



BRAND PERFORMANCE CHECK

Van Lier Shoes B.V.

PUBLICATION DATE: SEPTEMBER 2017

this report covers the evaluation period 01-04-2016 to 31-03-2017

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. The online [Brand Performance Check Guide](#) provides more information about the indicators.

BRAND PERFORMANCE CHECK OVERVIEW

Van Lier Shoes B.V.

Evaluation Period: 01-04-2016 to 31-03-2017

MEMBER COMPANY INFORMATION	
Headquarters:	Breda, Netherlands
Member since:	01-04-2015
Product types:	Shoes
Production in countries where FWF is active:	Bangladesh, India
Production in other countries:	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
SCORING OVERVIEW	
% of own production under monitoring	92%
Benchmarking score	55
Category	Good

Summary:

For its 2016/17 financial year, Van Lier met most of FWF's performance requirements. With a monitoring threshold of 92%, the company meets FWF requirement for the second year of membership. In the Brand Performance Check Van Lier reached 55 points, placing it in the "Good" category.

Van Lier produces most of its shoes in low-risk countries where it meets most of FWF requirements regarding monitoring. Van Lier's Director of Operations and the Production Manager visit factories at least twice a year and even more for production locations located in Portugal. The production locations that were visited in the previous financial year carry 92% of production volume.

However, Van Lier should start addressing overtime and living wage issues, and support factories in raising workers' awareness about their rights. Van Lier is encouraged to collect and follow-up on audit reports for all its suppliers, including those in low risk countries. Besides, an evaluation system of both its suppliers and its FWF membership, should be implemented to mitigate risks and evaluate improvements of the implementation of the Code of Labour Practices in its supply chain.

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.	66%	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.	3	4	0

Comment: 66% of Van Lier's production volume comes from production locations where it buys at least 10% of production capacity, which is less than the 77% for the previous year. This is due mainly to ordering specific kind of products in different factories.

Recommendation: FWF recommends Van Lier to consolidate its supplier base where possible, and increase leverage at main supplier(s) to effectively request improvements of working conditions. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

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.	1%	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: Only less than 1% of Van Lier's production volume comes from production locations where it buys less than 2% of its total FOB.

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.	61%	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: Van Lier has a stable supplier base with long-term relationships based on close cooperation with its suppliers. During the past financial year, 61% of Van Lier's production volume came from suppliers with which the company has worked with for over 5 years.

Recommendation: As Van Lier is expanding and diversifying, it is still recommended to keep its supply chain as consolidated as possible.

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.	Yes	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.	2	2	0

Comment: For new production locations and newly registered subcontractors, Van Lier could show the returned signed questionnaires.

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.	Advanced	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: A new production location was added to Van Lier's supply chain in India in 2016, because a new building of an existing supplier was built in Agra.

In April 2015, Hivos invited Van Lier's CSR Officer to attend a meeting in Amsterdam with a representative from the Fair Labour Association from Geneva. The meeting was with other major footwear brands, concerning research that Hivos, BSCI and the FLA were doing together on the risk of child labour use in the footwear industry production sites in Agra. The Van Lier Sourcing team visited the new factory in May 2016 to observe and encourage the practice of the Fair Wear Foundation code and give feedback to the Van Lier CSR officer upon return.

New suppliers are commonly sourced through the network of existing long term suppliers of Van Lier. The production locations are visited by the sourcing team where the Code of Labour Practices is discussed with factory management. The Health and Safety checklist is used to evaluate potential health and safety risks.

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: Van Lier's main focus when working with a supplier is the product quality, ability to create samples and provide small quantities.

Van Lier checks production locations Code of labour Practices compliance but doesn't have an evaluation system that leads to production decisions. Last year, the company stopped working with a Bangladeshi factory as communication and transparency was not sufficient. The management team changed several times and the factory didn't want to share subcontracting information with Van Lier. On top of that, price quotations were too high for no valid reason according to Van Lier. For these reasons, and the fact that it was a dangerous time for foreigners to travel to Bangladesh, Van Lier only placed re-orders and informed the company they would not develop any new products for future orders. Last order was delivered for the Winter 2016 season.

