



BRAND PERFORMANCE CHECK

JBC n.v.

PUBLICATION DATE: JUNE 2016

this report covers the evaluation period 01-02-2015 to 31-01-2016

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

JBC n.v.

Evaluation Period: 01-02-2015 to 31-01-2016

AFFILIATE INFORMATION	
Headquarters:	Houthalen, Belgium
Member since:	01-04-2015
Product types:	Fashion, Sportswear, Promotional
Production in countries where FWF is active:	Bangladesh, China, India, Tunisia, Turkey, Viet Nam
Production in other countries:	Cambodia, France, Italy, Lithuania, Morocco, Pakistan, Portugal, Sri Lanka
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	52%
Benchmarking score	52
Category	Good

Summary:

JBC meets most of FWF's management system requirements. With a monitoring percentage of 52 and a score of 52, it is placed in the Good category for members in their first year of FWF membership.

In its first year of FWF membership, JBC concentrated on informing all of its suppliers that it joined FWF and collected a signed questionnaire. In addition to this, the commercial audit team that does audits for JBC was trained by local FWF staff on FWF's audit process and reporting. These audits, conducted mostly in China, were followed up on in a structural manner.

JBC worked hard to identify all production locations, and was able to identify specific production locations for 85% of its FOB. To meet FWF's requirement of accounting for all of its FOB at a production location level, it also set up a system to better automate this process that will be implemented for the next Brand Performance Check.

FWF encourages JBC to better structure and formalize its due diligence process related to selecting new suppliers and work to systematically integrate the level of working conditions in its sourcing decisions. In addition, JBC is encouraged to improve its purchasing practices related to production planning and pricing to ensure factory-level improvements.

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	70%	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

Recommendation: FWF recommends JBC to consolidate its supplier base where possible, and increase leverage at main supplier(s) to effectively request improvements of working conditions.

Comment: For the financial year ending January 2016, JBC was able to record factory-level FOB values for approximately 85% of its production volume. As a result, it is difficult to determine the exact percentage for this indicator. For this reason, FWF used the automatic calculation made by the Brand Performance Check system as basis and estimated that approximately 70% of JBC's production volume comes from suppliers where it buys at least 10% of production capacity.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	65%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier information provided by affiliate.	3	4	0
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Recommendation: FWF recommends JBC 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: For the financial year ending January 2016, JBC was able to record factory-level FOB values for approximately 85% of its production volume. As a result, it is difficult to determine the exact percentage for this indicator. For this reason, FWF used the automatic calculation made by the Brand Performance Check system as basis and estimated that approximately 65% of JBC's production volume comes from suppliers where it has had a relationship for at least five years.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	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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Comment: JBC was able to show that it requests suppliers to complete the Code of Labour Practices (CoLP) and questionnaire before first bulk orders are placed. In addition to this, almost all of JBC's suppliers have signed the CoLP in JBC's first year of FWF membership.

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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Requirement: A formal process should exist to evaluate the risks of labour violations in the production areas the affiliate 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 JBC to set up a better documented due diligence process that involves identifying social compliance risks on a country level, starting with consulting FWF and other stakeholder information. A documented due diligence risk process on a factory level is also necessary.

A risk analysis as part of the decision-making process of selecting new suppliers is an important step to mitigate risk and prevent potential problems. FWF recommends JBC to assess the risks associated with operating in specific production areas. FWF advises to use information from FWF country studies and wage ladders. JBC can cooperate with local stakeholders to further investigate the situation in a specific country, particularly with regards to countries like Sri Lanka and Cambodia where FWF is currently not active.

Comment: Currently, due diligence at JBC starts with the Sourcing & Quality Manager. When looking for potential new production locations, the manager starts by looking at his own network and his own experience of various suppliers. He will then visit the (potential) production locations. This visit will also be used to get an idea of what of the working conditions are. During this factory visit, the factory is also presented with a Supplier Manual. This Supplier Manual contains information regarding social compliance.

