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1 Introduction

Espresso Fashion is a clothing company that started in 1983. The company has about 50 employees in the main office working on developing, selling and distributing the articles. There are 14 Espresso Stores in the Netherlands and Espresso sells to about 500 retailers in the Netherlands, Belgium, Germany and Scandinavia.

Espresso delivers 4 collections a year. Every collection always has a feminine touch. The designers create clothing to intensify female beauty, with a focus on all quality aspects; fabric quality, design, margin, lead-time and CSR compliance.

Since February 2004 we have been working on corporate social responsibility (CSR) and in that year we became a member of the Fair Wear Foundation (FWF). The philosophy is: create beautiful clothing and take responsibility for the way the clothing is produced. We call it Fashion with a Soul.

CSR is one of the main elements in the strategy of Espresso Fashion. Decisions regarding CSR are taken by the coordinator CSR together with the managing director and the management team.

1.2 Summary Goals & Achievements 2009

The following main aspects will give an overview of achievements 2009.

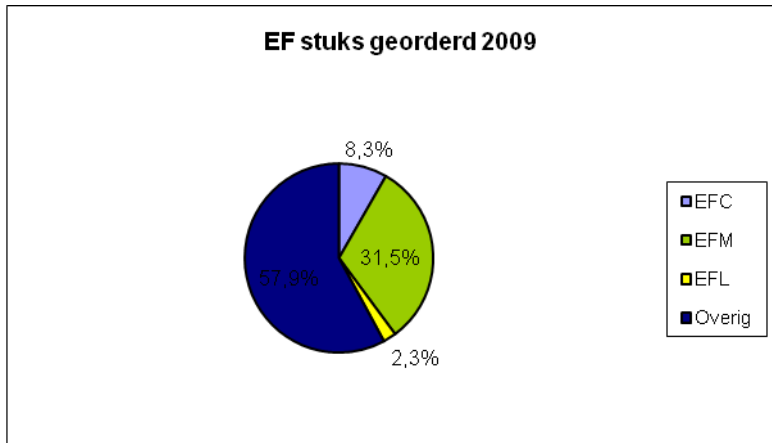
People

- Espresso arranged a special consultancy program for a Chinese supplier in order to stimulate and support the supplier to work progressively with to the corrective action plans, without rejecting the commercial daily practice.
- The product managers visited our current and new Chinese suppliers with a policy on corporate social responsibility. This is on behalf of the growth of the production of Espresso Fashion. Our current small suppliers in China provide us information about their labour conditions through audit reports conducted by BSCI and Bureau Veritas.
- Espresso's biggest supplier with a production facility in Bulgaria had a very positive audit result compared to last year. According to the supervisor of the audit: all documentation is well kept and easily accessible. A 'spot removal booth' is made to prevent exposure of the packaging department workers to chemicals and last but not least all the workers interviewed reported they were very pleased with their work comparing to other factories.
- The (2nd biggest) manufacturer in Tunisia committed himself actively to the Corrective action plan, for the first time after 5 years without the yearly support of the audit team of FWF, only with the monitoring of Espresso Fashion. One example is that the management informed the members of the consultative committee regularly about the Fair Wear labour standards, the process of implementation and monitoring and the corrective action plans.
- Espresso focussed in Turkey on the subcontractors, because production is too much spread out to control the production chain. We made an agreement with our Turkish supplier to stay with 2 fixed subcontractors for Espresso productions from 2009 on. We have conducted the audits in these two companies this year.
- Espresso decided to postpone the audit in India because of the decreasing production quantities.
- Espresso did follow up and introduce the FWF policy to suppliers of accessories.
- From July 2009 Espresso has divided the (operational) responsibilities for CSR to the production managers and the communication manager.
- There is a document made called CSR at Espresso Fashion which describes the tasks of a CSR Manager within Espresso Fashion.

Planet

- All basics are made of sustainable materials

Beneath an overview of the 'Earth Friendly' materials compared to other materials used in the whole collection in 2009.



