contact with Transparentem. Updated Supplier Code of Conduct and "Migrant Workers Employment Policy" as a result of engagement with Transparentem. 	
Foxcroft	R.E.A.L	NO (Declined to engage due to having ended its relationship with R.E.A.L, and having only worked with an agent on one shipment during Transparentem's investigation period)	NO	NO (Declined to engage due to having ended its relationship with R.E.A.L, and having only worked with an agent on one shipment during Transparentem's investigation period)	NO	NO	_	
G-Star RAW	DDI	YES	YES	YES, with the DDI Group YES, conducted additional indepedent remediation efforts	NO	NO	 Visited Mauritius and worked with DDI to streghthen several of DDI's worker-focused policies. Posted its guidelines for migrant workers, and direct number to G-Star RAW, in the DDI factory and dormitories. Expanded auditing scope to include recruitment agents with a focus on Bangladesh. Began developing a more detailed "Housing Policy" as well as audit methodology to implement the policy. Started an investigation at an additional supplier factory in Mauritius that was not part of the Transparentem investigation. 	
John Lewis Partnership	Firemount	NO (Declined to engage due to having ended its relationship with Firemount before Transparentem engagement)	NO	NO (Declined to engage due to having ended its relationship with Firemount before Transparentem engagement)	NO	NO	_	
Kontoor Brands	DDI, Firemount	NO (Kontoor sat in on some buyer discussions but ulitmately did not participate in buyer group actions)	NO (Buying relationship with DDI ended prior to Transparentem engagement)	NO (Kontoor sat in on some buyer discussions but ultimately did not participate in buyer group actions)	NO	NO	 Offered auditing resources to DDI and Firemount Buyer Groups. Declined to participate in group remediation efforts due to having ended their relationship with DDI and Firemount. Formally exited Firemount on December 8th, 2022, and listed DDI as inactive in their systems on October 18th, 2022. Transparentem conducted intial outreach to buyers on November 8th, 2022. Joined the DDI buyer group as recommended, despite ending its buying relationship prior to Transparentem engagement. 	
PVH	Aquarelle, R.E.A.L	YES (Aquarelle, R.E.A.L)	YES	YES , with the Aquarelle and R.E.A.L Buyer Groups	NO	YES	Shared audit results with the Aquarelle Buyer Group. Began determining how internal protocols and guidelines can be improved based on the Impactt Principles and Guidelines for the Repayment of Migrant Worker Recruitment Fees and Related Costs, and the Responsible Business Alliance/Responsible Labor Initiative Guidelines. Began evaluating improvements in worker interview protocol and how their migrant labor supplemental assessment can evolve to provide more clarity. Engaged with Social & Labor Convergence Program (SLCP) to ensure continuous improvement of the SLCP assessment tool with respect to issues related to migrant workers.	
Rodd & Gunn	Aquarelle, Firemount, R.E.A.L	YES (Aquarelle, Firemount, R.E.A.L)	YES (Aquarelle and R.E.A.L) NO (Firemount: buying relationship with Firemount ended prior to Transparentem engagement)	YES , with the Aquarelle, Firemount, and R.E.A.L Buyer Groups	NO	NO	 Began revising Supplier Code of Conduct to include minimum expectations on ethical recruitment of foreign migrant workers. Began drafting a policy on ethical migrant worker recruitment informed by lessons of this investigation. Joined the Firemount buyer group as recommended, despite ending its buying relationship prior to Transparentem engagement. 	
Second Clothing	R.E.A.L	YES	Information Not Provided to Transparentem	YES, with the R.E.A.L Buyer Group	NO	YES	Began collaborating with the Canadian Apparel Federation to assist them in identifying suitable manufacturers and professionals who can conduct compliance audits for potential new suppliers. Drafted a new Supplier Code of Conduct that contains a "Forced Labor Policy." Plans to proactively identify any other issues in their supply chain once remediation in Mauritius has concluded.	
WE Fashion	Firemount	YES	YES	YES , with the Firemount Buyer Group	NO	NO	 Improved general auditing techniques to increase focus on "areas of concern." Added worker surveys to standard audit procedure in selected facilities as part of a pilot program. Began updating Supplier Code of Conduct and "Forced Labor Policy." Internally investigated the status of workers in other suppliers in Mauritius. Began exploring a regional grievance mechanism and potential collabroation with the Mauritius Migrant Resource Center. 	
Western Glove Works	DDI	NO (Declined to engage, stating that it began exiting DDI before Transparentem's engagement)	NO	NO (Declined to engage, stating that it began exiting DDI before Transparentem's engagement)	NO	NO	_	
Woolworths SA	Firemount	NO (Preferred to handle matter internally)	Information Not Provided to Transparentem	YES (A commissioned audit resulted in no remediation efforts made beyond the improvement of rice quality)	YES	NO	Commissioned an audit with QIMA, following engagement with Transparentem, that found no issues at Firemount beyond poor food quality.	

