



Fair Wear Foundation

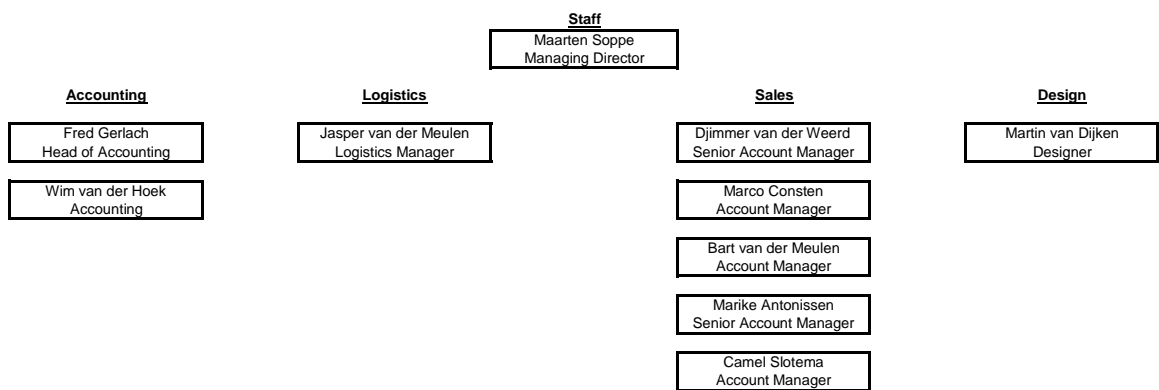


www.p-p.nl

Start date membership

March 2007

Organisational chart





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1. Summary: goals & achievements 2009

For 2009 we had several purposes. First of all, we wanted to increase our percentage of purchases from FWF members. Secondly, we wanted to lobby at our existing suppliers which are not yet a FWF member and convince them of the importance of becoming a member. Thirdly, we wanted to increase our overall sales of products produced at FWF members. Last but not least, we wanted to communicate our FWF membership more clearly to our clients and explain why we believe this is important for ourselves, the products we produce and our suppliers.

The first goal has been reached as we have been able to increase our percentage of purchases from FWF members from 71% to 83%. That means from our total of purchases in textiles an overall percentage of 83% has been produced by FWF members. We are very satisfied with this result.

The second goal has not been reached. We have two important suppliers for the textiles we offer and both suppliers have not yet decided to become a member. In close collaboration with FWF we tried to convince them in personal talks. However until now this has not led to a result. The total share from our purchases of these two suppliers has been decreased from 17% in 2008 to 12% in 2009. The reduction of this percentage is partly caused by the reason that they are not a member yet. This led us to re-consider our buying strategy and looking for alternative suppliers that are a member.

The third goal of increasing our overall sales of products produced by FWF members has also not been reached. However, this is caused by the fact that our total sales have decreased as a consequence of the world financial crisis. The sector of promotional textiles and other promotional products is suffering quite heavily from this crisis and the turnover of P&P has decreased quite a lot last year.

The fourth goal of better communicating our membership and the importance of it is a continuing process. Our sales persons communicate this in almost each meeting that we have with clients. We also communicate this in mailings, on exhibitions, in newsletters, on our business cards etc. It is always hard to measure the exact overall effect. Last year, we noticed that due to the economic crisis sustainability overall, and FWF as a part of this, is judged as being less important for companies. Prices are becoming more important and competition is getting tougher. However, we believe that this is only temporarily. Sustainability is the future. On the other hand, I am also happy to say that we also got a few orders this year thanks to our FWF membership and our other sustainable attributes.

