



BRAND PERFORMANCE CHECK

Deuter Sport GmbH

PUBLICATION DATE: OCTOBER 2014

this report covers the evaluation period 01-07-2013 to 30-06-2014

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. The [Brand Performance Check Guide](#) provides more information about the indicators and is available for download.

BRAND PERFORMANCE CHECK OVERVIEW

Deuter Sport GmbH

Evaluation Period: 01-07-2013 to 30-06-2014

AFFILIATE INFORMATION	
Headquarters:	Augsburg, Germany
Member since:	01-08-2011
Product types:	Outdoor, Promotional, Private label, Bags & Accessories
Production in countries where FWF is active:	China, Vietnam
Production in other countries:	none
BASIC REQUIREMENTS	
Workplan for this evaluation period was submitted?	Yes
Actual supplier register for this evaluation period has been submitted?	Yes
Membership fee has been paid?	Yes
All suppliers have been notified of FWF membership?	Yes
SCORING OVERVIEW	
% of own production under monitoring	97%
Benchmarking score	94
Category	Leader

Summary:

Deuter Sport meets FWF's management system requirements for the third year of membership and goes beyond some of them. Deuter reached a monitoring threshold of 97% conducting audits and workplace education programme trainings at its production sites. Deuter Sport participates in FWF's project with various outdoor companies to assess the impact of hypothetical increases towards living wage benchmarks. Through this engagement Deuter Sport shows that it is committed to working towards implementation of living wages in collaboration with FWF.

Deuter Sport has a two suppliers for its two product groups: One supplier using three production sites for backpacks, one supplier for sleeping bags. Each supplier uses some subcontractors which produce small items for the backpacks (part-sewing; 3% of total FOB). All subcontractors are known to Deuter Sport. A challenge for the coming year of FWF affiliation is to include the subcontractors more in the monitoring system of Deuter Sport.

PERFORMANCE CATEGORY OVERVIEW

Leader: This category is for affiliates who are doing exceptionally well, and are operating at an advanced level.

Good: It is FWF's belief that affiliates who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF affiliates—are 'doing good' and deserve to be recognized as such. They are also doing more than the average clothing company, and have allowed their internal processes to be examined and publicly reported on by an independent NGO. The majority of affiliates will receive a 'Good' rating.

Needs Improvement: Affiliates are most likely to find themselves in this category when major unexpected problems have arisen, or if they are unable or unwilling to seriously work towards CoLP implementation. Affiliates may be in this category for one year only after which they should either move up to Good, or will be moved to suspended.

Suspended: Affiliates who either fail to meet one of the Basic Requirements, have had major internal changes which means membership must be put on hold for a maximum of one year, or have been in Needs Improvement for more than one year. Affiliates may remain in this category for one year maximum, after which termination proceedings will come into force.

Categories are calculated based on a combination of benchmarking score and the percentage of own production under monitoring. The specific requirements for each category are outlined in the Brand Performance Check Guide.

1. PURCHASING PRACTICES

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity	100%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier information provided by affiliate.	4	4	0

Comment: Deuter Sport has substantial leverage at its supplier for backpacks. The suppliers produce almost exclusively for the company. This enables Deuter Sport to work effectively on improvements with this supplier. At its supplier for sleeping bags, Deuter has a leverage of more than 30%.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	100%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier information provided by affiliate.	4	4	0
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Comment: The company has long term relations with all its suppliers. Deuter Sport works with its current supplier for backpacks since 1994 and with its sleeping bag supplier since 2003.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	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.	2	2	0
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1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	Yes	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0
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Comment: New suppliers have not been added in the past financial year but Deuter Sport agreed with its main suppliers to use some selected subcontractors for part-sewing. Those have been informed about FWF membership and selected only after personal visits to the sites.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes, and performance improvement is rewarded	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.	2	2	0
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Comment: Deuter Sport sources 97% of its FOB from two suppliers: For backpacks one supplier with three production sites and for sleeping bags one supplier with only one production site. Deuter Sport has a stable relationship with its suppliers and does not consider changing sites. Deuter Sport actively supports its suppliers with regard to implementation of the Code of Labour Practices.

