
ANNA VAN TOOR



www.annavantoor.nl

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1. Summary: Goals and achievements in 2014

This was our second year of membership of Fair Wear Foundation (FWF). We became a member of FWF because we want to take responsibility for our production process. As Jan Paul van Toor states, *'In fashion, looking good is often first priority. However, to feel good often makes you look even better. We want our products to help people look and feel better.'*

Below, we present an overview of our achievements regarding FWF in 2014.

1.1 How did we do?

- ▣ We informed our new suppliers, agents and employees of our FWF Membership.
- ▣ Our suppliers were informed of our membership according to protocol. They were asked to fill in the questionnaire and to resend a picture of the Code of Labour Practices in the workplace.
- ▣ Our new external production suppliers were informed via email of our membership.
- ▣ Our employees were informed of our membership and were kept up-to-date on various occasions. During our employee fashion shows in February and August we informed our employees about the audits we did and our new goals concerning Fair Wear.
- ▣ The Anna customers were informed of our membership via Facebook, Twitter, Instagram and on our website. In every advertisement for the customer we add a description of our Fair Wear membership. Also in the newsletters for the employees we place updates of our Fair Wear membership regularly.
- ▣ In 2014, we made for the first time a little book for all our employees with information about our company, like our mission, vision, and information about Fair Wear as well.
- ▣ In 2014, our goal was to monitor 60% of our supply chain. We have achieved this.
 - ✓ Together with Espresso we organised a workplace education program at a factory in Turkey.
 - ✓ We did two informal audits in Portugal, three in Poland and two in Turkey by our selfs.
 - ✓ This year we did not add many new suppliers. The new suppliers we add were checked on price, quality and social criteria. For example, we did an informal audit by two new factories in Turkey and Poland. Our goal is to work with limited factories in each speciality and have a long term working relationship.
 - ✓ We strive to include social criteria into our sourcing policy making, next to price and quality of the product.

Next to becoming a member of Fair Wear Foundation, we initiated several other projects related to corporate social responsibility. When presenting our customers or our employees with a gift, we strive to give them a sustainable or fair made product. An example is Myomy. Myomy works fair trade in their factory in India with trained craftman, where they make bags and etuis. You can read about other projects and examples of our corporate social responsibility in 2014 in the chapter 'Corporate Social Responsibility'.



2. Sourcing strategy

2.1 Introduction & product explanation

Anna van Toor focuses exclusively on fashion for women. We sell premium labels in our stores, in addition to our own brands. Our brands Anna and Anna Blue are being sold exclusively in The Netherlands, in our 28 stores and our brands are offered at a fine selection of other retailers in The Netherlands. Also they are informed of our membership and what it includes. For instance during a workshop we organized at Van Tilburg in Nistelroode for our Anna collection. During this workshop we have told every salesperson about our membership of Fair Wear.

2.2 Sourcing decisions, process & relations with suppliers

Our styling and production department work one season ahead. The Anna and Anna Blue collection and ordering takes place during the entire year. Every month, new collections or themes are introduced in our stores. New orders may come in at all times. For Anna and Anna Blue, we are always designing and ordering one season ahead.

Styling and production work closely together in selecting the supplier for the product. Our product managers all have different contacts and different specialties, based on the qualities of the fabrics and the countries they are produced in. It depends on the qualities of a design (woven, leather, etc) which manufacturer is chosen for production of the product.

Anna van Toor highly values long-term relationships with our suppliers. In addition, quality, craftsmanship and timeliness are important variables in selecting a supplier. On occasion, we enlist a new supplier with a specific specialism or a specific garment treatment, when none of our existing suppliers has the skill or equipment needed for that special treatment. In such cases, the new supplier is selected based on the criteria mentioned above. We terminate a relationship with a supplier when they do not show improvement on one or more of the discussed criteria after several warnings by Anna van Toor.

By being a member of Fair Wear, Anna van Toor wants to express social responsibility and therefore we initiated the process of incorporating the standards of labour (FWF) with our current standards. Our criteria for selecting new suppliers were based on quality, workmanship and lead times. In the past year, Fair Wear mindedness in our company has grown and we strive to find a balance between pricing strategy, quality, timeliness and social criteria.

