



BRAND PERFORMANCE CHECK

Deuter Sport GmbH

PUBLICATION DATE: NOVEMBER 2015

this report covers the evaluation period 01-07-2014 to 30-06-2015

ABOUT THE BRAND PERFORMANCE CHECK

Fair Wear Foundation believes that improving conditions for apparel factory workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the factory. FWF, however, believes that the management decisions of 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. They evaluate the parts of affiliate supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

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.

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with affiliate employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at www.fairwear.org. The online [Brand Performance Check Guide](#) provides more information about the indicators.

BRAND PERFORMANCE CHECK OVERVIEW

Deuter Sport GmbH

Evaluation Period: 01-07-2014 to 30-06-2015

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, Viet Nam
Production in other countries:	Myanmar
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was 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	92
Category	Leader

Summary:

Deuter meets most of FWFs management system requirements and goes beyond several of them. Deuter has 97% of its supply chain under monitoring meeting the 90+% threshold required for members after their third year of membership.

Deuter has a stable, long-term relationships with all it's suppliers as well as significant leverage, which allows them to work effectively on improving working conditions. While continuous efforts are still needed, the company has strong systems in place to prevent and remediate excessive overtime. It has made considerable efforts to ensure subcontractors are part of its monitoring.

Deuter received one complaint in its last financial year, which was handled according to FWF's complaint procedure. Preventive steps were implemented. Challenges remain to ensure independent worker representation as well as continuous remediation at smaller subcontractor locations.

PERFORMANCE CATEGORY OVERVIEW

Leader: This category is for affiliates who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

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	96%	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's supplier in Vietnam produces almost exclusively for the company using three main production locations. At its supplier for sleeping bags in China, Deuter accounts for around 25% of the supplier's production capacity at one production location. This enables Deuter to work effectively on improvements with its suppliers. At subcontractors as well as at one production site in Myanmar, Deuter has little leverage.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	95%	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: Deuter has been working with its current supplier for backpacks since 1994 and with its sleeping bag supplier since 2003. The sleeping bag supplier opened a new production site in Myanmar in 2015 and is producing a portion of Deuter's production there.

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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Comment: During its last financial year, Deuter has been piloting a procedure to ensure that all subcontractors used by their backpack supplier sign the CoLP before production for Deuter starts. The backpack supplier will collect the questionnaire from subcontractors and pass it on to Deuter. Deuter aims at having a fixed pool of pre-approved subcontractors that have signed the CoLP for future production.

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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Recommendation: FWF encourages Deuter to continue its efforts to ensure subcontracted locations are part of its due diligence procedure.

Comment: Deuter's supplier for sleeping bags added one new production site in Myanmar in Deuter's last financial year. Being a long-term partner of Deuter, the supplier already had a thorough understanding of FWF's requirements. Deuter discussed risks associated with producing in Myanmar at management level based on FWF's Myanmar country study and risk policy as well as information by other stakeholders. The site has been visited by Deuter before production started. (See also indicator 2.6b).

As described under indicator 1.3, Deuter's backpack supplier used various subcontractors during Deuter's last financial year. Not all of them were approved by Deuter beforehand. Deuter has visited the majority of those sites since, one production location has been audited. To minimise risks and ensure a systematic due diligence process, Deuter has piloted a new procedure. Their main supplier will give Deuter a forecast of all subcontractors he plans to use, collect signed FWF questionnaires and conduct a self-assessment of their current compliance status. This procedure has been agreed upon by the supplier and Deuter's top management.

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 continuously evaluates the status of CoLP implementation at its suppliers and actively supports them to improve. Given Deuter's small and stable supplier base, it is difficult for the company to reward one production location with higher order volumes, but long-term commitments are given.

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 has a strong production planning system in place that supports reasonable working hours. Suppliers receive long-term forecasts and orders are updated every month. Lead times range from three to six months, the exact delivery time is usually determined by the supplier. Key challenge is to distribute orders evenly throughout the year to avoid extreme peak and low seasons. Deuter tries to produce never-out-of-stock items in low season, if possible. A newly built larger warehouse at Deuter's German headquarter as well as warehouse space in Asia allow storage of products, which also reduces the pressure on suppliers. Deuter has been awarded FWF's Best Practice Award in 2015 for its effort to prevent excessive overtime. Challenges remain to anticipate orders by Deuter's import partners, which coordinate sales outside of Germany. Deuter is currently planning to offer financial incentives to partners who place early orders.

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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Comment: Despite Deuter's effort to prevent excessive working hours, overtime still occurs. To monitor this in between FWF audits, Deuter regularly asks for current worker records, to check whether overtime hours are within legal limits and during which periods overtime is likely to occur. This data is also shared with the supply chain manager, who takes it into account when planning orders. In general, Deuter is flexible on delivery dates.

During "OutDoor" fair, Deuter met with its sleeping bag supplier and one other FWF member, who also sources from the supplier. Together, they discussed possibilities to further reduce excessive overtime. One measure will be moving part of the production to the newly established production site in Myanmar.

