



BRAND PERFORMANCE CHECK

Anchor Workwear BV

PUBLICATION DATE: JULY 2016

this report covers the evaluation period 01-01-2015 to 31-12-2015

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

Anchor Workwear BV

Evaluation Period: 01-01-2015 to 31-12-2015

AFFILIATE INFORMATION	
Headquarters:	Bergen op Zoom, Netherlands
Member since:	01-07-2013
Product types:	Workwear
Production in countries where FWF is active:	Bulgaria, China, Turkey, Viet Nam
Production in other countries:	Netherlands, Poland, Portugal
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	65%
Benchmarking score	55
Category	Needs Improvement

Summary:

Anchor Workwear has shown insufficient progress in implementing FWFs management system requirements. Anchor Workwear has monitored 65% of its purchasing volume, which does not meet the required threshold of 90% for the third year of membership.

Anchor Workwear has experienced a significant growth in 2015. With its main factories in Vietnam and Bulgaria with whom it has long-term relationships, it has taken further steps to improve labour conditions. Anchor Workwear worked on worker representation, health and safety, prevention of excessive overtime and living wage. In Vietnam, workers have reached a living wage level. At these factories, Anchor Workwear has reached an advanced level of improving labour standards.

Due to its growth, Anchor Workwear could not continue with its current supplier base, but had to expand to ensure that it would meet customer demand. Anchor Workwear started business relationships with suppliers in Vietnam, Bulgaria, China and Turkey. In engaging with these suppliers, it did not take sufficient steps to prevent and mitigate human rights risks and promote labour standards. Since Anchor Workwear did not sufficiently audit, collect other audit reports and assessed suppliers in low-risk countries, it did not reach the required 90% monitoring percentage. At the end of 2015, Anchor Workwear started again to consolidate its supplier base.

No complaints were received in 2015, and no Workplace Education Programme trainings took place.

FWF encourages Anchor Workwear to ensure that it reaches the required 90% monitoring percentage. Although good labour standards are part of the core values of Anchor Workwear, it should further integrate this into its systems and decision-making. It should ensure that it knows what the risks are at suppliers and show what steps it takes to prevent, mitigate and remediate human rights risks. A more systematic approach is necessary to assess new suppliers and to promote and discuss labour standards with these suppliers. Furthermore, FWF advises Anchor Workwear to organize a Workplace Education Programme training in 2016 at its suppliers.

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	80%	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: Anchor Workwear has long term relationships and more than 10% of production capacity with its main suppliers. It has very strong relationships with two of its main suppliers, which gives them significant leverage to improve labour standards.

Due to growth, it started to work with new suppliers in 2015. At some suppliers, it had less than 10% leverage, lowering the total level of leverage Anchor Workwear has at suppliers compared to last year. After a trial period, Anchor Workwear stopped working with several new suppliers to consolidate and strengthen its supplier base.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	68%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier information provided by affiliate.	3	4	0
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Recommendation: FWF recommends Anchor Workwear to maintain stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.

Comment: Anchor Workwear has a steady and long term relationship with its main factories. Due to a significant growth, Anchor Workwear started to work with new suppliers, but also ended relationships with most of them again, limiting their ability to discuss labour standards.

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: Anchor Workwear needs to ensure that new suppliers sign and return the questionnaire before first orders are placed.

Comment: Anchor Workwear discussed labour standards during its visits at new suppliers and informed them about FWF membership. It did not systematically send out the questionnaire to its new suppliers, and it did not ask them to post the Worker Information Sheet in the factory.

1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	No	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.	0	4	0
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Requirement: A formal process should exist to evaluate the risks of labour violations in the production areas Anchor Workwear is operating. This evaluation should influence the decision on whether to place orders, how to prevent and mitigate risks, and what remediation steps may be necessary.

Recommendation: FWF recommends Anchor Workwear to conduct pre-audits or to analyse existing audit reports to assess the level of working conditions before deciding to start or continue the business relationship. FWF further recommends Anchor Workwear to assess the risks associated with operating in specific production areas. FWF advises to use information from FWF country studies and wage ladders. Anchor Workwear can cooperate with local stakeholders to further investigate the situation in a specific country, particularly with regards to China and Turkey, FWF can offer information on local stakeholders.

Comment: Anchor Workwear visited all new suppliers before production took place and discussed labour standards, but no previous audits or FWF questionnaires were collected. Although aware of sub-contracting, it did not always discuss labour standards at these production locations. Anchor Workwear did not assess human rights risks and collect information on a country-level. They did not include labour standards in its decision-making.

