



## BRAND PERFORMANCE CHECK

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workfashion.com ag

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this report covers the evaluation period 01-01-2016 to 31-12-2016

## ABOUT THE BRAND PERFORMANCE CHECK

Fair Wear Foundation believes that improving conditions for apparel product location workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the product location. FWF, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's member companies. The Checks examine how member company management systems support FWF's Code of Labour Practices. They evaluate the parts of member company 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 product locations, and most product locations work for many different brands. This means that in most cases FWF member companies have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of member companies. Outcomes at the product location level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF member companies cannot guarantee results.

Even if outcomes at the product location level cannot be guaranteed, the importance of good management practices by member companies cannot be understated. Even one concerned customer at a product location 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 product location 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 member company 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](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

## BRAND PERFORMANCE CHECK OVERVIEW

workfashion.com ag

Evaluation Period: 01-01-2016 to 31-12-2016

MEMBER COMPANY INFORMATION	
Headquarters:	Hagendorn, Switzerland
Member since:	01-02-2015
Product types:	Workwear
Production in countries where FWF is active:	China, Macedonia, Republic of, Turkey
Production in other countries:	Bosnia and Herzegovina, Switzerland
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
SCORING OVERVIEW	
% of own production under monitoring	91%
Benchmarking score	72
Category	Good

## Summary:

In its second year of membership, workfashion.com has shown progress and met most of FWF's performance requirements. It has monitored 91% of its supplier base, which exceeds the 60% requirement for the second year of membership. Therefore, workfashion.com has been awarded the 'good' category.

workfashion.com has worked to consolidate its supply chain. It is reducing the number of its suppliers and also has a strategy in place to stop production in China. workfashion.com is focussing on four main suppliers in Macedonia where it actively follows up on labour standards. With these suppliers, it is discussing more complicated issues like living wages and freedom of association. workfashion.com could still improve on being aware of all its subcontractors and ensuring that all suppliers commit to labour standards by signing the FWF questionnaire prior to the placement of initial orders.

In 2016, workfashion.com developed a risk assessment of the countries in which it is active. Through this assessment, the member learned a lot about (potential) risks at suppliers. Furthermore, it provided Workplace Education Programme training at three factories, raising awareness about labour standards and the FWF worker helpline.

workfashion.com has taken exceptional steps by publishing its supplier list in its 2016 social report. It has reported on its production locations and the improvements that the factory and workfashion.com are tackling.

workfashion.com aims to be in the 'leader' category as soon as possible. FWF encourages the member to continue its strategy of consolidating its supplier base, providing training and taking on advanced topics like living wages and social dialogue.

## PERFORMANCE CATEGORY OVERVIEW

**Leader:** This category is for member companies 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 member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF member companies—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 member companies will receive a 'Good' rating.

**Needs Improvement:** Member companies 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. Member companies 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:** Member companies 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. Member companies 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
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	83%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	4	4	0

**Comment:** In 2016, 76 percent of workfashion.com's purchasing volume came from 4 suppliers in Macedonia where workfashion.com's is responsible for more than 10 % of the respective suppliers' production capacity. It has small production at its own headquarters and also has more than 10% production capacity at two Swiss suppliers.

workfashion.com's is purposely consolidating its supplier base as a means to expand control over its supply chains. It aims to develop long-term partnerships with its suppliers. At the same time, some degree of diversification remains necessary to manage business risks.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	5%	FWF provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to FWF.	3	4	0

**Comment:** workfashion.com sources small orders from seven production locations in Turkey, China, Bosnia Herzegovina, Macedonia and Switzerland.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	66%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	3	4	0

**Comment:** workfashion.com values long-term relationships. It's strategy is to consolidate its supplier base and create long-term partnerships with its suppliers in Macedonia.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.3 All new production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	No	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	0	2	0

**Comment:** workfashion.com started sourcing at one Turkish supplier and two Chinese suppliers. In China, workfashion.com works with an agent, who had not informed workfashion.com about the use of two Chinese suppliers prior to the placement of orders. As soon as workfashion.com learnt that orders were placed at new suppliers, it asked the factories for a signed FWF questionnaire.

**Requirement:** workfashion.com needs to ensure that new suppliers sign and return the questionnaire before first orders are placed.

