



BRAND PERFORMANCE CHECK

Nudie Jeans Co.

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

Nudie Jeans Co.

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

AFFILIATE INFORMATION	
Headquarters:	Göteborg, Sweden
Member since:	01-11-2009
Product types:	Fashion
Production in countries where FWF is active:	India, Italy, Lithuania, Portugal, Tunisia, Turkey
Production in other countries:	Sweden
BASIC REQUIREMENTS	
Workplan for this evaluation period was submitted?	Yes
Actual supplier register for this evaluation period has been submitted?	Yes
Membership fee has been paid?	Yes
All suppliers have been notified of FWF membership?	Yes
SCORING OVERVIEW	
% of own production under monitoring	97%
Benchmarking score	80
Category	Leader

Summary:

Nudie Jeans meets most of FWF's management system requirements. More than 85% of Nudie Jeans' total purchasing volume is sourced from low risk countries Italy and Portugal. This, in addition to high leverage at suppliers and the stable relationships with suppliers, gives the company a strong basis for effectively monitoring working conditions. Nudie Jeans has monitored nearly 100% of their 2013 purchasing volume and therefore meets FWF's monitoring threshold.

Nudie Jeans systematically works towards resolution of corrective actions in all countries. Nudie Jeans activities go beyond FWF requirements in low risk countries. After an audit in India, remediation steps were taken and follow up is being closely monitored. The company has taken steps to increase wages at one supplier in India; an approach that is being implemented at other factories in their supply chain. Nudie Jeans can take steps towards analysing the root causes of excessive overtime and how this relates to its own buying practices. Moreover, it can encourage more suppliers to take part in FWF's Workplace Education Programme. Nudie Jeans developed a production guide in 2013 as part of their 100% transparency challenge. The production guide includes all suppliers with factory addresses and a summary of audit results.

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	79%	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: Nudie Jeans has a consolidated supplier base with a contained number of suppliers where they have high leverage. 79% of its production volumes is from suppliers where they buy at least 10% of the factories' production capacity. The sourcing strategy is to optimize production and concentrate orders to a few suppliers with each supplier making one product. Leverage is also gained by being a premium brand that suppliers would like to have in their client portfolio. These aspects gives Nudie Jeans a strong position to effectively request improvements of working conditions.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	83%	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: Nudie Jeans maintains a long term relationship of over 5 years with suppliers that account for 83% of the company's production volume. The stable business relationships support working on improvements with suppliers.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	Yes	The CoLP is the foundation of all work between factories and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	2	2	0
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1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	Yes	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0
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Comment: A formal process exists to evaluate conditions at suppliers before placing orders. New suppliers are always visited and receive a package with requirements on transparency, the Code of Labour Practices, in particular living wage. The package is discussed during the visit to get commitment from suppliers to be transparent and work on the common goals. The willingness of factory management to cooperate and be transparent is a crucial element in deciding to start a business relationship. Findings from this process are shared among production and CSR department, ensuring all aspects are included in the decision making process of selecting a new supplier. Nudie Jeans has a folder per country with the risks, local stakeholder information which is used as background when selecting new suppliers. At one of the new suppliers in 2013, the living wage project that Nudie Jeans conducted at another supplier was discussed, resulting in the first step of doing a survey among workers about living wages.

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: Nudie Jeans has a grading system that includes progress on willingness and improvements regarding social compliance. Each supplier is evaluated by product group; all staff working with that product group is involved in the evaluation. In case a supplier falls behind in certain areas, a plan is established to put more attention on the issue. In 2013 one supplier relation was terminated due to several non-compliances and lack of trust. The production did not take place where Nudie Jeans had decided to place orders. After several attempts to improve the situation, the business relationship was ended.

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: Nudie Jeans' order placement system includes several instruments to ease pressure on factories. The company blocks fabric and blocks orders to facilitate good planning with the suppliers. Nudie Jeans has direct contact with fabric suppliers to ensure timely delivery at the manufacturing site. Often fabric can be used for different styles. Nudie Jeans never has late changes given that the design and styles do not change after sales samples are done. This means no changes 3.5 months before the production starts and gives suppliers time to prepare for production. Stock orders are used to spread to low periods of the factory. Nearly 50% of the collection are carry-over orders.

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: Nudie Jeans could discuss with factory management on the causes of excessive overtime and provide support to manage and reduce overtime. In case overtime is found with an audit, it should analyse if the company's buying practices for that order possible contributed to excessive overtime. If necessary, Nudie Jeans could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier.

