



BRAND PERFORMANCE CHECK

Mayerline NV

PUBLICATION DATE: JULY 2015

this report covers the evaluation period 01-02-2014 to 31-01-2015

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

Mayerline NV

Evaluation Period: 01-02-2014 to 31-01-2015

AFFILIATE INFORMATION	
Headquarters:	Brussel, Belgium
Member since:	15-03-2010
Product types:	Fashion
Production in countries where FWF is active:	China, Turkey
Production in other countries:	Italy, Lithuania, Portugal, Russian Federation
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	81%
Benchmarking score	55
Category	Good

Summary:

Mayerline meets most of Fair Wear Foundation's management system requirements. Mayerline systematically works towards resolution of corrective actions. After FWF audits, remediation steps were taken and follow up is being closely monitored. In 2014 Mayerline effectively encouraged its supplier in Turkey to conclude a CBA which raised wages at the supplier.

Mayerline is encouraged to take steps towards analysing the root causes of excessive overtime and payment below living wages and how this relates to its own buying practices. Moreover, it can increase efforts to encourage more suppliers to take part in FWF's Workplace Education Programme.

Most of Mayerline monitoring efforts in 2014 were focused on high-risk countries, mainly China and Turkey. However, some 40% of its total purchasing volume in 2014 is sourced in low-risk countries, mostly Lithuania and Portugal. As Mayerline did not visit any of its suppliers in Portugal and Italy (accounting for 11%) in 2014 and also did not ascertain whether the CoLP was posted, it did not meet FWF monitoring requirements for low-risk countries. Mayerline did, however, meet the monitoring requirements for its supplier in Lithuania, accounting for 31% of its 2014 FOB volume. With 50% under monitoring in high risk countries, Mayerline's monitoring percentage in 2014 stands at 81%, which is below the 90% required for members in 3+ years of membership. A number of audits and WEPs are planned in 2015, which are expected to bring Mayerline's monitoring percentage above the required 90% again. FWF has therefore decided to use its discretionary power and has awarded a Good status.

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	69%	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.	3	4	0
1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	80%	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

Comment: Mayerline has established long-term relations with suppliers accounting for 80% of its FOB volume. Mayerline has a limited number of suppliers, with which it works for a long time.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	No	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.	0	2	0
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Requirement: Mayerline needs to ensure that new suppliers sign and return the questionnaire before first orders are placed.

Comment: In 2014 Mayerline placed orders with a new supplier in Turkey. Despite Mayerline's request, the supplier did not return a signed copy of the Code of Labour Practices.

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: Conducting pre-audits or analysing existing audit reports can be a way to assess the level of working conditions before deciding to start or continue the business relationship. Mayerline could use the Health and Safety checklist developed by FWF when assessing new suppliers.

Comment: Before starting a new business relation, Mayerline conducts a visit to the factory to check the appearance and atmosphere within the factory. This provides a first impression of the supplier. If the factory is not properly organized, Mayerline will not consider starting a new relation. Through on-site inspection and informal discussion, Mayerline ascertains whether the factory is willing to comply with the CoLP and agrees to be audited.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	No	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.	0	2	0
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Recommendation: Mayerline is encouraged to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions.

Comment: Mayerline does not apply a formal rating system to rate its suppliers. An informal assessment is made for new suppliers in which quality, prices and lead times are the main criteria. Social compliance is considered as a second step and generally it is not possible to reward suppliers for realising improvements in working conditions. Non-compliance with social standards (with the exceptions of serious violations) would normally not lead to termination of a business relation.

1.6 The affiliate's production planning systems support reasonable working hours.	General or ad-hoc system.	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.	2	4	0
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Recommendation: It is advised to establish a system for sharing and updating forecasts with suppliers to facilitate their planning. The system may include assurance of early delivery of materials and trimmings to suppliers, ensuring samples are approved in time and that late changes are discussed with the supplier. A good production planning system needs to be established based on the production capacity of the factory for regular working hours.

Comment: Mayerline distinguishes between two types of products: (i) garments/products that are bought from its suppliers (which it calls 'trade'), and (ii) products for which Mayerline purchases the fabric and trims itself (called 'confection') and arranges CM. The strategy is that 'confection' production (CMT) takes place in Europe, with the bulk being produced at Mayerline's daughter company in Lithuania MLI, while the 'trade' products are sourced from suppliers in Asia, mainly China and Turkey.

