



BRAND PERFORMANCE CHECK

Jack Wolfskin

PUBLICATION DATE: JANUARY 2015

this report covers the evaluation period 01-10-2013 to 30-09-2014

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

Jack Wolfskin

Evaluation Period: 01-10-2013 to 30-09-2014

AFFILIATE INFORMATION	
Headquarters:	Idstein/Ts., Germany
Member since:	01-07-2010
Product types:	Outdoor
Production in countries where FWF is active:	Bangladesh, Bulgaria, China, India, Italy, Romania, Thailand, Turkey, Viet Nam
Production in other countries:	Cambodia, Indonesia, Korea, Republic of, Myanmar, Slovenia, Taiwan
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	100%
Benchmarking score	82
Category	leader

Summary:

Jack Wolfskin meets most of FWFs management system requirements and goes beyond several. It has 100% of its supply chain monitored, hence meets the monitoring threshold of 90% for this year.

Jack Wolfskin has engaged in advanced public reporting. It publishes its Brand Performance Check Report. Its direct supplier list is published online, with grades per labour issue, based on its own audit findings. From 4 out of 5 suppliers, Jack Wolfskin buys more than 10% of the factory volume and with 2 out of 3 it has a business relationship which has existed for at least five years. This should enable Jack Wolfskin to build partnerships with its suppliers to seek further improvement.

Jack Wolfskin works closely with an external auditing company, audits its suppliers frequently. It is engaged in advanced reporting activities, giving a high degree of transparency. Jack Wolfskin publishes its supplier list online, providing per supplier insight into its main own audit findings. With one supplier it made intensive efforts over a longer period to remediate own audit findings on payments below LMW (incl. unfair or illegal wage deductions), with varying success.

Jack Wolfskin started this year to promote participation in WEP trainings with its suppliers. Six main suppliers were trained by FWF. FWF recommends Jack Wolfskin to motivate its suppliers in Bangladesh to join the Violence Against Women (VAW) training, and set-up VAW committees at factory level. FWF also recommends Jack Wolfskin to seek training opportunities in Indonesia.

FWF expects Jack Wolfskin to take a more pro-active role in discussing living wages with its suppliers. It could proceed with its efforts at one or more main suppliers where it has a high leverage, to start discussing how to move up the wage ladder towards living wages, possibly in a joint effort with other (FWF member) buyers. Jack Wolfskin is also advised to look more closely into the root causes of overtime with its suppliers and seek joint approaches to tackle these causes.

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	78%	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: The percentage of production volume from suppliers where Jack Wolfskin buys at least 10% of production capacity has increased from 75% to 78%.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	65%	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.	3	4	0
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Comment: At 65% of the production volume bought at suppliers, the business relations exists for at least 5 years.

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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Recommendation: For new smaller suppliers in Bangladesh, Jack Wolfskin is advised to look into the need for further training, on Gender Based Violence, as well as Fire and Building Safety.

Comment: Jack Wolfskin uses a checklist for new suppliers with an assessment process and evaluation system for selecting new suppliers. Social compliance is one of the elements on which new suppliers are assessed. As well as communication, essential for partnership, technical skills etc. This is done in a team with representatives of the different departments, including CSR staff. Per department (pricing, technics, vendor control, product development, purchasing, transport) a new supplier is graded. Final decisions are made in a team meeting with all departments, based on the assessment.

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: Jack Wolfskin has a supplier rating system. Supplier evaluation is done after production and used for future sourcing decisions. Jack Wolfskin could show it increased orders at a supplier doing good and rated no 1 in its rating overview. Whether it is possible to increase orders, also depends on the product production needed and the acceptance of a larger order by the supplier itself. Existing suppliers from the past with a low score, who may not have passed current Human Right due diligence standards of Jack Wolfskin for new suppliers, are more intensively monitored and efforts put in place to improve. Jack Wolfskin stopped sourcing at a Chinese supplier, which scored low in the rating system, and did not show willingness to improve. At a Thai supplier, efforts are made to improve the low score, based on own audit reports and a complaint.

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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Recommendation: Besides its own planning forecasting system, Jack Wolfskin is recommended to discuss the planning capacity and overall production planning of the supplier, to prevent excessive overtime.

Comment: Jack Wolfskin showed to have an elaborate planning system, with order forecasting per season. Jack Wolfskin did not have late changes in orders and pre-orders fabric well advance before the 1st order to the garment supplier. It takes holiday periods like Chinese New Year and Ramadan into account when planning production and fabric delivery. The planning of the factory itself, Jack Wolfskin has no control over.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	Intermediate 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.	3	6	0
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Recommendation: Jack Wolfskin is recommended to continue the dialogue with suppliers on the root causes of excessive overtime, provide support to manage overtime, and discuss the merit of realistic production planning on the side of the supplier. Where possible, and facing similar challenges, Jack Wolfskin is recommended to seek cooperation with other buyers at shared suppliers, to seek joint approaches where possible on causes of overtime.

