



BRAND PERFORMANCE CHECK

Ortovox Sportartikel GmbH

PUBLICATION DATE: DECEMBER 2016

this report covers the evaluation period 01-07-2015 to 30-06-2016

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

Ortovox Sportartikel GmbH

Evaluation Period: 01-07-2015 to 30-06-2016

AFFILIATE INFORMATION	
Headquarters:	Taufkirchen, Germany
Member since:	01-07-2015
Product types:	Outdoor, Sportswear
Production in countries where FWF is active:	China, Viet Nam
Production in other countries:	Austria, Germany, Hungary, Republic of Korea, Latvia, Lithuania, New Zealand, Poland
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	92%
Benchmarking score	70
Category	Good

Summary:

With a monitoring threshold of 92 %, Ortovox goes well beyond the 40% threshold required for first year members. Ortovox also meets most of FWFs management system requirements.

A sourcing strategy that focuses on partnership with suppliers and long-term relationships allows Ortovox to work effectively on improving labour conditions in their supply chain. Ortovox has a thorough monitoring system as well as a production planning that support reasonable working hours in place and a profound understanding of their responsibilities in implementing the FWF Code of Labour Practices.

As Ortovox is a growing company with an expanding supplier base, FWF recommends Ortovox to ensure their existing systems are able to accommodate future growth.

FWF also encourages Ortovox to work on systematically increasing wage levels at their suppliers.

To enhance understanding of workers and management of the relevant labour standards, Ortovox should motivate additional suppliers to participate in FWF's 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	59%	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

Comment: Ortovox' sourcing strategy includes working with a limited number of long-term suppliers, where Ortovox buys a relevant percentage of their production capacity. In its last financial year, Ortovox bought at least 10% of production volume from 59% of its suppliers. As the company is growing rapidly, Ortovox diversified its supply chain to manage business risks and added several new suppliers as existing suppliers faced capacity limitations.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	52%	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
--	-----	--	---	---	---	---

Recommendation: FWF recommends Ortovox 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: Ortovox aims to maintain long-lasting relationships with all suppliers. In its last financial year more than half of all production volume came from suppliers with a business relationship of more than five years. Due to rapid growth, new suppliers were added as well. Ortovox strives to build long-term business relationships with these suppliers as well.

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
--	-----	---	---------------------------	---	---	---

Comment: Ortovox discusses FWF membership with potential suppliers prior to placing first orders and could show the signed FWF Code of Labour Practices (CoLP) on file for all new suppliers of its last financial year. In the future, the CoLP will be a part of Ortovox' contract with suppliers.

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
---	-----	---	---	---	---	---

Comment: Ortovox follows a thorough process when selecting a new supplier to ensure the supplier has the needed capacity and skills and shares the mindset of Ortovox regarding quality and social compliance. All production locations are visited several times before orders are placed. This includes a factory tour using the FWF Health&Safety checklist. FWF membership is discussed and Ortovox checks whether the supplier has experience with FWF or similar initiatives. Several of the newly selected suppliers already produce for other FWF member brands. While the Head of Product has the final responsibility to select a new supplier, the opinion of CSR staff is considered in the decision. Ortovox tries to focus on a limited number of countries to manage risks both related to social compliance and business and is aware of country information provided by FWF.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	No	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	0	2	0
--	----	--	---	---	---	---

Recommendation: Ortovox 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: Ortovox conducts round table meetings with CMT and fabric suppliers at the end of each year to evaluate the previous season together. Since joining FWF, Ortovox has started to develop a supplier evaluation tool that includes social compliance. This tool will be piloted in 2016/2017.

1.6 The affiliate's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.	4	4	0
---	--------------------------------------	---	---	---	---	---

Comment: Due to very specific quality and material requirements, Ortovox follows a production planning process that starts three years in advance and in close cooperation with suppliers. Suppliers receive first forecasts early on, which are continuously updated. First orders are placed before the sales meeting, more orders then follow afterwards and again after relevant trade fairs. Lead times between order and delivery range from 8 to 9 months. Ortovox meets with CMT and fabric suppliers several times a year in strategic round tables to discuss upcoming production, which takes fabric availability and CMT capacity into account. Production schedules are then shared with Ortovox and updated when necessary. Key suppliers share weekly updates with Ortovox.

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
--	----------------------	--	---	---	---	---

Recommendation: Ortovox could discuss with factory management on the causes of excessive overtime and provide support to manage overtime. If necessary, Ortovox could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier.

