



Tricorp Workwear – Jasper van den Dungen – CSR department
Fair Wear Foundation member since 2007
Reporting period covering January 2020 – December 2020

Dear reader,

This is the Social Report written by Tricorp in order to provide information about the financial year 2020 and the social labour practices within the supply chain. The goal is to report on the progression and setbacks Tricorp ran into and what we have done in order to reach progression and deal with the setbacks in general.

For most businesses, 2020 has been a challenging year with many uncertainties. This has been the case for both Tricorp, our clients, as well as our suppliers. Due Diligence, therefore, was more important now than before given the risks that we all faced. Later we will tell more about that.

First we will shortly introduce Tricorp. We will also discuss our sourcing process and elaborate on the suppliers we work with. Next, complaints handling and providing training / knowledge will be addressed.

A separate chapter will be dedicated to the COVID-19 situation in our supply chain and what effects this has had, until now and our view for the future. At last we will also discuss our stakeholders and CSR strategies.

#TeamTricorp.

Table of Contents

Goals over 2020.....	4
Let's meet Tricorp.....	5
Our mission and vision.....	5
Sourcing strategy.....	7
Sourcing strategy and pricing.....	7
Organisation of our sourcing department.....	7
Production cycle.....	7
Supplier relations.....	7
Integrating monitoring activities and sourcing decisions.....	8
Monitoring and remediation.....	8
China.....	8
Suppliers in China.....	9
Bangladesh.....	10
Suppliers in Bangladesh.....	11
Cambodia.....	12
Suppliers in Cambodia.....	12
Vietnam.....	12
Suppliers in Vietnam.....	13
Pakistan.....	13
Suppliers in Pakistan.....	14
India.....	14
Suppliers in India.....	14
Turkey.....	15
Suppliers in Turkey.....	15
Complaints procedure.....	15
Training and capacity building.....	17
Activities to inform staff members.....	17
Activities to inform agents.....	17
Activities to inform manufacturers and workers.....	17
Transparency & communication.....	17
Stakeholder Engagement.....	18
Corporate Social Responsibility.....	18

Goals over 2020.

The past year has shown how fragile international collaboration can be. The COVID-19 situation has had a disastrous impact on the global economy in general, as well as in the textile supply chain we are apart of. We have set goals for ourselves and for our suppliers and it has been a struggle to keep these goals in mind during for us all. Especially for the suppliers, given they have had to face decreasing and often cancelled orders. Because we understand the mutual interest in the collaboration, we have not cancelled orders that were already placed or orders for which the supplier has purchased its resources already.

Unfortunately it has not been possible to visit our suppliers production locations for ourselves which made it more difficult to discuss important topics as living wage and overtime. Nonetheless we have been able to have good conversations with our suppliers, get a good insight into the COVID-measures that were taken, have done research with our suppliers on payment of a living wage and regular working hours, and have initiated collaborations with other Dutch workwear companies to collectively work on freedom of association in which two of our suppliers were willing to participate.

Our CSR department has developed together with our R&D and purchasing departments in a sense that collaboration with our suppliers has improved. Better insights in their needs, better insights in who the suppliers in further tiers are, and investments in technologically advanced hardware that improves the quality of our work tremendously.

Our Due Diligence process has also shown to improve insights into the COVID-measures with our suppliers, working hours and how Tricorp could possibly affect these in the future, as well as willingness to collaborate in improving wages for the garment workers. This has been further strengthened by the social audits that we were able to have performed by the FWF with 4 of our suppliers, accounting for more than 20% of our FOB. Together with the audits that are still valid from earlier years and audits from other social auditing companies we have almost 99% of our FOB suppliers audited. Our goal was to have at least 90% audited, and because of this we believe we have created more awareness and focus on social standards within the supply chain.

“The demand for more sustainable products grows quickly and just from that perspective it is a not-to-miss opportunity to take. We need to dive into our supply chain because we see the worlds necessity for better labour conditions and use of sustainable resources. I have seen great examples with our supplier of how business can be arranged and we need to make this our standards within our whole supply chain, for we are responsible for our influence on it.” – Ruud Kuijpers, Tricorp.

This is Tricorp

We are Tricorp, a team of 70 garment enthusiasts who collectively work on developing the best workwear. Tricorp is found in the heart of the Benelux-region and is both locally and internationally selling its products. We are the 'one-stop-shop' for high quality workwear. The name Tricorp comes from The Amazing Spiderman, of which the Tricorp Research Foundation made its debut in 1999. Within this foundation, innovation and development were the key to unlocking Spiderman's power, which was the inspiration we used for our company name.

Still, shortly after the current owner Mr. Gertjan van Eck took over Tricorp, he found himself in a local cafeteria to provide a simple but delicious evening dinner. He noticed the employees wearing workwear that neither fitted very well nor were particularly good looking. Being the curious man he is he went to ask for the brand they were wearing. He was amazed when he found out the workwear was produced by his own company! This was the moment he knew things had to be done differently. People should work in good looking, fitted workwear in which they can optimally perform.

One of our unique selling points is that our collection is readily available the whole year because of our well-stocked warehouse. The stock is continuously monitored to make sure we can always live up to the standards of our customer. We invest a lot in IT systems to make our work better, quicker and more customer oriented. We believe that all employees should be able to wear the same workwear, regardless of their posture. Besides a good fit the workwear should also be good looking and well fitted, which is why we create workwear for a diversity of people (our products range from XS to 8XL) and not restrain ourselves to unisex models. Our workwear is found in different labels:



[Safe, Strong and Reliable]

Within the Tricorp Workwear label we create robust workwear for professionals in construction, industries and logistics. We pay attention to all details and functionalities the professional needs and the strict requirements that are set. Ranging from parka's to soft-shells, and from working trousers to underwear, Tricorp Workwear has it all.



[Fashion, comfort and durable]

Tricorp Casual contains a substantial collection of high quality basic workwear to work both easily and comfortably and at the same time be representative to the company. This label contains t-shirts, polo's, sweaters and other basics.



[Safety through visibility]

The Tricorp Safety label offers a collection with high visibility and multi-norm workwear. Next to being of high quality and comfort, it is highly important to be visible and protected in various circumstances.