**Recommendation:** FWF recommends workfashion.com to inform its Chinese agent about FWF requirements and ensure that no new factories are added to its supplier base before signing the questionnaire with the Code of Labour Practices.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.4 Member company conducts human rights due diligence at all new production locations before placing orders.	Intermediate	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.	2	4	0

**Comment:** workfashion.com has made a human rights risk-analysis of all the countries where its production locations are based. When selecting a new supplier, workfashion.com visits the supplier and discusses labour standards with them, also based on the country risk assessment. It asks for existing audit reports and average wage levels in the factory.

In China, an agent selects new factories. In general, workfashion.com does not immediately visit these new suppliers. workfashion.com will stop sourcing from China.

**Recommendation:** FWF recommends to use the FWF Health and Safety Check when visiting new suppliers. Furthermore, FWF encourages workfashion.com to further include labour standards in its decision-making process for new suppliers. Besides assessing suppliers on quality, price and delivery time, workfashion.com could develop specific indicators for labour standards. As a best practice, several FWF member brands have designed questionnaires that include specific questions on labour standards that new suppliers need to return before placing orders.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.5 Production location 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



**Comment:** workfashion.com keeps track of the progress of its suppliers towards the fulfillment of labour standards. It receives regular updates from factory management and keeps track of the progress in the CAPs. In Macedonia, its local quality manager assists in monitoring progress in the factories. Management of workfashion.com visits its Macedonian suppliers 3-4 times per year and then discusses progress. workfashion.com sees to it that its Macedonian partners make sufficient progress.

The tail end of suppliers of workfashion.com is located in China and Turkey. workfashion.com asks its Chinese suppliers for updates of BSCI audit reports and discusses supplier compliance when visiting the suppliers. In Turkey, workfashion.com had difficulties to monitor and evaluate supplier compliance due to the political situation, limiting its ability to regularly visit the suppliers and discuss labour standards.

**Recommendation:** FWF encourages workfashion.com 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. Part of the system can show whether and what information is missing per supplier and can include outcomes of audits, trainings and/or complaints.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.6 The member company's production planning systems support reasonable working hours.	General or ad-hoc system.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	2	4	0

**Comment:** workfashion.com has lead times of 10-20 weeks for European production partners and 14-26 weeks for Asian suppliers. The delivery time depends on the type of product and the available production capacity of suppliers. In case of delays, workfashion.com considers air freight or splitting orders.

In Macedonia, workfashion.com works closely together with its suppliers in planning production. It knows the total production capacity of the factories and the standard minutes per style required for production. It is currently updating its standard minutes per style to ensure that it is more in line with actual production time. It delivers the fabric to the factories and regularly monitors production planning through its quality manager. By shifting production of its never out of stock-items, it can prevent overproduction or production gaps.

In China and Turkey, workfashion.com produces ready-made garments and discusses planning, lead-times and possible delays with the factories, but does not have an integrated system.

**Recommendation:** FWF recommends workfashion.com to further integrate planning with its Macedonian suppliers. Lessons learnt from integrated planning could be used to further improve its planning with suppliers where planning is done more ad hoc.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.7 Degree to which member company mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	3	6	0

**Comment:** At three Macedonian suppliers and one Turkish supplier, excessive overtime was found during FWF audits. Two of its Macedonian suppliers plan production with overtime.

workfashion.com has regularly discussed planning of production and overtime with its suppliers. Suppliers are aware of the policy of workfashion.com that excessive overtime is not allowed. According to workfashion.com, one Macedonian supplier would have stopped overtime hours, but this was not yet verified. At the same time, it found that the other two Macedonian suppliers showed limited progress in resolving excessive overtime. workfashion.com continues to discuss this with them.

workfashion.com did discuss follow up of the audit report with its Turkish supplier, but did not visit them due to the security situation in Turkey. This also limited its ability to address root causes of excessive overtime at this supplier.

**Recommendation:** workfashion.com could discuss the causes of excessive overtime with factory management and provide support to manage overtime. workfashion.com could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier. FWF could recommend qualified persons upon request. Furthermore, FWF recommends cooperating with other customers at the factory to increase leverage, when trying to mitigate excessive overtime hours.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company'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

**Comment:** For production in Macedonia, workfashion.com works with standard minutes per style. It regularly discusses the costs per minute with its suppliers. workfashion.com has not yet related wage levels in Macedonia to its price per minute. It is aware of wage levels in Macedonia. It relies on FWF audits to learn more about wage levels of its Macedonian suppliers.