Comment: Despite Ortovox' strong production planning system, both audits conducted during the last financial year included findings on excessive overtime. Ortovox is aware that suppliers tend to commit to delivery dates that exceed their capacities and understands that Ortovox as a fast growing company has a responsibility in facilitating sustainable growth. Ortovox has at times reduced order volumes to allow suppliers to build up sufficient capacity, such as quality check staff, and increased orders again after improvements. In the case of the two audited suppliers, Ortovox discussed the finding with the suppliers - in one case on CEO level - and offered support. Both suppliers confirmed that Ortovox production was not the cause of documented excessive overtime 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
--	----------------------	--	--	---	---	---

Recommendation: FWF encourages Ortovox to systematically increase transparency about costing and productivity and gain further insights in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages.

Comment: Ortovox is aware of minimum wage levels in its production countries and has started discussing wage levels with suppliers. Several key suppliers follow an open-costing approach. Currently, labour costs are not yet actively included in pricing negotiations with suppliers. Ortovox claims that their FOB prices are above market average. Ortovox has estimates of labour costs per sewing minute. According to the company, labour costs are not the deciding factor when calculating a price as material costs are usually considerably more expensive.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	No minimum wage problems reported	If a supplier fails to pay minimum wage, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.	2	2	-2
---	-----------------------------------	--	---	---	---	----

1.10 Evidence of late payments to suppliers by affiliate.	No	Late payments to suppliers can have a negative impact on factories and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of factory and affiliate financial documents.	0	0	-1
---	----	--	--	---	---	----

1.11 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	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
---	----------------	---	--	---	---	---

Recommendation: FWF encourages Ortovox 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 published guidance on its living wage portal. This includes for example guidance on labour minute costing calculation and a guide for brands willing to explore paths towards living wages.

Comment: Ortovox has started discussing wage levels with suppliers and where available, the FWF wage ladder was discussed with suppliers as well. As of now Ortovox has not yet defined a systematical approach to increase wage at 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
---	------	---	---	-----	---	---

PURCHASING PRACTICES

Possible Points: 40

Earned Points: 25

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	31%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	61%	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	92%	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: Ortovox has a designated CRS person to follow up on findings identified by the monitoring system.

2.2 Degree of progress towards resolution of existing Corrective Action Plans	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate.	4	8	-2
---	--------------	---	---	---	---	----

Recommendation: To facilitate remediation, especially of more complex challenges, Ortovox could consider:

- Hiring a local consultant to assist factory in developing an action plan and to assist factory management in investigating root causes.
- Organising supplier seminars.
- Providing factory training.
- Sharing knowledge/material.
- Providing financial support to the supplier for implementing improvements.

Comment: Ortovox' CSR staff coordinates audit follow-up and keeps an overview monitoring document for all suppliers. Corrective actions are discussed with suppliers and improvements have to be documented. Ortovox also evaluates whether findings are caused by their sourcing practices and asks suppliers whether they need support by the company in remediation. Wherever possible, Ortovox cooperates with other (FWF member) brands sourcing at the same supplier. To discuss more complex findings, face to face meetings between suppliers and CSR staff or the Head of Product are organised. Ortovox is in the process of integrating this process in a more systematic way and plans to include the quality manager more actively as well. Regarding the two FWF audits conducted in Ortovox' last financial year, Ortovox could show relevant improvements. Language limitations make it difficult to interpret document evidence. Challenges remain with more complex findings like excessive overtime.

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
---	-----	---	---	---	---	---

Comment: Ortovox visited the majority of all production locations during its last financial year at least once, several of them more frequently. Not all subcontracting locations were visited in the last financial year, but have been visited at one point since starting the relationship.

2.4 Existing audit reports from other sources are collected.	Yes, quality assessed and corrective actions implemented	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.	3	3	0
--	--	---	--	---	---	---

Comment: Ortovox collects existing audit reports and assesses their quality, wherever possible. While the audit report do not always allow concrete follow up, Ortovox still uses collected details as additional information about their supply chain. One Better Work audit at a Vietnamese supplier accounting for 11% of Ortovox' overall FOB is counted toward the threshold. Ortovox could show that relevant findings were included in the report and continuous follow-up was conducted.

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
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

Recommendation: FWF encourages Ortovox' to implement a systematic risk assessment for their supply chain and define priorities for action based on this.

Comment: Ortovox has a thorough understanding of common risks in garment supply chains and makes use of publications like the FWF country studies. Several points are addressed by its monitoring system and sourcing practices. However, risks are not yet identified and addressed in a systematic way

2.6a High risk issues specific to Bangladesh are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Bangladesh	Affiliates sourcing in Bangladesh should take additional action to address both building and fire safety and the prevention of violence against women.	Building, electrical and fire safety inspection reports, evidence of cooperation with other customers sourcing at the same factories (Accord signatories and/or FWF affiliates), etc.	N/A	3	0
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
2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the changes of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

Comment: Ortovox shares several production sites with other FWF members and cooperates with them wherever possible.