[Fashionable, functional and representative]

We are proud of our own collection Tricorp Corporate, consisting of fashionable, well-fitted corporate workwear for both women and men. Wearing this you will certainly make the best possible impression.



[Innovative & trendy]

We aim to dress all employees in modern, comfortable workwear made out of durable materials. However, for some occasions our workwear can be extra special, for which Tricorp Premium has come to life. This workwear is made out of the highest quality, most fashionable materials available.



[Customized, no limits]

Companies with the desire for customized workwear can turn to Tricorp Specials. We can develop single products of whole collections, each with their own logo's, colours and styling. Anything is possible.

Our mission and vision.

We have worked on building our brand for many years and it is formed out of the determination to be the best on every level. Our workwear is subject to many requirements and we make sure every detail is thought of to work safely, pleasantly and comfortably. Therefore, our mission is:

“Tricorp aims to dress professionals in comfortable and representative workwear in order for the professional to take the maximum out of the working day. Professionals deserve workwear with a nice fit and modern look. We create uniform workwear for the whole team, regardless of posture and sex, which is why our slogan is: Look like a team, work like a team.”

Now and in the future Tricorp works on completing this mission. We are doing a great job already, but we can always do better. Why? Because countries, whole industries and customer demands are subject to change and our customers have higher demands on multiple levels. We need to adapt. Only by adapting we are able to realize our vision:

‘The largest and best workwear supplier of Europe. Tricorp is convinced that something beautiful can always be more beautiful, and something good can always be better.

We are developing ourselves in different ways, for instance in logistics (by currently making sure we can live up to the standards that are held in the future) and by incorporating sustainability in all our processes. Internationally there are different standards compared to the Netherlands, therefore continuous improvement is what we aim for. Our mission and vision are goals for Tricorp to work towards. We can describe Tricorp with the following 9 core values:

1. **Durable.**
Tricorp provides workwear with added value, which is why our customers return to us. We build trust and relations, which in turn grow collaborations that are worthwhile in the future.
2. **Future.**
To continue producing workwear we need our resources to be available. With the ever growing population growth and need for resources, the degradation of fertile soil and the changing climate, scarcity of resources is close by. For that reason we work on circular business concepts.
3. **Responsibility.**
Not only our resources, but also the people who actually create our workwear need to be taken into account. We do everything we can to protect these people from extortion, unfair and unsafe labour conditions. This is not talking the talk, it is walking the walk.
4. **Quality.**
Tricorp does not make any concessions when it comes to quality and functionality. We guarantee that our products are comfortable and safe to work in and will always continue to do that.
5. **Collaboration.**
By collaboration we achieve more. For that reason Tricorp collaborates with a multitude of international organizations, e.g. the Fair Wear Foundation, the ECAP, the SEC (Social Economical Council), and AMFORI BSCI. With these collaborations we strive for continuous improvement.
6. **Representative.**
We should all feel comfortable in our workwear. We represent a brand, an ambition, a need to be the best in what we do. Therefore functionality and being representable go hand in hand.
7. **Dynamic.**
We adapt and overcome. Customer demands, both nationally and internationally, make that we are not afraid of change but embrace it.
8. **Honest.**
We expect transparency from the people and organizations we work with, because our customers demand transparency from us. Therefore we are transparent in what we do, our production processes, our impact on the environment and labour conditions.
9. **Unburden.**
To unburden our customers is the basis for what we do, because this represents Tricorp as a whole. We make sure the products we offer can be worn and worked in safely, comfortably and without concerns.

Sourcing strategy.

Sourcing strategy and pricing.

Tricorp sources from mostly Eastern countries, of which all are classified as 'high risk' according to the Fair Wear Foundation. These are China, Vietnam, Bangladesh, Cambodia, Pakistan, India and Turkey. We do not own any of these production locations, however we only work with long-term business suppliers. Tricorp produces workwear and does in no way benefit from short-term (one-season-only) suppliers given we have to produce the same product in the exact same quality for multiple years. Our products range from basic t-shirts, to multi-norm high visibility workwear able to withstand the harshest circumstances. Whenever we introduce new products to our product range we always check if our current suppliers are able to produce it, because we are already aware of their capabilities and quality. Knowing that we also benefit from a higher signatory share we try to get this number up the longer we stay with our suppliers. This also means that we try to consolidate our suppliers where we can and if necessary we say goodbye to suppliers in a responsible manner. However, we stay with the same suppliers for multiple years because this is beneficial for both Tricorp and the supplier. The average amount of years of collaboration with our suppliers is slightly over 7 years! For some suppliers we have collaborated for more than 12 years already. We do not aim to sell our products for the lowest price, however we aim for the best quality of products for a price that represents that.

Organisation of our sourcing department.

The purchasing department (sourcing) is responsible for purchasing all our products. Given that Tricorp handles a 'never out of stock' principle, these products need to be available at all times. This is also part of the Tricorp DNA: ordering today, delivery tomorrow. In order to keep track of the stock levels, a planning system is incorporated to always know when orders should be placed. We communicate with our suppliers a long-term forecast, 12 months from now, to make sure they have enough time for production. Tricorp also works with agents which are in charge of communication with the actual supplier, which is for multiple reasons. First, the agents have a good connection with the supplier and are able to communicate quickly and in the correct language. At the same time it is not always easy to get access to the supplier without leverage, therefore the agents often works with multiple companies who he represents in order to gain leverage and access to the supplier. Preferably Tricorp stays in direct contact with the supplier, given that the route to communicate, check the quality of our products, discuss any issues that might occur in the production facility, is longer. Our sourcing department is led by our Director of Operations, thereafter the Head of Purchasing and then the actual purchasers.

Production cycle.

Our stick items are ordered with a lead-time of approximately 12 months which enables our suppliers to take into account Tricorp production time way in advance. This has the benefit that Tricorp has less back-orders in the future because the supplier has enough time, we create extra margin in time for ourselves because we are able to overcome and foresee future struggles, and we know way in advance when we can expect the next delivery. Our Tricorp Specials are ordered when requested by our customer. Most often, these specials are ordered once a customer places a repeat order. Only when the sales of a specific article is particularly low (within all possible sizes) a product will be removed from the catalogue.