Comment: Despite an elaborate planning system, in all four FWF audits of last year, excessive overtime was found. Jack Wolfskin could show in the Vietnamese case its own forecast and production planning did not change, was agreed to by supplier, and fabric delivery by Jack Wolfskin to supplier was in time. The supplier had not requested a change in the delivery date. If it had done so, Jack Wolfskin would check with customer and stores if late delivery is a problem or not. In case it is and reason for late production is suppliers own fault, supplier has to bear the cost of air freight. If late delivery is not a problem, it is accepted. Over the last 2 years Jack Wolfskin has been facing the challenge of inconsistent quality of delivered fabric, as other brands in the same product range. A challenge which brands sharing the same supplier mostly face at the same time, leading to production planning issues at the shared supplier.

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: Jack Wolfskin is recommended to seek with its suppliers insight in specifically the labour costs per product. This forms the basis for making steps towards living wages.

Jack Wolfskin could start piloting to find out the additional cost of paying a living wage and defining steps up the wage ladder with (one) of its main supplier(s). For this pilot, it could proceed with its efforts started with one supplier in China, and/or a main supplier shared with other outdoor brands member of FWF and seek cooperation in a joint pilot.

Comment: Jack Wolfskin has advanced and detailed shared cost calculation with vendor / supplier, per style, based on fabrics and trimmings. The JW calculation estimate is compared to the supplier calculation after which the price is negotiated on the CMT part (this includes factory costs of overhead which are not known to JW, and estimate of working minutes needed per product). The vendor control department provides information on minimum wage levels to purchasing to include in the cost estimation of the CMT part.

Jack Wolfskin does not know exact cost of labour, since labour cost per garment is included in CMT package and not specified.

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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Recommendation: Jack Wolfskin needs to make sure that its own audit findings on payments below LMW (including unfair or illegal wage deductions) are immediately followed up and corrected, within a reasonable time frame.

Comment: After a Thai complaint case in 2014 on payments below legal minimum wage (LMW), Jack Wolfskin increased its prices and the supplier started paying the LMW. Once more Jack Wolfskin provided the supplier with consultant advice on the improvement of productivity. Backward payments of the gap between actual wages and legal minimum wages to the workers has not (yet) happened.

Before the complaint, Jack Wolfskin already monitored the factory more closely and its own monitoring audits found payments below LMW since 2009. Jack Wolfskin could show correspondence and meetings between top management of Jack Wolfskin and the concerned supplier, which showed Jack Wolfskin made special efforts to improve the situation, discussion on findings took place and plans were made to improve, as well as support given to raise productivity to enable higher wages and provide advise to improve management systems of the factory. Several of its own monitoring reports up to 2013 could show in-between improvements went up and went down again. In 2013 Jack Wolfskin's own audit referred to unfair deduction of wages (which in practice meant payments below the LMW), and the need for remediation.

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
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.	Factory-level approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	4	8	0

Requirement: Affiliate has to take adequate steps to move towards living wages as estimated by local stakeholders. Jack Wolfskin is expected to take an active role in discussing living wages with its suppliers. The FWF wage ladder can be used as a tool to implement living wages. Most relevant wage estimates, such as local minimum wage, Asia Floor Wage, collective bargaining wage and industrial best practice wages are provided in the wage ladder. The wage ladder is included in FWF's audit reports. It demonstrates the gaps between workers' wages at a factory and living wages demanded by major stakeholders. The wage ladder can be used to document, monitor, negotiate and evaluate the improvements at its suppliers.

Recommendation: FWF encourages the affiliate to assess the hypothetical cost effects of increasing wages towards benchmarks that are included in the wage ladder and discuss with suppliers about possibilities to work towards higher benchmarks. Jack Wolfskin could proceed with its efforts at one or more main suppliers, where it has a high leverage, to start discussing how to move up the wage ladder towards living wages, possibly in a joint effort with other (FWF member) buyers.

Comment: Jack Wolfskin supported a supplier with consultancy on productivity improvements to create space for increasing wages, though not systematically, and not towards living wage benchmarks. It has not revised its overall pricing policy to move towards living wages.

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

PURCHASING PRACTICES

Possible Points: 40

Earned Points: 31

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	99%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	1%	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	100%	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
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

Comment: Jack Wolfskin conducts frequent audits of its supplier, this provides an opportunity to closely follow-up. Aim is to check suppliers at least once a year. In its supplier rating and overview system, reminders pop up on CAP's that need following up. The CSR staff or Summation (audit company) checks on the spot if CAP's are followed up.