2.3 Production planning on the supplier side

We work together with various manufacturers. The lead-time may vary between country, supplier and can even vary per month (e.g. Chinese New Year). Our lead-time is in between four weeks (Europe) and five months (China).

We've been able to decrease the amount of late style changes by requesting for a salesman sample early in the process of production. The salesman sample is a representative sample in the correct fabric, print and fit that styling designed. By doing so, the styling and product department can base decision making in regard to style changes on a sample in the correct print, fabric and fit. This has decreased the amount of late style changes later on in the process, which has been a huge improvement in planning for both Anna van Toor as our suppliers.

2.4 Integration monitoring activities and sourcing strategy

2014 was our second year of membership. We informed every time all our new suppliers, agents and contacts of our membership. In this second year our Fair Wear mindedness in our company has grown and we strive to balance social criteria with performance criteria (craftsmanship, quality, etc) in sourcing decisions.

2.4.1 New suppliers

New suppliers are immediately informed of our membership and were asked whether they are already a member of a non-profit organisation such as FWF. When the new supplier is not working according to FWF regulations yet, but is interested and motivated to do so, Anna van Toor will help them to implement FWF procedure in their company. When the new supplier does not want to cooperate on FWF basis, we will ask them why they hold this viewpoint and (if possible) we will try to change their minds. Only when there are no other options left, we will stop placing new orders and stop our collaboration with the supplier.

2.4.2 Long-term suppliers

With our existing suppliers, we strive for transparency. Transparency of our production process is important to us and it gives us insight in the labour conditions at the manufacturers. This insight is needed to know whether a situation needs improvement, which we can then discuss with our supplier or agent.

We monitor the production process by formal audits and by following up on the corrective action plan (CAP). To illustrate, in 2014 we still follow-up the CAP with our manufacturer in China, where we did a formal audit in 2013. By keeping a constant communication flow regarding the CAP, we make small steps of improvement. For example, they placed exit signs and bought protective clothes for their employees.

We did also a formal audit in 2014 in China. We have received the CAP of this audit yet, so we will try to achieve improvements in this factory now.

Moreover, when our production colleagues are on factory visits, they will use the informal visit checklists to give us some insight in the working conditions at that factory and make pictures of their visit. They will discuss the outcome of these results openly with the supplier, if a change of the situation is needed, this will be discussed with the manufacturer.

2.4.3 Formal audits

Our production managers decide at which factory we could best plan a formal audit. This will make sure that audits are placed at manufacturers where we are also planning on working with in the future. We take into account the country of production, the amount of order value that we place at that manufacturer (or plan to place there) and the professional opinion of our FWF contact regarding our audit plans.

Some companies are already a member to another initiative regarding labour conditions, such as BSCI. We have asked our agents to send the BSCI report to us, so we could check their outcomes with the FWF checklist.

Whenever possible, we strive to work together with other FWF-members, in order to minimize the time and cost for both the members and the suppliers.

3. Coherent system for monitoring and remediation

All our active suppliers and agents were informed of our membership and were asked to fill in the questionnaire and to post the Code of Labour Practises (CoLP) at a visible place in the factory (see appendix).

3.1 China

A formal audit at one of our suppliers in China indicated that the wages paid are relatively high compared to other factories the Fair Wear team has audited. Most employees in the sewing department even receive wage above Asia Floor Wage. This was very positive. In addition, no violations with regards to forced labour, child labour or discrimination were found. No critical health and safety issues were found. The management team was very cooperative as is the

follow-up on the cap in collaboration with the agent and the manager. Some minor issues in regard to health and safety were dissolved immediately, like;

- Four exit signs at the dormitory where not plugged in.
- None of the buttoning machine where equipped with a hand protective device.
- The spot-removing worker was wearing normal anti-dust mask instead of the active-carbon mask, which is able to isolated the chemical fumes.
- The cutting workers were not wearing a metal glove while cutting.

In the near future we would like to arrange a Workers Education Programme at this factory to make more improvements.

In December 2014 Fair Wear did a formal audit in another factory in China. In February 2015 we have received their findings, and we just started to improve this factory too.