Note:

- EFC: fabrics > 90% Certified Organic cotton
 - EFM: fabrics > 90% Sustainable made Modal/Viscose
 - EFL: fabrics >90% Linen/Ramie
 - Accessories excluded
-
- Espresso Fashion asked all suppliers to sign a declaration concerning restricted substances (RSL including REACH).
 - The foundation Elsewear made a CO2 footprint survey and created a CO2 reduction plan for Espresso Fashion.
 - It is recommended to the consumer to wash on 30 degrees (instead of 40 degrees) according to the care instructions of Espresso Fashion
 - There are more sustainable materials used for stationary items, office supplies and shop bags.
 - The communication in the CSR brochure and website is also made in images instead of words to reach the customer.
 - Recycling of hangers and plastics
 - Use of recycled paper
 - Waste separation
 - Green energy supply for head office and shops
 - Organic products in canteen

Profit

- Espresso shared a charity project with Orange Babies
- Espresso gave clothing support to Dress for Success, Voedselbank and Zending over Grenzen

2 Sourcing Policy

2.1 Overview of the responsible persons for the CSR policy

Topic	Department
Policy definition	Directors
Final responsibility for the Code implementation programme	Directors
Contents of the work plan	CSR/Production Managers (PM)
Execution of the work plan:	
Internal education	Communication
External communication	Communication
Archiving	CSR/PM
Supplier register	"
Monitoring	"
Annual evaluation and planning	Directors CSR Production CMT ¹ Styling RMG ² Purchase RMG
Communication with FWF	CSR PM
Sourcing policy and decisions	Director CSR Production CMT Styling RMG Production RMG
Persons who pay visits to the suppliers	CSR Production CMT Production RMG Designer RMG

¹ CMT: Cut-Make-Trim, Espresso arranges fabrics, patterns, trimmings

² RMG: Ready Made Garment, Espresso buys the ready made garment from supplier

	Designer RMG Designer Accessories
Persons responsible for evaluation & annual social report	CSR PM Director

2.2 Sourcing Strategy

Styling creates four collections a year. We have two styling departments; one for knitwear and one for woven fabrics. Knitwear is mainly produced as Ready Made Garment (RMG) and the woven fabrics are mainly produced as Cut Make Trim (CMT). For RMG, Styling chooses the supplier for production together with the production manager RMG and for CMT the Production Department does. Espresso intends to give more orders to suppliers that are actively cooperating in the follow up of the FWF norms. When we work through an agent, the agent has an active role in sourcing- and buying policy and in the monitoring and follow up of the FWF norms.

In the schedule above you can find the responsible persons for sourcing. Our sourcing policy is directed by the general director. The production managers and styling managers mostly work with long term relations. When there has to be a new supplier, they try to find the best suppliers together with the managing director. The production managers assess potential new suppliers and they use criteria like margin, quality, lead-time and compliance with the CSR standards equally.

Espresso only sources occasionally for new suppliers. One of our sourcing norms is that suppliers subscribe the code of conduct of Fair Wear Foundation and we expect an active cooperation in our FWF policy. The production manager asks the supplier for a company profile, the policy regarding labour conditions and audit reports. Espresso informs suppliers about corporate social responsibility and tries to convince them about the need for an open approach towards the policy of Fair Wear Foundation. In the worst case, when a supplier doesn't want to cooperate, we must end a relation. New suppliers are included in the supplier register. The production managers archive all new information for the supplier register. They keep the production quantities in a 4 times per year updated file.

Espresso prefers to work with long term relationships. It is very important to build a long term relation with a supplier. For our collections of 2009 over 95 % of our total production is produced by our long term relationships³. Our 2nd biggest supplier who takes care of 17% of our collection has already been our supplier for 16 years. Our biggest supplier, who takes care of 34% of our collection, has been producing the clothing for Espresso for already 11 years, since 1998. Espresso is drawing a quality manual for all (new) suppliers including the FWF norms and environmental norms. Every supplier will have to sign this contract before starting the production in 2009.

³ Long term means the relation has been stable for at least 2 years or (much) longer.

2.3 Production cycle

We have a very strict logistic planning. Expresso delivers 99% in time. We deliver 4 collections in 14 (sub-) deliveries in a year, which make it comfortable for the supplier to plan the production. The first delivery of a collection is always the one with the shortest lead time and the last is the one with the longest lead time.

