



# Brand Performance Check

Haglöfs Scandinavia BA

August 2013

This report covers the evaluation period

April 2012 - December 2012

## About the Brand Performance Check

Fair Wear Foundation believes that improving conditions for apparel factory workers requires change at multiple levels. Traditional efforts to improve conditions focus primarily on the factory. FWF, however, believes that the management decisions of the clothing brands have an enormous influence for good or ill on factory conditions.

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's affiliate members. The Checks examine how affiliate management systems support FWF's Code of Labour Practices.

In most apparel supply chains, clothing brands do not own factories, and most factories work for many different brands. This means that in most cases FWF affiliates have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of affiliates. Outcomes at the factory level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF affiliates cannot guarantee results.

Even if outcomes at the factory level cannot be guaranteed, the importance of good management practices by affiliates cannot be understated. Even one concerned customer at a factory can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a factory can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of FWF's work.

Improvement of supply chains is a step-by-step process, through which affiliates must address many different issues. FWF affiliates vary greatly in management structures, and have different strengths. The Performance Benchmarking system is designed to reflect these differences, and the many different ways that a company can support better working conditions.

During the Brand Performance Check, FWF staff speak to various employees at the affiliate who have important roles to play in the management of supply chains. FWF verifies the actions of affiliates based on several sources including documentation of activities, financial records, the affiliate's supplier register and staff interviews. Following the Brand Performance Check, FWF summarizes findings in this report, which is made public via [www.fairwear.org](http://www.fairwear.org).

## Brand Performance Check Details

Date of Brand Performance Check	5/16/2013	
Conducted by:	Ivo Spauwen Kees Gootjes	
Interviews With:	Lennart Ekberg Johnny Claus Fredrik Kjellberg	Director of Sustainability Operations Director Marketing Manager

## Scoring

Affiliate Benchmarking scores and Performance Benchmarking categories will be published starting in 2014. During 2013, FWF will be testing out the new system and evaluating the appropriate threshold levels for Benchmarking categories.

## 2013 Brand Performance Check

<b>Affiliate Information</b>	
<b>Headquarters:</b>	Avesta Sweden
<b>Member Since:</b>	April 2012
<b>Product Types:</b>	Outdoor, Bags & Accessories
<b>Production countries:</b>	FWF Active Countries: China, Portugal, Romania, Turkey, Vietnam Other countries: Estonia, Sweden
<b>Basic Requirements</b>	
<b>Workplan for this evaluation period was submitted?</b>	Yes Must be submitted before start of evaluation period
<b>Projected supplier register for this evaluation was submitted?</b>	Yes Must be submitted before start of evaluation period
<b>Actual supplier register for this evaluation period has been submitted?</b>	Yes Must be submitted after the end of the evaluation period.
<b>Membership fee has been paid?</b>	Yes
<b>All suppliers have been notified of FWF membership?</b>	Yes
<b>Scoring Overview</b>	
<b>% of suppliers under monitoring</b>	57%
<b>Summary</b>	<p>Haglöfs has undertaken sufficient activities in its first year of membership in terms of its monitoring activities and has also participated in voluntary projects that work to improve labour conditions at its suppliers.</p> <p>In the next few years, Haglöfs will implement a new sourcing strategy that has the potential to make a positive contribution to improving labour conditions.</p> <p>FWF encourages Haglöfs to make its processes more systematic and structured. This is especially important as Haglöfs is anticipating significant growth, both in terms of production as well as the organization itself.</p>

## Purchasing Practices

Basic Measures		Comments
% of production in low-risk countries	26%	Countries with relatively low risk of labour violations as defined by FWF.

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity.</b>	50%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier register provided by affiliate.
	Comment: Based on actual supplier register 2012.		
<b>1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years.</b>	81%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier register provided by affiliate.
	Comment: Based on actual supplier register 2012, relationships from 2008 and earlier.		
<b>1.3 Labour conditions are considered when selecting new suppliers.</b>	Yes	Including labour conditions considerations in selecting suppliers supports responsible business practices.	Documentation of decisionmaking process; e.g. checklists for buyers, emails, etc.
	Comment: Haglofs was able to show meeting minutes where potential production country was rejected due to labour conditions		
<b>1.4 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.</b>	Yes	The CoLP is the foundation of all work between factories and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.
<b>1.5 Company conducts audits at all new suppliers before placing orders.</b>	No	An important due diligence step. Before placing production orders, affiliates should conduct an audit at all new suppliers to assess risks for CoLP violations.	Audit documentation; must meet FWF audit quality standards.
	Comment: At this point in time, Haglofs is not actively seeking new suppliers. In previous selection processes, however, no (FWF standard) pre-audits were conducted.		