Supplier relations.

We have not started new collaborations with new suppliers in 2020, however we have investigated the possibility of new suppliers. We assess new suppliers in different ways, before coming to a conclusion. There are approximately 30 questions that should be answered before the supplier can be added to our supply chain, of which some examples are below:

- Are we able and allowed to visit the production location to see for ourselves how the supplier incorporates safety, social issues and the environment?
- Can the supplier deliver the right product, quality, price and delivery we require?
- Is the supplier financially viable (towards the future)?
- Is it open for transparent, honest communication?
- If it is not the case yet, is it open for auditing parties as the FWF, BSCI, SEDEX 4?
- Does the supplier have proper chemical management?
- Does the supplier sign procedures and guidelines of both Tricorp and the FWF and/or BSCI, e.g. the Code of Conduct and the Code of Labour Practices?

Before we have these questions answered, we analyse the supplier and the country in which it produces in our risk analysis. After having consulted both the R&D and CSR department, the COO then gives the final call. We want to prevent future major issues from happening. Last year we mentioned to probably initiate the Responsible Exit Strategy with some suppliers, however, during the COVID-19 year this has not been done. Neither of us would have benefited from that in any way so the collaborations have remained.

Integrating monitoring activities and sourcing decisions.

In 2019 and 2020 we have created a better structure for analysing our suppliers by adding them in our risk analysis. This has resulted in that we were able to structurally set priorities and determine what focal points each supplier has. By using this structure, we analysed a possible new supplier in Myanmar for instance. We analyse all the countries for specific risks (living wages, sexual harassment, child labour, subcontracting, overtime, human rights, freedom of labour, occupational health and safety, discrimination, social dialogue, freedom of association, corruption) and give a value to this based on severity (scale and scope), irreversibility, probability and action perspective by Tricorp. Based on this analysis, the fact that there are high risks of sourcing from Myanmar, and also the amount of extra work that comes with it to make sure all standards are adhered to, it was decided that this was not desired. We perform audits with all our suppliers to check the extent to which the COLP are actually implemented and we periodically discuss with all our suppliers the amount of progress that has been booked.

Monitoring and remediation.

As mentioned before, Tricorp has implemented a more analytical way of analysing our sourcing countries and suppliers. This makes that we can more easily include any new countries and/or suppliers in the future. Most of our products come from 7 countries (Bangladesh, Cambodia, China, Vietnam, Pakistan, India and Turkey) and a fraction of our products comes from Poland.

China

China has approximately 1.4 billion inhabitants of which more than 10 million are active in the garment industry. The garment industry accounts for approximately 4% of the total export value. It still is one of the fastest growing economies in the world, however more Asian and African countries are upcoming in terms of economic growth.

1. Freedom of labour. The risk for modern slavery is not as high as it was two decades ago. China has developed itself into a more modern country with many western influences. However, there is still the possibility that it occurs. The chance, according to numbers, is indexed at +- 40%, so not at all negligible.
2. Discrimination. There are many concerns for China by the International Religious Freedom Act because China seems to totally control religion and to saturate it with Chinese influences. Especially Tibetans and Uighurs experience discrimination and intimidation. It is not prohibited to discriminate based on sexual preference and gender identity. There also seem to be discriminatory practices based on religion and ethnicity with passport checks, probably to prevent religious traveling.
3. Child labour. As with freedom of labour, the risk for child labour has also become lower over the last decades (speaking for the garment industry). There are not many exact numbers on it, therefore we also turn to our own suppliers and the MVO Risk checker to judge this risk somewhat.
4. Freedom of association and CBA. There is one state-controlled union which workers can join, however given the controlling ability of the Chinese government not many people prefer to join this. It is not possible to start another union.

5. Living wages. China maintains a minimum wages, however it does not speak off a living wage. The law guarantees a minimum wage per month and this can differ between local governments and provinces. The FWF has set living wages, but there are really high differences between current and living wages.
6. Excessive overtime. It is not allowed to do more than 48 hours of work per week in a factory, also one cannot work for more than 10 executive days without a day off in between. Still this occurs and often has to do with the factory customers who have high demands for productivity, small batches and low prices.
7. Health and safety. There still are relatively high risks for health and safety issues, mainly due to the large demand for cheap products. We indexed the risk for unhealthy and unsafe workplaces at 50%.
8. Legally binding employment. Especially labour migrants face the risk for not receiving legal contracts which is why their economic and social status won't improve as quickly as could be. They also have longer working days, lower wages and higher risks for violation of basic human rights.

Suppliers in China

We source from multiple companies in China, many of which we collaborate with for more than 6 or 7 years, and we will shortly talk about these partners below.

Supplier 1: With this company in 2020 we bought approximately 10% of our FOB. This factory has been visited by the purchasing team in September 2019 during which the COLP have been discussed. This factory has been audited by the FWF in 2020 and they have shown commitment to collaborate with us in different areas, for instance training in freedom of association and sustainable sourcing. They are willing to provide any information necessary to comply with FWF, BSCI or the Dutch AGT. No complaints were filed with the FWF, and even though a complaint mechanism is active we will be sure to promote this even more. We have no information of other FWF companies sourcing at this factory. Regarding freedom of labour, discrimination, child labour and contracts there is not a lot of information available other than, according to Amfori BSCI, there were no improvements to be made. This supplier has made good steps towards higher wages and we will take collective steps to create even better wages. Overtime is not uncommon in China, and this supplier has also noticed that sometimes too many overtime hours were made, which is why Tricorp makes sure that the production of Tricorp products do not contribute to overtime. Health and safety standards are really well taken into account during the production of our garments which we highly appreciate, this also goes for the situation during COVID-19 (which is still ongoing of course).

