

## Anchor Workwear



### Contact person

Ben Huijbers

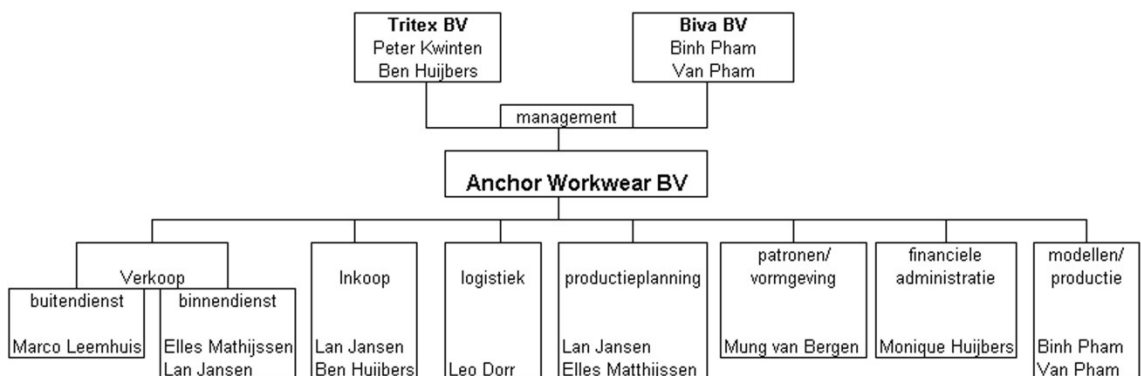
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### Start date membership

July 2013

### Organisational chart





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## 1. Summary: goals for 2013

Describe what you want to achieve in 2013 in terms of implementing the FWF Code of Labour Practices along your supply chain.

We have already discussed a number of years with our production companies, that working conditions are an important for Anchor Workwear. From our production companies is indicated that they feel the same and act accordingly. Because of our strong ties with the production companies, we also believe that we broadly meet to all basic principles of good working conditions. During visits to the companies this vision is always confirmed.

Until now, there has never been an independent investigation.

The goal for Anchor Workwear in 2013, is to have an audit at the production company in Vietnam, so that we can determine whether our assumption in this matter is correct. If there are still aspects to improve, we will immediately take action.

### Responsibilities

Policy formulation & work plan Ben Huijbers, CEO

Sourcing policy Ben Huijbers, CEO

Monitoring & execution of corrective action plans Ben Huijbers, CEO

Complaints procedure Ben Huijbers, CEO

Training & capacity building Ben Huijbers, CEO

External communication Ben Huijbers, CEO

Factories register & information management Ben Huijbers, CEO

Evaluation & social report Ben Huijbers, CEO

### Budget

The budget that is reserved for the execution of the work plan, including audits, staff time and investments in the internal management system

In the budget we have calculated with membership fee, costs for audit and costs for personnel.

The Membership Fee for Affiliates will be € 2.730,00 for Anchor Workwear.

Costs for audit the production factory in Vietnam are calculated for ± € 2.000,00

Besides that, we reckon with 100 hours time for personnel of Anchor Workwear to set up a system of monitoring activities.

### Achievements

In October 2013 our production location in Vietnam has been audited. In general, the outcomes of this audit were good, but there were also points for improvement. We have made a plan to realise these improvements.

## 2. Sourcing strategy

### Sourcing strategy & pricing

Describe the sourcing strategy of your company.

Anchor Workwear produces workwear for the B2B market. Besides producer of Workwear, Anchor is also importer of Ecco Professional shoes.

Production of Workwear takes place in a production location in Bulgaria (since 2003), a production location in Vietnam (since 2002) and a very small part still in The Netherlands.  $\pm 30\%$  is produced in Bulgaria,  $\pm 65\%$  is produced in Vietnam and a few % in The Netherlands. There is one product (safety vests), which was bought with a supplier who arranged production in China. This concerns less than 1% of our turnover and this is a product, which we will stop selling.

We indeed stopped with the external production.

Anchor Workwear has full ownership of the production location in Bulgaria. The factory in Vietnam is not in ownership, but through family connections and investments Anchor Workwear has in fact control over decisions in the factory.