<b>1.6 Affiliate sources from an FWF factory member.</b>	Yes	When possible, FWF encourages affiliates to source from FWF factory members. The small number of factories in the programme means sourcing from FWF factory members cannot be a requirement.	Supplier register provided by affiliate.
Comment: Haglöfs sources at a FWF member factory.			
<b>1.7 Percentage of production volume from factories owned by the affiliate.</b>	0%	Owning a supplier provides clear accountability for and direct influence over working conditions. It reduces the risk of unexpected CoLP violations.	Supplier register provided by affiliate.
<b>1.8 Supplier compliance with Code of Labour Practices is evaluated in a systemic manner.</b>	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.
Comment: Haglöfs was able to demonstrate a systematic approach to keeping track of whether suppliers have signed CoC, CoLP, had audits, etc. There was no indication that performance improvement by suppliers is rewarded.			
<b>1.9 The affiliate's production planning systems support reasonable working hours.</b>	Strong, integrated systems in place.	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.
Comment: Haglöfs works with relatively long lead times and does not allow last-minute changes in materials/details, etc. In two of its audited factories, however, systematic overtime was found. This could very well be because the factory produces for other brands as well, and overbooks itself to ensure sufficient work. There was no evidence to show that Haglöfs has invested in the capacity of the supplier to systematically reduce overtime.			
<b>1.10 Percentage of production volume from suppliers where excessive overtime is found by FWF.</b>	53%	Excessive overtime is one of the most common labour rights violations in high-risk production countries. It is often caused by poor production planning by brands.	Audits conducted by FWF auditors; Complaints filed via the FWF worker helpline.
Comment: 3 audits performed, 2 had evidence of excessive overtime. This is 53% of total audited FOB.			
<b>1.11 Degree to which affiliate analyses and mitigates root causes of excessive overtime, if found.</b>	Preventive approach (in process)	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Examples of root cause analyses and resulting changes in production planning/policy.
Comment: Haglöfs is beginning a process to consolidate its suppliers database and enter into partnerships with its suppliers. This is done for various reasons, including increasing the leverage it has over the factory. Another reason is to be able to guarantee a certain production percentage, thereby working to mitigate systematic excessive overtime. This can be seen as a preventive approach to excessive overtime, but because it is in process, full points cannot be awarded.			

<b>1.12 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.</b>	Affiliate is working towards pricing that allows enough to pay minimum wages for each product.	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.
Comment: Haglöfs is working on gaining insight into a cost breakdown of various products. This is an important starting point for working towards ensuring living wages. As this is an ongoing project, full points cannot (yet) be awarded.			
<b>1.13 Affiliate actively responds if suppliers fail to pay legal minimum wages.</b>	Not applicable	If a supplier fails to pay minimum wage, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.
<b>1.14 Evidence of late payments to suppliers by affiliate.</b>	No	Late payments to suppliers can have a negative impact on factories and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of factory and affiliate financial documents.
Comment: Haglöfs seems to have a robust and efficient invoicing system that is accurately maintained and updated.			
<b>1.15 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers.</b>	Supply chain approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Wage ladders, correspondance with supplier, other relevant documentation.
Comment: Haglöfs participated in EOG Living Wage project with FWF in an effort to gain insight into how pricing affects living wages.			

### Purchasing Practices Comments:

Comment: At this time, Haglöfs is at the beginning of a significant change in its purchasing practices. This change has the potential to have a positive effect on the relationships with its suppliers, and in this way also have a positive effect on labour conditions. Elements of this process have been outlined in the various criteria above.

Comment: It is important for Haglöfs to implement this change in an effective way, balancing the financial, organizational and labour conditions effects that this change will entail. Future BPCs at Haglöfs should effectively be able to measure the impact of these changes.

