



BRAND PERFORMANCE CHECK

LK International AG (Kjus)

PUBLICATION DATE: JULY 2014

this report covers the evaluation period 01-01-2013 to 31-12-2013

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

LK International AG (Kjus)

Evaluation Period: 01-01-2013 to 31-12-2013

AFFILIATE INFORMATION	
Headquarters:	Hünenberg, Switzerland
Member since:	18-04-2012
Product types:	Outdoor, Sportswear
Production in countries where FWF is active:	China, Lithuania, Portugal, Romania, Thailand, Viet Nam
Production in other countries:	Indonesia, Slovakia, Switzerland
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	93%
Benchmarking score	68
Category	Good

Summary:

Kjus meets most of FWF's management system requirements and goes beyond several in their second year membership. At 93%, Kjus' monitoring percentage significantly exceeds the 60% required for second-year members.

Kjus has good knowledge about its production sites. In terms of leverage with suppliers, long-term relationships compensate for relatively small volumes at most of the brand's suppliers. Steps towards living wage implementation have included participation in a FWF living wage study, and knowledge of labour costs in calculations for their most important products.

Follow up on audit reports, corrective action plans as well as complaints has been done thoroughly and within suggested timeframes. Kjus is open towards other brands to work on remediation steps at shared suppliers and at times took the lead in resolving issues at shared suppliers.

In the future, it is recommended that Kjus enrol suppliers in FWF's Workplace Education Programme trainings to increase knowledge at the production sites on labour standards and grievance mechanisms.

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	3%	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.	1	4	0

Comment: Due to its production range, Kjus has many suppliers with only little production capacity at each of the supplier.

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: Kjus has very stable supplier relationship. With almost all suppliers Kjus has a business relationship for at least five years.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	No new suppliers	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.	N/A	2	0
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Comment: No new supplier has been added in 2013. In general, production sites are visited before production starts. This moment is used to also check what certificates or social reports exist already at the factory. All new suppliers then are required to sign and return the Code of Labour practices before first orders are placed.

1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	No new suppliers	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.	N/A	4	0
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1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	1	2	0
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Recommendation: It is recommended to evaluate suppliers towards their compliance with the CoLP. Good compliance with the CoLP could be rewarded.

Comment: Kjus follows non-compliances up with suppliers e.g. a consequence to a supplier who did not want to hang up the CoLP is that the supplier will not receive any further orders. A systematic supplier compliance evaluation is not yet conducted.

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: Two years before products are sold, Kjus starts developing the product together with the supplier who will get the final order. Kjus has a robust system in place with forecast and development of styles together with the supplier. Final orders and time tables for production are communicated to the factory a year before the start of production. This is to give the opportunity for production in low season as well.

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: The affiliate could discuss with factory management on the causes of excessive overtime and provide support to manage overtime. If necessary, the affiliate could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier. FWF could recommend qualified persons upon request.

Comment: Audit reports are used to identify where overtime takes place. Overtime is then discussed with the production site. Kjus orders twice a year to give the opportunity to produce in low season as well. However this is not always done by suppliers.

Kjus started working together with other FWF affiliates to reduce working hours. First steps with other customers of production sites who are not affiliates to FWF will be made in 2014.

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: Recommendation is to analyse the share of labour costs separate from the overhead costs to determine the real share of wages for workers at a style level.

Comment: Prices are discussed having in mind the country of production. A detailed analysis of wages is done per style with the main products sold at Kjus. Apart from fabric, trims, labels etc. labour costs are shown. For Kjus it is difficult to judge the share of overhead cost within the labour cost. Kjus also participated in a living wage study by FWF in 2012/13.

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 FWF audits conducted in 2013 showed failure to pay legal minimum wages.

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 FWF audits conducted in 2013 showed evidence of late payments to suppliers by Kjus.

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
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Recommendation: FWF encourages the affiliate to discuss with suppliers about possibilities to work towards higher benchmarks. FWF has developed experience with approaches that ensure that production workers in the selected facility take full benefit from the additional amounts that are committed to wage increases. FWF could give companies specific guidance on process rollout on request.

FWF advises companies to avoid the concept of a one-time charitable contribution, and strongly recommends affiliates commit to a long term process that leads to sustainable implementation of living wages.

In case FWF members are interested to develop a joint approach to improve wages at a shared supplier, FWF is in the position to give advice on measures that need to be taken by the affiliates to ensure compliance with anti-trust/anti-competition legislation in relevant jurisdictions.

Comment: Kjus participates in FWF's project with various outdoor companies to assess the impact of hypothetical increases towards living wage benchmarks. Through this engagement, the company shows that it is committed to working towards implementation of living wages.

1.12 Affiliate sources from an FWF factory member.	Yes	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.	1	1	0
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Comment: One of the suppliers is a FWF factory member.

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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PURCHASING PRACTICES

Possible Points: 35

Earned Points: 24

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	81%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	12%	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	93%	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: Staff at the Swiss headquarter and in China are responsible to follow up on problems identified by monitoring system.

2.2 Degree of progress towards resolution of existing Corrective Action Plans	Intermediate	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.	4	8	-2
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Recommendation: It is recommended to conduct a root cause analysis to prevent common CAPs in future at the production site where the issues were found as well at others in similar conditions.

Comment: CSR staff visits production sites which have been audited by FWF and other credible organisations such as ILO Better Work one time per year to discuss CAP implementation. Such visits usually take 1 to 1.5 days and focus on labour conditions at the production sites only. Local Kjus staff for translation is taken along if needed.

In case the supplier is visiting Europe, meetings are arranged (also with other FWF affiliates) to discuss what steps have been taken to implement corrective actions.