2. Sourcing policy

2.1. Suppliers' overview

- | | |
|---|------------|
| • Continental Clothing Company Ltd | FWF member |
| • Continental Clothing Deutschland GmbH | FWF member |
| • PF Concepts | None |
| • HMZ | None |



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- | | |
|-------------------|------------|
| • New Wave | FLA |
| • Primex Textiles | None |
| • Button Boss | FWF member |
| • Pim Tekstil | None |
| • Tricorp | FWF member |
| • Textet Benelux | FLA |

2.2. Sourcing strategy

We have two important suppliers for the textiles we offer and both suppliers have not yet decided to become a member; HMZ and PF Concepts. In close collaboration with FWF we tried to convince them of the importance of becoming a member in personal talks. However until now this has not led to a result. The total share from our purchases of these two suppliers has been decreased from 17% in 2008 to 12% in 2009. The reduction of this percentage is partly caused by the reason that they are not a member (yet). This led us to re-consider our buying strategy and looking for alternative supplies that are a member such as Tricorp.

2.3. New suppliers

As explained before we are reconsidering our purchases. If there are alternative suppliers that are a FWF member and are able to supply products that are more or less the same in quality and price as non-member suppliers we will choose for the FWF member. Due to this reason we have placed some orders at Tricorp and is Button Boss our preferred headwear supplier.

2.4. Termination of suppliers

We have not stopped working with any supplier this year.

2.5. Share in turnover

We have been able to increase our percentage of purchases from FWF members from 71% to 83%. That means from our total of purchases in textiles an overall percentage of 83% has been produced by FWF members. We are very satisfied with this result. The next aim will be to increase our share to 90%. However, we expect that this will be difficult unless there will be more alternative suppliers to choose from. Nevertheless, we will do our utmost to reach this goal.

3. Training and capacity building

3.1. Activities to inform staff members

All members of our staff are familiar with our FWF membership and what it stands for. All members are able to communicate this to our clients. In 2009 we have not employed any new staff. If this happens in 2010 the new staff member will be trained by the members of our staff. Each time a communication comes in from Fair Wear, our staff is informed by Maarten Soppe.



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3.2. Activities to inform suppliers

New suppliers are informed about important Fair Wear issues if necessary. Suppliers that are not yet FWF members are visited by our staff at least once a year with the goal of convincing them to become a member.

4. Transparency & communication

Our sales persons communicate this in almost each meeting that we have with clients. We also communicate this in mailings, on exhibitions, in newsletters, on our business cards etc. Our membership is also communicated on our website and explained in great detail why we have chosen to become a member. In our main catalogue of this year the FWF logo is also published. Finally, in interviews with press the FWF membership is especially noted. The outcomes of our work plan have not been communicated so far but we will publish this Social Report on our website.

We use our membership for marketing purposes as we are proud of it. We also try to convince our regular customers that buying a FWF sourced product is a better alternative than buying a non FWF sourced product even if the price is a little bit higher sometimes. Luckily, we have quite a lot of clients that specifically ask for FWF sourced products. Besides we tell our clients that they may also use the fact that they buy products that are being produced by FWF members in their communication.

5. Corporate Social Responsibility

Corporate Social Responsibility is of great importance to P&P. This is not only expressed in the products that we sell but also in our corporate goals and policy. We employ a person with a disability, we use stand-by killers, some of our staff print their paper at both sides, we buy sustainable coffee and tea, we have a water cooler with Earth Water and our waste is CO2 neutral in collaboration with Sita.

Also our line of sustainable products is increasing quite rapidly. We have products from bamboo, recycled products, organic products, and biodegradable products. Our most important sustainable product line is the EarthPositive organic textiles range. This range is made climate neutral in close collaboration with the Milieufederatie, Ecofys and the Carbon Trust. The carbon footprint of these products has been decreased with almost 90% by using solar and wind energy in the production process. The remaining carbon footprint and our activities in Holland are being compensated with the Climate Neutral Group. As a consequence this product line is climate neutral and is part of the national HIER project (www.hier.nu). This has also led to investing us in a technical installation which enables us to heat our warehouse with the warmth that comes from the printing facility next door to us. This is a great example of saving energy.

We are very proud that we work for clients as Greenpeace, WWF, Oxfam Novib, Wakker Dier and many others.

Maarten Soppe