It is the task for Anchor Workwear to sell enough products to fill both production locations. It is the task of the production locations to produce the orders correct and in time as agreed.

Within these production locations we have room to expand if we need more production capacity.

Our goal is to produce within our own facilities and not to source for new production factories. Decisions about production locations are taken by the management team.

We have daily (continuous) contact by Skype with the factories. Production planning happens in consultation between Anchor and the production location.

Pricing of the products happens also in consultation with the production company. We make an estimate of the production time for the article and make an agreement for the price for this article. If the prices discussed are not adequate, we pay a supplement, so that the production company can pay any monthly costs. Then we also adjust the prices for next productions.

### Realisation

We indeed stopped with the external production.

### Organisation of the sourcing department

Describe the sourcing department.

As we have own production, we do not have a sourcing department. The management is responsible for the strategy and sourcing.

## Production cycle

Describe the production cycle and the project planning.

We produce garments for stock as well as specials for customers.

### 1. Production Bulgaria

- Anchor Workwear buys all fabrics and most of the accessories and collects these in The Netherlands. If not available from earlier productions, Anchor also makes patterns
- These are transported to Bulgaria with own transport.
- In Bulgaria the production company cuts the fabric and produces the garments.
- The ready-made garments are transported with own transport to The Netherlands
- Lead time for the complete process is normally 6 – 8 weeks after ordering

### 2. Production Vietnam

- Anchor Workwear buys all fabrics and most of the accessories. Partly is bought in Europe and sent from the Netherlands. Most products are bought in Asia and are directly transported from the supplier to the production location in Vietnam. If not available from earlier productions, Anchor also makes patterns in the Netherlands and sent these to Vietnam.
- In Vietnam the production company cuts the fabric and produces the garments.
- The ready-made garments are transported by sea or by air to The Netherlands
- Lead time for the complete process is normally 10 – 14 weeks after ordering

### 3. Production Netherlands

- Anchor Workwear buys all fabrics and accessories and collects these in The Netherlands. If not available from earlier productions, Anchor also makes patterns
- the production department of Anchor cuts the fabric and produces the garments.
- The ready-made garments are transported to our customers
- Lead time for the complete process is normally 3 – 6 weeks after ordering

### 4. Production planning.

- a. For specials we start producing after an order from the customer
- b. For stock items we keep a minimum and maximum stock and as soon as the stock is beneath the minimum, we make a new order for

production.

### **Selection of new factories**

Describe the selection process of new factories.

When we need much more capacity than we have in our own production facilities, we can source for new production company. We consider a number of criteria to select a new facility: reliability, quality standard, respect of deadlines, prices and social responsibility. We discuss the criteria in meetings and by email. We want guarantees for social responsibility, ask for reports of audits for social matters or e.g. certificate for BSCI. If the factory meets all our criteria, we ask the factory to make samples and test-orders to check the quality of the work they deliver. When we have enough information to determine that the factory is eligible to make production for us in larger quantities, we will visit the factory for a visual inspection, and examine whether all data discussed match practice.

### **Integration monitoring activities and sourcing decisions**

Describe the way in which (the outcomes of) your monitoring activities influence your sourcing decisions.

Anchor Workwear will only do business with production locations if they obey the local rules and subscribe the elements from the FWF Code of Conduct.

Anchor Workwear is owner of the production location in Bulgaria and has obliged the managers of the production company to respect the Bulgarian law. Among other issues this applies also for labour conditions. During visits by Anchor Workwear this issue has been spoken with the managers and confirmed. If during a visit of FWF might appear that major issues are found, we will take immediate action and discuss with the manager how to solve the issue.

Anchor Workwear has very direct connections with the production location in Vietnam and has obliged the managers of the production company to respect the Vietnamese law and subscribe the elements from the FWF Code of Conduct. Among other issues this applies also for labour conditions. During visits by Anchor Workwear this issue has been spoken with the managers and have been confirmed by them. If during a visit of FWF might appear that major issues are found, we will take immediate action and discuss with the manager how to solve the issue.

### 3. Coherent system for monitoring and remediation

#### Coherence of the programme

Describe the coherence between different monitoring activities.

Both production locations in Bulgaria and Vietnam have never been audited before.