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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Requirement: A systematic approach is required to integrate social compliance into normal business processes, and supports good decision-making. The approach needs to ensure that Anchor Workwear consistently evaluates the entire supplier base and includes information into decision-making procedures.

Comment: Anchor Workwear evaluates compliance with its main suppliers, but currently does not have a systematic supplier compliance evaluation system for all of its suppliers.

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: A good production planning system needs to be established at its new suppliers based on the production capacity of the factory for regular working hours.

Comment: With its main factories, Anchor Workwear has a strong integrated system to plan production and to ensure that overtime is prevented. With its new suppliers, Anchor discusses lead times, monitors the delivery of fabric to the factory and is prepared to discuss longer lead times if necessary or have shipments sent by air freight. Anchor Workwear does not have insight in the production planning system of these factories and possible excessive overtime.

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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Requirement: Adequate steps need to be taken to know whether excessive overtime takes place at new suppliers and if necessary, assess root causes.

Comment: No excessive overtime took place at Anchor Workwears' main suppliers. It has taken sufficient steps to ensure that no excessive overtime takes place at these suppliers.

Anchor Workwear is aware that overtime took place at some of its new suppliers, since it had discussed overtime with the suppliers. It did not further investigate the level of overtime and its root causes or took further steps of remediation.

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: Anchor Workwear needs to take steps to know whether its suppliers pay a legal minimum wage.

Recommendation: Anchor Workwear should develop a pricing policy where it knows the labour cost of garments and which allows the payment of at least legal minimum wages in production countries. At a minimum, affiliates are recommended to investigate wages 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: Anchor Workwear uses an open costing system with its Vietnamese supplier. They also know the legal minimum wage level in Vietnam and Bulgaria.

It is not aware of legal minimum wage levels in countries like China and Turkey, and did not include legal minimum wage levels in its pricing policy.

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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Recommendation: Anchor Workwear should take steps to be better aware of the legal minimum wage levels in countries where they operate. Besides discussing wage levels with suppliers, they could also have them fill out the FWF questionnaire, collect existing audit reports or perform an audit themselves. When such reports show that the factory is not paying the legal minimum wage, they can take adequate steps.

Comment: Anchor Workwear was not entirely aware of the wage levels at its new suppliers. No evidence of payment below minimum wage was found through FWF audits. It did not obtain audit reports to confirm the wage levels at the factories. Therefore, Anchor Workwear could not assess whether the factories paid the legal minimum wage.

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.	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 Anchor Workwear to discuss with its new 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.

Comment: At its main suppliers, Anchor Workwear pays prices that support wages that are (almost) at a living wage level. At its Vietnamese supplier, it has ensured the raise of wages to a living wage level. In Bulgaria, its main supplier is moving towards a living wage level, but pays wages under the industry average (which is higher than the living wage estimate). Anchor Workwear has taken significant steps in promoting and ensuring living wages. It did not discuss living wages with its new suppliers.

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.	69%	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.	2	2	0

Comment: Anchor Workwear owns one of its production facilities and through family connections has a very direct relationship with the other production facility. This factory was founded with capital from the management of Anchor Workwear and it provides capital for new investments. This has ensured a long term and close relationship that enabled Anchor to successfully improve working conditions.

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)	65%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	0%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Total of own production under monitoring	65%	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

Recommendation: FWF recommends Anchor Workwear to examine and support remediation of any problem that they encounter. It should ensure that it knows what the labour issues are at its new suppliers, include this in a Corrective Action Plan, and jointly discuss this plan with the factory.

Comment: With its main suppliers, Anchor Workwear has reached an advanced level of progress towards resolution of existing Corrective Action Plans. Last year, it has worked to ensure living wages, worker representation, the registration of working hours and social insurance. Only several issues remain that Anchor Workwear is working on.

At the same time, Anchor Workwear took insufficient steps to know and discuss labour standards with its new suppliers, set up Corrective Action Plans and take joint action to resolve these issues. Therefore, Anchor Workwear could not be awarded full points for an advanced level.

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
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Comment: Anchor Workwear has visited nearly all of its suppliers.

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. Especially when starting with a new supplier, FWF recommends to collect existing audit reports, assess their quality with the FWF Audit Quality Assessment Tool and set up a Corrective Action Plan.

Comment: Anchor Workwear has collected several audit reports, but did not yet assess their quality and implement a Corrective Action Plan.