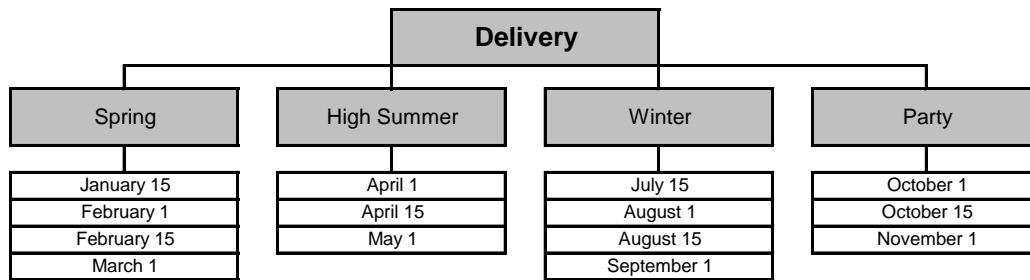
Expresso has been working in this way for many years and suppliers are satisfied with the lead time that we give. Often, our supplier in Tunisia receives the orders too early, so that the fabrics are on stock for weeks before the production starts.

RMG is made by suppliers in Greece, Turkey, China and India. The lead time for RMG is about three months. Cut Make Trim is made by suppliers in Tunisia, Poland or Lithuania. The lead time for CMT varies between 6 and 16 weeks; it depends whether it is the first or last delivery of the collection. Production lead time also depends on the country of production, for example deliveries from China or India take a month to transport, but a delivery from Greece, Turkey or Poland takes a week.

The production department informs the supplier about the estimated quantities during the sales period. They give the orders in the same week that the sales team has finished the sales of that season. The order goes to the supplier who made the samples. We do not compare suppliers to get the best price.

The lead time for RMG is much longer than the period for CMT, because the supplier has to arrange the yarns/fabrics, patterns and trimmings. Besides this, a big part of RMG comes from the Far East which takes a lengthy shipment. Within CMT, the production department in Expresso arranges the fabrics, patterns and the trimmings and sends this total package to the supplier. However, the supplier will be informed about the production planning at the same time as the RMG supplier, even during the sales, to give the supplier extra time to plan the production. We always manage our deadlines, because in case of need we ask our supplier to make the shipment by air. Beneath you can find the scheme of delivery to the retailers and our own shops. To give an idea of the planning one example for a spring collection: All suppliers get the production planning of the spring collection already in the first week of September, because the sales period of spring has just finished at that time. The suppliers start producing in September and October with the first deliveries for this collection. The first spring delivery will be delivered January 15th in the shops and the last delivery will be delivered 1st of March.

The working conditions in a factory play a role in the order planning. An active cooperation with the supplier in the corrective action plan will lead to a firm relation and more orders and vice versa. We do not rank our suppliers. We choose the supplier on their capabilities and we work every season with the same ones, so we always spread orders to give every supplier their share of the production.



2.4 Buying and Pricing policy

Expresso primary focuses on what the consumer would pay for a product. The prices that we have in the shops must fit the articles and be realistic and understandable for the consumer. Expresso is in the mid- and high segment of the market, so we can pay fair prices for our products. Expresso wants to pay honest prices to our suppliers, however reasonable. Expresso drives on profit, but not in despite of everything. The buyers negotiate, but keep it on an honest level. We have qualified people giving the orders and they know the reasonable price level per product, per country. They calculate in advance, to know what the about price has to be. The buyers work with a fixed margin range. When a product can't be made within this range, it will be taken out of the collection. Within the participation of Fair Wear Foundation, Expresso has committed itself more extensively to the role of the supplier. It is a dual role, combining commercial values and social values. In specific, it is difficult to know whether a fair share of the profit goes to the workers. The past four years we did not change our sourcing strategy.

3. Coherent system for monitoring and remediation

3.1 Monitoring process

Expresso creates all the designs in house, so there is only "Internal Production". Every supplier of Expresso Fashion gets the FWF questionnaire. We keep the questionnaires in the FWF documentation files. Auditing is done by the expert teams of the Fair Wear Foundation. The production managers coordinate the follow up of the requirements of the audit report and the corrective action plan. They document the execution of corrective action plan in the digital Improvement Plan (to be found in the back of every audit report). This will be shared within the company, with the supplier and with FWF, so it can be used for the next audit. The production managers are also responsible for receiving and handling complaints. They travel to the different production countries to meet the suppliers, to see the factories and to discuss the follow up of the Fair Wear code of conduct. Hereby you will find the details.

- The production managers work close together with Management, Styling and Production department; this to keep everyone informed, take decisions jointly and have CSR be a part of the Expresso production policy.
- The production managers and designers bring regular visits to several existing or new suppliers giving attention to the code of conduct and the corrective action plans. The production managers report about the follow up.