Mayerline produces two collections per year: summer and winter season. Some 80% of annual production consists of initial orders. The process from product development to delivery in the shops can take up to six months. The exception is for the re-orders. Mayerline expects production of reorders for 'confection' products within 3 weeks after the delivery of fabrics and accessories and 5-10 weeks for 'trade' products. Before placing the re-orders, Mayerline always checks with the supplier whether the existing production capacity allows meeting the production deadlines.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	Insufficient 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.	0	6	0
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Requirement: Mayerline should investigate to what extent its current buying practices has an effect on the working hours at supplier level. A root cause analysis of excessive overtime should be done to investigate which steps can be most effective to reduce overtime.

Recommendation: As excessive overtime was found at suppliers of Mayerline, it could discuss with factory management on the causes of excessive overtime and provide support to manage overtime. If necessary, Mayerline could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier. FWF could recommend qualified persons upon request. This could be combined with a root cause analysis on living wages, which is closely linked to excessive overtime. Mayerline could first start supporting factories where it has a higher leverage (buying more than 10% of the production capacity).

Comment: During FWF audit in 2014 excessive overtime was found at Mayerline suppliers in China and Turkey. Mayerline has not yet conducted a root causes analysis on excessive overtime. Mayerline is of the view that its low leverage does not allow real influence on wage levels at its suppliers.

1.8 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.	Country-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.	2	4	0
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Requirement: Mayerline needs to develop a pricing policy where the affiliate knows the labour cost of garments and which allows the payment of at least legal minimum wages in production countries.

Recommendation: At a minimum, Mayerline is recommended to investigate wage levels in production countries, among others by making use of FWFs Wage Ladder and country studies. As an advanced step, increased transparency in costing and productivity gives insight in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages

Comment: Mayerline sets its target FOB prices based on its experience of historical FOB prices and its knowledge of market prices. Based on production in Lithuania it has an understanding of the CM price and the percentage of the CM price allocated to wages (60-70%). However, it lacks information on worker output and therefore has little insight whether its FOB prices allow for the payment of at least minimum wages. It essentially relies on the wage ladders included in the FWF audit reports. Based on these audits, Mayerline has discussed the wage levels at some of its suppliers.

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
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

Recommendation: FWF encourages Mayerline 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.

In this regard, FWF encourages Mayerline to assess the hypothetical cost effects of increasing wages towards benchmarks that are included in the wage ladder. To support companies in this process FWF has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models.

Comment: Mayerline discussed the wage ladders with its suppliers as part of the CAPs follow up process. Furthermore, Mayerline supported the establishment of a Collective Bargaining Agreement at one of its suppliers in Turkey, which raised wages significantly.

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.	30%	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.	1	2	0

Comment: Mayerline's daughter company MLI in Lithuania accounts for 30% of its 2014 FOB volume.

PURCHASING PRACTICES

Possible Points: 42

Earned Points: 22

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	50%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	31%	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	81%	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	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

Requirement: Resolving and remediating non-compliances is one of the most important criteria FWF affiliates can do towards improving working conditions. FWF expects Mayerline to examine and support remediation of any problem that they encounter. Coordinated efforts between different departments are required to ensure sustained responses to CAPs.

Comment: In 2014 FWF audits took place at Mayerline's main suppliers in China and Turkey. As Mayerline was not sure whether it would continue with the supplier in China, it did not follow up on the CAPs. Mayerline did follow up with its supplier in Turkey, focussing specifically on health and safety issues. Following a FWF audit in 2013, Mayerline requested a supplier in China to inform its subcontractors on the FWF Code of Labour Practices.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	79%	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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Recommendation: Annual visits should be made for production sites (including subcontractors and production in low-risk countries). Regular visits provide the opportunities to discuss problems and corrective actions in the time period between formal audits.

Comment: Mayerline did not visit its suppliers in Portugal and Italy in 2014.

2.4 Existing audit reports from other sources are collected.	Yes	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	1	3	0
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Recommendation: Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces double work. Existing audits can be counted towards the monitoring threshold if the quality of the report is assessed using the FWF audit quality tool and corrective actions are implemented.