When a prospective new supplier is found, another part of the due diligence process involves a meeting between the CSR manager with factory management, if possible at JBC HQ, especially if it is an important supplier. During this meeting, FWF and social compliance are presented. The CSR manager asks if there are any existing audit reports for the production location in question. Based on this conversation and a quality check, the CSR manager either approves or rejects the supplier as a possible production partner. A new factory is approved once both the Sourcing & Quality Manager and CSR Manager give their approval.

Even though due diligence is conducted, JBC does not yet properly document the due diligence process in place for selecting new suppliers. This documentation needs to incorporate information related to risk assessments on a country or factory level. Systematic due diligence is especially relevant for a company like JBC, with a relatively high number of suppliers/production locations and production that takes place in a wide variety of different production countries.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	1	2	0
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Recommendation: JBC 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: JBC rates audits that have been conducted at its suppliers with a colour-coding system to indicate the level of audit non-compliances. This is, however, not (yet) linked to future production decisions. In the future, JBC wants to be able to show members of the purchasing teams what the social compliance levels are of the potential suppliers. It is also working on an automated production planning system that incorporates social compliance criteria.

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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Requirement: A production planning system can have a significant impact on the levels of excessive overtime at factories. JBC should maintain a forecasting system and production planning system that enables good planning at production level and avoids late design or quality changes, as well as help to limit the effects of peaks in demand.

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: JBC has two seasons in a year: summer and winter. Within this division, new collections are produced on a monthly basis. Production is forecasted based on past sales figures and trend forecasts.

In general, the lead time for production in the Far East is 22 weeks while the lead time for Eastern Europe and North Africa ranges from 6 to 10 weeks. The available production capacity is determined in discussion with the factory.

Currently, production order placement is done independently at the various internal 'shops' at JBC (eg. menswear, womens wear, kids, etc.) without company-wide production capacity planning. It is therefore the responsibility of the Sourcing & Quality Manager to centrally check the capacity of each factory on a weekly basis and approve or reject new production orders based on the known capacity at the various production locations. In 2016, JBC is working to include factory production capacity information on a company-wide level so that the various internal 'shops' are better able to align production orders at production locations.

There is no internal policy related to deadlines for the approval of samples, style changes, etc. in relation to working hours in the factory.

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: JBC should investigate to what extent its current buying practices have an effect on the working hours at its production locations. A root cause analysis of excessive overtime should be done to investigate which steps can be most effective to reduce overtime.

Recommendation: FWF encourages JBC to work out a root cause analysis of overtime. The outcomes of the root cause analysis can be used for identifying strategies that minimise the impact of its sourcing practice on working hours at other factories.

Comment: A significant number of audits showed that overtime took place at various production locations in the Far East. Follow-up of these findings was handled by the local JBC office in mainland China, while other audits are followed up by the CSR manager in Belgium.

Overtime findings that are found during audits are double-checked at the factory by Quality Control staff who directly communicate with workers and ask what the working times were recently. When overtime is found, JBC tries to ensure that workers are properly compensated for this.

For the last two years, factories have received the chance to indicate lead time problems every Monday, and JBC responds by Wednesday to try and resolve the problems. In this way, suppliers can make planning changes more quickly and also work to ensure smoother production.

In terms of audit follow-up, JBC has not yet taken steps to address the root causes of excessive overtime.

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: At a minimum, JBC is recommended to investigate wages levels in production countries, among others by making use of FWF's Wage Ladder and country studies. As an advanced step, increased transparency in costing and productivity provides 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.

FWF recommends to consult JBC to consult the Labour Minute Costing report available on the FWF website and see if the methodology can be applied.

Comment: When it comes to pricing, the process is generally set by determining the commercial price and then working backwards with the margins. This produces a target production price. The various internal 'shop' managers are aware of the average prices for various products in various countries.

In certain cases, product prices are calculated from the bottom up, but there is generally not enough time to calculate sewing minute costs as there is a new collection every month. As many factories are long-time partners, JBC indicates that its prices are not negotiated down to the lowest possible price because that would not help in the long term.

