

# Picture Social Report

Reporting period (March 1, 2020 – March 31, 2021)



[Company Website](#)

**FAIR WEAR MEMBER SINCE [04/2016]**

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## Organisational chart

See attached document.

## Summary: 2021 goals & achievements

Picture wants to be an example of responsible business. To do this, the company focuses on our environmental impact and our social standards. One is not more important than the other. Fair Wear Foundation (FWF) pushes us in progressing our social side.

Behind every Picture product is a person – who is trying to live a good, healthy life just like the rest of us. Our membership at FWF guides our effort to improve working conditions for everyone who makes our clothing. The 8 pillars of their labor standards are the underpinning of our partnerships with every factory.

Our relationship with Fair Wear is not limited to the work of the sustainability manager; everyone at Picture works in this way. Sustainability engages every employee from logistics to marketing to product design.

This summary would be oblivious to not mention COVID-19 pandemic. This has changed our work with our factories; but has not made us lose our connections. Over the past year, we (the factories and ourselves) have maintained a digital relationship.

Here we would like to highlight 3 major achievements:

1. Started to plan out what raising wages looks like
2. Create a systematic due diligence practice to evaluate new potential factories
3. Worked with new factories this year



## Sourcing strategy

### **SOURCING STRATEGY & PRICING**

100% of our factories participate in FWF's program to improve labor conditions. Our sourcing strategy is based on the thought that we are interested in the entire process - from raw materials to the finished product.

84% of our production volume is made in just 2 factories we have been working with since Picture started in 2008. We have long-term relationships with these factories which means we are able to implement social programs. The plan is to keep our relationship and continue to grow them over the next years.

1. The Li Lian factory in Dongguan, China makes our recycled polyester and bio-sourced technical apparel
2. The Seyfeli factory in Izmir, Turkey makes our organic cotton and recycled polyester lifestyle clothes

The other factories that we source from don't represent as much production volume, yet they are still important to us. We try to do the same work and follow-up with these factories.

### **PRODUCTION CYCLE**

We place orders in a way that allow factories to produce for us before their peak seasons. Our suppliers (Seyfeli & Lilian) have confirmed that our production cycle doesn't happen during production peak periods, so we don't add more stress.

“I know that with Lilian for example, the deal is that we order at least 80,000 pieces or 50% of our purchase on December 1<sup>st</sup> for the next winter to come. Having provided forecasts at that time allows Lilian to manufacture in February, March, and April and then start delivering in May while the industry manufactures a lot in June, July and August. This way we avoid the peak season and occupy the factory’s capacity when it needs it, and we avoid a funnel effect at the beginning of summer” – Nicolas Miribel

“Before the sales meeting, we ask each factories our deadline to send them the PO to reach the ETD requested. To know the ETD requested we deduce the time of shipment to the first retail introduction of each products. During Winter, for outerwear product, the PLM and Julien book the fabrics greiges beginning of October. This booking upstream helps the factory to start the products as soon as theirs received our first PO. Since last year, we start to have a permanent strategic (Never out of stock) on the drinkware. With this strategic, we check every two weeks our stock to be able to orders products in non-peaks season.” – Adeline Leservoisier, demand & supply chain manager

## **FACTORY RELATIONS**

Picture Organic Clothing takes pride in following socially responsible policies. Our company aims to be accountable for the labor conditions where our products are manufactured, to companies we do business with, to consumers, and in general to the society that we are part of. We take the motto of “doing our fair share”

Our company has therefore adopted the Code of Labor Practices outlined by FWF. This code contains a set of internationally accepted labor standards, and these should be observed in all workplaces where our products are manufactured.

If a manufacturer does not comply with these labor standards, we will not start or we will terminate the business relationship, unless that the manufacturer is prepared to implement effective improvements.

Suppliers are extremely important partners. They have an impact on product quality, from an environmental, ethical, sustainable, and technical point of view. Choosing the right suppliers based on these criteria is essential. We have created a due diligence policy to help us pick the right supplier. In this policy, we look at everything from workplace conditions to the political and social circumstances of the factory country. The policy is broken down into three parts:

1. Before we have a potential supplier: in this part, we gather information on the country and the background of the factory. This information is both on social and human rights aspects and environmental- specific numbers. For country information, FW country studies are utilized.
2. Picking a potential supplier: in this part, we learn how the factory works and with whom they work with.
3. To do with the new supplier: in this part, we follow the FW checklists and questionnaires to evaluate conditions.

## **INTEGRATION OF MONITORING ACTIVITIES AND SOURCING DECISIONS**

Every year, FWF conducts an audit on our purchasing practices, our relationships with factories, and on our ability to implement initiatives that benefit workers. Through these audits, the labor standards are verified.

Participating in FWF's continuous improvement process requires thorough knowledge of how every factory works, of potential subcontractors, and how to conduct audits to ensure compliance with the foundation's labor standards.