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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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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Recommendation: Besides doing audits at least once in 3 years, affiliates could consider providing additional support with a local consultant, organise supplier seminars in production countries or at headquarter level, and provide factory training. In any case it is recommended to document communication with suppliers on these issues in between audits.

Comment: Jack Wolfskin conducts own audits (done by Sumations) more frequent than only once in three years. This provides an opportunity to closely follow up. Jack Wolfskin merges the corrective action plans (CAP's) of Sumations and FWF, when both are available.

Sourcing staff, when visiting potential new suppliers, collect other third party audit reports, which CSR staff checks on quality. Sumations audits are done during the testing phase, before orders are placed and after.

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: Proof was shown that corrective action plans are signed by the supplier representatives. CAP's of Sumations audits in Thai case are shown to be followed up. Reports of meetings between top management Jack Wolfskin and Thai supplier confirmed findings discussed, improvement plans discussed and agreed upon, and support given to the supplier to improve.

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: Jack Wolfskin is recommended to address not only fire and building safety with suppliers in Bangladesh, but also violence against women.

Comment: Jack Wolfskin followed Myanmar policy of FWF and referred to in its annual social report. Dialogue with Bangladesh suppliers is shown to be on fire and building safety and all suppliers participated in FWF trainings on fire and building safety. It was monitoring high risk issues in the Maesot area in Thailand.

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: Jack Wolfskin has shared own audit reports, and has participated in shared FWF audits with other customers. It could show communication on coordinated follow-up of CAP's at shared suppliers.

2.8 Monitoring requirements are fulfilled for production in low-risk countries	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.	2	2	0
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Comment: Jack Wolfskin has below 1% production in low risk countries, mainly Italy. Jack Wolfskin has ensured with an audit that the code is posted in Italy. It states that supplier in Italy is sent the code in Chinese and asked it to be posted.

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
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

MONITORING AND REMEDIATION

Possible Points: 26

Earned Points: 26

Additional comments on Monitoring and Remediation:

3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	10	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	6	
Number of worker complaints resolved since last check	4	

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

Recommendation: Though the external audit company hired by Jack Wolfskin can play a certain and limited role in complaint investigation (and provide support to suppliers on productivity improvements etc), FWF recommends Jack Wolfskin to be clear it guides the complaint handling and communication with stakeholders itself.

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: It is suggested to ask suppliers to submit a photo of the posted CoLP with the annual questionnaire and include this in the supplier overview. Jack Wolfskin should monitor if its staff (incl technicians) visiting a supplier checked if the documents are still posted as indicated on the obtained photo (in the right area, freely accessible to workers) and as checked during Sumations audits.

Comment: Jack Wolfskin has set up a systematically process to provide documents to manufacturers. Nevertheless, in one of the FWF verification audits, management claimed that the FWF Code of Labour Practice was not provided by FWF affiliate(s). This concerned a supplier in China, which Jack Wolfskin shares with 2 other FWF affiliates.

CSR staff holds regular meetings with traveling team and instructs technicians: the FWF OHS checklist is shared with them.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	50%	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.	3	4	-2
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Recommendation: Recommendation 1: As part of the routine to ensure the worker information sheet is posted, Jack Wolfskin could request suppliers to send pictures of the posted document. In case of a supplier visit, the company representative can check whether is the document is posted.

Recommendation 2: Jack Wolfskin can continue stimulating its suppliers to participate in WEP trainings, to raise awareness about the existence and the functioning of FWF's worker hotline. In addition to sending the worker information sheet, affiliates can use the worker information cards available for download on FWF's website.

3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	Yes	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.	3	6	-2
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Recommendation: FWF recommends Jack Wolfskin to take advanced steps to uncover root causes of problems and prevent them from recurring.

Comment: Remediation of complaints is in process or completed.

3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	Active cooperation	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.	2	2	-2
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COMPLAINTS HANDLING

Possible Points: 15

Earned Points: 11

Additional comments on Complaints Handling:

As a complaint handling case with an existing 'first generation' supplier in Thailand (scoring low in Jack Wolfskins own rating system) shows:

A success/failure factor of complaint resolving is the quality of the management system of the factory (a.o. insight into its own costing), and furthermore the attitude of factory management and willingness of the supplier to adjust its practice.

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

Recommendation: In general it is recommended to inform employees several times a year on issues related to the FWF membership, to keep them committed.