JBC's audits are used to check the wage levels of the production facilities.

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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Requirement: FWF expects JBC to make sure that when audits indicate that legal minimum wage has not yet been paid, it receives sufficient proof that this urgent finding is remediated adequately and properly.

Comment: In the financial year ending 2016, JBC had three factories where legal minimum wages were not being paid. JBC was able to show that it followed up on the findings in a timely manner. However, the findings were not resolved in a manner where JBC was sure that LMW was being paid.

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.	Basic approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	2	8	0
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Recommendation: JBC is expected to take an active role in discussing living wages with its suppliers in the audit follow-up process. The FWF wage ladder can be used as a tool to implement living wages. Most relevant wage estimates, such as local minimum wage, Asia Floor Wage, collective bargaining wage and industrial best practice wages are provided in the wage ladder. The wage ladder is included in FWF's audit reports. It demonstrates the gaps between workers' wages at a factory and living wages demanded by major stakeholders. The wage ladder can be used to document, monitor, negotiate and evaluate the improvements at its suppliers.

Comment: Currently, JBC focuses its production on quality and workmanship rather than on price. In terms of the global garment industry, JBC feels that it is a small company with relatively small orders - and so feels that its impact on pricing is limited. Instead, it focuses on a good price-quality ratio as objective.

Pricing of its production orders currently does not have a relation to workers' wages other than audit reports that indicate whether legal minimum wages have been paid or not.

1.12 Affiliate sources from an FWF factory member.	No	When possible, FWF encourages affiliates to source from FWF factory members. On account of the small number of factories this is a 'bonus' indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	N/A	1	0
1.13 Percentage of production volume from factories owned by the affiliate.	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	N/A	2	0

PURCHASING PRACTICES

Possible Points: 40

Earned Points: 23

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	8%	
% 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	52%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 90% Measured as a percentage of turnover.

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

Comment: JBC has a full-time CSR Manager who is responsible for social as well as environmental issues.

2.2 Degree of progress towards resolution of existing Corrective Action Plans	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate.	4	8	-2
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Recommendation: FWF encourages JBC to continue working on the methodology of the audits conducted by its auditing organization, keeping in mind the points as mentioned below. It also encourages JBC to work towards addressing findings related to more challenging issues related to overtime, wages and freedom of association. This could start with a root cause analysis and move towards more in-depth follow-up.

Comment: JBC contracts Wethica, a commercial auditing organization, to monitor its supply chain. These audits mostly take place in China. In 2015, the FWF audit team provided an training on FWF and its audit methodology to both the auditing organization as well as the local JBC office. This FWF team also completed a joint audit with the auditing organization at one of JBC's main suppliers in China. Finally, in January 2016, a member of the FWF audit team accompanied the auditing organization on a second audit to evaluate whether the audit methodology had been strengthened where needed.

In general, the quality of the audit of the auditing organization was good, a sample of audit reports showed that findings related to working hours, wages, etc. seemed to be realistic and similar to FWF audit findings. Offsite worker interviews, however, are not done on a systematic basis and this continues to be an aspect that needs attention. Findings for wages did not include a Corrective Action Plan point if it was above the local legal minimum wage levels but below living wage estimates. This is also a point of improvement that needs to be addressed.

Follow-up of audits is done on a structural basis and well-documented. China audits are followed up by JBC China office, and JBC was able to show effective follow-up. All other audits are followed up by the CSR Manager based in Belgium.

JBC did collect some external audit reports, but there was no Audit Quality Assessment Tool completed, and the report findings were not always followed up on. For this reason, these audits cannot be counted towards the monitoring threshold.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	66%	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.	3	4	0
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Recommendation: Annual visits should be made for production sites (including subcontractors and production locations in low-risk countries). Regular visits provide opportunities to discuss problems and corrective actions in the time period between formal audits.