A root cause analysis is missing to prevent common CAPs in future at the production site where the issues were found as well at others in similar conditions.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	86%	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: Kjus staff visits its production sites regularly.

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: Existing audit reports are collected and the audit quality assessment conducted. In case the audit quality assessment proves a certain quality of report, Kjus includes the findings of the report in its general system to follow up on audit report findings. Such production sites are visited for follow up and the brand which conducted the audit at the production site initially is involved in the follow up process.

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: Kjus shares audit reports and the corrective action plan after receipt from FWF. Improvement timelines are agreed upon with factory management.

2.6 High risk issues specific to the affiliate's supply chain are identified and addressed by the monitoring system.	Intermediate 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.	3	6	0
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Recommendation: Kjus is recommended to use the results of the analysis and to implement findings at the production sites step by step to ensure health and safety for the production workers involved.

Comment: Due to high use of duck downs at the production of Kjus, CSR staff has made an analysis showing the different ways on how to fill in duck downs to the products. Manual and machine solutions exist. Kjus has a clear understanding of which production possibility effects the health of the workers (breathing - lung problems) more or less.

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: Kjus actively cooperates with other customers and partly takes the lead in resolving corrective actions 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: Monitoring requirements are fulfilled for production in low-risk countries. Information about FWF is shared and the Code of Labour Practice demanded to be hung up. Pictures to proof are collected.

2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	0%	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.	0	3	0
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Requirement: FWF affiliate should receive a completed and returned questionnaire from external brands resold by the affiliate.

Comment: Until now, external supplier have not been included in the supplier register. Shoes of another brand are sold at the store at Kjus' headquarter. Those shoes need to be included and social compliance followed up from now onwards.

2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	0%	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.	0	3	0
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MONITORING AND REMEDIATION

Possible Points: 35

Earned Points: 22

3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	3	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	1	
Number of worker complaints resolved since last check	2	

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: Staff at the headquarter and in the production country China take shared responsibility to solve worker complaints immediately.

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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Comment: Posting of the worker info sheet has to be proven by the factory management by sending a picture of the hung up information. Local Kjus staff checks the posting during every factory visit.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	67%	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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Comment: At least half of the workers are aware of the FWF worker helpline at most of the factories where FWF conducted an audit in 2013.

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: Kjus is recommended to take extra steps and efforts to prevent the problems from recurring at other factories with likely similar problems.

Comment: Kjus has addressed complaints received from factory workers with high importance as well as quick and immediate remediation. This is considered according to the FWF complaints procedure. Means to address one of the complaints in more general will be conducting a workplace education programme training in 2014.

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: 13

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: All new employees are informed about FWF membership by the CSR staff (this includes the FWF video). If there are urgent FWF news, all staff is informed with an email.

Kjus works together with a trainer who is briefes and conducts costum made trainings to all employees on a regular basis. FWF related issues are part of these trainings.

Sales meetings include 15 minute update on FWF and are taking place twice a year.

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: Staff in direct contact with suppliers are briefed every week on news about social standards per supplier.

Staff is briefed in detail before going to the production site and works together with CSR staff on the implementation of findings.

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: Last year of cooperation with agents was in 2013; after 2013 Kjus will source directly at all production sites. Agents have been informed about FWF's Code of Labour Practice and have worked together with Kjus on implementation.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	0%	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.	0	6	0
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Recommendation: To inform suppliers about the workplace education programme and to access possibilities of trainings at the production site for management, line supervisors and workers on the CoLP and grievance mechanisms.

Comment: None of the suppliers joined the workplace education programme in the reporting period.

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: It is recommended to start finding ways on how to ensure that workers are trained on labour rights in production countries where WEP is not offered.

TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 5

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

Requirement: Kjus is required to include its shoes which are external suppliers to the database.

Comment: Kjus has a clear understanding of where production takes place. Since the share of shoes produced at external suppliers is less than 1% and Kjus has a very good understanding of where production of its Kjus labelled products takes place, the level of effort to identify all production locations and the update of supplier information can still be considered advanced.

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: All staff with contact to suppliers have access to the information on social standards at the production sites. CSR staff works closely together with Kjus staff in direct contact with 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: Communication about FWF membership adheres to the FWF communication policy. The website of Kjus includes the FWF video.

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: The FWF Brand Performance Check is published on the website of Kjus.

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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Comment: The social report has been submitted in time and published in the website of Kjus.

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 is involved in FWF communication and requirements. A meeting with top management takes place approx. every three weeks. Audit reports, Brand Performance Check etc. are part and discussed during such meetings.

7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate	100%	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
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Comment: One requirement to take steps with regard to living wages has been taken into account as Kjus now knows the labour cost per piece for price calculations, participated in a FWF living wage study and has discussed wage ladders during factory visits.

EVALUATION

Possible Points: 10

Earned Points: 10

RECOMMENDATIONS TO FWF

1. Kjus wishes for training possibilities (Workplace Education Programme) in Viet Nam and verification activities in Indonesia.
2. Kjus wishes for more clear guidance on what audits of other organisations can be accepted and what FWF recommends to follow up. Further Kjus would like FWF to be clearer on how long what kind of report of other organisations can be counted towards the monitoring threshold.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	24	35
Monitoring and Remediation	22	35
Complaints Handling	9	13
Training and Capacity Building	5	15
Information Management	7	7
Transparency	4	4
Evaluation	10	10
Totals:	81	119

BENCHMARKING SCORE (EARNED POINTS ÷ POSSIBLE POINTS)

68

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

12-03-2014

Conducted by:

Stefanie Santila Karl

Interviews with:

Tanja Catenazzi, Production Coordinator & CSR
Sven Serena, Executive Vice President Production & Quality, Partner
Franziska Rohner, PR & Communication Manager

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.