



BRAND PERFORMANCE CHECK

Orcon-SJ

PUBLICATION DATE: AUGUST 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

Orcon-SJ

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

AFFILIATE INFORMATION	
Headquarters:	Doetinchem, Netherlands
Member since:	01-05-2008
Product types:	Workwear
Production in countries where FWF is active:	Bangladesh, China, Tunisia
Production in other countries:	Hungary, 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	93%
Benchmarking score	56
Category	Good

Summary:

Orcon-SJ (formerly Uniform Brands Europe) meets most of FWFs management system requirements. It has a monitoring percentage of 93% where 90% is required for members who have been a member for more than three years. The score of 52 is also sufficient to achieve the 'Good' status.

Orcon-SJ has its main production facility in Tunisia, that uses several satellite locations in the nearby region to support its production. Next to that, it sources a reasonable amount from factories in low-risk countries Hungary and Portugal.

Orcon-SJ has been able to attract investments and focuses on growth. Currently, it wishes to expand its production more towards Asian countries. The past years, it has started small productions in China and Bangladesh that does not account for more than 5% of Orcon-SJs' total production. In the near future, sourcing from Asian countries is very likely to grow.

In 2015, Orcon-SJ consolidated its supplier base to meet the required 90% monitoring percentage. It placed more orders at its main Tunisian supplier, that has been FWF audited. It also took several steps to improve its purchasing practices and monitoring system, such as collecting existing audit reports. It worked more systematically towards improvement of working conditions, did not have new suppliers but continued working with suppliers that are under monitoring and stopped working with an agent. This has ensured that Orcon-SJ reached the 'good' category again.

At the same time, Orcon-SJ still faces considerable risks of human rights violations at its suppliers. It is either not aware of legal minimum wage levels at suppliers or did not sufficiently assure that the legal minimum wage is paid at suppliers. Also, it is only partially aware of the large human rights risks when sourcing from Bangladesh. The only step of mitigation that Orcon-SJ took was to check whether the Bangladeshi supplier had a Fire and Building Safety Certificate. Considering that the safety of workers is both a responsibility of the factory as well as of the brand, Orcon-SJ needs to take additional steps to ensure workers' safety. Finally, it should put a system in place to check whether the FWF Code of Labour Practice has been posted in all production locations and take steps to make workers more aware of their rights and the FWF worker helpline.

In 2016, Orcon-SJ will integrate more of its purchasing practices with those of Simon Jersey, for whom social compliance is a core value. Orcon-SJ hopes that cooperation with Simon Jersey will lead to a more integrated and systematic approach towards social compliance. FWF encourages Orcon-SJ to strengthen its systems. Since Orcon-SJ is planning to expand its supplier base in Asia, FWF strongly recommends Orcon-SJ to ensure that its human rights due diligence for new suppliers is good enough to detect human rights issues and to mitigate these. Lastly, FWF recommends Orcon-SJ to increase worker awareness of labour rights through participation in the Workplace Education Programme.

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	88%	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: Orcon-SJ has one main supplier in Tunisia from which it sources most of its production. It uses several Tunisian satellite locations to support its main production facility. It has another supplier in Hungary. It has a high leverage at its Tunisian and Hungarian partners. Furthermore, Orcon-SJ sources from factories in China, Bangladesh, and Portugal where it only has low leverage.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	86%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier information provided by affiliate.	4	4	0
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Comment: Orcon-SJ has long-term relationships with most of its suppliers in Tunisia, Portugal and Hungary. More recently, Orcon-SJ started to shift its production towards countries in Asia, like China and Bangladesh. Its strategy is to further expand towards Asian countries.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	No new suppliers	The CoLP is the foundation of all work between factories and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	N/A	2	0
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Comment: Orcon-SJ did not start relationships with new suppliers in 2015.

1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	No new suppliers	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	N/A	4	0
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Recommendation: FWF recommends Orcon-SJ to further integrate human rights due diligence in its decision-making process. It should do this by assessing and documenting human rights risks on a country, regional and factory level, using the FWF Health and Safety Check, collecting already existing audit reports or doing a pre-audit. Next to criteria like quality, price and lead-time, it should include human rights criteria when selecting a new supplier.

Comment: Orcon-SJ did not start relationships with new suppliers in 2015. Usually, Orcon-SJ conducts due diligence by visiting the supplier, discussing labour standards and more and more asks for already existing audit reports. Orcon-SJ is aware of risks in countries, like Tunisia, China and Bangladesh.

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: Orcon-SJ should work more systematically in improving labour standards. It should keep track of the progress made by its suppliers and record this more systematically. FWF encourages Orcon-SJ 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: Orcon-SJ sources from a small range of suppliers. With most of these suppliers it has long-term relationships. Orcon-SJ collects audit reports and regularly discusses labour standards with most of them during visits. Orcon-SJ does not yet have a system in place to record follow up at 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: FWF strongly encourages Orcon-SJ to establish a production planning system tailored to the situation in China and Bangladesh that supports reasonable working hours. 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.