^{*}In August 2023, Transparentem asked all buyers if they had cancelled orders with suppliers in Mauritius or ceased any buying relationships in Mauritius since hearing from Transparentem in November 2022. Although buyers might be tempted to simply cease doing business with problematic factories, the Organisation for Economic Co-operation and Development (OECD) has recommended this only "after failed attempts at mitigation, or where the enterprise deems mitigation not feasible, or because of the severity of the adverse impact." Transparentem encourages buyers to work with their suppliers to correct the problems found during the investigation, and to build systems that mitigate re-occurrence. Among buyers that reported no longer sourcing from Mauritius, no buyer stated that it was because of Transparentem's investigation.

Buyer Sustainability Commitments

BUYER	Public Supplier List	Signatory to AAFA / FLA Ap Commitment to Respon	oparel & Footwear Industry sible Recruitment? (Y/N)	Prohibits Worker-Paid Recruitment Fees and Related Costs in Supply Chain? (Y/N/In Progress)	
	(Y/N)	Pre-Transparentem Engagement	Post-Transparentem Engagement	Pre-Transparentem Engagement	Post-Transparentem Engagement
Armani	YES	NO	YES	YES	YES
ASOS	YES	NO	NO	YES	YES
Barbour	YES	NO	YES	NO	YES
Boardriders	NO	NO	NO	NO	NO
Boden	YES	NO	NO	YES	YES
Centric Brands	YES	YES	YES	YES	YES
Diesel	NO	NO	YES	YES	YES
The Foschini Group	NO	NO	YES	NO	YES
Foxcroft	NO	NO	NO	NO	NO
G-Star RAW	YES	NO	YES	YES	YES
John Lewis Partnership	YES	NO	NO	YES	YES
Kontoor Brands	YES	NO	NO	YES	YES
PVH	YES	YES	YES	YES	YES
Rodd & Gunn	YES	NO	YES	NO	IN PROGRESS (see "Other Actions" column)
Second Clothing	NO	NO	YES	NO	IN PROGRESS (see "Other Actions" column)
WE Fashion	YES	NO	YES	YES	YES
Western Glove Works	NO	NO	NO	NO	NO
Woolworths SA	YES	NO	NO	YES	YES

6.0 Call to Action

One worker told investigators, "I actually never thought that I would be in such a difficult situation . . . I pray to Allah that this does not happen to those who will come abroad after us." Buyers and suppliers must remedy the situation to ensure workers do not face exploitation and are treated with dignity and respect.

This is a pivotal moment for Mauritius. If buyers, suppliers, the government of Mauritius, and investors choose to implement the recommendations in this report, increase accountability, and partner with unions and workers to ensure their problems are addressed, Mauritius could be transformed into a model sustainable sourcing country that promotes responsible recruitment and consistently upholds labor rights for migrant workers.

We urge buyers to follow the lead of those that committed to repay workers, and work with suppliers to improve working and living conditions. These commitments must be implemented quickly. More efforts are needed to improve the recruitment process, ensure no worker pays for their job, address all indicators of forced labor, and set a new course for the Mauritian industry.

Mauritian companies are not alone when grappling with these challenges. The problems documented in this report may be occurring throughout buyers' supply chains, both in Mauritius and in other countries. Risk assessments, root cause analyses, improved assessment systems that effectively gather worker inputs for identifying and solving issues, and effective grievance mechanisms are all critical to preventing labor abuses.

Call to action for buyers from investigated companies:

- Ensure workers are reimbursed for the entire amount they paid in recruitment fees and related costs without delay.
- Work with suppliers to implement immediate improvements to living and working conditions.
- Empower workers and unions to develop and implement solutions and work with them to develop
 new assessment methodologies, as existing audit methodologies often fail to capture the reality on the
 ground; ensure that structures put in place to represent workers are well-functioning and available
 to all workers.
- Root out intimidation and threats by instituting a zero-tolerance policy, training workers and supervisors on workers' rights, and ensuring that unions have access to workers and worksites to understand and remediate issues.

- Verify that suppliers are taking key steps to improve recruitment processes for migrant workers, including by making continuous feedback mechanisms available to new hires.
- Reform current and standard auditing procedures so that workers know they are being heard and trust these new processes. This includes consideration of the recommendations in Transparentem's report "Hidden Harm."
- Guarantee access for all workers throughout suppliers' supply chains to grievance mechanisms that
 are trusted and used by workers; provide protection for those reporting issues; provide timely and
 comprehensive solutions; and uphold recommendations for best practice.¹⁰⁷
- Immediately and fully disclose detailed reports of social audits conducted at Mauritian apparel factories.