1.6 The affiliate's production planning systems support reasonable working hours.	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.	4	4	0
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Comment: Deuter Sport is aware that (excessive) overtime is a crucial matter that requires a long term approach and careful production planning in cooperation with suppliers. Deuter Sport took new measures already in 2012 to further improve production planning. The company adopted a new order planning process. Deuter Sport places its orders for backpacks every two weeks, the orders for sleeping bags every four weeks. The orders are placed much earlier than in previous years to allow a better distribution between peak and low season. Furthermore Deuter Sport is now asking all of its distributors to place their orders early. This counts at the moment for backpacks, the system will be changed for sleeping bags as well in 2014/15. The company still sees room for improvement in its joint planning with its backpack supplier to manage expectations on both sides. A key question is how to distribute the orders evenly for the whole year to avoid extreme peak and low seasons.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	Advanced efforts	Some production delays are outside of the control of affiliates; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Documentation of root cause analysis and positive steps taken to manage production delays or improve factory processes.	6	6	0
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Recommendation: Deuter Sport is recommended to investigate the root causes of excessive overtime at the supplier in China (as done in Vietnam) and to cooperate with the other customers at this factory to seek minimization of overtime hours.

Comment: Within the previous Brand Performance Check, FWF recommended Deuter Sport to investigate the root causes of excessive overtime. As part of such an analysis all incidents of overtime, their origin and severity has been recorded during a period which has been representative for an entire production season. After this analysis, a step-by-step plan was drafted by Deuter Sport and the factory to bring the amount of working hours down to legally allowed levels.

FWF audit reports conducted end of 2012 in Vietnam showed first results to Deuter Sport engagement in reducing overtime. Deuter Sport is the only customer to its production site in Vietnam.

In China, Deuter Sport sources approx. 30% at the production site. Fair Wear Foundation has conducted an audit at this production site in June 2014 which showed excessive overtime due to tight delivery times.

1.8 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.	Style-level policy	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.	4	4	0
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Comment: Deuter Sport reaches an agreement on prices and delivery times with suppliers on the basis of negotiations after target prices are set on the basis of past experience. In the past years Deuter Sport and its backpack supplier had to deal with a few cases of unexpected price increases. In these cases both companies found a way to split the burden in a way that was acceptable for both. If prices go up due to increases in wages, Deuter Sport generally accepts that. In case the supplier asks for a price which is too high for new product styles to be able to sell, Deuter Sport reworks the product e.g. reduces trims to reach a price which is possible in the market where products are sold.

For 2015 a price increase of 3% was already agreed upon with the suppliers to cover higher wage costs and the use of more sustainable (but higher in cost) chemicals in production.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	No minimum wage problems reported	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.	2	2	-2
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Comment: None of the audit reports within Deuters' previous financial year showed failures to pay minimum wage.

1.10 Evidence of late payments to suppliers by affiliate.	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.	0	0	-1
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Comment: None of the audit reports within Deuters' previous financial year showed evidence of late payments to the suppliers.

1.11 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Supply chain approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	6	8	0
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Comment: Deuter Sport participates in FWFs project with various outdoor companies to assess the impact of hypothetical increases towards living wage benchmarks. Through this engagement Deuter Sport shows that it is committed to working towards implementation of living wages in collaboration with FWF.

1.12 Affiliate sources from an FWF factory member.	No	When possible, FWF encourages affiliates to source from FWF factory members. On account of the small number of factories this is a 'bonus' indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	N/A	1	0
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Comment: Deuter Sport is the only customer to its backpack suppliers and therefore there would be no advantage to neither Deuter Sport nor the supplier in becoming factory member. The supplier for sleeping bags could be a candidate. This will be discussed in the coming years.

