

**ts**

TEXTILE SOLUTIONS

# Responsibility Statement (V3)

Purpose .....	2
Stakeholders .....	2
Our responsibility commitment .....	2
Priority areas .....	4
Quality assurance .....	4
Social responsibility in the supply chain .....	8
Reduced environmental impact .....	12
Anti-corruption .....	17
Responsibility in the community .....	17



## Purpose

This document describes the responsibility taken by us at TS Design & Production AB for the products we sell and how they are produced. Everything we do begins with our commitment to our customers being able to feel confident that they are buying quality assured products produced in a socially and environmentally responsible manner. This is regardless of whether the products come from our own production or if we refine products purchased from other brands.



## Stakeholders

Our most important stakeholders are our customers and our suppliers. And, at the same time, we want, to the best of our ability, to participate in and contribute to the local community.



## Our responsibility commitment

Our responsibility commitment embraces our operations in Sweden, our own production and other products we purchase from other brands.

In the first instance we work directly with the factories without intermediaries. In cases where we buy in and refine products from other brands, we require those brands to operate with the same level of responsibility and strict controls as we impose upon ourselves. It is for this reason that we conduct supplier assessments.

Our responsibility commitment is based primarily on established initia-

tives, standards and certifications. This provides us, as a small business, with the opportunity to influence our suppliers and other players in the production chain.

Our own production takes place in Asia and Europe, including in countries that are classified as high-risk according to Worldwide Governance Indicators (WGI) with respect to social and human rights. While we are aware of the risks of having production in countries classified as high-risk, we believe that our business has an opportunity to contribute to a positive development in these countries in terms of job creation and economic growth, providing we act in a responsible manner.





## Priority areas

We have three areas of priority for our responsibility commitment:

- Quality assurance
- Social responsibility in the supply chain
- Reduced environmental impact

Based on these priority areas, we have set targets for our business with the intention of expanding our field of responsibility.

The product brands we work with are subject to a supplier assessment based on these three priority areas, and we choose to work with the brands that best meet the supplier assessment criteria.



## Quality assurance



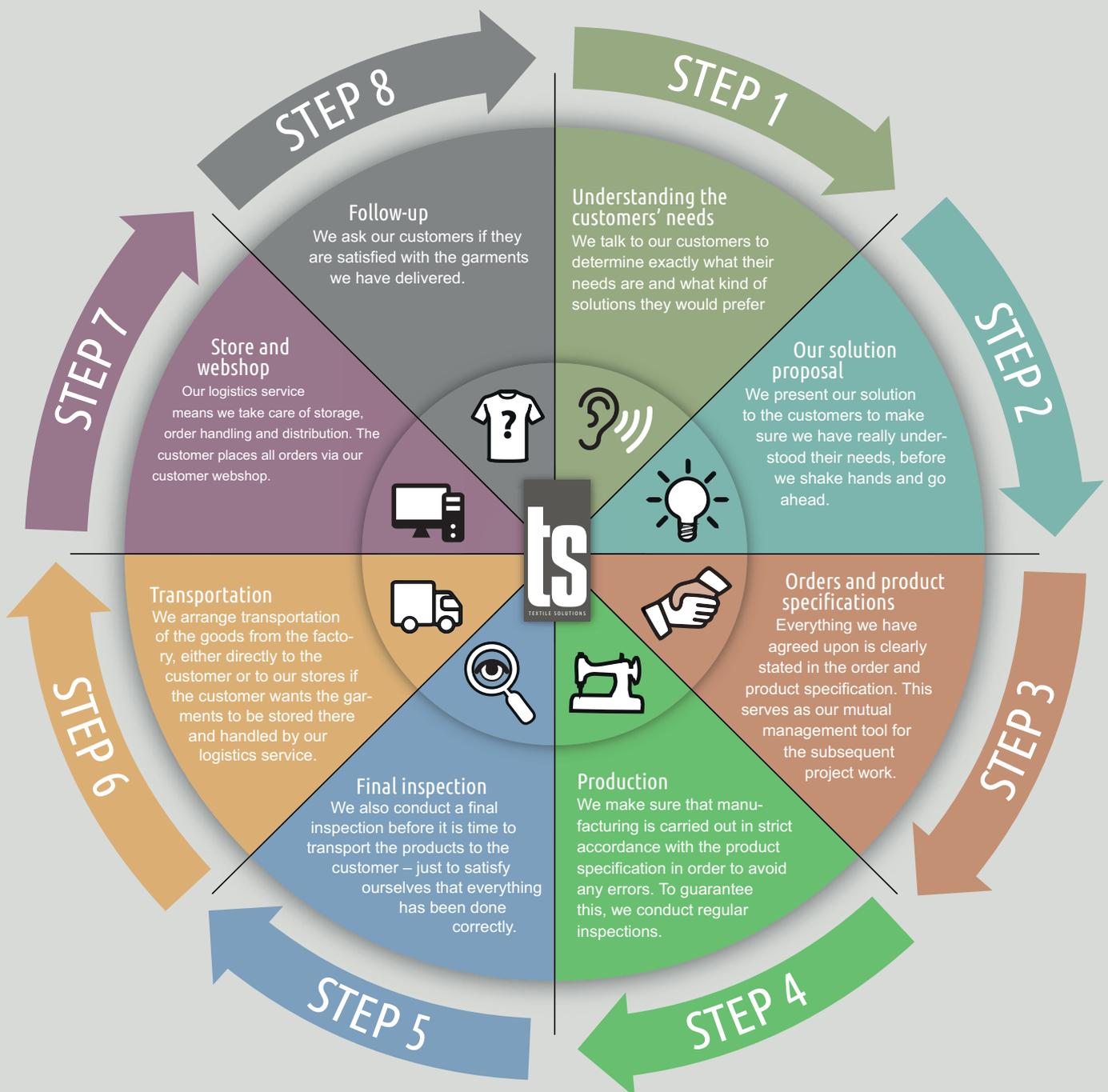
**OBJECTIVE:** To develop the business by, in conjunction with our deliveries, always conducting a follow-up of the customer's experience of the quality of our products and services.