- Most suppliers bring a regular visit to Espresso Fashion head office to invest in the business relationship and to talk about production quality, future perspective and FWF matters. Every important meeting is documented.
- The productions managers are responsible for the complaints procedure, which you can find described in the FWF manual for member companies chapter 15.
- The production managers request manufacturers to share audit reports conducted on behalf of other clients.
- The production managers request manufacturers to share all information concerning subcontracting. When the subcontracted percentage is higher than the in-house production, the audit team will be sent to the subcontractor and the monitoring is done by the manufacturer, the agent and the production manager of Espresso
- Espresso co-operates with other clients of manufactures if possible. At this moment there is no co-operation ongoing, besides sharing audit reports through our supplier.
- The production manager keeps all actual information of the suppliers in the FWF documentation files; digital maps as well as hard copies. This includes questionnaires, audit reports, minutes and printed emails about the follow up of the requirements.
- Four times a year, the production department completes the scheme of production quantities per country, per supplier. The production manager keeps the FWF supplier register updated according to these quantities once a year. She/he checks the FOB amount in the bookkeeping and rechecks the general information (capacity, employees etc) with the suppliers once a year. The data in the latest audit report could add some information.
- The agents have a very active monitoring role. They visit the suppliers regularly and they report to the production manager about the follow up of the requirements. They share the monitoring responsibility with the production manager. Most of the time they are present during the audits.

3.2 Improvement of labour conditions

Beneath you will find an overview of the result of the last audits and monitoring in the factories that produce from 3% of the production quantity of Espresso fashion.

Greece, 34% of total production Espresso Fashion

Supplier Greece, production in Bulgaria, Audit July 2009 (CSR & Buyer Espresso present)

Improvements until 2009

Bulgaria had a very positive audit result compared to last year. According to the supervisor of the audit all documentation is well kept and easily accessible. A 'spot removal booth' is made to prevent exposure of the packaging-department-workers to chemicals and last but not least all the workers interviewed reported they were very pleased with their work comparing to other factories.

The Code of Conduct (COC) is very well presented on the wall and known by staff and workers. (Although it

has to be updated)

Open approach of the manager

There is a complaint box.

Improvements 2010

There will be an official OT register.

Expresso will always be informed about the use of subcontractors.

The information on the code posters will be kept updated.

The grievance procedure will not prohibit anonymous suggestions and complaints and should be posted for worker information.

Payment records will be provided to the auditors.

There will be plan provided by the Health & Safety Team and minutes of their meetings.

There are some practical H&S requirements that will be solved, summarised in the audit report.

Requirements to discuss

Records must be kept that clearly show on what grounds workers have been fired. There have to be criteria for hiring and firing.

Salary is above minimum wage, but doesn't reach living wage. At least it has to live up to the industry standard in the area. According to the manager the salary paid is above the 'real' industry standard.

Overtime is counted monthly and not weekly and should comply with national law and has to be registered for the auditors for at least 3 months. (According to the manager, the salary is paid monthly so the calculations are done monthly.)

Tunisia, 17 % of total production Expresso Fashion

Last Monitoring done by Expresso by phone december 2009

Improvements until 2009

The factories improved many observations of the last audits and monitoring.

Disciplinary sanction of dismissal for periods from 3 days to 30 days shall be decided by the disciplinary committee.

The company shall pay workers in accordance with their qualification and function as in the CBA.

The factory will keep the annual leave register.

The evacuation plan is kept and sent to Expresso.

The management informed the members of the consultative committee regularly about the Fair Wear labour standards, the process of implementation and monitoring and the corrective action plans. The standards (COC) are posted in the industrial unit.

The company reviewed the calculation mode of the apprentice's workers wages in accordance to the contract.

The factory keeps the required register like the maternity-, accident- and juvenile register.

Meetings of the Consultative Committee are more regular.

Loans of 300-500 dinars are granted to workers and 1200 to staff

The presence of an elected trade union.

There is a contract with a gynaecologist.

The work place is well maintained.

The Passages are free, however not marked.

Improvements 2010

Apprentices shall get 2 days instead of 1,5 days of paid holiday for each worked month in accordance to the labour code.

Every year there are improvements on Health & Safety matters according to the audit report.

Requirements to discuss

Training hours of juvenile workers are not according the law, but they are according to the labour office.

