



www.bizniz.nl

Start date membership

April 2011

Organisational chart

Administration & bookkeeping = 2 persons

Sourcing fabrics/accessories = 1 person

Styling = 2 persons

Sampling = 4 persons

Cadcam = 5 persons

Order registration = 2 persons

Production = 2 persons

Logistics = 2 persons



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1. Summary: goals & achievements 2012

Year 2012 has been the 2nd full year of FWF membership for Bizniz. During this year our achievement was to inform all factories we cooperate with about idea what's behind the Code of Labour Practices. At the moment we collected/filled in the questionnaires by each factory, we explained FWF Code of Labour Practices and general rules of FWF. Bizniz made over 78% of its production in Poland and 22% in Tunisia. Poland is considered as a low risk country by FWF, but still companies' staff and managers are interested in the code created by FWF. In Tunisia we are working with 2 companies and we were proud to introduce the Code of Labour Practices. Our policy is to work on long-term relation with most of our manufacturers which allows us to build stable cooperation with our suppliers and make us aware of the most of activities towards its workers too. The most important is that we closely cooperate with management of the factories and these are responsible and serious people and they all have a history behind of fair activities and social responsibility based on local circumstances. We do our utmost to support them and to help them realize it.

2. Sourcing strategy

2.1. Sourcing strategy & pricing

The sourcing strategy of our company is related to type of the product we deliver to our customers. Our customers are pleased that garments are made in Europe therefore we place over 78% of our production in Poland. The remaining 22% of production comes from Tunisia. Our sourcing criteria's are: size, equipment, quality, experience, general opinion on the market, organisation and hygiene at the factories. We judge if factory is a clean and safe place to work at. The standards are regulated by work inspection regulations. Of course we don't focus only on hygiene aspects, other issues like organisation, official workers employment, safety of working place (protecting covers by machines etc.), time of work – those are all issues regulated by law – we also do consider. Sourcing strategy strictly focus on suppliers who meet the standards described in Code of Labour Practices. We have very long relations with our producers; it is close to 15 -18 years in Poland and 8 years in Tunisia. With new suppliers the final evaluation takes place after 2 months time try-out period.

Prices are being established based on the each garment by sending samples and sample materials ahead to allow factory to make the contra-sample and price it, as well as estimate needed time for producing it. This is a long term strategy of us. We are aware of the level of the minimum wage in Poland. And we do have understanding of the relation between our prices and wages policy at the factories. The level of min wages in Poland is regulated by law. By some of the factories the trade unions are established and some issues connected with wages policy are regulated by collective bargaining processes. As explained in the report and in our work plan we always send ahead samples to the factories so they have time to make contr-samples and price it based on laboriousness, quantity of the order etc. That is made by people (managers) who are perfectly aware of the labour costs of it's workers and running costs of the factory. We always discuss the prices with factory before production takes place, and even during

production process we are open to change the unit prices always when there are arguments for it.

2.2. Organisation of the sourcing department

We do not have a separate sourcing department organized. Action is taken by Hans Thoonen – director and Agnieszka Cholocinska – manager.

2.3. Production cycle

We have no collection based on seasons. We make continuously new styles based on information from shopping in London, Milan, Paris and visiting some fashion exhibitions. Every 3 weeks time we have meeting-cycles with our customers and show them new developed styles. In an open discussion between styling department and customers we come to agreements resulting in orders. For each single order we organize the buying of fabrics, accessories etc. We do not produce for stock, only upon order. Our suppliers are informed about detailed production plan within 6-8 weeks ahead. Production time takes 3-8 weeks lead time.

2.4. Supplier relations

All criteria's used by sourcing are the same for selecting a factory for certain kind of product.

The final decision about working with new supplier is taken after 2 months time of try-out period. That allows us by using our workers like technicians being daily involved by new supplier to judge if working conditions are acceptable to continue cooperation.