Comment: JBC indicates that this is at least 66% in 2015.

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: As mentioned earlier, JBC did collect external audits. It did not, however, complete the Audit Quality Assessment Tool and follow up on the corrective actions.

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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2.6 High risk issues specific to the affiliate's supply chain are identified and addressed by the monitoring system.	Intermediate Capacity	Different countries and products have different risks associated with them; monitoring systems should be adapted to allow appropriate human rights due diligence for the specific risks in each affiliates' supply chain.	Documentation may take many forms; additional research, specific FWF project participation; extra monitoring activities, extra mitigation activities, etc.	3	6	0
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Recommendation: FWF encourages JBC to further analyse the production risks on a thematic as well as country level, especially when it comes to production countries where FWF is currently not active (eg. Sri Lanka, Pakistan).

Comment: Through its auditing and follow-up process, JBC has a system in place to identify and address a number of high risk issues on a factory level for its existing suppliers. JBC does not (yet) consider social compliance risks on a country or thematic level related to issues such as overtime, wage levels and freedom of association.

On a country level, JBC has taken steps as described below for production in Bangladesh and Myanmar. There are, however, a number of other production countries with specific high risks and/or where FWF is currently not active where JBC needs to improve its identification and possible mitigation of social compliance risks.

It does have a sandblasting policy in place where sandblasting is not allowed.

2.6a High risk issues specific to Bangladesh are identified and addressed by the monitoring system and remediation activities.	Advanced Capacity	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.	3	3	0
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Recommendation: JBC is encouraged to enroll its suppliers in the WEP program with a focus on preventing gender-based violence.

Comment: In its past financial year, JBC either audited its Bangladesh production locations and/or followed up on the audits on a regular basis. JBC has also signed the Bangladesh Accord, making sure that the Building & Fire Safety audits took place and also following up on the remediation issues, taking the lead for three of its production locations. It also enrolled a number of its suppliers in FWF management workshops on building & fire safety issues.

In its past financial year, it did not yet enroll its factories in a WEP training program focused on the prevention of violence against women.

In this way, it took steps to identify most high risk issues related to production in Bangladesh as described in the Brand Performance Check guide.

2.6b High risk issues specific to Myanmar are identified and addressed by the monitoring system and remediation activities.	Insufficient Capacity	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.	0	3	0
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Requirement: JBC's monitoring system should address the specific high risk issues that are known for Myanmar and should implement FWF's enhanced monitoring requirements.

Comment: In its past financial year, JBC had some test production taking place in Myanmar through an agent. In this process, social compliance risks were considered by the agent, but the agent was unwilling to follow FWF's additional monitoring requirements related to production in Myanmar.

JBC has indicated that it currently has no future production plans in Myanmar.

2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	Information sharing	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.	1	2	-1
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Recommendation: Cooperation among costumers 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.

Comment: In general, JBC is open to cooperating with other customers in resolving corrective actions at shared suppliers. In its past financial year, it had some initial contact with other customers at shared suppliers.

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: JBC was unable to show that the monitoring requirements for production in low-risk countries were fulfilled on a systematic basis, as it was not able to show that the FWF Code of Labour Practices was posted in each production location.

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.	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
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MONITORING AND REMEDIATION

Possible Points: 35

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: JBC must ensure that the Worker Information Sheet is posted in factories in a location that is accessible to all workers, also for low-risk countries.

Comment: JBC does have a system to check that the Worker Information Sheet is posted. For low-risk countries, however, the record was incomplete.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	15%	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.	1	4	-2
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Requirement: JBC should inform the factory managers about the existence of the hotline. JBC should have a routine to ensure the worker information sheet with complaints handlers contact details is posted in a place freely accessible to workers. The information sheet is the first step towards awareness raising about the existence and functioning of FWFs worker hotline.

Comment: JBC completed three WEP trainings in China in the past financial year. Due to the incomplete supplier level information, it is difficult to accurately calculate a percentage. It does fall, however, in the 1-24% category.