Anchor Workwear will ask FWF for an audit in the factory in Vietnam in 2013 and the factory in Bulgaria in 2015.

In 2013 and 2014 65% of the production is audited and in 2015 99-100% of the production is audited by FWF.

Anchor Workwear has daily contact by telephone and by Skype. Furthermore the management team visits the production locations regularly. Any issue can and will be discussed during this contact; also labour conditions.

#### Achievements

The factory in Vietnam is audited in October 2013.

#### Informing manufacturers about the Code of Labour Practices

Describe how and by whom manufacturers are informed about the Code of Labour Practices.

- The FWF Code will be posted in the factories in the local languages.
- The factory management will be informed about FWF membership through the questionnaire.
- CSR is a standard topic during all factory visits by the sourcing staff.

N.B.: FWF will provide you with model letters and questionnaires to inform your suppliers about FWF membership. Suppliers can give feedback, will be asked to accept the Code of Labour Practice and confirm their commitment to work towards compliance with the Code. This is a so-called supplier self-assessment, which will give you an overview of where they stand with regards to labour standards and whether they have previously been audited by other brands. Copies of the completed questionnaires need to be sent to FWF (they serve as a basic information source for audit teams).

#### Achievements

We have posted the FWF Code in the factories in Vietnam and Bulgaria.

#### Role of staff and agents

What is the role of staff members and agents in the execution of monitoring activities?

The main responsibility for monitoring activities will be for Mr Ben Huijbers.

#### Execution of Corrective Action Plans

Describe whether and how you support manufacturers in the execution of corrective action plans.

- The CAP will be used as a controlling instrument between Anchor Workwear and the manufacturer. Anchor Workwear implements a system to track improvements.
- Sourcing staff of Anchor Workwear discuss the CAP together with the person in charge when visiting the factory.

### **Sandblasting**

In case your design requires the use of sandblasting of denim, please explicitly list those production locations and describe the process.

- For the production of our garments sandblasting is not used.

### **Co-operation with other clients**

Do you plan to cooperate with other clients of manufacturers with regard to monitoring and execution of corrective action plans?

Our production companies only produce for Anchor Workwear and not for other clients.

### **External production**

If applicable, describe which monitoring activities are conducted at suppliers of "external production".

In the past Anchor Workwear has purchased from an external production through an agent. This agent has presented their services as intermediary for productions in China. We have had several meetings about the method of working. In these meetings we have also discussed social issues. In the factory where production was located is no child labour and the factory has ISO 14001 certification. All normal working conditions were respected. Through this agent Anchor Workwear has purchased safety vests. The last production took place in May 2012. We stopped producing and selling this item.

At the moment Anchor Workwear does not use external production. If we will use external production in the future, good labour conditions will be a demand to do business.

## **4. Complaints procedure**

State the name and position of the staff member who is responsible for dealing with complaints.

Describe the internal procedure/strategy for dealing with potential complaints.

- Responsible for complaints of workers in production locations: Ben Huijbers, CEO
- Anchor Workwear has not received complaints from workers of suppliers. If there will be complaints, Ben Huijbers will decide which person will be responsible for solving the complaint.

### **Achievements**

In 2013 we have received no complaints from the workers

## **5. Training and capacity building**

### **Activities to inform staff members**

Describe in what way and by what means staff is informed about FWF membership.





The staff has helped to fill in the forms for FWF membership.

Describe what training is provided to staff members who are involved in the execution of monitoring activities.

There is no training provided yet. Staff members will be shown the Film “The Fair Wear Formula”. Also to the staff of our factory in Bulgaria this film will be shown. The most efficient form of training of workers in Bulgaria will be determined in consultation with the FWF case manager, in the first period of membership. In Vietnam this will be a little bit difficult, because people in our factory only speak the Vietnamese language. They will be informed by our staff members during their visit to the factory. The next visit to Vietnam is planned in July 2013.

Please describe your ways of communicating internally (e.g. monthly newsletter; international sales meeting; staff meetings; etc.).

Internal communication passes during sales meetings and during work each Wednesday.

#### **Realisation**

During the sales meetings and during work at Wednesday FWF membership is discussed regularly.

#### **Activities to inform agents/intermediaries**

Describe what training is provided to agents/intermediaries who are involved in the execution of monitoring activities.