They have provided face-masks, hand washing facilities and medical screenings for their workers. They also made sure the workers were able to keep their distance and workers who had symptoms had to stay at home. Workers were tested before they could enter the factory. They spent around \$5000,- to these measures each month. They did not have problems with raw materials but were hesitant to put fabrics in stock because of the risk for cancellation of orders. They mentioned to not miss much revenue compared to the situation before, there were no changes in paying salaries, and ensuring income to workers that could not come to the factory was no issue. During governmental audits they received good feedback on measures taken and how

Supplier 2: Approximately 32% of our total FOB comes from our biggest supplier in China. This is one of our strategic suppliers who produces highly difficult products for us. This factory has also been visited in 2019, not only by our purchasing department but by all employees (+- 70) of Tricorp. A trip to China has been booked for all Tricorp employees to get a better grip on social- and environmental circumstances in the factories we source from, so that we better understand what our purchasing practices entail in abroad countries. The CSR department discussed the COLP as well as the Health & Safety check, however this was easier said than done given the trip in general did not have the sole purpose of discussing these topics.

For the topics forced labour, discrimination and child labour there were no improvements mentioned neither by the FWF nor by BSCI, which is of course a really positive signal. We can work on the awareness of the FWF topic freedom of association, to make sure all workers are aware of who are the worker representatives and what their role is. Also Tricorp will discuss with this supplier how we can gradually increase the wages towards a living wage, given both Tricorp and the whole company together with its workers can benefit from it.

The factory made sure to implement facemasks, handwashing facilities and medical screenings for workers that arrived at the factory. For this factory there were no substantial costs (based on their total revenues) for the taken measures. Orders were not cancelled during lockdown, but postponed if necessary. They received aid from the government for temporary reduction of welfare premiums (subsidized by government).

Supplier 3: In 2019 we sourced for approximately 0.2% of our FOB with this third supplier, making them a low supplier for our total FOB value. This supplier has been visited in 2018 and visits are planned as soon as possible. There were no complaints filed from this supplier or its workers, and we will make sure the complaints mechanism is even better communicated. During audits it was not concluded that any non-conformities regarding forced labour, discrimination or child labour existed. It was concluded that workers were aware of the fact they could join the labour union and there was an active worker committee that meets each quartile. Workers mentioned that the representatives were chosen by other workers, which is a good thing.

They pay at least the minimum wages to its employees, however a living wage is not met yet. Given our leverage at this supplier we will most likely not be discussing living wages since we do not have a high impact there. This factory had the necessary COVID-19 measures taken as well, and the investments for them were not high. They had to deal with postponed orders from some of their clients. Because of the small order quantities this was not the case for Tricorp orders, but still the production of orders was postponed.

Supplier 4: In 2019 we sourced for approximately 6% of our FOB with this supplier, also making them a moderate supplier for our total FOB value. This factory has also been visited in 2019, not only by our purchasing department but by all employees (+- 70) of Tricorp. There are no other FWF members sourcing at this supplier. This supplier has been audited in 2019 by the FWF and the CAP has been discussed with them (before and after the audit). Regarding forced labour, discrimination and child labour there were no issues mentioned neither by the FWF nor by BSCI. Worker representation is something we can improve here, however it is more a matter of actively reviving instead of creating something new. They have created better systems to control working hours which makes the work easier in general. We often have Skype meetings with them and know each other closely. In our talks we have also discussed the use of facial masks, and to better understand each other we have tried them on for a couple of hours for ourselves. Concluding it was not as comfortable as we thought it was, we are now discussing with them which facial masks are a better option. The factory was also investing much in COVID-19 measures, they implemented almost all measures possible for them. At the time of the survey (mid 2020) they invested €12.000 already, and we discussed with them if they needed help in organizing this. This was not the case, also because they received governmental help.

Supplier 5: In 2020 we sourced for approximately 5% of our FOB with this fifth supplier, making them a moderate supplier for our total FOB value. The FWF has performed an audit in 2017, and new social audits are performed by a different auditing company. Tricorp has also provided a WEP training with this supplier in 2019 to improve the awareness regarding the COLP. The outcome of this training was that they got new insights, they were really positive about the participation rate and the discussion that took place, and were open for future trainings as well. There are no complaints filed with the FWF and there are no other FWF members sourcing from this factory. Regarding forced labour, discrimination and child labour there were no improvements mentioned by neither the FWF nor BSCI. One improvement we will make is that employees were not highly aware of their right to join a union and this was also addressed during the WEP training. We have discussed with them that excessive overtime is an important topic for Tricorp, and they have implemented an electrical time registration system which will reduce overtime even more. The factory invests around 5 yan per day per worker for COVID-19 measures, e.g. for face masks, soaps, medical screenings, etc. They requested more orders, however this was not possible for Tricorp either because of lack of orders in the beginning of the pandemic.

Supplier 6, 7 and 8: In 2019 we sourced for approximately 3% of our FOB with these suppliers, which means they represent a lower FOB value individually. They have been audited in the past, however not by the FWF. Since we are looking into auditing the tail end as well, at least two of these supplier will be audited in the (near) future. We are in good contact with them and regularly discuss the FWF labour standards, either during visits in China or the Netherlands, via agents or Skype calls. We understand the leverage we have is not high and therefore it will take some more time to reach a living wage for instance, however work with suppliers for multiple years so that is still part of the plan.

Bangladesh

The garment industry has grown enormously the last 3 decades. More than 80% of the total export value is related to garments. Because of this growth there has been lacking attention towards safety and health on the work floor. The biggest risks are subcontracting, overtime, low wages and the lack for social dialogue. After the Bangladesh Accord the health and safety concerns have gained more attention and since these have improved strongly.