In Turkey and China, workfashion.com is aware of minimum wage levels of the countries. Through BSCI-audits, it is also aware of wage levels in the factories. Part of its pricing policy is that it does not push prices, but that it works with suppliers to agree on reasonable prices.

**Recommendation:** FWF recommends workfashion.com to further develop a pricing policy in which it has assessed the labour cost per minute. Furthermore, FWF recommends workfashion.com to develop a pricing policy for its tail end suppliers. As a minimum, workfashion.com should learn more about how legal minimum wage levels relate to its prices.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if suppliers fail to pay legal minimum wages.	No minimum wage problems reported	If a supplier fails to pay minimum wage, FWF member companies 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

**Comment:** No legal minimum wage problems were reported in 2016 FWF audit reports.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations 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 production location and member company financial documents.	0	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.11 Degree to which member company assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Production location level approach	Sustained progress towards living wages requires adjustments to member companies' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	4	8	0

**Comment:** With its main suppliers, workfashion.com is generally well aware of wage levels and costs in Macedonia. It is discussing living wages with these suppliers. In 2016, workfashion.com started their participation in the FWF living wage incubator and took their first steps with its Macedonian suppliers to implement a living wage. No steps were taken yet with its Turkish and Chinese suppliers.

**Recommendation:** FWF encourages workfashion.com 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.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	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 member company's score.	Supplier information provided by member company.	N/A	2	0

## PURCHASING PRACTICES

Possible Points: 44

Earned Points: 26

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	84%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	7%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Meets monitoring requirements for tail-end production locations.	N/A	Standard monitoring below 80%
Total of own production under monitoring	91%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100% 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 COO and the sustainability manager are responsible to follow up on problems identified by the monitoring system.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case FWF teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for FWF to approve the auditing system.	Information on audit methodology.	N/A	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. 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

**Comment:** Three FWF audits at suppliers of workfashion.com were conducted in 2016. workfashion.com shared the reports with the factories and established timelines for improvements. At one factory, it was not shared with the worker committee due to language barriers.

**Recommendation:** FWF recommends workfashion.com to actively involve worker representation in following up CAPs. Sharing CAPs with worker representation assists workers in learning more about their labour rights and how they can work with management in addressing these issues.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	6	8	-2

**Comment:** workfashion.com gave active follow up to the necessary improvements at its Macedonian suppliers. Factories improved on health and safety issues. Other issues that were often discussed were wages, overtime hours and documentation. workfashion.com has also worked towards improving freedom of association. At one factory, membership fees for the trade union were paid for by the factory, but workers did not wish to join the trade union in the end. At another factory, workfashion.com assisted them to start a process on developing a Collective Bargaining Agreement.

Since workfashion.com only sourced small productions from its Chinese suppliers, it did collect external audit reports and discussed labour standards during its visits, but it did not actively follow up on CAP issues.

Despite the fact that workfashion.com decided not to travel to Turkey because of the security situation, it did discuss the outcomes of the FWF audit report with factory management. Improvements were made, but could not yet be verified by workfashion.com during an on-site visit.

**Recommendation:** FWF encourages workfashion.com to continue working on Corrective Action Plans and also work on more complex issues like living wages and freedom of association at all of its suppliers. To facilitate remediation, workfashion.com could consider:

- Hire a local consultant to assist factory in developing an action plan and to assist factory management in investigating root causes, especially of excessive overtime.
- Organize learning sessions with suppliers
- Provide factory training.
- Share knowledge/material.
- providing financial support to the supplier for implementing improvements.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	97%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0



Comment: workfashion.com regularly visits its suppliers and discusses progress on labour standards.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes and quality assessed	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	2	3	0

Comment: workfashion.com collects audit reports from suppliers in China and Turkey. It has assessed the quality of the reports. Due to the fact that workfashion.com will stop sourcing from China and that suppliers are part of its tail, it has not followed through on the issues of these reports. In Turkey, the supplier was also audited by FWF in 2015.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	None of the specific risk policies apply	Aside from regular monitoring and remediation requirements under FWF membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. FWF requires member companies to be aware of those risks and implement policy requirements as prescribed by FWF.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	N/A	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2

Comment: workfashion.com does not source from factories in Bangladesh, Myanmar or make use of sandblasting.

workfashion.com has made a country risk-assessment in which it has scored the severity of the risk of violation of the eight standards of the Code of Labour Practices. It has used FWF country studies, information from BSCI and other human rights reports to make an assessment. In making this assessment, workfashion.com has become more aware of specific country risks and how that relates to its sourcing policy.