## Monitoring & Remediation

Basic Measures		Comments
% of own production under monitoring	57%	Measured as a percentage of turnover.
Minimum monitoring threshold based on years of membership:	40% (meets threshold)	1 year: 40%; 2 years 60%; 3 years+: 90%

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>2.1 Specific staff person is designated to follow up on problems identified by monitoring system.</b>	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.
	Comment: Haglöfs has designated a specific staff person.		
<b>2.2 Degree of progress towards resolution of existing Corrective Action Plans.</b>	Moderate efforts have been made to address most CAPs.	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate
	Comment: All three audits conducted in 2012 were completed by FWF auditors. Haglöfs did address factory-level issues during follow-up. There is, however, no internal (written) protocol or management system for this. Recommendation: Formalize CAP follow-up procedure so that CAPs are tracked and followed up in an effective manner.		
<b>2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year.</b>	100%	Formal audits should be augmented by annual visits by affiliate staff or local representatives. They reinforce to factory managers that affiliates are serious about implementing the Code of Labour Practices.	Affiliates should document all factory visits with at least the date and name of the visitor.
	Comment: Almost 100% of suppliers have been visited by Haglöfs staff in the past year.		
<b>2.4 Existing audit reports are collected.</b>	Yes	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs.



	Comment: Haglöfs was able to demonstrate that it has collected existing audit reports of suppliers. It is unclear if quality of existing audit reports were assessed.		
<b>2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner.</b>	Yes	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs.
	Comment: Haglöfs was able to provide evidence of following up on CAPs with suppliers. No formal documentation or minutes of the follow-up was made.		
<b>2.6 A structured approach is used to address issues that occur at multiple suppliers.</b>	Not yet	Issues that occur in multiple factories often need to be addressed in a systemic manner, especially when the root causes are located in brand management choices.	Documentation of a systemic approach: root cause analyses, productivity assessments, guidance documents, internal system changes, etc.
	<p>Comment: Haglöfs is significantly changing its supplier policy. This change will address some structural issues such as excessive overtime, leverage and other issues. Haglöfs has conducted audits with other FWF brands and also participated in an EOG/FWF project on living wages.</p> <p>Recommendation: Develop a monitoring system that ensures that all relevant Haglöfs employees have access to labour conditions information. This is especially important considering Haglöfs' growth ambitions for the coming years and the corresponding staff increase.</p>		
<b>2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers.</b>	Yes	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the changes of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.
	Comment: Haglöfs has conducted audits with other FWF brands, and jointly works to resolve CAPs.		
<b>2.8 Monitoring requirements are fulfilled for production in low-risk countries.</b>	Yes	Low risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with basic standards.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.
	Comment: Haglöfs has visited all factories in previous year. Virtually all suppliers are informed of FWF membership and have returned the completed CoLP. It is unclear if Haglöfs collects evidence to show that the FWF Worker Information Sheets have been posted in local languages.		

<p><b>2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)</b></p>	<p>N/A</p>	<p>FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.</p>	<p>Questionnaires are on file.</p>
<p><b>2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)</b></p>	<p>N/A</p>	<p>FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.</p>	<p>Supplier register; Documentation of sales volumes of products made by FWF or FLA members.</p>

**Monitoring Comments:**

Comment: At this point in time, Haglöfs has spent little time on its suppliers in low-risk countries. It is important, however, that these suppliers are also made aware of FWF membership requirements, sign the CoLP and complete the questionnaire.

## Complaints Handling

Number of worker complaints received since last check.	0	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved.	N/A	
Number of worker complaints resolved since last check.	N/A	

<b>3.1 A specific employee has been designated to address worker complaints.</b>	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.
	<p>Comment: As there has not been a complaint yet, no formal process has been established.          Recommendation: FWF recommends that Haglöfs formalizes its complaints handling procedure to effectively respond to a complaint that will inevitably take place.</p>		
<b>3.2 System exists to check that the Worker Information Sheet is posted in factories.</b>	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.
	<p>Comment: Haglöfs has been able to collect the photos of Worker Information Sheet for a number of factories.</p>		
<b>3.3 Percentage of audited factories where at least half of workers are aware of the FWF worker helpline.</b>	47%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism.

	Comment: Only 1 audit representing 47% of audited FOB showed that workers were aware of FWF worker helpline and complaints mechanism.		
<b>3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure.</b>	N/A	Involvement by the FWF affiliate is crucial in resolving a complaint at a supplier.	Documentation that affiliate has completed all required steps in the complaints handling process.
<b>3.5 Cooperation with other customers in addressing worker complaints at shared suppliers</b>	N/A	Because most factories supply several customers with products, involvement of other customers by the FWF affiliate can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.