Comment: New production employees get a training by vendor control. Showing film, how they can check audit results. Staff travelling get special trainings and guidance on use of OHS checklist and once participate in audit to know. CSR staff did German retailer tour, sales persons were trained on social standards of JW stores and retailers selling JW.

Next to that employees can find information on share point.

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: Traveling technicians were also trained on the OHS guide and use the FWF OHS checklists, to perform checks on obvious issues. Technicians report back to CSR staff on whether Sunday night or weekend shifts take place, they do not talk about wages and hours to supplier or workers. Travelling technicians share info with CSR staff and are included in supplier evaluation and rating meetings

4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes + actively support COLP	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.	2	2	-2
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Comment: Only in the footwear department agents are used. JAgents are actively informed and participate also in the training provided to factories. They participate in audits, follow-up together with manufacturer on CAP. Agent has to discuss FWF CoLP with new supplier.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	13%	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.	2	6	0
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Recommendation: Jack Wolfskin should motivate its main supplier(s) to join the Workplace Education Programme trainings. These are designed to ensure awareness and enhance understanding of the relevant labour standards, grievance mechanisms and the importance of a good mechanism for communication between employers and workers in the workplace. In Bangladesh Jack Wolfskin should motivate its suppliers to join the Violence Against Women (VAW) training and set-up VAW committees at factory level.

Comment: Jack Wolfskin has started promoting participation in WEP trainings with its suppliers. Where last year no suppliers participated yet in WEP trainings, this financial year six main suppliers were trained by FWF in the WEP programme.

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: FWF suggests Jack Wolfskin to look into training opportunities in Indonesia.

Comment: Jack Wolfskin had plans to set up trainings for suppliers in Vietnam, based on WEP material of FWF. Not needed anymore, now that FWF decided to also offer training in Vietnam (which JW suppliers will join in the next financial year).

TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 7

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: Jack Wolfskin has developed a supplier information system over the last 2.5 yrs. Since one year all suppliers are in. This includes subcontractor information, like printing, embroidery. It is policy that CMT subcons are audited. Technicians visit printing subcons. Jack Wolfskin has its supplier list online publicly available. New suppliers are in once orders are placed, and put in the FWF database once invoices are received. JW only allows use of CMT subcons after supplier seeks permission which should be granted. This is communicated at the start of the business relationship. Still FWF audits found use of unknown subcons during audits this financial year. These were included in the supplier list, of which one was audited by Jack Wolfskin straight away. One new supplier which is in the FWF database, is not yet included in the public online supplier list of Jack Wolfskin.

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: Different departments have access to suppliers information.

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: Information on FWF membership is placed on the website in correct wording and use of on product communication is according to FWFs 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: Jack Wolfskin published the last brand performance check on its website, and published its direct supplier list (Lieferantenkette) online: <http://jack-wolfskin.at/unternehmen/lieferantenkette.aspx>

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

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
7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate	80%	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.	8	8	-4

Requirement:

Comment: Jack Wolfskin had one requirement to develop pricing policy where labour cost per garment is known, and which allows payment of at least legal minimum wages. Jack Wolfskin audits suppliers regularly and tracks if at least legal minimum wages are paid. It does use wage information for its pricing calculations. However, the CMT part of the calculation shared with suppliers is not specified, hence the labour cost per garment not known.

Though it is a difficult issue to tackle, because details of the factory "overhead" costs, like labour costs, electricity, accounting, etc., are part of factory's commercial 'secret', Jack Wolfskin is still recommended to start seeking with its (main) suppliers insight in specifically the labour costs per product, possibly in cooperation with others, and find ways to making steps towards living wages.

EVALUATION

Possible Points: 10

Earned Points: 10

RECOMMENDATIONS TO FWF

- For FWF to organise supplier meetings (in production countries), e.g. Vietnam
- FWF independent role is the highest asset of FWF, do not get into conflict and safeguard FWF's neutral position
- FWF could offer 3rd parties as resource persons / mediators to provide support to affiliates in case of conflicts and/or resolution of bigger complaints

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	31	40
Monitoring and Remediation	26	26
Complaints Handling	11	15
Training and Capacity Building	7	15
Information Management	7	7
Transparency	4	4
Evaluation	10	10
Totals:	96	117

BENCHMARKING SCORE (EARNED POINTS ÷ POSSIBLE POINTS)

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PERFORMANCE BENCHMARKING CATEGORY

leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

22-01-2015

Conducted by:

Ruth Vermeulen, Stefanie Santila Karl

Interviews with:

Melanie Kuntzawitz, Kai-Ingela Gerasch (from Vendor Control)
Franz-Peter Kaiser (Director Purchase),
Christian Brandt (Chief Operating Officer),
Nicole Sieverding (Manager Purchasing)

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.