1. Freedom of labour. By law Bangladesh is obligated to act against forced labour, all forms of it are punishable by law. One example of it is to ask workers to do overtime when in fact they have no choice.
2. Discrimination. Also by law Bangladesh stated that all inhabitants are equal by law and should be protected as such. However, still there is a high chance for discrimination given there are many forms. For instance, women get paid +- 30% less than men do for the same job.
3. Child labour. No child under 14 years of age can work, and below 15 a child cannot work in an industrial company. However, often there is no correct age verification system available at the factories.
4. Freedom of association and CBA. ILO conventions state that a worker can join a union without interference of (local) authorities, and you cannot be discriminated against based on that fact. Still there have been issues nationally with unions and the government. Most workers are not aware of their rights.
5. Living wages. One third of Bangladesh is below the poverty line. The law does not speak of a specific wage structure, however there is a minimum wage per industry. The last few decades the wages have increased significantly compared to before, however still the wages are too low according to many local stakeholders.
6. Excessive overtime. As in China, workers may work for a maximum of 48 hours per week, 8 hours per day, except when overtime is to be made. No more than 60 hours per week can be made. However, because of low wages and lack of control, finding excessive overtime is no exception in Bangladesh.
7. Health and safety. The standards have improved and many factories are now up to the necessary safety standards. According to 'the accord' a lot of progress has been made.
8. Legally binding employment. Officially there is a binding work-relationship when somebody is formally working in a factory. The employer needs to document worker details and should keep the identity details. Workers should get a minimum of one month salary when they are laid off after one year.

Suppliers in Bangladesh

Supplier 1: In 2020 we sourced for approximately 3% of our FOB with this supplier, making them a moderate supplier for our total FOB value. This supplier has visited us in 2019 and we will visit them in 2021 again hopefully, perhaps via the Better Mill Initiative. The last FWF audit was from a couple of years ago and in the meantime they have been audited by BSCI. After the last FWF audit it was concluded that there were improvements possible regarding an anti-harassment committee and the amount of female managers (given the amount of women in the factory). BSCI later concluded that they had actively picked up the CAP report and these improvements were taken care of which is worth a compliment. During the next FWF audit we will be sure to take these aspects into account. Regarding overtime, a key topic for Tricorp, the supplier mentioned that overtime is not regularly occurring but that sometimes it was necessary due to peak seasons. Tricorp provides the suppliers with the liberty of the production planning, however we actively contribute to it by providing monthly forecasts. We will make sure to help this supplier where we can to make sure excessive overtime will not occur again.

The factory has taken all the necessary measures to make sure workers were able to work safely. Workers with symptoms have had to stay at home and the appropriate distance was taken into account. They had issues with fabrics that came from India because of the strict lockdown. They had to postpone orders because their production was postponed as well. Mid 2020 they were running the factory as usual again. They shared video's with us from within the factory and that gave us a good insight into the situation.

Supplier 2: In 2020 we sourced for approximately 9% of our FOB with this supplier, making them an important supplier for our total FOB value. We have not been able to visit them in 2020 but will do so as soon as possible again. There are no other FWF members sourcing from here. Also no complaints have been filed with Tricorp directly or the FWF, and we will make sure the complaints mechanism is communicated well enough to make sure workers are fully aware of it. This supplier has been audited multiple times, both by the FWF, Amfori BSCI and the Bangladesh Accord (RSC). We have been collaborating with this supplier for many years and are in close contact. We believe that we are able to positively influence labour conditions at our suppliers, especially those who have been partners for many years. Given there were some necessary improvements to be made in the building itself, we have offered financial help to implement health and safety measures.

The factory took many different measures to make sure the virus could not spread quickly and they provided us with updates and pictures of the situation on the work floor. Disinfection tunnels and portable sanitizers were investigated, all workers were tested before entering the factory and many disinfection measures were taken to keep the factory running.

Supplier 3: In 2020 we sourced for approximately 2% of our FOB with this supplier, making them a moderate to low-value supplier for our total FOB value. The factory has been visited by Tricorp in 2019, in this case the purchasing and R&D department. The FWF and BSCI have both been discussed; until 2020 it has only been audited by BSCI but this year a FWF audit was planned. Due to circumstances it did not happen. There are no complaints filed nor are there any other FWF members sourcing from this supplier. In terms of the FWF standards, freedom of labour, discrimination, freedom of association, overtime and legally binding contracts there were no issues to be mentioned which is a positive sign! Regarding child labour it was given the advice to create more strict guidelines to prevent any employment issues. We will make sure this is well established. We are discussing the current wages that are paid and how to get them to a higher (or possibly living) wage.

Face masks, extra soaps and medical screenings (temperature scans) were arranged to keep the 550 workers safe, by spending around €5000,- each month. They had problems with receiving raw materials, and also had to delay both production and their own orders. This factory mentioned to miss around 40% of their revenues, but they were still able to pay the salaries of the workers.

Cambodia

The production of garments and shoes is the most important economic activity of Cambodia and the country is rivalling heavily with neighbouring countries. The garment industry accounts for more than 75% of the total export value this is also strongly influenced by Chinese companies who own +- 90% of the garment companies in Cambodia. Also a fair share of this export goes to the Netherlands (12%).

1. Freedom of labour. The general risk for forced labour is high in Cambodia, with supporting numbers this was indexed at 80%.
2. Discrimination. The risk for discrimination in Cambodia is relatively high, especially towards religions and ethnic minorities (often social discrimination of governmental people). Gay marriage is not punishable, but LGBT individuals do not get any legal protection against discrimination.
3. Child labour. The risk for child labour in general is high, numbers indicate that 3 out of 10 children between 5 and 14 perform work. Approximately 6% of the child labour occurs in an industrial environment like the garment industry. Most of the children work in service or in agriculture.
4. Freedom of association and CBA. Workers do have the right to join a union, however it is often found that these rights cannot be guaranteed. Cambodia is not seen as a comfortable-to-work country.
5. Living wages. Wages have increased, however not enough to support a living wage.
6. Excessive overtime. The maximum of 48 hours per week and 10 consecutive working days also counts in Cambodia, however a lot of excessive overtime is made.
7. Health and safety. More and more producers are checked regularly for health and safety issues and improvements are also made nationally (given there is more attention for this aspect in general).
8. Legally binding employment. Most of the workers receive contracts when they work in a factory, however the contracts often short-term.

