HAFDE PLC SHOES AND LEATHER GOODS PRODUCTION



HAFDE tannery © Louis Nderi and EFI

Who are we?

HAFDE is a private limited company specialized in leather tanning and leather goods production. Our client base is international looking for the highest quality standards. We have strong social and environmental commitments and are continuously striving to go towards more environmentally friendly production processes.

We offer <u>a wide range of leather</u>, using different base materials (goat, sheep, cow, crocodile, etc.) with various <u>tanning methods</u> (chrome, vegetable and chrome free). We can accommodate all your needs for leather shoes and bags production. Ultimately, our goal is to produce chrome and sulphide free leather and empower many more marginalized artisans from informal settings by training them and offering job opportunities.

The collaboration with EFI

In order to achieve our objectives, we are supported by the International Trade Centre's Ethical Fashion Initiative (EFI). The Initiative aims to reduce global poverty by connecting micro-entrepreneurs from the developing world with the international fashion industry.

EFI is helping us build our capacities in leather bags and shoe making as well as helping us upgrade our leather production to environmentally friendly chrome and metal free leathers.

Partnering with EFI, we will outsource the production of some components of our bags and shoes to disadvantaged communities that will be specifically trained for the orders. We are committed to implementing the RISE framework of EFI to monitor our progress towards more sustainability.

GENERAL TERMS AND CONDITIONS OF SALE

These general terms and conditions of sale govern the relationship between HAFDE and the customer (you). They are applicable at the time you place an order.

Sampling Process

To produce your samples correctly, we require <u>exhaustive</u> <u>technical design sheets</u> (with materials used, pantones, yarn thickness, stitch type, stitch length, measurement of hardware, etc.), <u>cutters must</u>, <u>patterns</u>, <u>lasts</u> and all accessories that can't be sourced in Ethiopia (high heels, Texon, specific zippers, etc.) or that are necessary for your branding (like metal stamps). We can send you examples of detailed technical sheets if necessary.

<u>Strong communication is paramount.</u> We encourage you to contact our team to organize a skype meeting to talk through your designs and define what you will need to send from abroad.

For sandals and flat shoe models: If you don't have patterns, or lasts, we could have your patterns made and graded, as well as lasts and cutting dices. This is an additional cost and takes at least month. Please contact us for more details.

For high heel shoes: we can connect you with an Italian company specialized in high end shoe development. This company can develop patterns, lasts, shoe components for you (heels, insoles, outsoles, etc.) and can connect you with a full network of shoe component suppliers. We could then take care of the production.

Fees and lead time for samples

We are glad to start new collaborations. <u>The samples are</u> <u>priced based on their complexity</u>. The price of the sample will be given after receiving the technical sheet and materials requirements.

Payment for samples is due prior to dispatch and <u>samples</u> <u>are delivered within 30 days</u> following the receipt of the finalized Technical Design Sheets. It could take longer if there is any leather development needed.

Once you receive the samples, if any alterations need to be made, please update the technical sheets.

BULK PRODUCTION

Once samples are finalised and the cost of production agreed on, we require <u>a Purchase Order (PO)</u> with:

- Unit style,
- Quantity/unit,
- Shipping address,
- Dispatch date requested.

We need your graded patterns, lasts and cutting dices to start production as well as any other accessories that cannot be sourced locally.

We can supply you with:

- All types of leather,
- Embossed leather (as long as you provide the embossing stamp),
- Rubber soles (100% rubber or less),
- Reinforcement, foam,
- Basic zippers, laces,
- Certain colours of thread we will need to see if our proposals suit your needs.

Minimum Orders and Lead Time

The MOQ is of <u>300 pieces per collection</u> and as a rule of thumb, we request;

- 50 units per style / color / size for accessories ,
- 15 pairs of shoes per model/size.

This ensures all the training invested in producing a high quality product is worthwhile. We are open to discussing the MOQs for very high end accessories. During the sampling process, we establish production lead times.

Deposit and Order Confirmation

All orders are invoiced and payable in US dollars (FOB). International <u>bank transfers</u> are the only accepted means of payment. Upon receiving the proforma invoice confirming the dispatch date, you will need to make a deposit (TT payment) to trigger your order's production. The deposit is either full payment of the order or an advance of 50%.

Prices and payment terms

The remaining amount can be paid using the advanced payment method one week before dispatch of the goods, <u>a Letter Of Credit</u> or the <u>"Cash Against Document"</u> procedure.

As we work with artisans on some orders, there are no credit facilities available. Part of our mandate of ethical responsibility is to ensure our artisans receive timely payments. All our prices for leather goods include a 2% fee dedicated to a capacity building fund set up with EFI to train people from disadvantaged communities.

Quality

All our products undergo a stringent quality control process. However, given the importance of handmade in our production processes and the nature of leather, there might be slight variations between products.

Dispatch (Samples and Bulk Order)

You can choose between two options:

- 1. You are responsible for covering the cost of dispatching samples / bulk orders. For this we require your courier agent, account number and a letter of authorization for the dispatch.
- 2. We take care of the dispatch and invoice you back.

Returns – Reimbursements

If you are not satisfied with the quality of a delivery, we kindly request a precise documentation of the problem for our team to examine. If the request is justified, we will emit a credit note for a future order and replace the faulty products.

Force majeure

Should HAFDE be prevented from effecting deliveries of the goods by a force majeure reason of either insurrection, war, terror attacks, riots, legal restrictions, strikes, natural disasters, permanent or temporary delay or inability to obtain labour, material or services, then, in each such cases, the obligation of HAFDE to effect deliveries shall be suspended until after such prevention shall cease to continue and HAFDE may withdraw from this Contract and be relieved from any liability. HAFDE will immediately inform you of the exceptional circumstances and reimburse advances.

CONTACT US

We are at your disposal if you have any questions or would like to place an order. Please contact us at the following address: <u>hafdeleathergoods@gmail.com</u>

PICTURES OF OUR OPERATIONS:



Tie and dye leather © Louis Nderi and EFI



Bag lining © Louis Nderi and EFI



Goods ready to be shipped © Louis Nderi and EFI



Bag stitching © Louis Nderi and EFI



Tanning drums © Louis Nderi and EFI



Hides drying © Louis Nderi and EFI



Shoes produced at HAFDE © Louis Nderi and EFI



Shoes production at HAFDE © Louis Nderi and EFI