Comment: The majority of Orcon-SJs' production takes place in Tunisia, where it has a factory with a number of satellite production facilities located in the vicinity. For these factories, it knows what the standard working minutes are for each product. This, in combination with knowing the production capacity, allows Orcon-SJ to plan production in a way that avoids overtime. If there is insufficient production capacity at its own supplier, orders are outsourced to one of the satellite production facilities. Recent audits at both the main supplier and satellite factories show that excessive overtime is not an issue. During the low season, workers actually worked reduced hours.

For the production location in Hungary, it also works with standard working minutes. For the Portuguese supplier, Orcon-SJ asks for an estimate on when the products can be delivered. Both of these production locations are located in low-risk countries, meaning that audits are not necessary as local institutions are capable of protecting workers' rights. For the above-mentioned production locations, Orcon-SJ has a strong, integrated system in place to support reasonable working hours.

However, in 2015 it also placed some production at production locations in China and Bangladesh. Orcon-SJ does not discuss planning with these suppliers, but gives a lead-time of 14-16 weeks and flexibility as to the production planning and delivery. Due to the small amount of orders placed and the low leverage Orcon-SJ has at these suppliers, Orcon-SJ expects that the orders given would not effect the production process of these factories that much.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	No production problems documented.	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.	N/A	6	0
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Recommendation: Orcon-SJ should know and ensure that excessive overtime does not take place in Chinese and Bangladeshi factories and that its production orders do not amount to excessive overtime.

Comment: Recent FWF-audits at its production locations in Tunisia did not indicate that excessive overtime took place. In China and Bangladesh, workers in the garment industry are at a high risk of working excessive overtime. Orcon-SJ did not undertake efforts to mitigate the very real risks related to overtime, like collecting existing audit reports and following up on working hours.

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, 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. Orcon-SJ should know the legal minimum wage levels in China and Bangladesh and ensure that its prices support at least the legal minimum wage.

Comment: In Tunisia, Orcon-SJ knows the working minutes required for each product-style, and also the working minute price with a price surcharge or discount depending on the order volume. Orcon-SJ is also aware of the legal minimum wage levels and compares these to the working minute price as the wage is the largest part of the price of a piece of garment.

Orcon-SJ does not know the working minute price for their suppliers in Bangladesh and China and is not aware of the legal minimum wage levels in these countries.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	No data available	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.	N/A	2	-2
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Requirement: If a supplier fails to pay minimum wages, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law and require a time bound action plan to ensure adequate payment.

Recommendation: Orcon-SJ should ensure that it knows whether the legal minimum wage is paid at its Tunisian subcontractors. For its Chinese and Bangladeshi suppliers, Orcon-SJ should at least discuss whether the legal minimum wage is paid and collect already existing audit reports to know more of the wage levels in these factories.

Comment: In 2015, no FWF-audits were conducted at factories of Orcon-SJ. For this reason, the indicator is N/A. Previous audits show that at two of its subcontractors, some workers did not receive the legal minimum wage. Orcon-SJ did discuss minimum wages with these suppliers and believes that these issues have been resolved, but did not verify whether legal minimum wage is currently paid by these suppliers. Furthermore, Orcon-SJ is not aware of the level of wages paid in the factories in China and Bangladesh, and is therefore at a significant risk that its suppliers do not pay 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.	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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Requirement: Orcon-SJ is expected to take an active role in discussing living wages with its suppliers. 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.

Due to the high leverage at its main Tunisian supplier and the fact that the factory is part of the same group, Orcon-SJ is held more accountable for implementing adequate steps to implement a living wage.

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

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 roll out on request. Furthermore, FWF encourages Orcon-SJ to participate in the FWF living wage challenge 2016.

Comment: At its main Tunisian supplier, Orcon-SJ is aware of the wage levels. It is also aware of the FWF wage ladder and which steps it needs to take to come to a living wage. At its other Tunisian suppliers, Orcon-SJ knows from FWF-audits what the wage levels are at these factories and can compare them to living wages. It is not aware of wage levels at its suppliers in China and Bangladesh. It did not take any steps to discuss living wages with its 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.	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

Comment: Orcon-SJs main supplier is owned by the same holding, but it does not own this production facility itself.

PURCHASING PRACTICES

Possible Points: 26

Earned Points: 15

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	80%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	13%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Total of own production under monitoring	93%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 90% Measured as a percentage of turnover.

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

Comment: The financial director of Orcon-SJ is responsible for the monitoring process. The director shares this responsibility with its purchasing officers, who discuss labour issues with their suppliers.

