



# Social Report 2017

## Confectiefabriek De Berkel BV



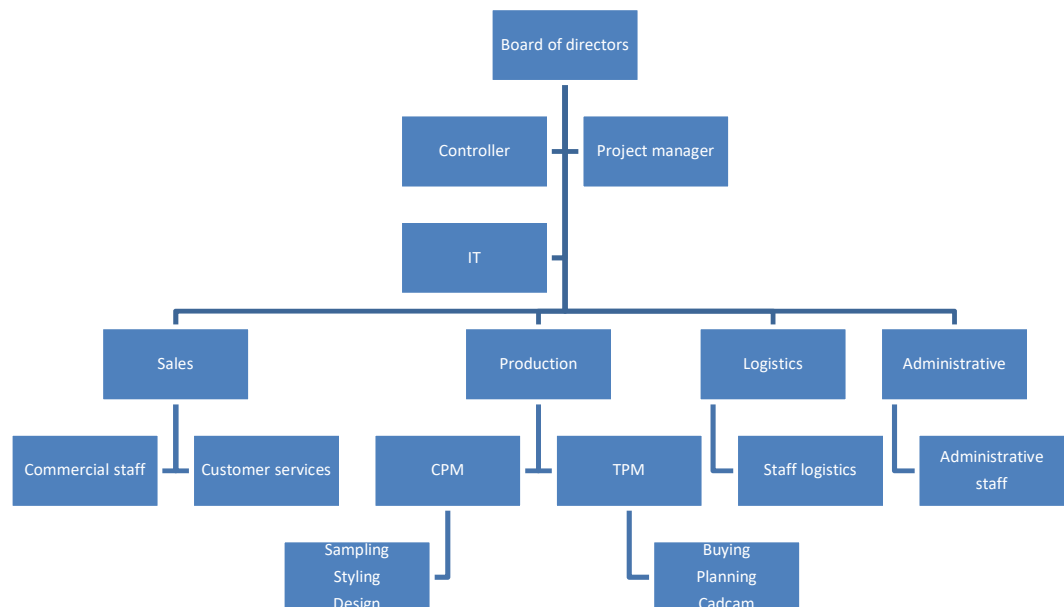
finest professional clothing

[www.deberkel.nl](http://www.deberkel.nl)

Member of Fair Wear Foundation since June 2007

Reporting period (2017)

1st January to 31th of December





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## Summary: goals & achievements 2017

### Summary

Clothing manufacturer “De Berkel” BV was founded in 1948 and produces high-grade professional clothing in particular for the health, hospitality, industrial and representative sectors. Distribution mostly occurs via an active dealer network that De Berkel has built up in the Netherlands, aimed at achieving countrywide cover. Besides this direct supply only takes place in the case of large medical institutions, laundries and business to business projects.

Approximately 30 members of staff are employed at the headquarters in Varsseveld. Within the dealer network De Berkel has 3 company-owned sales outlets with 10 employees. (All calculated on fte basis)

De Berkel attaches great importance to producing its products in a socially responsible manner. This means that we endeavour to achieve good employment conditions in the factories where our products are manufactured.

In order to underline how seriously we take this De Berkel became a member of the Fair Wear Foundation in 2007, which means that De Berkel respects and has signed up to the code of conduct for the clothing industry drawn up by the FWF, and makes every possible effort to ensure that this Code of conduct is implemented in its factories.

De Berkel manufactures its products under the following brand names:

- De Berkel Professional clothing for healthcare and industry
- Teamdress Representative professional clothing
- Robini (on licence) Professional clothing for hospitality

Those with primary responsibility within De Berkel for the implementation of the Code of conduct drawn up by the FWF in the factories are:

- Wilfried Rasing, Finance Director with final responsibility for production.
- Ronald Klunder, Technical Product manager and FWF contact person.

### The following goals were set for 2017:

- To further communicate the company’s membership of the FWF and the Code of conduct for the clothing industry to its own personnel at De Berkel by holding Management System Audits.
- To continue to inform our production locations about the significance of membership of the FWF and the associated code of conduct in order to ensure that these are also respected.
- To raise the employment conditions at the factories which have been identified to a higher level by means of improvement targets. To make a contribution to combating poverty in the countries where we produce. To introduce the possibility of making complaints known in the factories.



## Realisation of goals for 2017

- The personnel at De Berkel and that the production locations that we do business with have been informed on an ongoing basis about the actions of the FWF and its goals.
- We have sufficient knowledge about the employment conditions in our production locations. During 2017 we also worked on further identifying the employment conditions among subcontractors.
- In Moldavia we are contributing to improving the standard of life by means of donations and gifts of materials and clothing to local institutions.
- Since 2010 we have been a donor to the Mother Teresa Foundation in Ulft. Among other things, this foundation builds social housing for those in poverty in Eastern Europe. De Berkel also contributes to improving the standard of life in those areas.

At all of our production locations there is a form available in the production area with instructions on where people can make their complaints known. In 2017 no complaints were received from the production locations.