Participation in this program will have the following implications for a supplier and for Picture:

1. By filling out and signing the FWF questionnaire, the supplier agrees to endorse the labor standards in our Code of Labor Practices. It is encouraged to do so, even if it cannot immediately comply with these standards.
2. The supplier must inform its employees about our labor standards, the auditing process, and potential countermeasures. This must be done by displaying worker information sheet in all places of work, among other means. Picture will provide such information and help the supplier to tell their employees.
3. The supplier will cooperate with audits in the factory that are commissioned by Picture or by FWF. Reliable and professional auditors will be selected for this task. Please note that auditors interview workers during, but also before or after an audit. FWF will always provide advanced notice of the audit.
4. FWF has a complaints procedure. This procedure enables workers and others to file a complaint about the implementation of the labor standards via a local contact point. The supplier agrees to inform workers about this procedure. This can be done, for example, by auditors who visit your company.
5. After each audit, Picture & FWF & the supplier will jointly agree to a corrective action plan, if necessary. The supplier will inform and consult with its employees about the corrective action plan and then discuss with us at Picture. In this step, the relationship between Picture, FWF and our factories are strengthened.
6. From corrective action plan (CAP), it is Picture and the factories' responsibility to follow up on the plan.

If tensions and challenges arise during any part of a suppliers' participation in FWF labor standards, then we expect immediate communication on the issue. From this point, we can have an open conversation on defining the problem and taking next steps towards a solution.



## Coherent system for monitoring and remediation

Briefly, with all our factories in China, we released a new no-tolerance policy for forced labor. This is specifically to address the issues regarding the Uighur and oppressed minority groups.

Also, with our factories this year, we sent out a covid Health & Safety Survey. The objective was to understand how covid has been affecting the suppliers in terms of workers, wages, production and more. This helped us to maintain contact and give support to our factories.

If a factory is left blank with no important updates, it means that we had a normal follow-up that included our questions on their covid situation. Then, we still knew if there were any risks.

On our website, we have all our locations and the products that they make. Here is the [page](#).

Here are all our factories and what has happened over the past year:

- 1 Lilian International LTD, Dongguan, China

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An FWF audit was conducted at the Chinese supplier in 2021. A corrective action plan has been written and is still tracked. Additionally, we have been discussing the topic of wages between Picture and FWF and also between Picture and Lilian, especially after the recommendations of our last brand performance check. For wages, we are trying to build our social dialogue with Lilian while making a strategy for better wages. In 2021, we stayed updated with their covid situation through our survey.

*Social/ Environmental certifications and audits:* ISO9001, Sedex (4P), WRAP, CQC, SGS, Accordia, GRS

## **2** Seyfeli, Izmir, Turkey

In 2019, we have created a Syrian refugee policy with Seyfeli that still carries true to this day. In the past year, we maintain consistent communication with Seyfeli during the pandemic, especially through our survey.

*Social/ Environmental certifications and audits:* Sedex, GOTS, Organic Content Standard, Global Recycled Standard.

## **3** Shin Lan, Taiwan

In 2021, we stayed updated with their covid situation through our survey.

*Social/ Environmental certifications and audits:* Higg Index

## **4** Sheico, Vietnam

In 2021, we have collaborated with Decathlon to collect the audit report done at Sheico Vietnam and we have received the SMETA audit report. From these audits, we created a more thorough corrective action plan for this factory. In 2021, we stayed updated with their covid situation through our survey.

*Social/ Environmental certifications and audits:* Bluesign certificate, SMETA (CAPR & Official Report), ISO 9000 certificate, OHSAS 18000 certificate (to be upgraded to ISO 45000) SMETA by SGS, Decathlon by Decathlon and by SGS, COSTCO by Elevate, Quiksilver (Quest) by UL, Billabong by BV, SMETA by TUV SUB, Arena by SGS

## **5** Shilla, Long An province, Viet Nam



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In 2021, we stayed updated with their covid situation through our survey.

*Social/ Environmental certifications and audits:* ISO 14001, ISO 9001, ISO 45001, Wrap, BSCI, ISO conducted by BSI, Wrap conducted by ICG, BSCI conducted by SGS

## **6** Atelier Cenyo, Chatillon sur Michaille, France

In 2021, we stayed updated with their covid situation though our survey.

## **7** Meroson, Shanghai, China

In 2021, we received a Better Work audit conducted in 2019 at the factory. From this, we wrote a correction action plan.

*Social/ Environmental certifications and audits:* WCA

## **8** Allure Fashion, Bangalore, India

In 2021, we stayed updated with their covid situation through our survey.

*Social/Environmental certifications and audits:* OEKO TEX

## **9** Flexfit Headware, Dong Nai Province, Vietnam

In 2021, we worked on a new corrective action plan for Flexfit based on external audits. In 2021, we stayed updated with their covid situation through our survey.