Problem: Requested training hours (8 hrs) are not provided by labour office (4 hrs).

Workers have to reach the daily quota before leaving; otherwise, they have to stay one more hour in the factory. If they work overtime to reach the quota, they are not paid for these hours.

Problem: There must be a system to stimulate workers, but pay them according the law.

Overtime is counted monthly and not weekly. Problem: The supplier calculates and pays the worker per month.

The factory shall keep the annual leave register, but the supplier says it's unnecessary because of the fixed holiday season.

China, 7% of the total production Expresso Fashion

Committed to a Sustainable Social Compliance Program (SSCP) in July 2009

Positive findings/improvements untill 2008

The supplier is willing to work with a sustainable social compliance programm (SSCP) which which takes at least 5 months.

The supplier is willing to enlarge Code Awareness with a workers training.

The supplier has stopped requiring workers to submit a security deposit and stopped cash penalty.

There is an exchange of documents concerning labour conditions.

Sharing honest opinion and issues.

Findings/improvements untill 2009 with the SSCP

Time records and payroll documents of the past months have been reviewed. The factory was transparent regarding the factory's working hour and wage payment practices.

Time records (September, October 2009) provided by the factory indicated that in September 2009 all workers from the electronic knitting department were guaranteed one day-off in every seven days.

Management continually implements the OT control program. Current maximum total weekly working hours reached at most 65 hours at the factory; weekly work hour reduced one hour compare with August, 2009

Payroll documents (September, October 2009) provided by the factory indicated that all workers were guaranteed the local legal minimum wage; overtime works were compensated at the legal overtime time rates. Wage payments were made on time.

All workers interviewed confirmed that their wages were paid on scheduled time.

Factory has a total of 320 employees. By the end of November 2009, the factory provided complete social insurance (including work-related injury insurance, retirement insurance, medical and unemployment insurance) to 251 workers (78.4% of the total workforce); bought commercial accident insurance for the remaining 69 workers. This practice has met the local Government requirement and is considered above the average in the local industrial.

There was no major noncompliance regarding health and safety found by on-site inspection

The consultant noted during the previous visit that fees charged to the workers for dormitory and meals were higher than the average in the area, and a recommendation was made that management should reduce the charge to the local average.

Improvements 2010

Factory is planning to make the recommended change in February 2010 when the workers return from the New Years' Festival. The consultant recommended that the factory should put this change in writing and communicate change to all workers

It was concluded that in order to create a more harmonious working environment, the factory should take efforts from the following aspects:

- Continue to develop procedures and practices so as to augment communication between the management team and workers;
- Clearly identify the responsibilities of the mid-level managers;
- Establish incentive mechanisms to stimulate the working morale;
- Establish practical policies on workers' welfare;
- Provide recreational facilities, organize spare time activities.

At the end of the training, a Corrective Action Plan for the following two months was developed together with the factory management.

China 2, 3% of the total production of Espresso Fashion

Monitored by Espresso Fashion, december 2009

This supplier based in Hong Kong subcontracts to at least two production facilities in China. The factories are audited last year on request of other clients.

Production facility 1, Audit report of BSCI made in January 2009

The most important findings are:

The results given in the BSCI report state that the following standards are considered 'Good', but some do need minor recommendations to follow up.

- Management Practice
- Working time
- Compensation
- Child labour
- Forced labour
- Freedom of association and collective bargaining
- Discrimination
- Working conditions
- Health and Safety facilities
- Occupational Health and safety
- Dormitories
- Environment

There are 'Improvements Needed' regarding Documentation:

The factory had run for about 8 years. All documents including inspection reports lift, policy, personal files, wage records, time records and social accountability commitment were observed. The management representative said that no pregnant women were working in the factory. Total 4 workers were trained by the Red Cross. The accident records were kept for review.

Production Facility 2 audited by Veritas, standard Ethical Trade Initiative (ETI), March 2009

The results given in the Veritas report state that the following standards are considered 'Good', but some do need minor recommendations to follow up.

- Employment freely chosen
- Freedom of association
- Child Labour

- Wages and Benefits
- Working hours
- Discrimination
- Regular Employment
- Harsh or inhumane treatment
- Entitled to work
- Monitoring and Documentation
- Environment

Non-Compliance Findings regarding Health and Safety:

It was noted that 2 out of 20 fire extinguishers in the sewing workshop on the second floor of the production building were fully blocked by a working table.