Comment: Mayerline collected third party audit reports (i.e. BSCI) from suppliers in China and Turkey. It did, however, not follow up on CAPs as a FWF audit was planned at the supplier in China and it was not sure whether it would continue with the supplier in Turkey.

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
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Comment: Upon receipt of a FWF audit report and CAP, Mayerline promptly shares it with the supplier concerned. It normally asks the supplier to follow up immediately on the OHS issues. CAPs are discussed whenever Mayerline’s sourcing manager visits the audited suppliers.

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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Requirement: Mayerline’s monitoring system should identify and address high risk issues that are specific to the its sourcing practices. FWF provides policies and country-specific requirements to affiliates. Priorities in remediation efforts are guided by these policies.

Comment: In Turkey, where freedom of association is considered a common non-compliance issue in factories, Mayerline had worked with its supplier to allow a union to be established. The union negotiated a CBA with the factory, which raised wages considerably. Mayerline did not consider the possible risk of Syrian refugees at its suppliers in Turkey.

2.6a High risk issues specific to Bangladesh are identified and adressed 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
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2.6b High risk issues specific to Myanmar are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Myanmar	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.	N/A	3	0
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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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Recommendation: Cooperation among customers increases leverage, the chances of successful outcomes and long term improvements. A first step can be identifying other clients and their commitment to improving working conditions. In case serious findings cannot be resolved by the affiliate, cooperation is required.

Comment: Mayerline actively cooperates on CAP follow-up with another Fair Wear affiliate, with which it shares a supplier in China.

2.8 Monitoring requirements are fulfilled for production in low-risk countries	No	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.	0	2	0
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Requirement: Monitoring requirements need to be fulfilled for production in low-risk countries in order for it to be counted towards the monitoring threshold. All production sites in low-risk countries must:

- Be visited annually by affiliate representatives;
- Be informed of FWF membership and return the completed CoLP questionnaire before production orders are placed;
- Be aware of specific risks identified by FWF;
- Have the FWF Worker Information Sheet posted in local languages.

Comment: Mayerline did not visit its any of its suppliers in Portugal and Italy in 2014, collectively accounting for 11% of its 2014 FOB volume. It therefore did not meet the monitoring requirements for low risk countries there. Mayerline did, however, meet the monitoring requirements for its supplier in Lithuania, accounting for 31% of its 2014 FOB volume.

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.	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

MONITORING AND REMEDIATION

Possible Points: 29

Earned Points: 18

3. COMPLAINTS HANDLING

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1
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

Requirement: Mayerline should check if the worker information sheet is posted. The information sheet is the first step towards awareness raising about the existence and functioning of FWFs worker hotline.

Comment: Whenever Mayerline's staff are travelling to visit factories, posting of the Worker Information Sheet is verified. However, some suppliers in low risk countries (Portugal, Italy) were not visited in 2014 and Mayerline was not able to confirm that the COLP was (still) posted. Mayerline subsequently followed up and collected photos of the posted COLP from suppliers concerned.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	25%	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.	2	4	-2
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Recommendation: Mayerline can stimulate 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.

Comment: More than 50% of the workers in one supplier, out of four suppliers that were audited, were aware of the CoLP. Mayerline proposed a WEP for one of its suppliers in China, which did not agree thus far. Mayerline furthermore considers to enroll another supplier in China in the WEP after the completion of the planned audit at this supplier mid 2015.

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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Comment: In this reporting period, Mayerline followed up on a complaint, lodged end of 2013, regarding the firing of workers that were union members at a supplier in Turkey. Mayerline responded adequately, which resulted in workers being reinstated.

3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	Information sharing	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.	1	2	-2
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Recommendation: Mayerline could investigate whether cooperation with other customers is possible and enhances the efforts to resolve the complaint.

Comment: For the complaints at the Turkish supplier, Mayerline discussed with FLA, as one of FLA's members is sourcing at the same supplier.

COMPLAINTS HANDLING

Possible Points: 15

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: In 2014, Mayerline organized a training on Fair Wear for sales staff working in Mayerline's shops.

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 encourages purchasing staff or agents to observe factory audits by FWF audit teams to learn about the audit process and to be able to better follow up on corrective action plans.

Comment: All staff that are in direct contact with suppliers are aware of the FWF requirements and follow up on CAPs whenever they visit suppliers concerned.