We do not have any agents or intermediaries.

#### **Activities to inform manufacturers and workers**

Describe in what way manufacturers and workers are informed about the Code of Labour Practices. What training activities will be conducted?

Manufacturers will be informed about the Code and FWF membership through the model letter and questionnaire. According to FWF procedures, an information sheet for workers including the Code and the contact details of the complaints handler will have to be posted in all the supplying factories. Specific workers’ trainings will be looked into after the first year of membership. See also point 3.2.

Describe activities undertaken to inform and train manufacturers and workers. In case you have participated in any of the trainings FWF offered, please describe the process and results.

There is no training provided yet.

#### **Realisation**

We did not have a training in 2013

## **6. Information management**

Please describe the procedure to keep the supplier register updated. Who is responsible for keeping the supplier register updated? How often is it updated?

The supplier register will be yearly evaluated. Our goal is to produce in own production locations. Therefore we do not expect much changes in the supplier register. Ben



Huijbers and Lan Jansen are responsible for the implementation of the CAP. Ben Huijbers will keep contact with Bulgaria and Lan Jansen will keep contact with the production location in Vietnam.

Please describe the system for keeping track of progress on the implementation of the Code of Labour practices.

In consultation with the manager of the production sites we will determine a plan how the code will be implemented.

We will then periodically contact with the manager of the production sites and discuss progress.

What kind of tool is your company using to keep track of the implementation of the CAP.? Who is responsible for keeping the information up-to-date?

We will develop a manner of working for the implementation of the CAP during the first period of membership.

The person responsible for keeping the information up-to-date is Ben Huijbers.

## 7. Transparency & communication

Describe how the general public will be informed about FWF membership and the outcomes of the activities in the work plan.

The general public will be informed through various channels;

- Fairs where Anchor Workwear participates
- For tenders FWF participation will be emphasized
- The logo on stationery of FWF stand
- On the website, the participation listed, with a link to FWF

Anchor Workwear will write an annual social report

### Achievements

We have promoted Fair Wear at a fair in Den Bosch where we participated

We have put the Fair Wear logo in our emails

We have put the Fair Wear logo on our website

We mention our Fair Wear membership in our offers to clients.

This is the annual social report

## 8. Management system evaluation and improvement

Describe by whom and when the effectiveness of the work plan and the available resources are evaluated.

The plan will be evaluated with the management team and staff office. They will keep contact with the managers of the production locations. Evaluations will be made yearly.

How are the views and feedback of manufacturers and agents taken into account?

N.B. Member companies should make an evaluation at least once per year, but it could also happen more often.

## 9. Corporate Social Responsibility

If applicable, describe other activities in the field of corporate social responsibility.

Anchor Workwear has a policy on Corporate Social Responsibility (CSR). Both inside and outside the organization is a focus on this.

### Internal CSR

Anchor Workwear consider the following internal CSR issues;

- Prevention of waste. Eg. boxes in which the clothing are packed by the supplier, also used for the dispatch of the goods.
- The waste is separated as much as possible: mainly paper, cardboard, plastic, metals and restwaste
- The cardboard boxes Anchor Workwear purchases for delivery of the goods are largely made from recycled paper.
- Minimum energy consumption by including the following points
  - only lights in the buildings where necessary
  - all equipment and lights are switched off at the end of the day
  - no equipment on standby.
  - Heaters only used in places where it is really needed.
- Company cars are equipped with particulate filters.
- Transport from production companies are gathered to reduce transport movements.
- A minimum paper stream. If it is possible, communication will be digital by email, so that the use of paper is as low as possible.

### External CSR

Anchor Workwear consider the following external aspects of CSR;

- The selection of suppliers. We assess what the supplier is doing in the field of CSR. Thus, it is important that the supplier operates with safe substances with Öko-TEX certificate. It is also important that the clothing is produced decent, ie: no child labor, no forced labor, a reasonable wage, etc.
- Anchor Workwear does social sponsorship. We deliver clothes for a Bulgarian Social Work home for children.
- We make garments from organic and recycled materials (eg polo's from recycled PET packages).

### Achievements

All points above are standard policy and integrated in our activities.