3.2 Italy

Our shoes and bags are made by craftsmen in Italy. We work closely together with several agents. We do not source directly with the supplier in Italy. The agents are in good contact with the supplier and visit them often. They were cooperative in filling in the questionnaire and sending back a photo of the posted CoLP.

3.3 Madagascar

For specific garment types, we source from a supplier in Madagascar. Their work is great in terms of craftsmanship, timeliness and quality. In addition, they were very cooperative in filling in the questionnaire and posting the CoLP. No audit has been planned here yet.

3.4 Poland

For Poland, we are in direct contact with the supplier. We have a good relationship with our suppliers and they deliver great work. Poland is regularly visited by several of our production managers. In 2014, one of our product manager visited several factories. At two factories they did an informal audit. She filled in the informal audit checklists (see appendix). The checks in the checklist were applicable. They placed a lot of plants in the factory for extra heavy ait and oxyen, so it is good to see that the management is thinking about a health-working environment for their employees.

3.5 Portugal

Anna van Toor has a good relationship with our suppliers and agents for Portugal. Our product managers have visited two factories in October 2014. They filled in the informal audit checklist. A new discovery is that in both factories workers got one-hour lunchtime and most of them are going home as they live nearby. They discovered also that one factory has a new building. Last year they use the second floor for the fabrics. With the new building they do not have to lift all the rolls of heavy fabrics by hand to the second floor. This is a huge improvement for working conditions. Our agents also regularly visit the suppliers and send us photos of the workplace and the workers.

3.6 Turkey

We have a positive, long-term relationship with one of our agents and suppliers of Turkey. The contact thus far has been positive. The factory is already audited and this year we have also organized a Workplace Education Program (WEP), which was appreciated by employees.

In June 2014 our brand manager and product manager visited a new supplier in Turkey. They filled in the informal audit checklist and they made pictures of the workplace. The code of conduct was visibly placed in all factories (in the language of the workers). The general employment conditions were good, clean and tidy. And finally, the work environment was safe and healthy (see appendix for requirements). Later, after doing an audit we found out that one

of the subcontractors the factory use has some improvements to make. This upcoming year we will focus on improvements in safety and healthy in this factory.

3.7 External suppliers

In our stores, Anna van Toor offers several other brands. They were all informed of our FWF membership and were asked whether they were also a member of a non-profit foundation concerned with human rights or environmental issues. Several parties sent us back their handbook on corporate social responsibility.

4. Complaints procedure

If complaints are filed or issues are found during one of the formal/ informal audits, Anna van Toor will urge the manufacturer to undertake immediate action to improve the issues. Fair Wear will make a remediation plan, who is supervised and controlled by us. We will take the responsibility to find a solution to the problem which is supported by Fair Wear. When suppliers are not taking action, we will discuss possible consequences, which may eventually lead to a hold on new orders. This is another important stance that might influence sourcing strategy in the future, but was not applicable in 2014.

5. Training and capacity building

How did we train our employees involved in sourcing decisions to conduct social audits and who are involved in the execution of monitoring activities?

The production and styling department in particular are involved in the implementation of FWF policy in our company, since they are the ones who are responsible for the sourcing decisions. They were made familiar with the work plan and the Code of Labour Practices. Moreover, in case of a new supplier, the production department was instructed to follow the procedure for new suppliers as described in our handbook. Erelong our production department will follow a training organized by Fair Wear to become more aware of how to achieve improvements in the future.

Moreover, all employees were informed of our memberships and they were kept up-to-date regarding news, audit results and other issues related to our CSR activities.

How did we train our agents / intermediaries personnel to conduct social audits and who are involved in the execution of monitoring activities?

Our agents and intermediaries were informed of our FWF membership by the product managers with documents provided to us by FWF. New agents are informed of our membership at first contact. When we work through an agent, that agent is our prime contact regarding FWF issues, including corrective action plans. When this occurs, the agent monitors the situation and keeps us up-to-date regarding progression of the CAP. To illustrate, when one of our agents or Anna van Toor personnel is visiting a manufacturer, they fill in the informal checklist to monitor working conditions and progression of CAPs.