*Social/ Environmental certifications and audits:* Better Work, BSCI, WCA

## **10** HK Love, Hong Kong, China

In 2021, we stayed updated with their covid situation through our survey.

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Social/ Environmental certifications and audits: Better Work, BSCI, WCA

### **11** Saratoga, Chennai, India

In 2021, we stayed updated with their covid situation through our survey.

*Social/ Environmental certifications and audits: SA 8000:2014*  
Social Accountability Management System Certified

### **12** Dienwell, Fujian, China

In 2021, we stayed updated with their covid situation through our survey.

*Social /Environmental certifications and audits: BSCI*

### **13** St Malo Exports LTD, Mauritius

In 2021, we stayed updated with their covid situation through our survey.

### **14** Z Plus company limited (ZKG), Huaian City, China

In 2021, we stayed updated with their covid situation through our survey.

*Social/ Environmental certifications and audits: Higg Index, SLCP, BSCI, FLA*

### **15** Ningbo Bin Bin Imp-exp/ Ningbo / China

In 2021, we stayed updated with their covid situation through our survey.

### **16** Wujiang Kaiyue Textile/ Suzhou / China

In 2021, we worked on a corrective action plan for this factory based on external audits. We also stayed aware of their covid situation through our survey.

### **17** Xiamen Feeling and Textile/ Xiamen / China

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In 2021, we stayed updated with their covid situation through our survey.

*Social/ Environmental certifications and audits:* BSCI, ISO9001

## **18** MLife International/ Shenzen / China

In 2021, we stayed updated with their covid situation through our survey.

*Social/ Environmental certifications and audits:* ISO9001, ISO14001, OHSAS18001 BSCI

## **19** Bethel Vina/ Long An/ Vietnam

In 2021, we stayed updated with their covid situation through our survey.

Our 2 new factories are:

## **20** Seyon Gloves/ Purwakarta / Indonesia

In 2021, we started working with Seyon Gloves. We performed a due diligence report on them. Even though they are new, we have a corrective action plan written for them with information from a 2020 audit. Picture and Burton are collaboratively discussing social standards at Seyon.

*Social/ Environmental certifications and audits:* Elevate Audit

## **21** ComfySocks/ Barcelos / Portugal

In 2021, we started working with ComfySocks. Again, we performed our due diligence policy. We are excited to be at this factory because other brands like Norrona and Vaude with social and environmental missions like Picture's also work there.

*Social/ Environmental certifications and audits:* GOTS, GRS, RWS



## Complaints handling

No formal complaints were handled this year.

## Training and capacity building

### ACTIVITIES TO INFORM STAFF MEMBERS & AGENTS

Florian Palluel, sustainability manager, trains Picture's staff and the sales force (agents & distributors) on the environmental and social commitment of the company. Such trainings or workshops happen during Picture's sales meetings that occur twice a year or when a new employee is hired. Additionally, he discusses FWF- related topics during Instalives or panel discussions. Overall, topics like supply chain management and Fair Wear naturally come up around the office.

Relevant due diligence documents, country studies, policies and FWF Worker information sheets in different languages are shared by Dropbox to:

- Agent for smaller suppliers (16% FOB)
- Bigger suppliers (Lilian, Seyfeli)

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- Production planner
- CSR Manager
- Sourcing Director
- Product management team

## **ACTIVITIES TO INFORM MANUFACTURERS AND WORKERS**

Normally, during factories visits we have opportunities to inform manufacturers and workers about our FWF membership and social commitment. However, with travel restrictions this year, no factories were visited.

We did inform manufacturers and workers about FWF and their labor standards by sending an updated worker information sheet. Additionally, when we follow-up on our corrective action plans, we try to remind management or those we are speaking to of the labor standards.

## **Information management**

We have Excel documents dedicated to corrective action plans, factory follow-up, and more. Also, we have a google maps sheet with all locations (including sub-contractors). The sustainability manager and other relevant employees are constantly updating these documents.

## **Transparency & communication**

When relevant and appropriate, we talk about our factories and our work with FW on our social medias (Instagram, LinkedIn, etc.). We are also telling the FW story to our sales distributors around the world.

To learn more about where our products are made and by whom on this <https://www.picture-organic-clothing.com/transparency/en/suppliers.html>

To learn more about our work with Fair Wear Foundation, Fashion Revolution, and to understand why we produce most of our products out of France: <https://www.picture-organic-clothing.com/transparency/index-en.html>

## Stakeholder engagement

We partner with different non-profits around Europe and the world that make a positive impact. These partnerships align with and support Picture's mission. We redistribute the resources generated by our business to support environmental and humanitarian causes that we believe in. These partnerships are a complement to our work with FW and do not influence decisions on workplace conditions. All the information is [here](#).

## Corporate Social Responsibility

Working at Picture offers the chance to make a real difference by being a part of our ongoing mission and commitment to the environment: [company culture](#).