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: Besides its main Tunisian supplier, Orcon-SJ should take more active steps to follow up on labour issues at its other suppliers. It should set up a CAP with suppliers where it is not yet existent, regularly discuss the follow up of the CAP and monitor whether improvements have actually been made.

Comment: At its main Tunisian supplier, Orcon-SJ has worked on the timely payment of social security, that workers receive a permanent contract, the handing out of payslips, increasing the knowledge of FWF and to improve the canteen facilities.

At its Tunisian subcontractors, it discussed the legal minimum wage but, as far as FWF could ascertain, did not follow up on other issues.

At its Bangladeshi and Chinese suppliers, Orcon-SJ has not worked with its suppliers to set up a Corrective Action Plan to work on improvements.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	93%	Formal audits should be augmented by annual visits by affiliate staff or local representatives. They reinforce to factory managers that affiliates are serious about implementing the Code of Labour Practices.	Affiliates should document all factory visits with at least the date and name of the visitor.	4	4	0
2.4 Existing audit reports from other sources are collected.	Yes	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

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: Most of its Tunisian factories have been FWF audited. Orcon-SJ collected one BSCI audit report from its Bangladeshi supplier, but did not have audit reports from other suppliers. Orcon-SJ had not assessed the quality of the audit and did not put the outcomes of the audit in a CAP which it followed up on with its supplier.

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: At its smaller suppliers, Orcon-SJ should take more active steps to work on improvements in a timely manner.

Comment: In 2015, no FWF audits were done at factories of Orcon-SJ. Although follow up was not adequately discussed with its smaller suppliers, it did take steps to improve working conditions at its main Tunisian supplier in a timely manner.

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: 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. Orcon-SJ could take additional preventive measures and integrate that in the monitoring system. For instance: being aware of the risks mentioned in the FWF country study, doing pre-audits or collecting already existing audit reports, will be a first step in mitigating human rights risks.

Comment: The largest part of the production of Orcon-SJ comes from Tunisia and low-risk countries. Orcon-SJ has a long history of sourcing from Tunisia and is well aware of the country specific risks. In Tunisia, it works with suppliers it already knows for a long time. Orcon-SJ did take steps to mitigate risks in Bangladesh. Orcon-SJ could not show that it is aware of specific risks in China and the steps it took to mitigate these risks.

2.6a High risk issues specific to Bangladesh are identified and addressed by the monitoring system and remediation activities.	Intermediate 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.	1	3	0
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Requirement: Orcon-SJs' monitoring system should address the specific high risk issues that are known for Bangladesh. It should ensure participation of management of production locations in Bangladesh in the FWF fire and building safety workshops and stimulate them to participate in the WEP-training on Gender Based Violence.

Comment: Orcon-SJ has one supplier in Bangladesh. This supplier has a Fire and Building Safety certificate, but has not signed the Bangladesh Accord on Fire and Building Safety and did not participate in the training on Fire and Building Safety.

Furthermore, gender based violence is a high risk in Bangladesh. FWF offers the WEP-training on Gender Based Violence and stimulates its members to have their factories participate in this programme. The factory of Orcon-SJ did not participate in this training neither did Orcon-SJ take steps to become more aware of this issue taking place at its Bangladeshi supplier.

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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2.8 Monitoring requirements are fulfilled for production in low-risk countries	Yes	Low risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with basic standards.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	2	2	0
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Comment: Orcon-SJ visits its suppliers in Hungary and Portugal regularly and the Code of Labour Practices is posted and the questionnaire completed.

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: Orcon-SJ buys a small amount of its production from another company of the same holding, with whom it closely cooperates. It is aware of the production locations and social compliance programme of this producer.

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: 36

Earned Points: 22

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	No	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.	0	2	0

Requirement: Orcon-SJ must 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. Orcon-SJ 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: Orcon-SJ could not show pictures of the Worker Information Sheet hanging the factories, except for the low-risk countries. It does not have a system in place to check if the Worker Information Sheets are posted, but indicates from visits that they are.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	0%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Factory participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of factories in WEP programme.	-2	4	-2
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Requirement: Orcon-SJ should inform the factory managers about the existence of the hotline. It 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.

Recommendation: Orcon-SJ could 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: At none of the three FWF audited factories in Tunisia, workers were aware of the FWF worker helpline. Orcon-SJ did not organize a WEP-training to improve knowledge of workers on the FWF worker helpline. Orcon-SJ does claim that it has made steps at its main Tunisian supplier to make workers more aware of the FWF worker helpline, although this could not be verified during the Brand Performance Check.

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: -1

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: Orcon-SJ informs its staff about FWF. Staff can access FWF material, audit reports and CAPs. Orcon-SJ has regular discussions with responsible staff on FWF requirements and follow up on audits.