Our customers need to be satisfied with both our products and our service. Since we started in 1990, we have been careful to monitor and control the quality of the products we produce and distribute. We have well-developed procedures for this.

As of 2017 we send an email to the customer together with the invoice. In the email we ask one of the following two questions:

- Are you satisfied with the delivery?
- Would you recommend TS to others?

The answers are posted continuously on the website.





## What is being done today?

### **Our own production**

#### Product documentation:

Every order we receive is always accompanied by a product specification as an appendix to the order confirmation. This specification clarifies the characteristics of the product in detail and includes a detailed description of the product, the quality standards required, the size list to be used, sewing and profiling instructions and other product instructions. We always develop the product specifications in collaboration with the customer.

#### Product testing:

We undertake quality assurance in various ways, including testing the products at their various stages of production and comparing the test results with agreed quality standards. The design of the requirements and tests was made in collaboration with the RISE Research Institutes of Sweden ([www.ri.se](http://www.ri.se)).

We also conduct chemical testing. More information on our work with chemicals can be found in the section entitled "Reduced environmental impact".

#### Production and delivery assurance:

We achieve product assurance by regularly comparing the production output against the product specification. This is done either by TS De-

sign & Production AB's product and production control staff or by accredited third-party inspectors.

This ongoing cross-comparison process gives us immediate information about potential disruptions to production that might cause delays. It gives us the opportunity to solve any problems before delays can occur.

For the transportation of the goods, we use reputable freight forwarders with offices in our shipping ports. We have developed procedures that allow us always to trace goods that are under consignment.

TS Design & Production AB is registered with the Customs Department as a registered goods recipient and credit importer.

## **Other brands**

In conjunction with the supplier assessment that all the product brands we work with are subject to, we also ask a number of questions with respect to quality assurance. The purpose of these questions is to ensure that the product brands have quality assurance procedures that are comparable to ours. The questions, as well as the brand names we work with, are available for viewing on our website ([www.tsdp.se](http://www.tsdp.se)).



## Social responsibility in the supply chain



**OBJECTIVE:** Not to be satisfied with scrutinizing main suppliers only. The suppliers in all stages of production – from the cleaning of cotton to the manufacture of the garments – in the supply chains where the majority of our garments are manufactured, should be included in the amfori BSCI's third-party audit system.

To enable us to ensure that our suppliers are taking responsibility for their employees, we work with a limited number of suppliers. We work directly with the factories, completely avoiding intermediaries.

Besides visiting the factories ourselves, we have since 2009 been active members in amfori BSCI ([www.amfori.org/content/amfori-bsci](http://www.amfori.org/content/amfori-bsci)). Our goal is that all suppliers, from the cleaning of the cotton to the manufacture of the garments, in the supply chains where the majority of our garments are manufactured, should be included in the amfori BSCI's third-party audit system.