4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes	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.	1	2	-2
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Requirement: Mayerline needs to ensure agents are aware of FWF requirements and actively support the implementation of the CoLP.

Comment: Mayerline works with only one agent in Lithuania. the agent is aware of FWF and the Code of labour practices.

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: In order 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, FWF developed the Workplace Education Programme. This programme is offered in the 4 priority countries free of charge. Mayerline should motivate its main supplier(s) to join WEP trainings.

Comment: Mayerline had suggested to one supplier in China to join the WEP. The supplier, however, did not (yet) agree. In addition, Mayerline considers to enroll another Chinese supplier in the WEP, following an audit planned there mid 2015.

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: Mayerline works mainly in countries where WEP is offered as well as low risk countries. In addition, Mayerline has one supplier in Russia, which accounts for 2% of its 2014 FOB volume.

TRAINING AND CAPACITY BUILDING

Possible Points: 11

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	Intermediate	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.	3	6	-2

Recommendation: The supplier register of the previous financial year has to be complete and accurate; production locations of all suppliers must be listed, including subcontractors. Mayerline is advised to develop a systematic approach to complete the supplier list. Correct FOB percentages should be given per supplier to show the relevance of each supplier in relation to the affiliate's total purchasing volume. These can be calculated on the basis of payments made during the previous financial year.

Comment: Mayerline requested its suppliers to distribute the worker information sheets also at the suppliers' subcontractors. It was, however, not able to verify whether this actually took place. For some suppliers Mayerline is able to compare the production plan vis-a-vis progress on the production line during visits to the supplier. This give Mayerline an indication as to the possible use of subcontractors. Quality variations could also be an indication of the use of subcontractors.

Mayerline furthermore depends on the FWF audit reports to know about the possible use of unauthorized subcontractors. After audit finding, Mayerline informed a supplier that it does not allow the use of subcontractors.

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: Mayerline developed an internal supplier database. The database provides information to suppliers on CSR, the FWF COLP, as well as financial conditions, and instructions for shipping and the printing of labels, etc. Mayerline intends to save supplier questionnaires, audit reports and CAPs in the system so that all staff have equal access to relevant information. Regular meetings are also held to discuss suppliers and required follow up during factory visits.

INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

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: Mayerline communicates about FWF through the company website and the company catalogue. Membership is described in correct wording.

6.2 Affiliate engages in advanced reporting activities	No	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.	0	1	0
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Recommendation: FWF recommends Mayerline to publish one or more of the following reports on its website: brand performance check, audit reports, supplier information. Good reporting by members helps to ensure the transparency of the affiliate and FWF's work.

6.3 Social Report is submitted to FWF and is published on affiliate's website	Complete report submitted to FWF	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.	1	2	-2
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TRANSPARENCY

Possible Points: 4

Earned Points: 2

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 Changes from previous Brand Performance Check implemented by affiliate	2%	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.	2	4	-2

Comment: At the previous brand performance check the following requirements were included:

- 1) Mayerline needs to develop a pricing policy where the affiliate knows the labour cost of garments and which allows the payment of at least legal minimum wages in production countries.
- 2) Mayerline should check if the worker information sheet is posted.

Mayerline sets its prices based on historical FOB price levels and market prices. Based on production in Lithuania it has an understanding of the CM price and the percentage of the CM price allocated to wages (60-70%). However, it lacks information on worker output and therefore has little understanding whether its FOB prices allow for the payment of at least minimum wages.

Whenever Mayerline visits a supplier it always checks whether the COLP is posted. Pictures, however, are normally not taken. Also, suppliers in low risk countries were not visited in 2014 and Mayerline initially could not confirm that the COLP was posted. Suppliers were subsequently contacted and requested to share pictures of the posted CoLP.

EVALUATION

Possible Points: 6

Earned Points: 4

RECOMMENDATIONS TO FWF

N/A

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	22	42
Monitoring and Remediation	18	29
Complaints Handling	9	15
Training and Capacity Building	4	11
Information Management	4	7
Transparency	2	4
Evaluation	4	6
Totals:	63	114

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

55

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

09-06-2015

Conducted by:

Koen Oosterom

Interviews with:

Patrik Geurts: CEO

Sarunas Dauksys, General Operations Manager at MLI (Lithuania)

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.