Suppliers in Cambodia

Supplier 1: In 2020 we sourced for approximately 9% of our FOB with this Cambodian supplier, making them an important supplier for our total FOB value. We planned but were not able to visit them in 2020. The FWF does not perform audits in Cambodia, therefore it has been audited in 2020 again by BSCI. No complaints have been filed from either the workers or the company itself, neither with the FWF nor with Tricorp directly and there are no other FWF members sourcing from this factory. Regarding forced labour, discrimination, overtime and legally binding contracts there were no improvements to be made. Still, all aspects are discussed via business visits and Skype meetings. Regarding age verification, it was first told that the verification system was not in order, therefore they introduced a new policy and system to verify ages. This supplier pays more than the minimum wage, however this does not meet the living wage yet and we will discuss with them the possibilities. With approximately 1000 workers in the factory there are many risks for a COVID-19 spread, therefore the factory took a lot of measures. Luckily they did not have issues with receiving the raw materials and did not have to cancel or delay many orders.

Vietnam

The Vietnam textile industry is around 10% of the annual growth rate in terms of revenue, especially from exports to the EU, US, Japan and South Korea. The country itself is the third-largest garment exporter and the garment sector accounted for over 50% in total revenue.

1. Freedom of labour. Vietnam scores relatively high for the risk of forced labour, with an index of +- 50%. Even though Tricorp has not found this with its suppliers, we will always have to look out for this risk.
2. Discrimination. Women structurally get paid less than men for the same job and have less social opportunities because they are expected to stay at home or work in an industrial job. This is where most of the discriminatory actions take place.
3. Child labour. Child labour is still found in Vietnam, however the chance of finding it is becoming smaller each year because of economic developments.
4. Freedom of association and CBA. There is one national union and companies should have joined this union in order for workers to join it. Therefore workers often do not have the option to join the union. Collective bargaining does not occur often and many workers do not know what it entails.
5. Living wages. Wages have increased strongly the last few decades, and are now at +- 70% of the living wage. So still there is a lot of room for improvement.
6. Excessive overtime. Overtime is not uncommon in Vietnam, also for Tricorp suppliers. Often the problem is a correct time-registration system, but also the demand for small batches and quick delivery.
7. Health and safety. When unsafe conditions are found this often has to do with unseparated toilets for men and women, lockers and showers. Against women, sexual violence and harassment is often found.
8. Legally binding employment. With +- 5% of the companies no legal contracts are arranged.

Suppliers in Vietnam

Supplier 1: In 2019 we sourced for approximately 0,5% of our FOB here, making them a relatively low-value supplier for our total FOB value. Tricorp visited them at the end of 2018 together with the Purchase and R&D department, so a new visit is appreciated from both sides. There are no complaints filed with Tricorp or the FWF, and two other Dutch workwear producers are sourcing from this factory (Groenendijk and ETP). We have collaborated with them in the project AMPLIFY to improve Freedom of Association. The supplier has been audited in 2014 and in 2016 again, after which they have been audited by BSCI in 2019. A new FWF audit has been performed in 2020. Regarding freedom of labour, discrimination, child labour and legally binding contracts there were no remarks. Though, the FWF audit is more thorough than the BSCI audits when it comes to concluding the individual standards. Freedom of association is a topic that can certainly be improved, that is why we started the collaboration with the other brands. Although a living wage is not paid, there were no other comments on the payment system. Given payment of a living wage is a priority for Tricorp this will be discussed with them. In the BSCI audit there were only minor issues regarding health and safety, like doors that opened the wrong way and certificates that expired showing that the building itself is safe to work in, all of which have been adjusted and improved which is why this supplier received the maximum score of A. Most measures were taken in this factory, and they did not have to cancel orders because of cancellations.

Supplier 2: In 2020 we sourced for approximately 2,5% of our FOB with this supplier, making them a relatively low-value supplier for our total FOB value. The factory has also been visited at the end of 2018 in the same business trip to Vietnam, by the Purchase and R&D department. It has been audited in December 2017, and will possibly be re-audited by the FWF in the future. No other FWF members source from this supplier. Since the last time the FWF audited here they have moved to a new building which is why most of the old data is not highly relevant anymore. However, this is mostly related to organizational and facility management. The main point is that a new audit is most important to show that the latest CAPs have indeed been improved. This factory employed their nurses in taking care of COVID-19 contaminations and looking after the workers in general. Also they installed hand sanitiser dispensers, provided face masks and medical screenings. There were no issues with the raw materials, but they had to cancel orders in some situations.

Pakistan

The textile industry was the largest export industry with +- \$3,5 billion, with 11% of the total export value for RMG. There also is a lot of influence from Chinese companies in Pakistan, especially in Lahore and Faisalabad. This also results in really modern companies that arise that are ready for large-scale production of garments.

1. Freedom of labour. The risk for forced labour is not really high in Pakistan, however it cannot be ruled out. With supporting numbers this was indexed at +- 40%, therefore not negligible (it never really is).
2. Discrimination. Of all forms of discrimination, what we found is that there is mostly gender-related discrimination against women.

3. Child labour. This is most often found in agriculture and less in the garment sector.
4. Freedom of association and CBA. There often are certain restrictions to join a union (company – government related) but workers have the option to join a union in general.
5. Living wages. This is a big issue in Pakistan because Human Rights Watch has found that, often, workers get paid even below the minimum wage.
6. Excessive overtime. HRW also found, as we also concluded ourselves, overtime is found often.
7. Health and safety. Often, in many factories there is not enough attention for the safety of workers, especially regarding to clean drinking water, clean working places and safe machines.
8. Legally binding employment. Many workers do not receive any formal contract, therefore they risk being laid off without any defence and right for insurance.

Suppliers in Pakistan

Supplier 1: In 2020 we sourced for approximately 13% of our FOB from here, making them an important supplier for our total FOB value. This will probably still grow in 2021 because we see them as a highly important and high quality supplier. They have been visited in 2019 and will probably be visited in 2021 again depending on the circumstances. Given FWF does not do audits in Pakistan we have BSCI audits performed. According to the BSCI report this is a progressive supplier who understands the human rights, fair labour standards and environmental standards really well. This is also what Tricorp concluded from the visits, however there is always room for improvement. Regarding freedom of labour, discrimination, child labour, freedom of association, overtime and legally binding contracts there were no improvements to be made. Regarding health and safety there were really small issues to be solved quickly. For instance a secondary container for oil barrels was missing first and this was fixed. Speaking of a living wage the supplier understands what is requested, and we will make sure to discuss how we can improve this together. Because of COVID-19 the factory, mid 2020, missed around 25% of their revenues. They did not have to lay off workers or change payments, but workers who were not fully fit were not able to enter the factory. The factory was closed due to the lock down for almost 2 months, however, they were able to clear most of the delays by July.