**Recommendation:** FWF encourages workfashion.com to continuously analyze country risks and discuss these risks with new and current suppliers. It could further improve its human rights due diligence process for new suppliers when it relates specific country risks to the supplier assessment.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances 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:** At one Turkish supplier, workfashion.com actively worked with another FWF brand to resolve corrective actions. Of another supplier, workfashion.com was not yet aware of the presence of another FWF member, while at a third supplier, the FWF member did not wish to cooperate.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	50-100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	1	2	0

**Comment:** workfashion.com sources from two Swiss suppliers. The questionnaire was returned, the CoLP was posted and workfashion.com visits these suppliers annually.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.10 Extra bonus indicator: in case FWF member company conducts full audits above the minimum required monitoring threshold.	90%+	FWF encourages all of its members to audit/monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to FWF and recent Audit Reports.	3	3	0

**Comment:** With a monitoring percentage of 91%, workfashion.com goes well beyond the required 60% after the second year of membership. workfashion.com has systems in place to ensure that it monitors all of its suppliers, but has not actively followed up issues in the tail end.

**Recommendation:** FWF encourages members to go beyond the minimum required monitoring threshold and rewards members who audit production locations in the tail end as well to mitigate potential social compliance risks. FWF encourages workfashion.com to actively monitor its entire supply chain.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	Yes, and member has collected necessary information	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.	2	2	0

**Comment:** in 2016, workfashion.com has bought products from 59 external brands. It sends the questionnaires and most of them were returned. workfashion.com collects the necessary information, like production countries.

**Recommendation:** FWF encourages workfashion.com to collect questionnaires from all its external producers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	24%	FWF believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	1	3	0

Comment: workfashion.com buys products from 4 FWF members amounting to 24% of the total external sales volume it buys from external brands.

Recommendation: FWF recommends workfashion.com to increase the amount of products it buys from brands that are part of a credible initiative, like FLA or FWF.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	FWF believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

## MONITORING AND REMEDIATION

Possible Points: 31

Earned Points: 25

### 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: The COO and sustainability manager are responsible for handling complaints.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.2 System is in place 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 production location visits, etc.	2	2	0

Comment: During visits, workfashion.com checks whether the Worker Information Sheet is posted. Factories that are not regularly visited are asked to provide pictures from a posted Worker Information Sheet.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Percentage of FWF-audited production locations where at least half of workers are aware of the FWF worker helpline.	60%	The FWF complaints procedure is a crucial element of verification. If production location 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. Production location participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited production locations where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of production locations in WEP programme.	3	4	0

Comment: In 2016, 3 FWF-audited factories from workfashion.com participated in a WEP-basic training.

Recommendation: workfashion.com can further 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, workfashion.com can use the worker information cards available for download on FWF's website

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.4 All complaints received from production location 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. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	N/A	6	-2

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the FWF member company 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	0

## 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 at member company are made aware of FWF membership.	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:** The Sustainability Manager is responsible to ensure all staff of workfashion.com is aware of FWF membership requirements. All new staff is required to receive a detailed briefing from the Sustainability Manager. In addition, staff was informed through a presentation by FWF staff. The newsletter, which is sent to both customers and employees, also reports on the company's sustainability-related activities. Staff awareness was further strengthened by a joint viewing of the movie "The True Cost".

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	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	-1

**Comment:** All staff that is in direct contact with suppliers receives briefings of the Sustainability Manager when needed. An internal wiki page was created, providing easy access to sustainability related issues. Staff of workfashion.com attended the FWF annual seminar and participated in webinars.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
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 member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	1	2	0

**Comment:** workfashion.com makes use of the services of a Chinese agent. The agent is informed about FWF and FWF requirements. The agent is not involved in actively following up CoLP issues at factories.