1.13 Percentage of production volume from factories owned by the affiliate.	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	N/A	2	0
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Recommendation: FWF supports direct ownership of suppliers. Owning a supplier provides clear accountability for and direct influence over working conditions. It reduces the risk of unexpected CoLP violations.

Comment: None of the production sites are owned by the FWF affiliate. However, Deuter Sport is the only customer to its backpack supplier, hence the relationship is very close.

PURCHASING PRACTICES

Possible Points: 40

Earned Points: 38

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	97%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	0%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Total of own production under monitoring	97%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 90% Measured as a percentage of turnover.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	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.	2	2	-2

Comment: Deuter Sport has designated staff to coordinate activities to monitor and improve working conditions in factories and a systematic way to manage the process to follow up on corrective action plans.

2.2 Degree of progress towards resolution of existing Corrective Action Plans	Advanced	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.	8	8	-2
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Comment: The verification audit conducted by FWF end of 2012 showed good improvements towards resolution of CAPs at the three production sites in Viet Nam.

After the initial audit the supplier reported progress on a regular basis to the corporate responsibility manager of Deuter Sport. The production manager who visits the supplier each 4-6 weeks is involved in the process to follow up on the corrective action plan (CAP) by the corporate responsibility manager and checks on specific issues when at the factory. Relevant information from meeting reports of staff of the purchasing department is included in the CAP follow up system.

The audit at the production site in China was conducted in June 2014. It is too early to be able to report on any progress towards resolution of existing Corrective Actions yet.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	97%	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.	4	4	0
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Comment: The person responsible for CSR visits the production sites at least one time per year. Both suppliers visit the headquarter in Germany one time per year and join Deuter at the OutDoor fair in Friedrichshafen. In addition other staff from Deuter (including top management) visits the production sites on a regular basis. Traveling staff is informed about the status of corrective actions in case details need to be discussed at the production site.

2.4 Existing audit reports from other sources are collected.	Yes, quality assessed and corrective actions implemented	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. Reports of quality assessments.	3	3	0
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Comment: For its supplier of sleeping bags, Deuter Sport collected an existing audit report from a main customer of the supplier. Deuter Sport followed up on the existing CAPs. As the existing audit report has been insufficient in quality, Deuter Sport decided to have FWF conduct an audit at this production site which was done in June 2014.

2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	Yes	FWF audit reports should be shared and discussed with suppliers within two months of audit receipt. Timely sharing of information and agreement on corrective actions is essential for improvement. A reasonable time frame should be specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1
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Comment: Corrective Action Plans resulting from audits are followed up by Deuter Sport by requesting the supplier to give a periodic update on progress in realizing improvements. Deuter Sport collects pictures and documents via email as a way to provide evidence on realized improvements. Improvements are also checked during regular visits at the production sites.

2.6 High risk issues specific to the affiliate's supply chain are identified and addressed by the monitoring system.	Advanced Capacity	Different countries and products have different risks associated with them; monitoring systems should be adapted to allow appropriate human rights due diligence for the specific risks in each affiliates' supply chain.	Documentation may take many forms; additional research, specific FWF project participation; extra monitoring activities, extra mitigation activities, etc.	6	6	0
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Recommendation: FWF recommends to invest further in China specific requirements when it comes to human rights plus to establish a system on how to include subcontractors more actively in the monitoring process.

Comment: During the process of implementing corrective actions from the previous audit report it became clear that the supplier in Vietnam needs extra help to implement health and safety issues. This is why Deuter Sport has organized a full day training to management at the production site giving practical guidance for implementation.

2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	Active cooperation	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.	2	2	-1
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Comment: The audit in China is shared with another FWF affiliate with whom Deuter Sport follows up the implementation of CAPs.