How did we inform and train our manufacturers regarding social audits and the execution of monitoring activities?

We informed our new suppliers with our FWF membership by sending them the model letters FWF provided us with. In addition, we will discuss labour standards with the suppliers on future visits. Moreover, we ask our new suppliers to fill in the FWF questionnaires and to post copies of CoLP, according to FWF guidelines.

We provide feedback to the suppliers regarding their success in adhering to the code of labour practices by sending them a copy of the audit report, informal visit or filled in questionnaire. As stated above, in case of deviations, they are informed of their deviation and a corrective action plan is presented to correct their non-coherence to the CoLP. We strive to maintain a good relationship with our manufacturers and to give them insights in the benefits of adhering to the CoLP, because we believe this is vital for success.

Finally, we could organize a Workers Education Plan at a factory.

A Workers Education Programme (WEP) endeavours to introduce both employees and managers to safe and effective approaches for communicating problems and resolving disputes. The programme also seeks to reduce workplace risk step-by-step by enhancing awareness about workplace standards and functioning grievance systems.

In 2014, we did this in Turkey. After a while Fair Wear will send us a rapport with the results and we will try to improve if this is necessary.

6. Transparency and communication

The Anna customers were informed of our membership via Facebook, Twitter, Instagram and our website. In addition, we place the FWF logo and an explanatory text of Fair Wear Foundation in our brochures to make consumers aware of our membership. On our webpage, consumers can find more information regarding FWF, with a link to their webpage.

As we said before, this year we made for the first time a little book for all our employees with information about our company, like our mission, vision, and information about Fair Wear as well (see picture).

In 2014 our product managers have communicated more about Fair Wear with our agents. They were more positive about our membership and understand that it is important to know the products are fairly made. Especially our agents in Europe appreciate our goals.



Once a year, a report will be published online with the major findings regarding our FWF membership and other corporate social responsibility projects.

7. Stakeholder engagement

In October 2012, we held a customer-survey about Anna van Toor, in which several questions related to sustainability were incorporated. Customers indicated that sustainable products were important to them and that they use this increasingly as criteria when buying clothes.

We are a member of 'eerlijk winkelen.nl'. They present an overview of stores per city that offer Fair trade and/or eco friendly products and they organise activities such as 'fair shopping weekend' in cities in The Netherlands, to increase awareness and educate the consumers about sustainable products.

In February 2014 we have participated in the fair trade weekend in Zeist, to make customers more aware of fair trade products.

8. Corporate social responsibility

In our company, we are concerned with the preservation of the world. We collect paper, trash and plastic separately and we re-use coat hangers in the stores and storage rooms. In addition, we only use fake fur in our own clothing lines Anna & Anna blue. As of 2014, we signed the 'code of Bont voor Dieren' declaration, in which Anna van Toor states that she will no longer sell real fur items. In addition we try to use Green Cotton as much as possible in our clothes.

Social citizenship and attention to fair working conditions and fair products are becoming more and more incorporated in the decision-making processes at Anna van Toor and in our communication. Most of our presents we give to our employees and customers are made fair trade in a factory in India. Moreover, we still have partnerships with Myomy and Fair trade

Original. Myomy products were also offered in a selected amount of our stores from there on. Myomy produces Eco leather bags that are handmade by schooled craftsmen in Calcutta. Customers also got free samples of Fairtrade Original chocolates and juice. Moreover, 10% of the profit of the Myomy bags during this period was donated to Colores de Calcutta, a charity in Calcutta that provides help and education and health care aid to girls. The reactions were highly positive and are promising for the continuation of the event in the future.

Appendix

COMMON HEALTH & SAFETY PROBLEMS

A GUIDE FOR DESIGNERS, BUYERS, AND OTHER FACTORY VISITORS

Every factory visit is an opportunity to check on some common and easy-to-spot health & safety issues:



1. TAKE THIS LIST WITH YOU TO THE FACTORY.



2. NOTE ANY POSSIBLE PROBLEMS YOU SEE



3. TAKE PHOTOS WHENEVER POSSIBLE

Give your list, notes and any photos to your brand's CSR manager and ask them to follow up on your comments.