Call to action for implicated suppliers:

- Take meaningful action to address every problem that was uncovered through this investigation.
- Work with buyers to ensure that all workers who paid recruitment fees and related costs are reimbursed urgently and develop sustained solutions to ensure new hires are not paying for their positions.
- Assure workers that they will not be penalized for acknowledging that they paid fees during or after
 the recruitment process; but on the contrary assure and demonstrate to them that those fees will be
 readily reimbursed.
- Root out intimidation and threats by instituting a zero-tolerance policy, training workers and supervisors on workers' rights and relevant policies, and ensuring that unions have access to workers and worksites to understand and remediate issues.
- Institute an "open door" invitation and policy for allowing unions to access workers and worksites, unimpeded.
- Ensure that workers are not deceived throughout the recruitment process and do not pay for recruitment fees or related costs.
- Guarantee that management will not interfere with workers' councils in any way that has negative
 implications for workers' rights and ensure that any worker may have the time and resources to
 meaningfully participate in councils.
- Guarantee access for all workers to independent grievance mechanisms that are responsive to worker needs.

- Require worker rights training provided by independent labor experts for all workers, supervisors, and management on a regular basis; ensure there are accountability mechanisms in place to ensure workers are treated fairly.
- Immediately and fully disclose details of recruitment practices, as well as detailed reports of all social audits conducted at Mauritian apparel factories.

Call to action for auditors and audit companies:

Auditors should consult Transparentem's report "Hidden Harm: Audit Deception in Apparel Supply Chains and the Urgent Case for Reform," which highlights that auditors must do the following:

- Prioritize auditing practices that minimize the risk of deception and maximize worker agency.
- Undertake fully unannounced audits.
- Provide auditors with proper resources for context-specific audits.
- Change policies to ensure that social audit reports, time-bound corrective action plans, and progress
 reports are published and that workers and unions are able to review them for accuracy.

Call to action for the government of Mauritius:

The government of Mauritius should do the following:

- Ensure that enforcement agencies have adequate resources and authority to investigate and take concrete action to stop and prevent unfair recruitment fees and related costs, abusive working conditions, and poor living conditions in factories.
- Sign MOUs with source country governments—including Bangladesh and Madagascar—that are
 transparently negotiated with worker groups and made public. The MOUs should enshrine the principles that workers should not pay for their recruitment and should have possession of their identity
 documents.
- Amend the Private Recruitment Agencies Act to, among other changes, clarify that foreign agents
 must not charge fees to workers, provide remedy for migrant workers who faced abuse, and provide
 due diligence and grievance redress measures to help implement the Act. The full set of recommendations are found here.
- Enact the proposal to increase the take-home pay of migrant workers by excluding food and accommodation deductions from the national minimum wage. If adopted, through implementation of the plan, ensure that migrant workers will be able to access quality and cost-effective food and housing.

- Expand inclusion of union representatives in assessing and adjudicating disputes introduced by migrant workers.
- Advertise among factory owners and migrant workers the mechanism by which the government vets
 employers' requests to cancel work permits and deport migrant workers to ensure compliance and
 prevent factories from being able to deport workers or threaten to do so.
- Advertise among factory owners and migrant workers the ability of migrant workers who experience abuses to freely change their employer.
- Require factories to permit trade unions to enter worksites and dorms and speak unimpeded to workers. Make clear to workers, factories, and trade unions the rules governing the ability of trade unions to enter worksites and speak unimpeded to workers.

Call to action for any companies sourcing from Mauritius:

- Ensure that no workers pay recruitment fees or related costs and are reimbursed immediately if they
 have incurred such costs.
- Ensure that living and working conditions for migrant workers, including recruitment processes, meet high standards.
- Ensure any assessments are specifically designed to capture the type of issues found in Transparentem's investigation; continually monitor and develop risk assessments for any other issues that are endemic to the production country or sector.
- Follow the calls to action for implicated companies, as applicable.

Call to action for relevant investors:

Investors in the buyers and suppliers implicated in this project, as well as of other buyers and suppliers in Mauritius, should do the following:

- Demand transparency from investees regarding preventative actions taken to protect workers in companies' supply chains.
- Establish (or enforce) zero-tolerance policies for worker-borne recruitment fees and indicators of forced labor.
- Encourage and incentivize companies and the government of Mauritius to support ethical recruitment priorities.
- Undertake risk assessments and ensure companies are taking measures to address risks.

- Proactively align with upcoming regulations, import bans, and human rights due diligence legislation by assessing the implications for companies in which they are invested.
- Request full disclosure of detailed social audits of portfolio companies.

This report is also a call to action for NGOs, donors, and all readers. Transparentem's work should be an impetus for expanding programming and financial assistance into Mauritius to combat the abuse of migrant workers. This is an opportune moment as there is political will, the attention of international buyers, and pressure on suppliers to fix systems that have an outsized impact in this small island nation. Our work would not be necessary if there were trusted reporting mechanisms available for workers that were capable of responding to their needs. Solutions must be expanded for other countries hosting migrant workers in order to improve recruitment processes and ensure the working and living conditions of workers meet high standards.

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