4.2 Ongoing training in support of FWF requirements is provided to staff in direct contact with suppliers.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	0
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Recommendation: FWF encourages purchasing staff or agents to observe factory audits by FWF audit teams to learn about the audit process and to be able to better follow up on corrective action plans.

Comment: In 2015, Orcon-SJ did not provide specific training to support relevant staff on meeting FWF requirements and social compliance issues. Staff or Orcon-SJ did participate in the member seminar and the annual conference.

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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Comment: As of 2015, Orcon-SJ no longer makes use of agents.

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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Requirement: Manufacturers and their workers should be systematically informed about FWF and the implementation of the Code of Labour Practices. All factory management and workers should be informed and aware about the relevant labour standards and grievance mechanisms.

Recommendation: In order to ensure awareness and enhance understanding of the relevant labour standards, grievance mechanisms and the importance of a good mechanism for communication between employers and workers in the workplace, FWF developed the Workplace Education Programme. This programme is offered in ten countries. Orcon-SJ should motivate its supplier(s) to join WEP trainings. It should especially stimulate its main Tunisian supplier and Bangladeshi supplier to participate in a WEP training.

Comment: Suppliers of Orcon-SJ did not participate in any WEP training in 2015.

4.5 Factory participation in trainings (where WEP is not offered; by production volume)	All production is in WEP areas.	In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	N/A	4	0
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TRAINING AND CAPACITY BUILDING

Possible Points: 9

Earned Points: 3

5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Advanced	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.	6	6	-2

Recommendation: FWF recommends Orcon-SJ to check whether the production locations in Bangladesh and China are not making use of subcontractors.

Comment: Orcon-SJ is well aware of all its production locations in Tunisia. It has included these suppliers in its monitoring mechanism. It sources a very small amount of orders from Bangladeshi and Chinese suppliers, limiting the ability of these suppliers to outsource production.

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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Recommendation: It is advised to make relevant staff aware of the available tools FWF offers, such as the Health and Safety guides, monitoring CAP documents, access to FWF's online information system. Purchasing staff is recommended to share reports from factory visits that include a status update of implementing the CoLP.

Comment: Staff can access FWF material, audit reports and CAPs. Orcon-SJ has regular discussions with responsible staff on FWF requirements and follow up on audits.

INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 7

6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Communication about FWF membership adheres to the FWF communications policy	Yes	FWF membership should be communicated in a clear and accurate manner. FWF guidelines are designed to prevent misleading claims.	Logo is placed on website; other communications in line with policy. Affiliates may lose points if there is evidence that they did not comply with the communications policy.	1	1	-2

Comment: Orcon-SJ communicates about Fair Wear Foundation on its website, to customers and in tenders. It adheres to the FWF Communication Policy.

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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Comment: Orcon-SJ does not publish the Brand Performance Check report on its website. It also has not shared audit reports or its supplier list.

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: Orcon-SJ submitted its social report to FWF and has published it on its website.

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

Comment: Orcon-SJ holds annual evaluations of FWF membership with top management. Furthermore, they discuss outcomes of the Brand Performance Check to ensure progress is made.

7.2 Changes from previous Brand Performance Check implemented by affiliate	44%	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
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Comment: In 2015, Orcon-SJ had 9 requirements that it had to fulfill. Orcon-SJ managed to work on 4 of them. It stopped working with its agent, did not have new suppliers, did not have new FWF audits that concluded the non-payment of legal minimum wage, and worked somewhat more systematically towards implementation of the Code of Labour Practices.

Orcon-SJ did not (sufficiently) follow up on assuring that the legal minimum wage is paid, take steps on living wages, identify and mitigate high risk issues in Bangladesh and ensure that the Worker Information Sheet is posted and checked. Although, according to Orcon-SJ, it did take some steps at its main Tunisian supplier to make workers more aware of labour rights and the FWF worker helpline, it should have achieved more progress on this point.

EVALUATION

Possible Points: 6

Earned Points: 4

RECOMMENDATIONS TO FWF

Orcon-SJ did not have any recommendations for FWF.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	15	26
Monitoring and Remediation	22	36
Complaints Handling	-1	7
Training and Capacity Building	3	9
Information Management	7	7
Transparency	3	4
Evaluation	4	6
Totals:	53	95

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

56

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

31-05-2016

Conducted by:

Wilco van Bokhorst, Kees Gootjes

Interviews with:

Ruud Wissink, Director Finance, IT & Logistics

Peter Goeijer, Senior Manager Production, Buying and Collections

Rob Wijnhoven, CEO

Guido IJsselman, Marketing manager

Audit Summary:

Publication of the audit summary section previously included in Brand Performance Checks has been suspended while Fair Wear Foundation develops a new information system to manage and summarize the data.