Legal Requirement: In accordance with Article 21 of Fire Prevention Law of the People's Republic of China, no units or individuals may damage or divert to other purpose, dismantle or inactivate fire control facilities and equipment without authorization, or bury and occupy fire hydrants, take up fire prevention spaces and block fire control passages. Recommended Corrective Action: It is recommended that management adopt practices and controls to ensure that all fire extinguishers in the sewing workshop are free of obstruction.

Supporting Information: per factory tour.

It was noted that 3 out of 5 stalls in the toilet located at the second floor of the production building were not equipped with doors.

Client's Standard: The toilets shall be provided with appropriate privacy. Toilet stalls shall be equipped with doors. Recommended Corrective Action: It is recommended that management adopt practices and controls to ensure that all stalls in the factory's toilets are equipped with doors.

Turkey, 12% of total production Espresso Fashion

Audit of two subcontractors (mainly responsible for Espresso production) in June 2009. Espresso Fashion was present at the audits. The outcomes are quite similar and therefore we choose to report the findings in one overview.

Positive findings until 2009:

According to Monitoring Espresso/Agent Januari 2010:

Improvement of Freedom of association and collective bargaining.

There is a written disciplinary policy provided.

A grievance policy is communicated and a grievance box is provided.

According to the audit supervisor July 2009:

Improvement of Health and safety aspects.

- Fixed leaking gas detector
- Adjusted height of the emergency exit

- Workers have first aid certifications
- Marked emergency exit doors and routes
- All electrical wires within the workplace are checked and necessary parts are isolated.
- Suitable insulator mats will be placed in front of every electrical panel within the workplace.
- Proper grounding connections and machine protectors
- There are no blockings observed on emergency evacuation routes and doors.
- Fire evacuation drills will be done at least twice in a year.
- Fire extinguishing rehearsals will be done at least once in a year.
- Ventilation on restroom area is improved for preventing employees from bad smell.
- Ventilation on canteen area needs to be improved for preventing employees from bad smell and separated from production area.
- Number of fire extinguishers will be determined regarding to risk level and placing of all fire extinguishing equipments must be carefully selected to provide visibility and easy access.
- Non-slippery tapes will be placed on stairs for preventing from slipping risk to the employees.
- A fire fighting team will be formed and trained.
- Glasses will be replaced with Plexiglas or covered with protective film
- Alarm buttons will be installed.
- Periodical health check reports of the meal service provide company workers must be controlled periodically.

There is no group of home workers working anymore without social security benefit for thread trimming operations.

“In kind” payments provided to some of the employees

Ramadan hampers (Food aid distributed to employees on Ramadan)

On time payments, despite the debts to social security and tax administrations

Company picnic

No child labour

No discrimination

No forced labour

Improvements 2010

Increasing awareness among workers regarding the Code of Conduct.

Improvement of Freedom of association and collective bargaining.

The workshop owner will prepare a wage policy together with the agent of Expreso Fashion and will communicate this to the employees.

Workers will get copies of their payslips.

The calculation of OT hours will be divided 225 to calculate the hourly rate.

All workers will be paid at least the legal minimum wage.

There will be a First Aid Training.

Improvement of Health and safety aspects, for example:

- The health check reports will be completed
- Workshop owner declared that he'll find a qualified electrical engineer for grounding checks.
- Pressure tests of the pressure vessels are missing and this makes these vessels vulnerable to risk of explosion. Workshop owner declared that he'll find a qualified mechanical engineer for these controls.
- Workshop owner, supplier company and local agent agreed on that supplier company would help workshop on preparation of a training plan and training sessions
- Workshop owner, supplier company and local agent agreed on that supplier company would help workshop on preparation of these emergency response plans.
- Workshop owner said he will call the electrical technician and will fix the internal isolations of the electrical panels as soon as possible.
- Workshop owner, supplier company and local agent agreed on that supplier company would help workshop on preparation of control procedure and control checklists for first aid kits, environmental check results, work accidents etc.

Requirements to discuss

Formalisation: licenses, documents and registers are missing.

Working hours, salary, overtime and leave is not registered and paid according the law.

OT will take place on voluntary basis.

Some H&S improvements are unpractical, like adjusting the opening direction of the emergency exit door due to the physical conditions of the building and moving the mobile compressor and to report about lightning protection of the workshop.