One FWF audit performed at a subcontractor of Deuter's backpack supplier in May 2015 found excessive working hours. As the production location currently does not produce for Deuter, factory management was reluctant to remediate. Deuter will address the issue again, when production starts again in winter 2015.

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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Recommendation: FWF recommends Deuter to find a way to verify their labour cost estimates for their sleeping bag supplier.

Comment: Deuter negotiates prices with suppliers after target prices are set on the basis of past experience. Deuter participated in a study of the European Outdoor Group a few years ago, where labour costs for three products of its backpack supplier were calculated. This information as well as current minimum wages and other benchmarks are taken into account, when negotiating prices. Generally, Deuter accepts higher prices due to wage increases. In case the supplier asks for a price which is too high for new product styles to be able to sell, Deuter Sport re-works the product e.g. (reduces trims) to reach a marketable price.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	Yes	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.	1	2	-2
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Requirement: Deuter is expected to hold management of the supplier accountable for respecting local labour law and require a time bound action plan to ensure adequate payment.

Comment: One FWF audit performed at a subcontractor of Deuter's backpack supplier in May 2015 found that some skilled workers were paid slightly below minimum wage. In such cases, FWF requires its members to agree on a time-bound action plan for remediation with the factory. Deuter contacted the factory via its backpack supplier, but as the production location currently does not produce for Deuter, factory management was reluctant to remediate. Deuter will address the issue, when production starts again in winter 2015.

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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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: Based on FWF wage ladders, Deuter analysed that workers at its suppliers receive wages above average, in some cases close to Asia Floor Wage benchmarks. In addition, most workers at Deuter's Vietnamese supplier are double-income earners, while common benchmarks usually calculate one income for one family.

For 2015, Deuter agreed to a 3% price increase with its suppliers to cover higher wage costs and the use of more sustainable chemicals in production. As a consequence, Deuter increased sales prices for some product lines.

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
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

Comment: None of the production sites are owned by Deuter. However, Deuter's backpack supplier produces almost exclusively for Deuter since more than 20 years.

PURCHASING PRACTICES

Possible Points: 40

Earned Points: 37

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 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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Recommendation: FWF recommends Deuter to ensure continuous remediation at smaller subcontractor locations.

Comment: Deuter continuously follows up on finding from previous FWF audits and discusses social compliance issues regularly with its suppliers.

Deuter's sleeping bag supplier had been audited in June 2014 (Deuter's previous financial year). Deuter asked the supplier to send documents proving that annual leave and overtime are now paid according to legal requirements. This has not yet been verified by FWF. Long-term challenges like excessive overtime were discussed during "OutDoor" fair in summer 2015. The supplier had participated in FWF's Workplace Education Programme, yet the audit still showed a lack of dialogue between workers and management. Deuter has asked the supplier to ensure regular worker committee meetings and asked for copies of meeting minutes. Findings identified during a FWF audit in May 2015 at one subcontractor could not yet be remediated. The production location is currently not producing for Deuter, the supplier was therefore reluctant to remediate. Deuter produces less than 1% FOB at the subcontractor and has little leverage.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	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.	4	4	0
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Comment: Deuter staff (including top management) visits 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. All subcontractors have been visited by the main supplier and most have been visited by Deuter's CSR staff.

2.4 Existing audit reports from other sources are collected.	No existing reports/all audits by FWF or FWF affiliate	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.	N/A	3	0
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2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	Yes	2 part indicator: FWF audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1
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

Recommendation: FWF recommends Deuter to work towards a solution that ensures independent worker representation.

Comment: Deuter consults FWF's country studies as well as information of other stakeholders. The company has a good understanding of common risks for production in China and Vietnam, mainly excessive overtime and lack of dialogue between management and workers.

Deuter's efforts to prevent and remedy excessive overtime are described under indicators 1.6 and 1.7. To stimulate dialogue between workers and management, their Chinese supplier participated in a WEP training. While workers (selected by management) are being included in the process of updating the collective bargaining agreement at the factory, independent worker representation remains a challenge. Also, Deuter is aware of additional challenges at subcontractor sites and has started to actively include them in their monitoring system.

2.6a High risk issues specific to Bangladesh are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Bangladesh	Affiliates sourcing in Bangladesh should take additional action to address both building and fire safety and the prevention of violence against women.	Building, electrical and fire safety inspection reports, evidence of cooperation with other customers sourcing at the same factories (Accord signatories and/or FWF affiliates), etc.	N/A	3	0
2.6b High risk issues specific to Myanmar are identified and addressed by the monitoring system and remediation activities.	Advanced Capacity	Myanmar is still in the process of establishing the legal and civil society infrastructure needed to ensure compliance with labour rights. Extra care must be taken when doing business in Myanmar.	Shared CAPs, Wage Ladders per factory.	3	3	0

Recommendation: FWF recommends Deuter to actively stimulate dialogue between workers and management.

Comment: Deuter's long-term Chinese supplier for sleeping bag opened a production site in Myanmar in 2015. After discussions within Deuter including top-management as well as with the Chinese supplier, it was agreed to move a part of the production for Deuter to Myanmar. CSR staff as well as the Head of Product visited the newly built facility beforehand.

