



TRICORP



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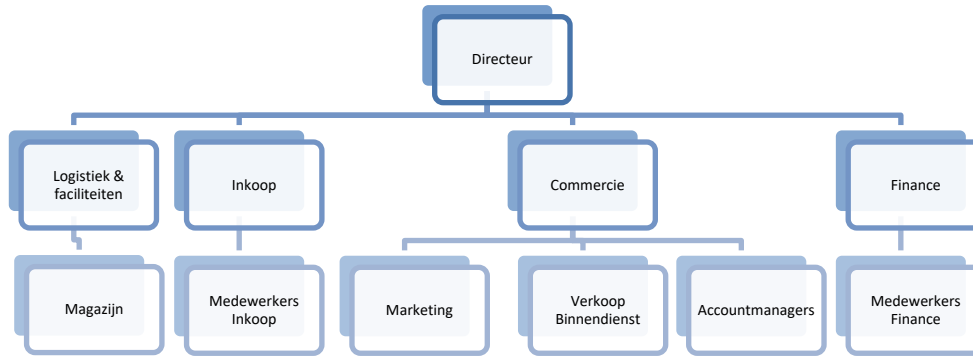
Member of Fair Wear since May 2007

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Organisational chart:





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Summary: goals and achievements 2016

Completion of the audits and WEP trainings by FWF for the main suppliers at least to cover the required 90%: production under monitoring is above 90%. New audits for were realized in 2016.

Work out the CAP of the audits together with the suppliers and take actions where required. This is an ongoing process. Actions are on schedule.

Closer cooperation with suppliers especially focused on Specials. Most of the current suppliers are not very keen on small series. Most of the Specials are smaller series. And because specials require a shorter throughput time, we always search for production capacity closer to the Netherlands for Specials.

New TRICORP Premium line. The sales on this new line is very positive. The first idea was to produce the articles from the Premium line, only once. Because of the (sales) success most articles became stock items.

Focus on inbound inspection. Because of this the quantity of rejected parts is relatively high. Together with suppliers, actions are taken to improve the quality of their outbound process. We will also want to increase the quality control at the production site. This to avoid transport costs for bad quality. This will mostly be done by external parties.

Focus the inbound inspection on new suppliers and suppliers with the highest % of rejected parts. The measurement on % of high rejected quantities is not implemented yet. In 2017 we will continue with that.

Investigation on right production capacity closer to the Netherlands. The number of production locations and quantities produces in Turkey is increase last year. The expectation is that this will continue in 2017

Continue a long-term cooperation with our suppliers to guarantee the required quality. This is an ongoing process.

Circular Work Wear. The first articles which are circular are certified. Several articles are ECAP and Ökotex certified.

Outsourcing warehouse activity: in 2016 TRICORP decided to outsource the warehouse activity. The main reason for this was the shortage of space in the own warehouse. All employees involved were offered a new job at the outsourcing party. Most of them decided to go elsewhere.

1. Sourcing strategy

1.1 Sourcing strategy & pricing

Our main focus is to have suppliers who give the right quality, in product and in processes. This for a reasonable price. Because of this we prefer long time relationships with our suppliers. But for our fast movers we also want alternative production sites to guarantee the flow of incoming goods.

Next to this we are also always looking for suppliers who can produce smaller quantities and are closer to the Netherlands.

1.2 Organisation of the sourcing department

The buying department is responsible that fast movers always are available. For stock level calculation a new planning system is implemented. One person is responsible for this planning.

Furthermore one person in the sourcing department is responsible for quality control. Both for new arrivals as for complains.

The purchasers have the daily responsibility that Purchase orders are fulfilled in the right time and quantity.

Suppliers are visited on a regular base by the Purchase Manager and the Purchasers. For new products the Purchase Department works closely together with the R&D department.

1.3 Production cycle

Stock items are ordered with a throughput time of approximately 4 to 6 months. For this safety stock is available. Customer specific parts (Specials) are ordered when required by the customer.

Specials, most of the time are ordered once of when a customer has a repeatment order.

Only when the sales of articles is very low (within all sizes) a product will be taken out of our catalogue.



1.4 Selection of new factories

For new articles we first look if one of our current suppliers is able to produce the article with the right. With our current suppliers we agreed that, if they want to change their production location, this will only be done after agreement of TRICORP. These new production locations should adhere to the labour standards of FWF.

Furthermore, TRICORP will always stay in contact with new suppliers to have backup for current articles, for Specials and for closer distribution to the Netherlands.

1.5 Integration monitoring activities and sourcing decisions

In command of TRICORP the main TRICORP manufactures have been surveyed by independent third parties in 2014.