## What is being done today?

### Our own production

Just a few suppliers:

By primarily making use of our own production and employing just a small number of suppliers, we are able to verify that production takes place in a fair and responsible manner. We place an emphasis on long-term relationships, which contributes to improved transparency. We also choose to work with factories that have permanent staff instead of contracted staff.

In 2017, we made a survey of the suppliers, from cleaning the cotton to the manufacture of the garments, in the supply chains where the majority of our garments are manufactured. We have thereby increased transparency and control, which enables us to make greater demands on all suppliers involved.

### Membership of the amfori BSCI:

Since 2009, we have been active members of the amfori BSCI ([www.amfori.org/content/amfori-bsci](http://www.amfori.org/content/amfori-bsci)), and as such have a responsibility to ensure that the strict code of conduct that amfori BSCI has developed is complied with by both ourselves and our suppliers.

It is also necessary for us that we live up to the requirement set by the amfori BSCI in respect of continuous improvement of working conditions at our suppliers' workplaces.

The amfori BSCI Code of Conduct is based on the ILO's eight core con-

ventions, the UN Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises. These embrace the following areas:

-  Freedom of association and the right to conclude collective agreements
-  Reasonable remuneration
-  Health and safety in the workplace
-  Special protection for young workers
-  Prohibition of forced labour
-  Ethical business practice
-  Prohibition of discrimination
-  Reasonable working hours
-  Prohibition of child labour
-  No precarious employment conditions
-  Protection of the environment

Embedded in our purchase agreement, there is a requirement for our suppliers to implement the amfori BSCI Code of Conduct. Every year, an independent audit of our suppliers is carried out based on the code of conduct. On request, we share with our customers the results of the third-party audits that have been conducted.

## Safe workplaces in Bangladesh:

Accordet ([www.bangladeshaccord.org](http://www.bangladeshaccord.org)) has carried out inspections of our suppliers in Bangladesh with respect to safety in the workplace. Such audits are able to determine whether the workplaces under review have attained the standards set by Accordet, or that action is required to meet

these standards, or that they pose an immediate risk to the employees.

We follow up the results of these inspections and encourage our suppliers to take action where needed. We refuse to use suppliers whose factories pose an immediate risk to employees and who fail to take the necessary remedial action.

The results of these audits are also available to our customers.

Focus Social impact	Cultivation Raw materials	Ginning	Spinning	Weaving Knitting	Wet process Dyeing Printing	Manufacturing	Transportation
			✓	✓	✓	✓	
	✓						
		✓	✓	✓	✓	✓	
		✓	✓	✓	✓	✓	

## Certified clothing:

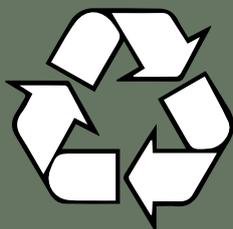
Our customers have the opportunity to buy clothes that are certified according to Fairtrade, GOTS, GRS and OCS. The fact that we can offer certified clothing means that we are able to fulfill the financial and administrative commitments we have towards the respective certification bodies.

The certifications focus on different parts of the production, from cultivation of the cotton to the manufacture of the garments. Together, they guarantee that the work in all parts of the production chain has taken place under fair working conditions. The part each certification focuses on is illustrated below.

## Other brands

In conjunction with the supplier assessment that all the product brands we work with are subject to, we also ask a number of questions relating to social responsibility in the supply chain. The purpose of these questions is to ensure that the product brands have a system for monitoring social standards in the supply chain that are comparable with ours. The questions, as well as the brand names we work with, are available for viewing on our website ([www.tsdp.se](http://www.tsdp.se)).

## Reduced environmental impact



**OBJECTIVE:** To reduce the environmental impact in the supply chains where the majority of our garments are manufactured.

Our challenge is not that the biggest environmental impact involving our products occurs in our Swedish operations. It is that the biggest impact comes from the operations of our main suppliers and from earlier stages in the production chain, as well as from our customers when they use and handle the garments.

We are constantly looking for new opportunities to reduce our direct and indirect environmental impact. The work is done in close cooperation with our customers and suppliers. During 2017, we carried out a calculation of the environmental impact in the supply chains where the majority

of our garments are manufactured. The calculation includes all steps in the process, from cultivation to sale.

Based on the information that has been made available, we aim to work towards reducing the environmental impact in the supply chain. In addition, we aim to ensure that the garments are 100% climate compensated. The 2017 survey showed that 384 tons CO<sub>2</sub>e which we have climate compensated through ZeroMission ([www.zeromission.se](http://www.zeromission.se)) via a Fairtrade-certified project in southern India.