2.8 Monitoring requirements are fulfilled for production in low-risk countries	No production in lowrisk countries	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.	N/A	2	0
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2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	No external brands resold	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.	Questionnaires are on file.	N/A	3	0
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2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	No external brands resold	FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.	Supplier register; Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0
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MONITORING AND REMEDIATION

Possible Points: 27

Earned Points: 27

3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
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	0	
Number of worker complaints resolved since last check	0	

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	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.	1	1	-1

Comment: Deuter Sport has a designated person responsible for handling complaints and is sufficiently aware of how FWF's complaints procedure works.

3.2 System exists to check that the Worker Information Sheet is posted in factories	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.	2	2	0
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Recommendation: FWF recommends to take extra care that the Worker Information Sheet is posted also at the subcontractors. It is suggested to ask suppliers to submit a photo of the posted CoLP with the annual questionnaire and to ask staff visiting a supplier to check if the documents are still posted as indicated on the obtained photo.

Comment: Deuter Sport generally sees to it that the Code of Labour Practices (CoLP) including contact information of the local complaints handler of FWF is posted in factories in a location that is accessible to workers. The company collects photos of the posted document during visits of purchasing staff as evidence. The posting at the subcontractors is checked via the main supplier at the moment.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	100%	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. Factory participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of factories in WEP programme.	4	4	-2
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Comment: Audit reports showed that workers have a basic understanding of their rights and duties. The Code of Labour Practice is hung up at the production sites audited.

3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Affiliate involvement is often essential to resolving issues.	Documentation that affiliate has completed all required steps in the complaints handling process.	N/A	6	-2
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3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary.	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.	N/A	2	-2
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COMPLAINTS HANDLING

Possible Points: 7

Earned Points: 7

4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff is made aware of FWF membership requirements	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.	1	1	-1

Comment: Staff of Deuter Sport is sufficiently informed about steps taken to implement FWF membership requirements. This is mainly done through an internal presentation that is done twice a year by the corporate responsibility manager to all staff of Deuter Sport.

4.2 Ongoing training in support of FWF requirements is provided to staff in direct contact with suppliers.	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.	2	2	0
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Comment: In addition to the regular meetings twice a year, staff in direct contact with suppliers is informed on a day to day basis. This gives the flexibility to discuss certain issues in detail.

4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Affiliate does not use agents	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.	N/A	2	-2
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4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	100%	Lack of knowledge and skills 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.	6	6	0
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Comment: After a recommendation in the first Brand Performance Check, Deuter Sport enrolled its supplier in China in FWF's Workplace Education Programme (WEP). WEP trainings contribute to social dialogue between workers and management. The introductory training of WEP builds awareness of labour standards and strengthens dispute handling mechanisms. It is made available to FWF members free of charge.

4.5 Factory participation in trainings (where WEP is not offered; by production volume)	0%	In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	0	4	0
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Recommendation: In order to further communication between employers and workers in the workplace FWF recommends Deuter Sport to ensure suppliers participate in trainings. Trainings must meet FWF quality standards to receive credit for this indicator: top management, supervisors and workers should be included in the trainings, separately. Workplace standards and dispute handling should be included in the training. At least 10-20% of the workforce must be trained, depending on the size of the factory. Worker participation should be balanced and representative.

Comment: The other main supplier of Deuter Sport is located in Vietnam. During this evaluation period, FWF has not yet offered WEP trainings in Vietnam. This will change from 2015 onwards. Deuter Sport is interested signing up the production site in Vietnam straight away once FWF offers WEP trainings.

TRAINING AND CAPACITY BUILDING

Possible Points: 13

Earned Points: 9

Additional comments on Training and Capacity Building:

Sales representatives meet at the headquarter at least once a year. Part of the information is about social standards and Fair Wear Foundation membership requirements.

5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations and update supplier information.	Advanced	Any improvements to supply chains require affiliates to first know all of their suppliers and production locations.	Supplier information provided by affiliate. Financial records of previous financial year. Documented efforts by affiliate to update supplier information from its monitoring activities.	6	6	-2

Comment: The company maintains its supplier register on the basis of order administration and the annual questionnaires that are collected from factories and systematically analyzed.