2. Coherent system for monitoring and remediation

2.1 China

TRICORP uses 14 production locations in China in 2016. Most of them were audited by FWF in the last 3 years. From all these audits TRICORP received the audit reports and CAP's. The CAP's are discussed with the supplier. Most of the time this is done by email. But also during visits the CAP were discussed. In the most of the audit reports were one or more remarks about the wages and working overtime. Next to that there are a lot of remarks because of the lack of information. People were not aware of the Labour Practices and/or the freedom of association. Also on safety a lot of progress can be made.

The criteria to select production locations are the latest audit, the amount of FOB and the score of the last audit

2.2 Bangladesh

In Bangladesh TRICORP uses 4 production locations. One agent make use of 2 subcontractors. But the subcontractors of this agent changes a lot. Also after an agreement that before changes in the subcontractors were made TRICORP should be informed. This is one of the reasons TRICORP is considering to stop with this agent. Because of all these changes it's hard to improve the findings of the CAP's.

A 3th factory works for a Dutch agent. This makes it much easier to communicate the findings of the CAP's.

The 4th factory is a factory that works already a lot of years for TRICORP. To improve the safety at the production location TRICORP gave the a loan for improvements.

2.3 Cambodia

In Cambodia TRICORP uses 1 production location. This location is not audited by FWF but by ILO Better Factories. The follow up of these audits are harder because there is no good CAP report. The follow up is discussed with FWF.

2.4 India

In India TRICORP makes use of 1 production location. This only for a very small part of the TRICORP collection. This location is audited in 2015 by WRAP. Actions for improvement were discussed with FWF



2.5 Turkey

In Turkey TRICORP uses one agent with two production locations. These were not yet audited by FWF. This is planned for 2017.

A 3th production location in Turkey is audited in 2014. In de CAP is found d that the communication can be improved (f.e. the FWF membership of TRICORP, the Code of Labour Practices and the complain procedures). In Turkey is extra focus on the problem of Syrian refugees. Because of their situation the are easily victim of exploitation.



3. Complaints handling

There we no complains received. During visits, CAP handling and other communication there is focus on the CoLP practice and the complains procedure of FWF.

Since TRICORP is member of FWF, no complains were received. So there is no experience of complain handling. And there is also not a system to handle complains.



4. Training and capacity building

4.1 *Activities to inform staff members*

About 10 times per year we have sales meetings and during these meetings we inform our sales (wo)men about Fair Wear membership. Especially the in 2016 a couple of new people joined the sales department. During the sales meetings these people are informed about our purchase process and supplier selections..

During the TRICORP Campus, we inform customers and new TRICORP employees about our products. The focus of these training sessions is on product quality. There is also one chapter in this training dedicated for FWF and sustainability issues like ÖKO-TEX

4.2 *Activities to inform agents*

On request and during meetings our agents are informed by the account managers to keep them updated. See also the TRICORP Campus as above.

4.3 *Activities to inform manufacturers and workers*

In 2016 we visited several of our factories and some representatives of our suppliers visited us. Next to the audits and CAP follow up, the suppliers are informed about the importance of the FWF standards. They all under scribed these standards by signing the FWF questionnaire. This is also one of the topics during visits from our side. The availability of CoLP is an important thing during the visits.

We did not use FWF resources for country studies or other input other that the standard contacts we have for the brand performance check, audits and CAP's



5. Information Management

New suppliers always receive information that TRICORP is a Fair Wear Foundation member and what this means to us. And what we require from them. This with the Fair Wear Foundation Questionnaire. Next to this they also receive a copy of the CoLP, in their own language and in English. They are requested to publish the CoLP for available for all their employees and make pictures of this. Our goal is to resent the Questionnaire every 3 years, this in case information changes.

During own visits TRICORP wants to make pictures of the CoLP. Also during FWF audits there is a check on the availability of the CoLP.

TRICORP will start with Quality inspection at the production location by SGS. They are also requested to pay attention on the Labour Standards (as far as possible for them). They are requested to focus on issues from the CAP and the CoLP

During FWF audits, visits and SGS tests we check on the production locations. Also used documents (invoices etc.) indicate the production locations.



6. Transparency & communication

TRICORP has an active promotion program. The FWF membership is available in this program. On the TRICORP website, on promotion material (folders, catalogues etc.) and in promotion tours (for example by our Greyhound bus) we inform people about our FWF membership. For our customers we have a TRICORP Campus, a training about the TRICORP organisation and the products. The FWF membership is one of the issues which will be discussed during this training.

Also our sales team of account managers inform the customers about the TRICORP FWF membership and the results and responsibilities about this membership.

There is no active program to inform customers, consumers and the public about the progress made in the implementation of the FWF Code of Labour Practices.



7. Stakeholder Engagement

The main stakeholders are our customers, resellers, purchase agents and production sites. On the purchase side we focus on visits and FWF audits. Especially the CAP are used to discuss the labour standards for the involved factories.

In Europe TRICORP is involved in several CSR programs. We undersigned the Covenant, we are ECAP and Ökotex certified and we are working together with Dutch Awareness for re-use of raw materials of our products