**Complaints Comments**

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## Training & Capacity Building

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>4.1 Staff at affiliate is made aware of FWF membership requirements.</b>	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.
	Comment: FWF provided training to sales staff at Haglofs the week before the BPC took place. Workplan, social report and interviews also show evidence of training for FWF membership requirements. However, staff interviews indicated that knowledge of FWF and all it entails is at a beginners' stage. It is important that Haglofs continues its activities to make all relevant staff more aware of FWF membership.		
<b>4.2 Advanced training is provided to staff in direct contact with suppliers on CoLP requirements.</b>	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.
	Comment: FWF provided training to sales staff at Haglofs the week before the BPC took place. Workplan and social report also show evidence of training for FWF membership requirements. However, it seems as if meetings/trainings with staff in direct contact with suppliers take place on an ad hoc basis.		
<b>4.3 Agents are informed of CoLP requirements and act to support their implementation.</b>	N/A	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.
<b>4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume).</b>	0%	Lack of knowledge on best practices related to labour standards is a common issue in factories. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.
	Comment: Haglofs currently has no plans to facilitate WEP at suppliers. Perhaps in response to CAPs where necessary. Recommendation: FWF recommends that Haglofs organize a Workplace Education Program (WEP) at the two factories where the audit showed that workers were unaware of complaints handling procedure. This can also be part of the 'partnership' that Haglofs wants to have with its suppliers.		

<p><b>4.5 Factory participation in trainings (where WEP is not offered; by production volume).</b></p>	<p>0%</p>	<p>In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own. Trainings must meet FWF quality standards to receive credit for this indicator.</p>	<p>Curricula, other documentation of training content, participation and outcomes.</p>
<p>Comment: Haglöfs currently has no plans to facilitate trainings at suppliers. Perhaps in response to CAPs where necessary.</p>			

**Training & Capacity Building Comments**

# Information Management

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>5.1 Supplier register for the previous financial year is verified as being complete and accurate.</b>	Yes	Any improvements to supply chains require affiliates to first know all of their suppliers.	Completed supplier register; Financial records of previous financial year.
	Comment: FWF was able to verify that supplier register was accurate and well maintained.		
<b>5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers.</b>	No	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.
	<p>Comment: It seems like information on CSR and labour conditions at Haglöfs is shared on an ad hoc basis. This is/will be insufficient as Haglöfs continues to grow and also has significant growth ambitions.</p> <p>Recommendation: FWF recommends that Haglöfs undertake steps to share information on CSR on a more systematic, structured basis.</p>		

## Information Management Comments:

# Transparency

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>6.1 Communication about FWF membership adheres to the FWF communications policy.</b>	No	FWF membership should be communicated in a clear and accurate manner. FWF guidelines are designed to prevent misleading claims.	Logo is placed on website; other communications in line with policy. Affiliates may lose points if there is evidence that they did not comply with the communications policy.
	Comment: Haglofs' FWF membership can only be found in a single press release, logo and FWF information cannot be found anywhere on the website. Marketing interview indicated that it was planning to discuss the communication of FWF membership in a meeting held a week after BPC 2013.		
<b>6.2 Affiliate engages in advanced reporting activities.</b>	N/A	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Affiliate publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.
<b>6.3 Social Report is submitted to FWF and is published on affiliate's website</b>	Yes	The Social Report is an important tool for brands to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.
	Comment: Haglofs has published its Social Report/Sustainability Report 2012 on its website. Recommendation: FWF has provided some feedback for the Haglofs Social Report/Sustainability Report that can be used for future reports.		

## Transparency Comments:



# Evaluation

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management.</b>	Yes	An annual evaluation involving top management ensures that FWF policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.
	Comment: CSR person is part of management team, has worked for more than 25 years at organization and therefore has the necessary influence and leverage to anchor FWF membership at the highest level of the organization.		
<b>7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate.</b>	N/A	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Adherence to these requirements is an important part of FWF membership.	Affiliate should show documentation related to the specific requirements made in the previous Brand Performance Check.

## Evaluation Comments:

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## Comments to FWF

This area provides an opportunity for affiliates to provide feedback to FWF.

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## Appendix 1: FWF Audit Finding Summary by Country

This chart summarizes the number of time each finding was reported during an FWF Audit in each country.