## What is being done today?

### Our own production

Water:

In our purchasing contracts, we have issued the following instruction:

Please indicate if you yourself have (or you have ascertained that your fabric suppliers have) instigated functioning and effective water purification in your/their dyeing and preparation works. If not, please state why.

Yes ?

No ?

If no, why: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Chemicals:

We apply industry association recommended purchasing conditions for chemicals in textiles, clothing, leather goods and shoes published by Textilimportörerna (the Textile Importers) – web site: [www.textileimporters.se](http://www.textileimporters.se). These recommendations are always included as an integral part of our production order and the supplier who does not follow these requirements violates our terms of purchase.

Our clothing is also certified in accordance with OEKO-TEX Standard 100, GOTS, Fairtrade and OCS.

## Renewable electricity:

We primarily cooperate with factories that are more or less self-sufficient in electricity via wind or solar power.

## Transportation:

Our transportation is mainly by sea freight, and primarily with carriers who have obtained ISO 14001 certification. Airfreight takes place only when the customer specifically requests it. We are also committed to unloading sea freight in the port closest to the customer.

We make climate compensation for transportation to Sweden through ZeroMission ([www.zeromission.se](http://www.zeromission.se)).

## Animal husbandry:

When animal fibres such as wool and feathers or other animal products are used, our policy is to work with European suppliers who are required

to ensure that the products come from breeders and producers employing good animal husbandry.

## Certified clothing

Our customers have the opportunity to buy clothes that are certified according to Fairtrade, GOTS, GRS and OCS. The fact that we can offer certified clothing means that we fulfill the financial and administrative commitments we have towards the respective certification bodies.

The certifications focus on different parts of the production, from cultivation of the cotton to the manufacture of the garments. Together, they guarantee that work in all parts of the production chain has taken place without unnecessary impact on the environment. The part that each certification focuses on is illustrated below.

Focus Social impact	Cultivation Raw materials	Ginning	Spinning	Weaving Knitting	Wet process Dyeing Printing	Manufacturing	Transportation
	✓						
	✓	✓	✓	✓	✓	✓	
	✓	✓	✓	✓	✓	✓	
	✓	✓	✓	✓	✓	✓	✓
	✓						
			✓	✓	✓	✓	

## 100% climate-compensated garments

During 2017 we carried out a calculation of the environmental impact in the supply chains where the majority of our garments are manufactured.

The calculation includes all steps in the process, from cultivation to sale. Based on the calculation, we climate-compensate for the garments through ZeroMission ([www.zeromission.se](http://www.zeromission.se)) via a Fairtrade-certified project in southern India. Through this project, approximately 20,000 households receive new energy-efficient stoves, reducing the need for wood by two-thirds. The new cookers also reduce the presence of carbon monoxide and soot particles indoors, which has many positive effects on health. Furthermore, the fact that less time is required to gather firewood makes it possible for children to go to school.

## Other brands

In conjunction with the supplier assessment that all the product brands we work with are subject to, we also ask a number of questions relating to reduction of environmental impact. The purpose of these questions is to ensure that the product brands are working in a way similar to ours when it comes to reducing environmental impact. The questions, as well as the brands we work with, are available for viewing on our website ([www.tsdp.se](http://www.tsdp.se)).

## Our business activity in Sweden

### Recycling:

We recycle packaging through FTI, the Packaging and Newspaper Collection Service ([www.ftiab.se](http://www.ftiab.se)).

### Electricity from hydropower:

Our electricity usage in Sweden is 100 percent based on hydropower.

Electric cars:

Our company cars are 100 percent electric-powered.



## Anti-corruption

We follow Transparency International's ([www.transparency.org](http://www.transparency.org)) "Business Principles for Countering Bribery. Small and Medium Enterprise (SME) Edition" and reject all form of corruption, as well as bribery and the taking of bribes. A paragraph pertaining to this is included in our purchase agreements with both our suppliers and the brands from whom we purchase and process goods.



## Responsibility in the community

TS Design & Production AB supports Stockholm's homeless by donating sample collections, excess stock etc., to Situation Stockholm ([www.situationsthlm.se](http://www.situationsthlm.se)).

A blue ink handwritten signature of Anders Karlsson, consisting of a large, stylized 'A' followed by a horizontal line.

Anders Karlsson

EVERYONE HAS THE RIGHT TO FEEL GOOD

TEXTILE SOLUTIONS – CONSCIOUS BRANDING