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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Recommendation: FWF recommends Anchor Workwear to always share the audit report and CAP with its supplier. In case language is an issue, FWF can assist in translating the CAP or provide suggestions how to ensure understanding of the CAP/audit report.

Comment: Anchor Workwear shares the audit reports with its factories. In 2015, it had extensive discussions about the outcome of the audit, the Corrective Action Plan and follow up with its main supplier in Vietnam. It decided not to share the audit report, since the report was in English and the factory manager does not speak English, but it did take time to ensure that the factory manager understood the outcomes of the audit. Together, they took the necessary steps of improvement.

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

Recommendation: Knowing the country specific risks facilitates the starting point for discussing this with suppliers. Affiliates can agree on additional commitments that are required to mitigate risks. Anchor Workwear can provide additional measures for support and integrate that in the monitoring system. For instance: lack of knowledge on the exploitation of Syrian refugees in Turkey means that they should consult with their current or prospective suppliers to emphasize that employment of underage workers is in violation of the FWF Code of Labour Practices, as is discrimination against migrant workers. FWF affiliates should ensure that all suppliers and subcontractors are identified and are included in their monitoring systems. All standard FWF procedures (e.g. posting of Code of Labour Practices, option to participate in the Workplace Education Programme, etc.) also apply to subcontractors. Furthermore, affiliates should investigate whether other customers have recently conducted high-quality audits, or consider commissioning audits themselves with special emphasis on investigating the risk of unauthorized subcontracting.

Comment: Anchor Workwear sourced a small level of its production from South-East Turkey, where the risk of exploitation of Syrian refugees and child labour is high. During a visit at its Turkish supplier, Anchor Workwear noticed the presence of Syrian refugees in the nearby region. Anchor Workwear discussed the presence of Syrian refugees with its supplier, who assured them that it did not employ Syrian refugees. Anchor Workwear did not check whether this was actually the case by asking for a recently conducted audit or by commissioning an audit itself, but it did check the production line used by the factory during production.

2.6a High risk issues specific to Bangladesh are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Bangladesh	Affiliates sourcing in Bangladesh should take additional action to address both building and fire safety and the prevention of violence against women.	Building, electrical and fire safety inspection reports, evidence of cooperation with other customers sourcing at the same factories (Accord signatories and/or FWF affiliates), etc.	N/A	3	0
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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	No CAPs active or no shared suppliers.	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.	N/A	2	-1
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Comment: Anchor Workwear did not source from factories where other FWF members are active.

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: Anchor Workwear did not systematically send out the Code of Labour Practices and the questionnaires to their suppliers in low-risk countries. Neither did it monitor and follow up on issues.

2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	100%	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.	3	3	0
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Comment: In 2015, Anchor Workwear sold one external brand's products. This external brand had completed and returned the external brand questionnaire.

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.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	0	3	0
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MONITORING AND REMEDIATION

Possible Points: 33

Earned Points: 19

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: Anchor Workwear must ensure that the Worker Information Sheet, including contact information of the local complaints handler of FWF, is posted in all factories in a location that is accessible to all workers. It should check by means of a visit whether the Worker Information Sheet is posted in the factories.

Recommendation: It is suggested to ask suppliers to submit a photo of the posted Worker Information Sheet with the annual questionnaire and to ask staff visiting a supplier to check if the documents are still posted as indicated on the obtained photo.

Comment: Anchor Workwear could show that at half of its suppliers, the Worker Information Sheet was posted. It regularly visits its suppliers, but could not show for all suppliers that the Worker Information Sheet was posted.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	50%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Factory participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of factories in WEP programme.	3	4	-2
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Recommendation: Anchor Workwear 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: Anchor Workwear actively informed workers about FWF and the FWF worker helpline themselves in the factory it owns. It has organised several sessions at its supplier to discuss FWF with the workers.

In the other main factory, workers were not aware of FWF and the FWF worker helpline.

3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	No complaints received	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.	N/A	6	-2
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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: 7

Earned Points: 6

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: Anchor Workwear is a small company where information is easily shared among relevant staff. All staff are aware of FWF membership.

4.2 Ongoing training in support of FWF requirements is provided to staff in direct contact with suppliers.	No	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.	0	2	0
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Recommendation: A training session on labour standards can be held for purchasing staff. FWF can support or facilitate in providing trainings. In addition, it is recommended to actively take part in training opportunities FWF offers such as: FWF member seminars, the FWF annual conference and webinars. 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: In 2015, Anchor Workwear did not undertake any activities to train staff in direct contact with suppliers.