FACTORY NAME: _____

VISIT DATE: _____

VISITOR NAME: _____

NUMBER OF WORKERS: _____

FIRE & ELECTRICAL SAFETY

1. Are emergency exits locked or blocked by fabric, machines, etc?
Notes:
2. Are emergency evacuation routes clear? (with exit signs, evacuation maps, floor markings, etc)
Notes:
3. Do the workstations look crowded or difficult to escape in case of fire?
Notes:
4. Do you see fire extinguishers?
Notes:
5. Is firefighting equipment blocked by fabric, machines, etc?
Notes:
Are areas around fire equipment, control panels, exits, etc. marked with 'keep clear' signs or floor markings?
Notes:
Do you see damaged, open or worn-out electrical cables/panels?
Notes:
Are there fire warning signs in storage areas (e.g. no smoking)?
Notes:
Is fabric & clothing stored in a tidy manner? (messy storage allows fires to spread quickly)
Notes:
Is fabric or clothing stored near machinery? (sparks from machines is a main cause of fires)
Notes:

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BUILDING SAFETY & GENERAL WORKING CONDITIONS

Does the building look unsafe? (e.g. dangerous stairs, cracks in the walls, unsafe-looking elevators, etc?)	Notes:
Is the floor wet or slippery?	Notes:
Are the first aid kits missing/empty/locked?	Notes:
Is the FWF worker info sheet with the helpline number posted?	Notes:
Is the lighting bad at workstations?	Notes:
Is there obvious safety equipment missing? (e.g. guards on sewing machines, safety gloves for cutting machines, etc?)	Notes:
In noisy areas, do workers have ear protection?	Notes:
Do standing workers have floor mats or rest chairs?	Notes:
Are employees exposed to chemicals, solvents, etc without protective gear?	Notes:
Are the chemicals stored in an unsafe way? (messy, not in fireproof cabinets, etc.)?	Notes:

Is the air quality bad? (chemical odors, dusty, too hot/cold)	Notes:
Does the factory use denim sandblasting? (Certain types are not allowed by FWF.)	Notes:
Are the bathrooms for workers clean?	Notes:
Are there separate bathrooms for men and women?	Notes:
Is there clean, fresh drinking water available?	Notes:
Does the cafeteria/canteen look clean?	Notes:
Does the cafeteria have enough seats? (large factories with small cafeterias mean workers often have to eat on a dirty floor)	Notes:
Do you see anything else that might be a problem?	

Some health & safety issues can be identified during an informal visit, but this checklist should never be used to 'approve' a factory or as a substitute for professional audits.

Checklist Factory Visit

FWF Code of ~~Labour~~ Practices, 8 standards:

- Employment is freely chosen
- No discrimination in employment
- No exploitation of child labor
- Freedom of association and the right to collective bargaining
- Payment of a living wage
- No excessive working hours
- Safe and healthy working conditions
- Legally binding employment relationship

Inspection performed by:

Date:

Factory name:

General comments:

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1.) Code of Conduct

- ☐ Visual to everybody / obviously posted
- ☐ Translated (workers languages)

2.) General employment conditions

- ☐ Good working conditions, workers seem content and healthy
- ☐ Age of workers (visual impression) not under 15 years
- ☐ Fresh Air / air quality
- ☐ Clean drinking water available
- ☐ Visibility / Light Condition ok
- ☐ Canteen / clean and tidy
- ☐ Dormitories / clean and tidy

3.) Health & Safety Environment

- ☐ General impression of factory (workspace, clean, safe)
- ☐ Good and clean standard at sanitary facilities
- ☐ Emergency exits clear signed, visible, free
- ☐ Stairways with handrail
- ☐ Storage of material
- ☐ Are employees wearing protective clothing/tools where needed (e.g. bonding)
- ☐ Identification marking for dangerous goods
- ☐ First Aid Box available and visible
- ☐ Fire sprinklers and extinguisher are available
- ☐ Do employees take a break?
- ☐ Do workers that perform standing work have a anti fatigue mat, and possibility to sit
- ☐ Are machines equipped with protection shields where necessary