## 1. Sourcing strategy

### Sourcing

Within De Berkel a distinction is made between the sourcing of raw materials, sourcing of finished product based on “external production” and sourcing of finished product based on “in-house production”. The responsibility for sourcing of raw materials and for “external production” lies with the Technical Product Manager. He also selects and evaluates the suppliers.

Responsibility for sourcing via “in-house production” lies with the Production Manager. He also selects, evaluates and checks the production locations.

Both the Technical Product Manager and the Production Manager base their evaluation on criteria such as purchase price, delivery times, reliability of supply, quality and compliance with employment standards in the factories where the products are manufactured.

De Berkel brings out new collections each year for the retail market. Alongside this customer- specific models are developed on continuous basis.

We work with the production locations using fixed capacity forecasts covering fixed longer periods of time. This means that these are continually fed with new orders and are therefore able to make fixed agreements with their personnel. This way we are investing in long-term relations with the production locations, which naturally benefits stability of production. However De Berkel is not using supplier performance to determine purchasing decisions.

We work with annual contracts which are automatically extended year on year. Among other things the contracts document capacities and prices.

In the case of the existing suppliers the periodic contract extensions contain passages covering employment conditions in the relevant factories including the agreements that have been made and improvement plans.



Since 2014 we have revised our production system by no longer working with production lines, but with skill groups. This means that the production locations are better able to respond to small orders and diversity in models. This involves production personnel specialising in particular fixed processes with the aim being that the personnel can perform better and therefore receive higher remuneration.

De Berkel began informing its suppliers about FWF in 2007. Starting in 2007 her internal suppliers. Starting from 2015 her external ones. In discussions all of our preferred suppliers have agreed to sign the questionnaire for external suppliers and to conduct themselves in accordance with the FWF employment standards. Besides this De Berkel encourages its preferred suppliers to join the FWF.

## 2. Coherent system for monitoring and remediation

### Monitoring system and implementation of improvement plans

No official audits were carried out in 2017. However two production units in Moldavia were visited.

Since November 2014 a new in-house production location has started in Moldavia. This relates to a joint venture in which De Berkel has a 75% participation. It goes without saying that from day one we have worked here in accordance with the code of conduct of the Fair Wear Foundation.

No official audit took place here in 2017. A new audit is planned for 2018. Improvement plans have been drawn up based on the findings of previous audits.

All production locations have been informed about the code of conduct of the FWF and have declared that they are willing to act in accordance with the code. Where necessary the subcontractors are provided with the necessary sewing machines. This is aimed at improving quality and also at offering the seamstresses the possibility of achieving higher production and therefore earning more.

One of the subcontractors produces 100% for our group. The other one works for a number of clients. Over the last year our share of his production was approximately 50%. Our Production Manager visits the production locations regularly. Improvement plans are implemented on the basis of the audits that are performed.

The subcontractors, just like our own production locations, make use of our accumulated knowledge in the area of systems for calculated time recording, production routings for the models, management based on skill groups, and clear systematic reward systems for personnel.

As stated in the register of factories, samples and fitting models are produced at our production location in Poland and our own production operation in Moldavia. We do not believe it is necessary to carry out an audit at our production location in Poland, given that this only involves a limited number of production personnel and it relates to a 'low-risk' country.

De Berkel produces in countries where the government has established good employment legislation and where the government carries out checks on employment conditions and minimum payments to employees. Given that our employees are paid on the basis of the number of items they produce, many of them earn a considerably higher wage than the minimum wage set by the government.

We make extensive use of female instructors who supervise the seamstresses and help them to achieve improved efficiency, and therefore higher pay. De Berkel regularly visits the production companies and all employees are informed about our activities within the Fair Wear project via the local directors.



The Production Manager is periodically informed about the latest Fair Wear developments given that he is virtually continually present in the factories and is involved in performing the monitoring of activities.

The Production Manager is also authorised to discuss the findings of audits and to talk through improvement plans with the production companies.

Official audits, supported by the Fair Wear Foundation, are performed periodically at the locations in order to check whether the suppliers have not only signed the Code of conduct but are also actually applying it in practice.

### 3. Complaints handling

#### Complaints

##### Complaints procedure

The production manager is responsible for following up on complaints. He is also authorised to make decisions about the need for investigation, to discuss the complaint with the management of the production company and to come to an agreement on improvement plans. Employees can report in writing to either the Financial Director for the Production Manager. If a verbal explanation is desirable there is also scope for this

##### Complaints in 2017

No complaints were submitted in 2017.

### 4. Training and capacity building

#### Training and capacity building

De Berkel's personnel and the personnel of the production locations are sufficiently well informed about the Code of conduct for the Clothing industry. The employees who are involved in performing the monitoring activities are not trained to fulfil this role. A training activity is planned for this in 2018.

### 5. Information management

#### Improving employment standards

Based on the findings of the official audits that have been carried out up to now improvement plans have been drawn up which also relate to the employment standards in the factories. If necessary financial investment takes place.