	China	Vietnam
<b>Total Number of Audits:</b>	<b>1</b>	<b>2</b>
<b>Standard Findings</b>		
<b>Sourcing practices</b>		
According to the supplier the purchasing practices of the FWF affiliate contribute to excessive overtime in the factory.		
According to the supplier the prices of the affiliate do not support the payment of living wages.	1	2
According to the supplier the payment of the FWF affiliate is often late.		
No areas for improvement		
Other		
<b>Monitoring system</b>		
The FWF affiliate has not provided FWF Code of Labour Practices to the factory.		
The FWF affiliate has not checked if the Code of Labour Practices is posted at a location easily accessible to workers.		
The FWF affiliate has not shared previous audit reports with the factory.		
No areas for improvement	1	2
Other		
<b>Management system of factory to improve working conditions</b>		

The factory has not posted the Code of Labour Practices in local language with the contact details of the local complaints handler at an easily accessible location for workers.		
The factory has coached workers and / or falsified documents in preparation of the audit		
The factory does not have a system to gather information about social compliance and improve its compliance status		
Factory policies and regulations do not comply with laws and/or the Code of Labour Practices.		
No areas for improvement	1	
Other		2
<b>Communication and consultation</b>		
Management has not informed workers actively about the FWF Code of Labour Practices and / or relevant national or local legislation.		
Despite verifiable efforts of the employer, less than 50% of interviewed workers were aware of the FWF complaints mechanism, the CoLP and relevant legislation.		
The factory policies are not communicated to workers.		
There is no effective internal grievance mechanism in place.		1
There are no democratically elected workers' representatives.		
No areas for improvement	1	1
Other	1	

<b>Employment is freely chosen</b>		
Workers are not allowed to leave the factory premises outside of legal working hours.		
The factory withholds personal identification documents or travel documents of workers.		
No areas for improvement	1	2
Other		
<b>No discrimination in employment</b>		
Factory does not have a written policy regarding discrimination		
Discrimination against a number of workers is found. Discrimination addressed: <i>Age discrimination</i>		1
Percentage of women in supervisory roles and other high-paid positions is low.		
No areas for improvement	1	1
Other		
<b>No exploitation of child labour</b>		
The factory employed children as workers.		
The factory employed juvenile workers without following local regulations to protect these workers.		1
The factory has no effective age verification system in place.		
No areas for improvement	1	1
Other		
<b>Freedom of association and the right to collective bargaining</b>		
The factory infringes workers' rights to organise.		

The factory does not have a Collective Bargaining Agreement (CBA).		
The factory does not allow trade unions to approach workers.		
The factory does not permit workers to access trade unions		
There is no independent workers' organisation or union, which is run by workers without management's involvement.	1	
No areas for improvement		1
Other		1
<b>Payment of a living wage</b>		
The factory is not transparent regarding wage records.		
Wages are below living wage level as estimated by local stakeholders.	2	1
The factory delays paying workers' wages.		1
Wages are below collective bargaining agreement (CBA) wage.		
The factory does not pay leaves and benefits to workers according to legal requirements.		1
The factory does not pay overtime premium to workers according to legal requirements.		
No areas for improvement	1	
Other		1
<b>Reasonable hours of work</b>		
Overtime is not voluntary or it is not announced in advanced		

The factory is not transparent regarding overtime records.		
Excessive overtime was found: <i>insufficient rest days, in excess of legal overtime limit.</i>	1	1
No areas for improvement		1
Other		1
<b>Safe and healthy working conditions</b>		
Critical issues regarding fire safety are found		1
Critical issues regarding chemical safety are found	1	
Critical/minor issues regarding machine safety are found		
Critical/minor issues regarding electrical safety are found		
Critical/minor issues regarding material safety are found		
Critical/minor issues regarding ergonomics are found		
Cases of harassment are found		
Noise, ventilation, temperature and lightening do not comply with legal requirements.		
No areas for improvement		
Other		2
<b>Legally binding employment relationship</b>		
The factory does not provide contracts or appointment letters to workers.		

Content of employment contracts does not comply with legal requirements.		
Not all social security or insurance fees are paid	1	
The use of probation and apprenticeship does not comply with legal requirements.		
Individual personnel files are incomplete		1
No areas for improvement		1
Other		

**Comments:**