India

The Indian textile industry is one of the largest industries in India, the second largest industry of providing employment opportunities to more than 35 million people in the country. It contributes to 15% of the industrial export output, 2% of the GDP. India is the second largest cotton producer and exporter of cotton in the world.

1. Freedom of labour. The risk for forced labour, or modern slavery, is relatively high in India. This also has to do with the existence of the Sumangali System.
2. Discrimination. In India there still is a caste system which is hard to get rid of. For people from a lower caste it is difficult to reach a higher class. There is a high risk for discrimination against pregnant women.
3. Child labour. In India there is the Sumangali System, highly connected to child labour, because young children (often women) are taken to work in a factory based on a contract. They are often restricted in their rights and liberties.
4. Freedom of association and CBA. The knowledge of joining a union is low, also people can be discriminated against when they indeed join a union. In general membership with a union is low.
5. Living wages. Based on research the current wage differs 45% from the estimated living wage, meaning that a lot of improvement can be made on this issue.
6. Excessive overtime. Normal working hours can be described at 8 hours per day, 6 days a week, with a maximum of 60 hours per week and 50 hours of overtime per 3 months. However, in many areas a normal working day is 9 hours and many overtime is made without proper payment.
7. Health and safety. There is a specifically high risk for women on the work floor, with sexual harassment.
8. Legally binding employment. There is a high risk for workers not having an official contract (+/- 70%).

Suppliers in India

Supplier 1: This is a really small supplier for Tricorp, given we have produced +/- 0,5% at this supplier. We are a really small client for them, so there is not that much mutual interest between this supplier and Tricorp. It has not been audited by the FWF yet but by BSCI it has. We will determine whether it is worthwhile to perform a FWF audit or to have a BSCI audit performed and this will be discussed internally and with the supplier.

Turkey

The garment industry is important for Turkey, with the country being the 6th largest supplier of garments in the world and the 3rd largest supplier to the EU. Approximately 9,4% of Turkey's total export value is related to the garment industry.

1. Freedom of labour. Generally speaking the risk for forced labour is not really high, however with the arrival of many Syrian refugees this risk has increased a lot. Often these refugees have less rights, lacking legal documents and therefore they face higher risks for human rights violations than Turkish workers.
2. Discrimination. Because of the amount of Syrian refugees, especially women refugees have a weaker status and face gender related violence and sexual harassment.
3. Child labour. Although it is not found very often, there still is a risk for child labour in the garment industry. Especially with children who have fled from Syria.
4. Freedom of association and CBA. There are a lot of unregistered workers, resulting in not being able to join a union and the right for CBA.
5. Living wages. People sometimes work multiple jobs to earn a decent wage, especially in the textile industry the wages are far below the living wage.
6. Excessive overtime. As with many countries, excessive overtime is also a problem in Turkey. We know this from our own suppliers.
7. Health and safety. Since many workers are not registered they lack legal protection or social security. Also the law in Turkey regarding safety and health are not practically workable (based on desk research).
8. Legally binding employment. Most workers do have a contract, but we have also found (desk research and audit reports) that legal contracts are not always adhered to.

Suppliers in Turkey

Supplier 1: This Turkish supplier produced approximately 1,2% of our total FOB making them a moderate supplier in terms of value. It is run by an agent who visits Tricorp regularly and also speaks Dutch. There is contact on almost a daily basis. The factory has been visited by Tricorp but not in 2019. Given both the first and second Turkish supplier fall under this agent we have some leverage with this agent and a good relation. A new FWF audit would have taken place in 2020 but did not perceive. Currently, regarding the FWF standards, there was little information available out of the audits. However, the agent understands really well what is required and is also willing to discuss any issues and / or improvements that can be made. In the meantime they have been audited by Amfori BSCI. This factory had issues with receiving raw materials from sub suppliers and missed approximately 30% of their revenues. Factory (mid 2020) was operating as usual again so there were no issues with laying off workers. The workers were not infected luckily and because of the measures taken they were able to limit the risks for contaminations.

Supplier 2: It has been audited in 2017 by the FWF, but given we only have really small portion of FOB here a new FWF audit is not planned. In 2020 this supplier represented approximately 0,3% of the FOB. There were no complaints filed and no other FWF members sourcing from this supplier. Regarding freedom of labour and discrimination there were no improvements to be made. Regarding child labour, at that time, there were missing papers of one workers who still needed approval of his family on paper, which is required by law. This has been discussed with them and we will make sure this is effectively documented at all times in the future. Regarding freedom of association, there were worker representatives chosen, however it was questionable if they were suitable for that job given they were both a supervisor and administrative worker. Knowing we have some leverage with this supplier we will also discuss higher wages and how Tricorp can contribute to that.

Supplier 3: They have produced for Tricorp for many years and represent an FOB percentage of approximately 2%. They have visited Tricorp in 2019 and 2020 again, however we were not able to visit the factory ourselves because of COVID-19 restrictions. There was an issue with a juvenile worker of whom the necessary paperwork was not available (permission to work from the parents) so this had to be fixed. Also the internal dialogue mechanism needed improvement, the worker representatives were elected and a policy on FOA was available, but there was no trade union and CBA signed with workers.

Complaints procedure.

We communicated the complaints procedure of the FWF to all our suppliers by 1) providing an introduction to the complaint procedure and why we use it, and 2) our own procedure to make sure our suppliers are aware of what

they can expect from us and vice versa. Until this moment Tricorp has not received any formal complaint, however we will address a complaint according to the following procedure in case one should occur:

Employees at our supplier should have an 'Access to Remedy', it must be possible for employees to file a formal complaint and to have this complaint resolved structurally. Tricorp, together with the supplier, should therefore create (or contribute to) a mechanism in which individuals or groups of people can file a complaint. The Fair Wear Foundation complaints procedure enables employees (and their representatives / agents) to complain about certain circumstances and violation of the FWF Code of Labour Practices (COLP).