#### Information management

De Berkel's register of suppliers is known to all the personnel of the procurement division. The register of suppliers is kept up-to-date by the Technical Production Manager. The Production Manager determines where production is or is not to take place and which manufacturers satisfy our requirements in the area of employment conditions. Given that De Berkel's supplier register is not extensive the various suppliers are known to everyone in the company.



## 6. Transparency & communication

### Transparency

Customers regularly ask whether our clothing is produced in a responsible manner. Our membership is currently communicated externally as follows:

The FWF logo is published:

- a) On our website
- b) On our headed paper
- c) On our promotional material
- d) The annual Social Report is published on the FWF website

### Evaluation and improvement of the management system

The implementation of the Code of Conduct for the Clothing Industry has taken place, both within De Berkel itself, and within all production locations where we produce.

Membership of the Fair Wear Foundation is highly valued by all our relations, both on the sales side and on the production and sourcing side.

De Berkel offers help to the poorest citizens of Eastern Europe by means of distributing clothing and by its donations to the Mother Teresa Foundation.

The production locations are periodic revisited by our own people who check whether the agreements that have been made relating to employment conditions continue to be adhered to. In doing so the feasibility and realisation of the established improvement plans are also discussed.

Official audits, supported by the Fair Wear Foundation, are carried out periodically in order to check whether the suppliers have not just signed up to the Code of Conduct but are also actually implementing it in practice.



## 7. Stakeholder Engagement

This year a customer survey has once more been held, containing various questions relating to sustainability. A large section of customers have indicated that sustainable products are becoming increasingly important and that these criteria are also taken into account when clothing is purchased. There are no further current topics to report.

## 8. Corporate Social Responsibility

De Berkel's business culture focuses on continuity. So choices are also dominated by their effect on Planet, People and Profit. De Berkel wishes to state explicitly in this regard that it is not driven by profit in the short term; because this frequently conflicts with the principle of continuity.

For De Berkel Sustainable Entrepreneurship represents a fusion of Corporate Social Responsibility and Ecologically Responsible Entrepreneurship. This way a consistent focus on Sustainable Entrepreneurship is translated into a number of systems which are subject to safeguards.

De Berkel is a member of MVO Nederland. More information regarding this declaration can be found on [www.mvonderland.nl](http://www.mvonderland.nl)

### ISO-14001 environment management system

De Berkel is certified and complies with the legislation and regulations. We strive for permanent improvement of our environmental performance and the control of environmental risks. Based on the chain philosophy, all preferred suppliers to De Berkel are selected on the basis of ISO-14001 certification.

### Oeko-Tex standard 100

Oeko-Tex Standard 100 is a testing and certification system for textiles. The aim of the standard is to limit the use of harmful substances in relation to the health of the end user. Although the label is therefore focused on health aspects of the textile product, the guidelines for the use of harmful substances also interface with the ecological dimension of sustainability.

De Berkel requires its preferred suppliers of textiles to be certified in accordance with the standard. Enforcement of this is encapsulated in the quality management system ISO-9001.

### Fair Wear Foundation

De Berkel is a member of the Fair Wear Foundation. This is a Dutch organisation which strives for good employment conditions in the clothing industry, in countries where clothing is produced for the Dutch and European market. The means that the Fair Wear Foundation uses to achieve this goal is a code of conduct for clothing companies. This code of conduct is based on the internationally recognised standards of the International Labour Organisation (ILO).





Companies which are members of the Fair Wear Foundation implement the employment standards included in the code of conduct and accept checking by the Fair Wear Foundation of whether improvement in the employment conditions of their suppliers actually takes place. Furthermore the Fair Wear Foundation is a widely accepted initiative which is supported by Dutch employer organisations in the fashion industry (MODINT and Mitex), trade unions (FNV) and development organisations (Schone Kleren Campaign and Novib). More information can be found on [www.fairwear.nl](http://www.fairwear.nl)

#### **Max Havelaar**

De Berkel is a Max Havelaar licence holder, an independent certification body for fairtrade. Products bearing this quality mark are produced and traded under fair conditions. Max Havelaar is part of the international umbrella organisation Fairtrade Labelling Organisations (FLO).

#### **Support for Mother Teresa Foundation**

The Mother Teresa Foundation offers a wide variety of forms of help to the poorest citizens of Eastern Europe. Regardless of origin, belief, gender or age. They raise funds by means of sponsoring and the sale of new clothing in the Netherlands and new and second-hand clothing in Romania. With the proceeds many projects are supported by distributing food packages, fuel and clothing to those in need. Many schools are equipped with good furniture and are sometimes renovated. Besides this a number of hospitals and clinics have been equipped with good beds, instruments, operating tables and clothing. De Berkel supports the Mother Teresa Foundation financially, and by sending obsolete clothing to Romania.

#### **Our school in Moldavia**

Nearby it's factory Starline Textile in Moldavia De Berkel, as a participant in a subsidy project, is educating circa 25 seamstresses each year. These are 16/17-year-old girls who study for a year to become a seamstress after finishing secondary school. After successfully completing their course they are awarded an employment contract with Starline Textile.