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: 4

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: JBC's CSR Manager gives presentations internally on a regular basis. There are also presentations for new employees. The CSR Manager also regularly provides a CSR update during monthly staff meetings. Kick-off meetings for seasons also touch on FWF. Store managers received training on FWF on some occasions along with an information sheet. Finally, the CSR Manager is also responsible for a quarterly update to the Board Meeting.

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: Both of JBC's CSR Managers attended the FWF Member training sessions. The Marketing Toolkit was also provided to the marketing team.

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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Recommendation: FWF encourages JBC to ensure that agents actively support the implementation of FWF's CoLP.

Comment: JBC works with a number of agents. These agents were all informed of FWF membership, and took steps to ensure access to factory level information. As far as FWF can ascertain, these agents have not yet taken an active role to support implementation of the FWF Code of Labour Practices by, for example, providing training sessions to factory management.

If agents are not willing to cooperate with the implementation of FWF membership, JBC stops working with them.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	7%	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.	1	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.

FWF encourages JBC to enroll its factories in this program.

Comment: As mentioned before, it is difficult to calculate factory participation. However, it can be ascertained that less than 10% of JBC's production volume in countries where WEP is offered took part in the WEP program.

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: All factory workers should be informed about the labour standards and the process of monitoring and remediation. In order to further communication between employers and workers in the workplace FWF recommends affiliates to ensure suppliers participate in trainings. Trainings must meet FWF quality standards to receive credit for this indicator: top management, supervisors and workers should be included in the trainings, separately. Workplace standards and dispute handling should be included in the training. At least 10-20% of the workforce must be trained, depending on the size of the factory. Worker participation should be balanced and representative.

Comment: JBC did not enroll its factories in training sessions where WEP was not offered.

TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 5

5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	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: After the end of each financial year, JBC must confirm its list of suppliers and provide relevant financial data. A complete suppliers list means all suppliers are included.

Comment: JBC is aware of its production locations, but for financial year ending in January 2016, it was not possible to book all the FOB to each production location. To remediate this situation as well as possible, JBC undertook significant efforts to manually calculate the FOB totals on a production location level. In the end, this allowed JBC to assign approximately 85% of FOB to a specific production location.

In addition to this, JBC also set up a system to assign FOB to specific production locations. This system was implemented at the end of 2015, and should ensure that this issue will not occur in future Brand Performance Checks.

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: An internal system is present, and will be further expanded so that all buyers can see information related to CSR and audit results.

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	No	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.	-2	1	-2

Requirement: FWF membership should be communicated according to the FWF communications policy.

Comment: In the past year, JBC engaged in improper communication regarding FWF membership for a number of signs linked to specific articles of clothing in its stores located in Germany.

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 JBC 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 member and FWF's work.

Comment: JBC currently does not engage in advanced reporting activities.

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: JBC has submitted its Social Report to FWF and published the report on its website.

TRANSPARENCY

Possible Points: 4

Earned Points: 0

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: FWF membership and an update are part of the agenda of the quarterly Board meetings.

7.2 Changes from previous Brand Performance Check implemented by affiliate	No requirements were included in previous Check	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.	N/A	4	-2
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EVALUATION

Possible Points: 2

Earned Points: 2

RECOMMENDATIONS TO FWF

N/A

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	23	40
Monitoring and Remediation	19	35
Complaints Handling	4	7
Training and Capacity Building	5	15
Information Management	4	7
Transparency	0	4
Evaluation	2	2
Totals:	57	110

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

52

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

25-05-2016

Conducted by:

Kees Gootjes, Maaïke Payet

Interviews with:

Saartje Boutsen, CSR Manager

Erik de Boer, Sourcing & Quality Manager

Cherry Ding, General Manager JBC China office

Ann Claes, Chief Buying Officer

Steven Aaldriks, Senior Buyer (Men's Department)

Caroline Vervaeke, Chief Marketing Officer (ad interim)

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.