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
--	-----	---	---	---	---	---

Recommendation: FWF recommends Ortovox to ensure systematic monitoring of all production locations in low-risk countries regarding working conditions. This should include regular visits where FWF membership and possible risks are discussed.

Comment: Ortovox could show signed FWF Code of Labour practices and pictures of posted Worker Information Sheets on file for all production locations. While all suppliers have been visited during Ortovox' last financial year, this was not the case for all individual production locations. All production locations have however been visited in the last two financial years and Ortovox' generally showed a good level of insight regarding their suppliers in low-risk countries. FWF is hence considering monitoring requirements for low-risk countries as fulfilled.

2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	No external brands resold	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	N/A	3	0
--	---------------------------	--	-----------------------------	-----	---	---

2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	No external brands resold	FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0
---	---------------------------	---	---	-----	---	---

MONITORING AND REMEDIATION

Possible Points: 29

Earned Points: 21

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

Comment: Ortovox has defined clear responsibilities for addressing worker complaints.

3.2 System exists to check that the Worker Information Sheet is posted in factories	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.	2	2	0
---	-----	---	--	---	---	---

Comment: Staff visiting production locations checks regularly whether the worker information sheet has been posted. Pictures of these posted sheets were on file.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	67%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Factory participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of factories in WEP programme.	3	4	-2
--	-----	--	--	---	---	----

Comment: The majority of workers interviewed at the two FWF audits conducted during Ortovox' last financial year were not aware of FWF's helpline. At the same time, four production locations of Ortovox participated in FWF's Workplace Education Programme, which also counts towards this indicator.

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
--	------------------------	---	---	-----	---	----

Comment: FWF did not receive complaints concerning suppliers of Ortovox in its last financial year.

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
--	--	--	--	-----	---	----

COMPLAINTS HANDLING

Possible Points: 7

Earned Points: 6

4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff is made aware of FWF membership requirements	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	-1

Comment: CSR staff informs all staff regularly about FWF membership and introduces new staff members to the topic. FWF membership was also discussed at the sales meeting and FWF conducted a training in October 2015 to inform all employees.

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
--	-----	--	---	---	---	---

Comment: CSR staff regularly attends events such as the FWF German stakeholder meeting and briefs other staff in contact with suppliers frequently.

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
--	-------------------------------	---	---	-----	---	----

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	29%	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.	4	6	0
---	-----	--	--	---	---	---

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. Ortovox should motivate its main supplier(s) to join WEP trainings.

Comment: Four production locations of Ortovox in Vietnam participated in FWF's Workplace Education Programme.

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
---	----	--	---	---	---	---

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 Ortovox 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.

TRAINING AND CAPACITY BUILDING

Possible Points: 13

Earned Points: 7

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

Comment: Ortovox is well aware which production locations are used for their production. Suppliers have to get new production locations or subcontracting approved beforehand. In practice, Ortovox has observed unauthorized subcontracting on occasions. In-line quality control takes place at key suppliers which reduces the risk for unauthorized subcontracting and Ortovox quality staff is well-trained on the issue. On occasions, Ortovox postponed production of certain styles when the supplier did not have the capacity themselves, hence proposing subcontracting.

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
--	-----	--	---	---	---	----

Comment: All involved staff has access to relevant supplier information. Head of Product, CSR staff and quality managers exchange frequently.

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: All information of Ortovox regarding FWF adheres to FWF's communications policy. Ortovox has issued a press statement after joining FWF. FWF membership is not yet in the focus of Ortovox' sustainability communication, but will be included more actively in future communication efforts.

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
--	----	---	---	---	---	---

Recommendation: FWF recommends Ortovox 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 Ortovox' and FWF's work.

Comment: Beyond the social report, Ortovox does not publish additional information about its supply chain. Since it was its first year of FWF membership, it was not possible to post a previous performance checks.

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
---	----------------------------------	---	---	---	---	----

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: CSR meets at least monthly with the CEO to discuss developments related to FWF membership. The results of the first Brand Performance Check will be evaluated with the CEO, the Head of Product and CSR.

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
--	---	---	--	-----	---	----

Comment: This was Ortovox' first performance check.

EVALUATION

Possible Points: 2

Earned Points: 2

RECOMMENDATIONS TO FWF

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	25	40
Monitoring and Remediation	21	29
Complaints Handling	6	7
Training and Capacity Building	7	13
Information Management	7	7
Transparency	3	4
Evaluation	2	2
Totals:	71	102

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

70

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

24-10-2016

Conducted by:

Lisa Suess

Interviews with:

Katrin Bauer, CSR Manager

Stefan Krause, Head of Product

Christian Schneider, CEO

Claudia Mitze, Purchase Coordinator

Hendrik Reschke, Head of Marketing

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.