Comment: Three audits conducted by FWF showed excessive overtime or problems with in-transparent records. For denim, Nudie Jeans staff is permanently keeping track of production. The production capacity is known for each separate production line. If output is too high, it would raise a concern. For tops, it is more difficult to analyse the working hours in relation to Nudie Jeans production. For those cases, Nudie Jeans accepts the deadline given by the suppliers. In rare cases of delays when the supplier cannot make the order, Nudie Jeans can postpone deadlines and complete its orders with other denim production. Mostly delays happen because the washing does not come out the way it is supposed to.

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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Recommendation: Increased transparency in costing 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. With the advanced transparency level Nudie Jeans has with its denim suppliers, it could investigate the share of labour costs that is paid to workers in relation to their own prices.

Comment: On country level Nudie Jeans is aware of minimum wages and how this generally relates to their pricing policy. Although the cost break down includes sewing, cutting, washing costs, the exact share that goes to workers per style is not known.

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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Comment: At one supplier payment below minimum wage was found. Nudie Jeans discussed this with management. At the next audit to verify improvements, this finding was remediated. Another audit at a supplier in India showed payment below minimum wage; Nudie Jeans had difficulties with this suppliers in several areas and has stopped working with them.

1.10 Evidence of late payments to suppliers by affiliate.	No	Late payments to suppliers can have a negative impact on factories and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of factory and affiliate financial documents.	0	0	-1
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1.11 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Supply chain approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	6	8	0
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Comment: Over 80% of Nudie Jeans' production comes from factories in low risk countries where wages are negotiated through a collective bargaining agreement. At one of its suppliers in India, Nudie Jeans supports movement towards living wages through agreeing on a price increase for their order. A local NGO monitored the payment of the price increase to workers. First steps towards copying this approach to other suppliers is in process. Living wage has been identified by the board of Nudie Jeans as the area to work on for every supplier.

1.12 Affiliate sources from an FWF factory member.	No	When possible, FWF encourages affiliates to source from FWF factory members. On account of the small number of factories this is a 'bonus' indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	N/A	1	0
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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: 40

Earned Points: 32

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	11%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	86%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Total of own production under monitoring	97%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 90% Measured as a percentage of turnover.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2
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

Recommendation:

Comment: Nudie Jeans has made several steps towards resolving corrective actions from audits. Status of findings are monitored in a systematic approach with efforts that are coordinated between different staff that have influence over supply chain conditions. Meaningful documentation was shown of follow up actions taken by Nudie Jeans in 2013. In addition Nudie Jeans organises supplier seminars, shares knowledge with suppliers and demonstrated a thorough understanding of relevant issues by using FWF instruments. Financial support is given by organising participation in trainings and the additional wage payments at the supplier in India. Also at this supplier in India, a remediation plan was set up to work specifically on the situation in dormitories; verification of improvement has not yet happened. A meeting took place to discuss all findings in detail; including a factory walk through all the health and safety improvements and a documents check. An employee guide was shared with all workers and guidance was requested from local stakeholders. Improvements have also been implemented at suppliers in low risk countries, among others opening a new factory building which produces 100% for Nudie Jeans.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	98%	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
2.4 Existing audit reports from other sources are collected.	Yes and quality assessed	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.	2	3	0

Comment: Nudie Jeans has collected existing reports from among others BSCI and assessed the quality. Identifying existing reports is always part of the selection of new suppliers. The external audits are used as a risk assessment at first to see urgencies, followed by doing own audits anyway.

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
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

Comment: Risks are identified per country in country folders with information from local stakeholders. Nudie Jeans has a structured approach to see whether issues from one supplier might occur at other suppliers as well. The choice to source mostly in low risk countries has been a deliberate decision with working conditions taken into consideration. Chinese workers at Italian suppliers were identified as a risk area. Nudie Jeans conducted audits with a Chinese interpreter to be able to interview the workers. In addition, the company is well aware of the risks in India associated to young girls worker abroad away from their families.

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: Nudie Jeans has taken the lead in cooperating with other brands at a shared supplier in India.

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: Nudie Jeans also conducts audits in low risk countries.

2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	No external brands resold	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	N/A	3	0
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2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	No external brands resold	FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.	Supplier register; Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0
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MONITORING AND REMEDIATION

Possible Points: 29

Earned Points: 28

3. COMPLAINTS HANDLING

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1
3.2 System exists to check that the Worker Information Sheet is posted in factories	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.	2	2	0

Comment: During visits it is always checked whether the Code of Labour Practices is posted. Buyers will send pictures after each visit.