2.5. Integration monitoring activities and sourcing decisions

Monitoring activities are always made from perspective of local people from our office, so they are very real and they put direct input and influence on general sourcing decisions. However those are not being made on "first impression", but they are pre-followed by try-out orders, by checking on working conditions and ranking of manufacturers on Code of Labour Practices. We simply build long-term relations ONLY with factories we are sure that respect Code of Labour Practices. They are rewarded from us by supplying to them work, making payments always on time or even pre-payments in order to help them out.

3. Coherent system for monitoring and remediation

3.1. Poland

This is our 2nd year being a member of FWF. In 2012 we were working with 9 factories in Poland making 78% of our total production.

We act the same towards all our suppliers. We visit them regularly at least once per month. None of the factories were in need of being audited, by none complaints were submitted, and no corrective action plans have to be taken.

All factories are established according to Polish law and all workers rights are protected. There is no discrimination in employment, no exploitation of child labour. Workers are employed based on long-term contracts. During the whole 2012 we had a few cases of overtime however they were never excessive or forced. Those that were performing

overtime were taken by people back in terms of free days. This is law obligation. The factories in Poland comply with the safe and healthy working conditions as described by local legislation. Workers are being regularly trained on Occupational Health & Safety programs in order to prevent accidents and injuries. The possibility of having trade unions established at the factory is regulated by law and in general by each factory employing more than 10 people it is possible to have them, however that is coming as open will from workers' side. By some factories we cooperate with are trade unions by the others where trade unions are not active there is always a workers' representative appointed to monitor social standards by making agreements with managers, accepting internal factory regulations connected with working conditions.



3.2. Tunisia

In 2012 we were cooperating with 2 factories in Tunisia. In Tunisia we made 22% of our total production. Those are our long term partners and they are well informed and aware about implementation of Code of Labour Practices. Factories have been visited 9 times a year. Till now they were not audited – the 1st audit is planned in 2013; there were no corrective action plans neither complaints submitted in 2012.

These 2 factories are established according to local law. All workers are officially employed by terms of legal contracts, they make no use of home working employment. We do believe that there is no discrimination in employment or no exploitation of child labour, and that working conditions are safe and good., however these will be finally examined by auditing team in 2013. Wages policy is regulated by law. The owners of the factories are making all efforts to increase the wages towards living wages level by organizing trainings for sewing girls to improve their skills that lead to higher effectiveness and higher wages. Working conditions are safe. All necessary trainings

connected with Occupational Health & Safety programs are taken right when worker is being employed.



3.3. External production

Not applicable.

4. Complaints procedure

During 2012 there were no complaints from our suppliers submitted through FWF's complaints procedure.

The Code of Labour Practices in local languages is posted in accessible area for workers both in Poland and Tunisia.

5. Training and capacity building

5.1. Activities to inform staff members

Staff was informed about the meaning and implementation of FWF membership. Code of Labour Practices rules were discussed during regular meetings at head office in the Netherlands. Those meetings were held every 6 weeks time.

5.2. Activities to inform agents

N/A

5.3. Activities to inform manufacturers and workers

Manufacturers and workers are informed by letter and by means of filling in the questionnaires. During our regular visits by factories we plan meeting with all workers once a year and during which we speak about FWF and ideas of it. Also at Bizniz since there is rather stable group of workers, once a year we make open discussion about current situation of the company and we inform them how the cooperation goes abroad with our suppliers. We inform them in big lines about work plan we make for FWF and goals for up-coming year. They have questions about work organisation at side of foreign suppliers, they are interested if they do well since we respect them and want to do a good and fair business with them.

6. Transparency & communication

All our customers are informed about the fact that Bizniz is a member of FWF. This is discussed with them during regular meetings we have with them.

Our website is still under the construction.

7. Stakeholder Engagement

In 2012 we made no stakeholder engagements; we also made no use of country study reports.

8. Corporate Social Responsibility

Together with DIDI-fashion we have developed a label "DIDIism". All cloths with this type of the label are being made by companies employing handicapped workers. These companies are based in Poland.