Chinese management of the factory has partly participated in FWF's WEP training and received a training by Deuter about the CoLP.

Deuter has checked health and safety issues during a visual inspection. Time records showed non-excessive working hours. Workers were observed to leave the factory on time. Deuter has started to explore opportunities to provide worker training, e.g. by ILO Better Work.

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: Deuter cooperates closely with two other FWF members sourcing at the same suppliers as Deuter. In one case, Deuter met with the supplier and the other FWF member during "OutDoor" fair to discuss remediation.

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.	External production data in FWF's information management system. 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	1	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	1	

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
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

Comment: Deuter 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.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	No audits done or no FWF helpline available	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.	N/A	4	-2
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Comment: As FWF only conducted one audit in Deuter's last financial year at a subcontractor where Deuter produces less than 1% of its FOB, the indicator is counted as "non applicable".

Deuter's sleeping bag supplier distributed the Worker Information Card to all workers (more than 2000) by including it in their payslip.

3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	Yes + Preventive steps taken	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.	6	6	-2
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Comment: In November 2014, Deuter, after a recent strike at two of its Vietnamese production sites, was approached by an NGO claiming that they had observed several labour standards violations at three production sites. The claims ranged from workers being threatened if they spoke to outsiders, workers not being free to leave the factory and losing money if they terminate their contract, unpaid overtime, late payments and toilet break restrictions. Deuter immediately contacted FWF, who registered the claim as a complaint and conducted an investigation. The investigation could not confirm most of the allegations. However, FWF found a general lack of communication between management, supervisors and workers as well as several issues regarding the payment system and overtime hours. As part of remediation, Deuter enrolled all three production sites in FWF's Workplace Education Programme. A FWF verification audit in September 2015 confirmed that communication between workers and management has improved. Several other issues had been solved since the complaint. Challenges remain regarding excessive and voluntary working hours. This is continuously addressed by Deuter (see indicators 1.6/1.7).

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: 9

Earned Points: 9

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: Deuter regularly offers trainings about FWF membership requirements for new employees, which can also be joined by existing staff. During Deuter's staff meeting, employees are updated about current developments (e.g. Brand Performance Check result, complaints etc.). Information about FWF is also shared during sales meetings and monthly meetings of division heads.

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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Recommendation: FWF recommends that non-CSR staff in direct contact with suppliers also attends the FWF conference, the seminar for members or the German stakeholder meeting.

Comment: CSR staff of Deuter regularly attends the FWF annual conference as well as the German stakeholder meeting. Sourcing staff as well as product managers are trained and regularly updated by CSR staff.

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)	9%	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.	1	6	0
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Comment: Deuter's Chinese supplier (9% of Deuter's FOB) participated in a WEP in Deuter's previous financial year.

Deuter enrolled three more production locations in Vietnam in a WEP for its current financial year.

4.5 Factory participation in trainings (where WEP is not offered; by production volume)	All production is in WEP areas.	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.	N/A	4	0
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Comment: The production site in Myanmar has not yet participated in a training. Since it accounts for less than 2% of Deuter's production volume, it is not counted towards this indicator.

TRAINING AND CAPACITY BUILDING

Possible Points: 9

Earned Points: 4

5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Advanced	Any improvements to supply chains require affiliates to first know all of their 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: Deuter has strong, long-term relationships with all main production locations. During its last financial year, Deuter has also made considerable efforts to ensure they are aware of all subcontracting sites (see also indicator 1.4).

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. Staff in direct contact with suppliers exchanges information on a monthly basis as well as before visiting suppliers.

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 informs consumers and other external parties about its approach to improve working conditions through its corporate website, dealer workbooks, product flyers and store meetings. Furthermore, Deuter uses on-garment communication to inform consumers about FWF membership. All communication adheres to FWF's communication policy.

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: Deuter discloses its production sites on its website and social report, thereby contributing to transparency about working conditions its supply chain. The FWF Brand Performance Check is also published on Deuter's website.

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 affiliates 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

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: Top management of Deuter is updated on all relevant developments regarding social compliance and FWF membership at least on a monthly basis. Working with FWF is seen as a crucial part of improving working conditions and ensuring transparency.

7.2 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. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Affiliate should show documentation related to the specific requirements made in the previous Brand Performance Check.	N/A	4	-2
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EVALUATION

Possible Points: 2

Earned Points: 2

RECOMMENDATIONS TO FWF

Deuter would like FWF to cooperate more closely with Better Work and SA8000.

More detailed communication guidelines and tools for FWF leader brands and best practice award winners would be appreciated.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	37	40
Monitoring and Remediation	27	27
Complaints Handling	9	9
Training and Capacity Building	4	9
Information Management	7	7
Transparency	4	4
Evaluation	2	2
Totals:	90	98

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

92

PERFORMANCE BENCHMARKING CATEGORY

Leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

07-10-2015

Conducted by:

Lisa Suess

Interviews with:

Katrin Bauer (CSR Manager)

Marco Huehn (Quality Manager)

Martin Riebel (CEO)

Sebastian Schmidt (Supply Chain Manager)

Rainer Wenninger (Marketing 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.