According to this complaints procedure, Tricorp should:

- Inform all suppliers about the existence of this complaints procedure,
- Actively promote the Code of Labour Practices (COLP) and this complaints procedure at all suppliers and its employees,
- Have somebody in place to intercept formal complaints and provide service to resolve it,
- Communicate a formal complaint after it has been received,
- Together with the FWF, discuss the formal complaint and provide support,
- Implement the FWF Remediation Plan to prevent future occurrences.

Complaints can be sent to the FWF Complaints Handler: VIA TELEPHONE, WRITTEN OR VERBALLY, VIA COMPLAINTS@FAIRWEAR.ORG, OR SOCIAL MEDIA. After reception, a timeline is created to resolve the complaint. If the FWF decides the complaint is valid / grounded, Tricorp is informed. Tricorp then needs to contact the supplier within 7 days maximum, or within 48 hours depending on the severity of the complaint. The same goes for the response of the supplier: the supplier should respond to Tricorp within 7 days, or within 48 hours depending on the severity of the complaint.

Tricorp must make the supplier aware of the fact that the FWF keeps track of the process and that retaliation (for filing a complaint) will not be tolerated in any way.

The FWF will then contact Tricorp, after which Tricorp will create an Action Plan together with the supplier, based on:

- The severity of the complaint and on what scale has this has occurred?
- How often does this occur?
- To what extent does Tricorp have influence on the situation and can it resolve it?

Tricorp is responsible for the follow-up and implementation of the Action Plan. Tricorp should also communicate the complaint and resolution in the Social Report by the Fair Wear Foundation.

Training and capacity building.

Activities to inform staff members.

The way staff members are informed about the Fair Wear Foundation and other CSR related issues remains the same as last year. During sales meetings, sourcing meetings, intranet messages and via written procedures CSR topics is discussed. Next to these internal ways to inform, both the CSR, purchasing and R&D department visit workshops and trainings.

Activities to inform agents.

Sometimes we buy indirectly, with the help of an agent. But only if this agent has an added value for Tricorp, for example if the agent can let us produce in places where we would not be able to by ourselves. In addition, the agent is the overall contact person and is the one that is in constant contact with the production location. All CSR, Fair Wear Foundation and Amfori BSCI related issues and questions are handled by the agent, the same way as our contact person at other suppliers do. We try to regularly visit these production locations to gain insight into the situation and discuss the findings in the CAPS compared to what we see personally at that moment.

Activities to inform manufacturers and workers.

We inform our suppliers as often as possible about our CSR standards and our expectations towards them. This results firstly in periodically (re-)auditing our suppliers, either by the FWF or by Amfori BSCI. Depending on what has been concluded from the audit, we initiate a Skype-meeting each 1, 2, 3 or 4 months during which we discuss the progress that should have been made the last period. During this meeting both the CSR and Purchasing department are present for Tricorp, and on the other side the supplier provides us with more information. In the case the supplier visited us, we discuss the issues and progress during a personal meeting. Next to that we also held a training with one of our suppliers in China, a WEP (Workplace Educational Program). We received feedback that this training has been helpful for this supplier, and many people attended (workers and managers).

Transparency & communication.

Tricorp communicates as transparent as possible and understands that being transparent is more important now than before.

Whenever the new Brand Performance Check is done we will publish this on our website, as well as the Social Plan. In 2020 we have managed to discuss all FWF (and more CSR related) themes with our suppliers and create an overview of compliance for all our suppliers. This resulted in serious in-depth conversations with some suppliers about 1) living wages, 2) excessive overtime, 3) health and safety issues and 4) freedom of association. With these suppliers we agreed to partner more intensively regarding these issues in 2020. As a company we set the following priorities for social aspects (based on our risk analysis):

1. Living wages.
2. Overtime.
3. Freedom of association.
4. (Unauthorized) subcontracting.
5. Social dialogue and complaints.

Regarding environmental aspects we set the following priorities (based on our risk analysis):

6. Chemicals management
7. Sustainable resources

Stakeholder Engagement.

Stakeholders	Expectations and discussion
Customers	Our direct customers demand affordable and high quality durable workwear. More and more they expect circular workwear. They also expect open and honest communication about how the products are produced. We are held responsible for ethically responsible workwear. We have discussed the collaboration with the Fair Wear Foundation with them, as well as Amfori BSCI. Most of our customers know something about both FWF and BSCI, but mostly request from us a strategy on how we tackle possible issues.
End-users	The end-users demand durable and safe workwear. More and more they become aware of the social and environmental circumstances during which the products are produced which is why we have to inform our customers and the end-users often about our strategy.
Suppliers and agents	Our suppliers and agents expect honest and realistic leadtimes, honest prices for the garments, quick communication about environmental demands, audits, trainings (and more), long-term collaboration based on trust and quality, and high-quantity orders. With only small order quantities they have no direct value for Tricorp. After we created the risk analysis we analysed all our suppliers based on in total 15 aspects, ranging from social to environmental aspects. All these individual aspects have been communicated with the individual suppliers and with some suppliers we have discussed this already according to our procedures.
MSI	FWF: Due Diligence for countries and suppliers, implementation of the COLP, and the Bangladesh Accord with one of our suppliers. BSCI: With BSCI we have discussed the possibility for local projects (China, Turkey and Bangladesh). CNV: With the CNV we had a meeting concerning Cambodia and Vietnam to discuss local projects for Freedom of Association and Living wages (after a FWF meeting in Rotterdam).

Corporate Social Responsibility.

Next to effectuating CSR in the production location of our suppliers, Tricorp also implements different processes and systems that make Tricorp a more sustainable company in the future. It is not only important to focus on our abroad activities and influence, but also to focus on what we can achieve here, in the Netherlands, to reduce any negative impact. Therefore Tricorp has been working on the following activities:

- ISO 9001 and 14001 certification
- Renewable energy
- Circular workwear (ReWEAR & RE2050)
- Recycling waste