**Recommendation:** FWF recommends workfashion.com to promote FWF at its Chinese agent and ensure that the agent at least follows up the minimum FWF requirements as long as it keeps sourcing from China.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Production location participation in Workplace Education Programme (where WEP is offered; by production volume)	31%	Lack of knowledge and skills on best practices related to labour standards is a common issue in production locations. 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

**Comment:** In 2016, three factories supplying workfashion.com participated in the WEP-basic training.

**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 currently offers the following training modules for the WEP: Basic, Communication, Gender Based Violence, Supervisor and the Factory Guide. More info on availability in countries can be found on the FWF website. workfashion.com should continue motivating its main supplier(s) to join WEP trainings.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Production location 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, member companies 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

Comment: workfashion.com has one supplier from Bosnia, where it sources 0.74% of its FOB. Therefore, this is not included in this indicator.

## TRAINING AND CAPACITY BUILDING

Possible Points: 11

Earned Points: 8

## 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 member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	3	6	-2

**Comment:** workfashion.com is generally aware of all its production locations. In Macedonia, it is aware of all suppliers and its subcontractors. It regularly discusses this with its suppliers and does on-site visits to check whether orders are not transferred to another factory.

In China, the Chinese agent is involved in production planning. In 2016, workfashion.com found out that certain factories were used only after orders were placed. workfashion.com has a strategy in place to move all production from China to Macedonia in 2017. In Turkey, a FWF-audit showed in 2015 that the factory made use of subcontracting and homeworkers. workfashion.com and its supplier agreed that homeworkers were not used. workfashion.com did not take additional steps to prevent that these homeworkers were used.

**Requirement:** workfashion.com needs to take additional measures to ensure that it knows whether its Turkish supplier outsources its production to homeworkers. Such measures could exist of regularly checking production, discussing it with other customers and making an analysis of its products and whether there is a high risk for those products to be outsourced. In case homeworkers are still used, it needs to ensure that it fills out the FWF questionnaire for homeworkers and take additional measures to respect the labour rights of homeworkers.

**Recommendation:** FWF recommends workfashion.com to require agents to be informed about the production location before the order starts.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	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: workfashion.com has created an internal Wiki page, which systematically lists all relevant information related to workfashion.com suppliers. This wiki page is available to all staff of workfashion.com. Management and the sustainability manager regularly update each other on progress of suppliers towards improvements.

## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

## 6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	FWF's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about FWF are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	FWF membership is communicated on member's website; other communications in line with FWF communications policy.	2	2	-3

Comment: workfashion.com communicates about FWF through the company website, social report, newsletter and various blogs, e.g. on supplier visits to participate in audits or WEPs. It also displays the Fair Wear formula animated movie on its website. workfashion.com is aware of the FWF communication policy and adheres to it.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Production locations are disclosed to the public	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	2	2	0

Comment: workfashion.com has published its Brand Performance Check report 2015 on its website. It has also put a summary of its work plan online.

In its social report, workfashion.com has included a list of suppliers and reported on follow up per supplier.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.3 Social Report is submitted to FWF and is published on member company's website	Complete and accurate report published on member's website	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with FWF's communication policy.	Social report that is in line with FWF's communication policy.	2	2	-1

Comment: workfashion.com published its social report 2016 online.

## TRANSPARENCY

Possible Points: 6

Earned Points: 6

## 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: workfashion.com has ample experience with different initiatives focusing on social compliance, such as BSCI and SA 8000. It has consciously taken the decision to become FWF member in 2015 in order to take the next step in increasing control of its supply chains. workfashion.com annually evaluates all management processes, which includes FWF membership.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	100%	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.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

Comment: In the previous Brand Performance Check, one requirement about monitoring low-risk countries was included. In 2016, workfashion.com ensured that it had actively followed up on this requirement.



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## EVALUATION

Possible Points: 6

Earned Points: 6

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## RECOMMENDATIONS TO FWF

workfashion.com had several recommendations for FWF. workfashion.com would like to see:

- that FWF ensures a timely delivery of audit reports;
- that FWF remains member focused;
- that FWF sets up a member committee in which it regularly consults FWF members;
- that FWF improves transparency and actively stimulates transparency of suppliers between FWF members.

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	26	44
Monitoring and Remediation	25	31
Complaints Handling	6	7
Training and Capacity Building	8	11
Information Management	4	7
Transparency	6	6
Evaluation	6	6
Totals:	81	112

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

72

PERFORMANCE BENCHMARKING CATEGORY

Good

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

11-04-2017

Conducted by:

Wilco van Bokhorst

Interviews with:

Peter van Londen - COO

Charlotte Huber - Sustainability Manager

Alfred Beerli - CEO

Thomas Burkhard - Finance Officer

Marisa Thoma - Manager Marketing