Turkey 2, 3% of the total production of Expresso Fashion

Monitoring done by Expresso Fashion by telephone and mail, December 2009

Expresso has visited the supplier's headoffice and factory. The supplier has most of the production in house. This manufacturer has a CSR manager employed and is already regularly audited by three other fashion brands, named in the supplier register. There are many different Code of Conducts posted, including the one of Expresso Fashion/FWF. Expresso has asked for the audit results of 2009 and the supplier stated that his other clients receive the audit reports directly and it is not send to the supplier, except for when they have to work on a requirement. This year there were no requirements for improvements given to the supplier. Therefore he did not receive a report or remarks.

Poland

Poland 1, 6% of the total production of Expresso Fashion(low risk Country, no audit since 2006)

Improvements until 2009

Code Awareness

Workers are informed about wages, social contribution and anti-discrimination laws.

There is a chosen representative for the workers.

Staff regulations are updated and copied for the workers.

There is a positive result of Polish labour inspection in November 2007

From 4-7-2006 there is a H&S committee.

Poland 2,4% of the total production of Espresso Fashion (low risk Country)

Positive points to follow up

Poland 2 complies very well to the FWF standards. The company has an active trade union. The management is advised by FWF to keep an intensive relation with the union to keep workers satisfied.

Espresso Fashion could monitor the labour conditions through contacting the trade union

India, 3% of the total prodction of Espresso Fashion

Manufacturer used to be audited by Reebok, member of Fair Labour Association (FLA)

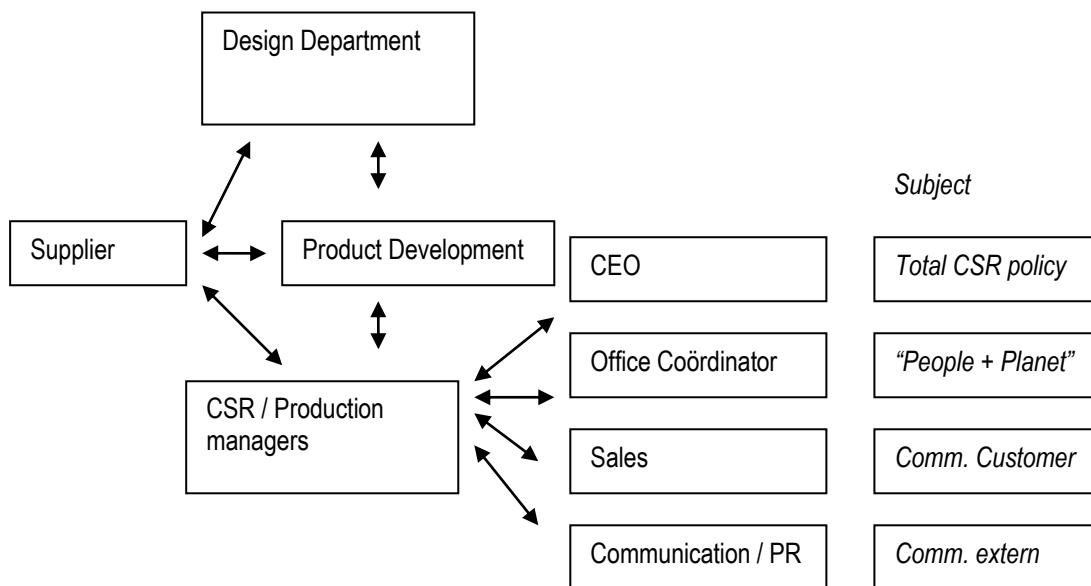
Espresso Fashion works already for 7 years with the Indian supplier, but always in small quantities. In 2009 3% of the production is produced in India. The supplier has been audited by employees of Reebok, but not yet by the FLA, although Reebok is a member. The supplier has introduced the Expressso Code of Conduct (of FWF) to his employees, which is similar to the one of the FLA, and posted it on the wall in the language of the workers. He has shared the workers hand book with us which includes the norms concerning;

- Working hours
- Attendance
- Salary Date
- Salary Slip
- PF and ESI deduction
- Advance payment date
- Over Time
- Workers can refuse OT
- Holidays
- Paid leave
- Min. working age 18 years
- Workers personal file
- Forced labour
- Dicrimination
- Use of fire Fighting Equipments & Fire drills
- No harrassment of workers
- Free to meet Seniors

4 Training & Capacity building

4.1 Activities to inform our staff

Expresso has a very open and flat company structure. The communication stream in the company between the departments is direct. Beneath you will find the overview of the internal information stream regarding our CSR policy.