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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Comment: At two units where a training was given, workers showed basic awareness of the Code of Labour Practices. One other audit conducted by FWF in Turkey showed workers were not aware. A third audit conducted showed workers were not aware; however, this audit was considered a 'pre-audit' and was conducted in a period before the start of production. Given the audit results and the supplier's lack of transparency, Nudie Jeans decided to no longer place orders there. This third audit is therefore not included in this indicator.

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: One worker from a supplier in Turkey complained his employment contract was terminated without valid reason. After the communication with the factory management, factory proposed the worker to be reinstated with a salary increase. Plaintiff accepted the proposal and started to work in the accused factory again. In addition, the complaint indicated workers were forced to sign an annual leave log without providing the leaves. During the audit to verify improvements, both management and workers stated that management had started paying for the annual leaves of the previous years, however the documents of payments and annual leave records were not consistent, hence could not be verified.

Another case of Chinese workers from a factory in Italy complaining about excessive working hours and lack of insurance is still in process. An investigation took place with FWF's Chinese audit supervisor that identified a number of corrective actions.

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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Comment: Nudie Jeans has shared information with another customer of the factory in Italy.

COMPLAINTS HANDLING

Possible Points: 15

Earned Points: 10

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: During 'kick off session' all staff is informed of FWF membership through a presentation. Sales staff also receive a training regarding FWF membership. Nudie Jeans staff have regular meetings with purchasing, product development and CSR staff to discuss status of improvement at supplier level. Emails are sent out to the entire company after audits and staff is updated about general CSR issues during monthly staff gatherings.

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: Nudie Jeans participated in a FWF seminar in Italy with many of their Italian suppliers, agents and production managers.

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: Agents actively support the implementation of FWF's Code of Labour Practices. The Italian agents took part in the seminar.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	66%	Lack of knowledge and skills on best practices related to labour standards is a common issue in factories. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	6	6	0
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Recommendation: Workers and management should be systematically informed about FWF and the implementation of the Code of Labour Practices. To raise 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. Nudie Jeans should stimulate its suppliers in Turkey and India to take part in this programme in case production continues in these countries in the future.

Comment: A training took place at a vertically integrated suppliers in India.

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 advised to organize trainings in other countries as well. FWF is piloting the programme in Tunisia and Romania.

Comment: Nudie Jeans has organized several trainings at its most important suppliers in Italy.

TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 11

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: With the advanced transparency requirements towards suppliers, Nudie Jeans has much more information of subcontractors. A supplier transparency agreement is signed by the supplier and Nudie Jeans disclosing all factory information, number of workers and subcontractor information. Nudie Jeans visits all suppliers and given that it is aware of the exact capacity of suppliers and their production lines, the brand knows if all production for Nudie Jeans takes place at the specific locations. No audits gave indication of unknown 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: Nudie Jeans' CSR manager is integrated in the purchasing/product development department and has regular meetings with regards to code implementation and supplier selection.

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: Nudie Jeans communicates about FWF through the company website. Membership is described in correct wording. Moreover, a booklet comes with every pair of Nudie Jeans with a section about FWF membership.

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: Nudie Jeans developed a production guide in 2013 as part of their 100% transparency challenge. The production guide includes all suppliers with factory addresses and a summary of audit results. On request, Nudie Jeans sends the complete audit report. The brand performance check report is also published online.

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

Comment: An annual meeting takes place to determine strategy. CSR priorities are set. When writing the social report Nudie Jeans also evaluates FWF membership progress.

7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate	45%	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.	2	8	-4
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Comment: Nudie Jeans has now placed the FWF logo is on the website. The company has also started looking at production planning and the capacity of its suppliers in order to adjust their planning. Stable quantity orders are set for denim, for tops this is less. In addition, the company is working on enrolling suppliers in FWF's Workplace Education Programme.

EVALUATION

Possible Points: 10

Earned Points: 4

RECOMMENDATIONS TO FWF

Nudie Jeans would appreciate better presentation of the Workers Information Sheet.

The company is still in favour of having an open supplier database.

Moreover, Nudie Jeans noticed in some audit reports findings are insinuatingly formulated in such a way that it might provoke management, even though the finding could not be completely verified. This makes the starting the discussion with the supplier more difficult.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	32	40
Monitoring and Remediation	28	29
Complaints Handling	10	15
Training and Capacity Building	11	15
Information Management	7	7
Transparency	4	4
Evaluation	4	10
Totals:	96	120

BENCHMARKING SCORE (EARNED POINTS ÷ POSSIBLE POINTS)

80

PERFORMANCE BENCHMARKING CATEGORY

Leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

17-06-2014

Conducted by:

Annabel Meurs

Interviews with:

Henrik Lindholm (CSR Manager)

Peter Frank (Product development 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.