4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Affiliate does not use agents	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	N/A	2	-2
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4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	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. Anchor Workwear should motivate its main supplier(s) to join WEP trainings.

Comment: In 2015, suppliers of Anchor Workwear did not participate in any Workplace Education Programme training.

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: In 2015, Anchor Workwear sourced from countries where a Workplace Education Programme training is offered. It also sourced from Bulgaria, where FWF is setting up trainings.

TRAINING AND CAPACITY BUILDING

Possible Points: 9

Earned Points: 1

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

Requirement: Anchor Workwear needs to ensure that its production is not subcontracted without its knowledge. In cases where subcontracting takes place, it should ensure that it is aware of the labour standards at the subcontractor and fulfill FWF-requirements on subcontracting, especially in Turkey.

Recommendation: FWF advises Anchor Workwear to develop a systematic approach to complete the supplier list. Part of the approach can be:

- 1) Automatically include information from audit reports and complaints.
- 2) Business relationships with agents include transparency of production locations.
- 3) Agreements with factories on the use of subcontractors stating clearly that when subcontractors are used, they are included in the monitoring system and information is shared on the subcontracted production process.

Comment: Anchor Workwear started sourcing from new suppliers in China, Vietnam, Bulgaria and Turkey. In China, it visited the production location of one of its subcontractors. In Turkey, it took additional steps to identify subcontracting by its Turkish supplier to prevent exploitation of Syrian refugees.

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: Anchor Workwear is a small company where information is easily shared among relevant staff.

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: Anchor Workwear communicates FWF membership on its website. Anchor Workwear staff use the FWF logo in their email signatures. Also in tenders, Anchor Workwear refers to FWF.

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 the affiliate to publish one or more of the following reports on its website: audit reports, supplier information. Good reporting by members helps to ensure the transparency of the affiliate and FWF's work.

By being more transparent to customers, Anchor Workwear could take more advantage of its work and show progress on labour standards. Many of its customers have social compliance requirements. By showing its actions on social compliance, Anchor Workwear could improve its selling points.

Comment: Anchor Workwear has published the Brand Performance Check Report 2015 on its website. It has not published its supplier list or audit reports.

6.3 Social Report is submitted to FWF and is published on affiliate's website	Published on affiliate's website	The Social Report is an important tool for affiliates to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.	2	2	-2
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Comment: Anchor Workwear submitted its social report and has published it online.

TRANSPARENCY

Possible Points: 4

Earned Points: 3

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	33%	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

Requirement: It is required to work towards remediation of previous requirements from the last Brand Performance Check. Further engagement needs to be taken with regard to the following requirements mentioned in the last Brand Performance Check.

Comment: In 2015, Anchor Workwear followed up on the requirement to discuss living wages with suppliers. It did not adequately follow up the other two required changes from the Previous Brand Performance Check:

- having a systematic approach to improving working conditions at production locations;
- and ensure that the Worker Information Sheet, including contact information of the local complaints handler of FWF, is posted in factories in a location that is accessible to all workers.

EVALUATION

Possible Points: 6

Earned Points: 4

RECOMMENDATIONS TO FWF

Anchor Workwear had several recommendations for FWF:

Firstly, Anchor Workwear pointed out that the audit team did not discuss some of the outcomes of the audit with the Vietnamese supplier, while the audit report stated that the management agreed to the findings. Anchor Workwear recommended to FWF that they perform due care when discussing outcomes with suppliers and when writing an audit report.

Next to that, Anchor Workwear would welcome audit reports in the local language.

Thirdly, Anchor Workwear finds that there are many initiatives aimed at social compliance and (environmental) sustainability. Customers sometimes require a specific label. At the same time, these initiatives can have somewhat different requirements. This makes it complex for Anchor Workwear to understand the necessary requirements and to make the right choice for an initiative. Anchor Workwear recommends FWF to cooperate with these other initiatives for example to ensure that audits are recognized by all parties and that there is one initiative for both social compliance and environmental sustainability.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	22	42
Monitoring and Remediation	19	33
Complaints Handling	6	7
Training and Capacity Building	1	9
Information Management	4	7
Transparency	3	4
Evaluation	4	6
Totals:	59	108

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

55

PERFORMANCE BENCHMARKING CATEGORY

Needs Improvement

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

18-05-2016

Conducted by:

Wilco van Bokhorst

Interviews with:

Ben Huijbers, Management

Lan Jansen, Purchasing

Cong Pham, CSR

Diana de Rooij, Purchasing

Khanh Pham, Vietnamese factory owner

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.