Kind of Training/info provided	When	Who is responsible for organising this?
Regular meetings Director, Production, Styling, Purchase, PR and Sales.	Every 2 months	CSR, PM
Presentation to the staff (headoffice) and agents	Every year	Director , CSR and PM
Presentation to the staff of the own shops	Every year	Director, CSR, Communication Manager, PM
FWF documentation	Whole year	CSR, PM
Code of conduct present in canteen	Whole year	CSR,PM
Newsletter intern and Espresso stores	2x a year	CSR,PM

New brochure; "Fashion with a Soul"	September	Communication Manager
Presentation to Director, styling and sales	May	CSR
Quality Interviews regarding the CSR policy with storemanagers and result presented in the newsletter	February- June	CSR
Evaluation of FWF policy	January and August	Director/PM/ Communication Manager

4.2 Informing and training suppliers, agents and workers

Expresso introduces the FWF code of conduct to every supplier/agent. The product manager (PM) offers the supplier a file with more information about Fair Wear Foundation and the general CSR policy of Expresso. We visit most of our suppliers to meet them, see the production location, see the new materials and methods, and check the quality and to build up a good business relationship. Some suppliers or agents visit Expresso regularly as well.

We give the public Expresso CSR report to the supplier/agent and also the brochure "Fashion with a Soul", about Expresso's CSR policy. Expresso or our agent asks the supplier to fill out the questionnaire and to provide pictures of the factory. The PM takes all the effort necessary to introduce the FWF policy and to explain the procedure. We sent the code of conduct in the right language to the supplier after signing the questionnaire.

The supplier gets an audit of the expert team of FWF in the first year of production when the minimum is at least 3% of the total production of Expresso. The PM arranges meetings with the supplier to talk very extensively about the requirements and to solve problems. Besides this, there is regular contact through email or telephone with the supplier and/or agent. When needed, we ask FWF to conduct a training for the management and/of the workers in the factory.

Sometimes the supplier has already been audited. In that case we decide together with FWF to accept the code of conduct and the monitoring procedure and/or verification of the other party and to ask for the audit reports. In this case we will decide, together with FWF, not to conduct extra audits in the factory. This is in the case of a manufacturer in Turkey and in India. Another exception is our supplier in Lithuania who is already member of FWF, so we only ask for records we use for the Expresso supplier register.

For more information about the monitoring process of Expresso Fashion please read paragraph 3.1.

5 Transparency & Communication

Expresso wants to be transparent. We communicate about our CSR policy to our customers and press, but carefully and honest. Beneath you will find more information about this and you will get other examples of our external communication.

- Communication in Expresso stores

- Brochure "Fashion with a soul"

With this brochure, we communicate very clearly to the shops and the consumers in short points about our ethical policy divided in People, Planet and Profit.

- Internet site: www.expressofashion.com

Corporate Social Responsibility is one of the main issues at our website. You can read about People, Planet and Profit.

- Press office SoPR

SoPR takes care of CSR publications/pictures of Expresso in magazines and papers.

- Orange Babies

We started a program with Orange babies to support mothers and babies infected with HIV in Africa. We invest in a small (textile) production facility. They will learn to make garments and accessory and take care of themselves and families. The cooperation with Orange babies and their ambassadors generates a lot of publicity. Therefore we made a special brochure within information about Fair Wear as well. This project will last for 2 more years.

- Free publicity

Several Photoshoots with Expresso clothing and articles which give attention to the corporate social responsibility of Expresso.

We sponsored the editors of the magazine Green2 in their presentation on the Miljonair Fair 2009 and we sponsored Caroline de Bruijn (actress) in clothing, because she only wants to wear fair clothing.

- Topic on Website:

Fairwear.nl

FashionUnited.nl

Vrouwonline.nl

Textilia.nl

MVONederland.nl

Groenhetnieuwezwart.nl

AllesDuurzaam.nl

Goedewaar.nl (kledingchecker)

Delftfairtradegemeente.nl

Clubgreen.nl

Mitex.nl

- Students

Expresso Fashion had several interviews with students of all kinds of education levels. Expresso Fashion is named in the final reports.