5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers	Yes	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.	1	1	-1
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Comment: Information on the status of corrective action plan is systematically collected and maintained on the corporate server. This information includes updates from purchasing staff and top management visiting suppliers. Discussions with suppliers on specific improvement points are well documented.

INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 7

6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Communication about FWF membership adheres to the FWF communications policy	Yes	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.	1	1	-2

Comment: Deuter Sport informs consumers and other external parties about its approach to improve working conditions through its corporate website, dealer workbooks, product flyers and store meetings. This happens in correct wording and with references to FWF's website for further information.

Deuter Sport makes use of on product communication to inform consumers about FWF membership with its backpacks.

The production site in China has been audited in June 2014. Deuter Sport waits for on-garment communication on sleeping bags until the audit report and CAP has been worked on and needed findings have been started to be implemented.

According to FWF membership requirements, Deuter Sport is allowed to use on-garment communication also on sleeping bags.

6.2 Affiliate engages in advanced reporting activities	Yes	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.	1	1	0
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Comment: In its external communications Deuter Sport discloses the name and detailed info on its suppliers for backpacks and sleeping bags. FWF regards this as a best practice since it contributes to transparency on working conditions in supply chains.

6.3 Social Report is submitted to FWF and is published on affiliate's website	Published on affiliate's website	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.	2	2	-2
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TRANSPARENCY

Possible Points: 4

Earned Points: 4

Additional comments on Transparency:

The corporate responsibility manager of Deuter Sport is actively participating in seminars, round tables and working groups. By doing so the company contributes to growing awareness of working conditions in factories among consumers and in the outdoor industry. As all external representations are also reported about within the company this contributes to general awareness of corporate responsibility of Deuter staff.

7. EVALUATION

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management	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.	2	2	0

Comment: Deuter Sport discusses progress in implementing FWF membership as part of regular internal discussions. This was mostly done quickly after the audits but includes top management. Deuter Sport sees it given that the company is FWF member and due to the small supplier base it is not necessarily needed to have a systematic annual evaluation of FWF membership.

7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate	No requirements were included in previous Check	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.	N/A	8	-4
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EVALUATION

Possible Points: 2

Earned Points: 2

Additional comments on Evaluation:

Deuter Sport collects feedback from factories as part of ongoing discussions. Due to the limited amount of suppliers a formal way of evaluating implementation of the Code of Labour practices offers little added value.

RECOMMENDATIONS TO FWF

1. Deuter Sport would appreciate FWF developing more detailed and region specific benchmarks on wages in Vietnam.
2. Deuter Sport has conducted a WEP training at the production in China. A year after the training a FWF audit has been conducted and many workers were not aware of the Code of Labour Practice anymore. Deuter Sport asks FWF to look into this matter in more depth and to check whether this also happens at other production sites and what needs to be changed within WEP trainings to ensure that more workers are aware of the CoLP for longer time.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	38	40
Monitoring and Remediation	27	27
Complaints Handling	7	7
Training and Capacity Building	9	13
Information Management	7	7
Transparency	4	4
Evaluation	2	2
Totals:	94	100

BENCHMARKING SCORE (EARNED POINTS ÷ POSSIBLE POINTS)

94

PERFORMANCE BENCHMARKING CATEGORY

Leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

07-10-2014

Conducted by:

Stefanie Santila Karl

Interviews with:

Marco Huehn (Quality Manager)

Sebastian Schmidt (Supply Chain Manager)

Robert Schiefele (Managing Director)

Audit Summary:

Publication of the audit summary section previously included in Brand Performance Checks has been suspended while Fair Wear Foundation develops a new information system to manage and summarize the data. Future Brand Performance Checks will include improved usability and transparency for audit data.