Recommendation: Van Lier is encouraged to develop an evaluation system for suppliers where compliance with labour standards is a criterion for future order placement. This will ensure social compliance is part of the evaluation points that are discussed with suppliers. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions. This policy can be specifically shared during personal evaluation meetings with supplier managers/owners.

FWF encourages Van Lier to implement a responsible exit strategy and make sure all relevant staff is informed about this. FWF will soon share guidance about such strategy.

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: Van Lier's production planning system is implemented in close communication with suppliers. The company blocks production per season and discusses delivery times in relation to capacity in advance. A buffer is built in to anticipate for possible delays. No style changes are made after samples are approved. Van Lier used to have a bigger market share in wholesale; in the past years a shift took place increasing the share of own distribution and online sales. This enables the company to better plan ahead and move orders around when necessary. When delays occur (mostly because of leather that does not turn out the way it was meant to), the deadline for own stores can be postponed, or orders are split. In case orders are for clients and delays occur, a last resort is airfreight.

Van Lier does not, however, have insight into the production capacities at its suppliers in Asia. At its Chinese supplier, the company's leverage is very low to discuss issues, as it orders only one style of canvas shoes for the summer time, in limited quantity.

Recommendation: A good production planning system needs to be established based on the production capacity of the factory for regular working hours. Van Lier is encouraged to investigate its leverage at all production locations and discuss overtime at its main suppliers - including in low risk countries - but also at its Asian suppliers.

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: After the FWF audit conducted at its only supplier in India, issues regarding overtime work, registration and payment were found. Both Van Lier and the factory are discussing ways to register overtime as a starting point and in order to be able to discuss root causes in the future. After a meeting to follow up on audit findings, and with the help of FWF local team, the factory management agreed that it should find a system to document overtime.

Recommendation: Van Lier is encouraged to follow up on the factory's progress towards documenting overtime first and then discuss root causes for overtime and night working hours. The outcomes of the root cause analysis can be used for identifying strategies that minimise the impact of its sourcing practice on working hours at other factories. 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: Van Lier is aware of minimum wages per country. When the labour costs or inflation within the supplier's country increases Van Lier accepts a price increase for the shoes. Van Lier knows the material costs for leather and different shoe parts and can estimate the labour costs. However, the company does not know the exact cost of labour and whether its prices allow payment of legal minimum wages to the workers.

Recommendation: 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. It allows Van Lier to link their own pricing policy to the payment of at least legal minimum wages in production countries.

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 data available	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.	N/A	2	-2

Comment: In the Indian factory audit report was stated that daily and piece-rate workers were paid below the legal minimum wage. However, due to lack of documentation, the finding was not confirmed. Van Lier discussed the issues of lack of documentation with the factory management and the issue is currently under remediation.

Requirement: If a supplier fails to pay minimum wages, Van Lier is expected to hold management of the supplier accountable for respecting local labour law and require a time bound action plan to ensure adequate payment. Factory visits with a documents check or additional verification by FWF may be needed to verify remediation.

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.	Basic approach	Sustained progress towards living wages requires adjustments to member companies' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	2	8	0

Comment: Van Lier has researched the wage levels in FWF's Wage Ladder system for the countries it has production. The Director of Operations asked suppliers their guidelines for determining salary levels, including different scales-systems for different skill levels. This forms the basis for discussing wage levels during supplier meetings.

83% of Van Lier's 2016 supplier volume came from countries classified as low-risk where wages are bargained collectively.

Recommendation: FWF encourages Van Lier 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: 42

Earned Points: 25

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	9%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	83%	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	1st or 2nd year member and tail-end monitoring requirements do not apply.
Total of own production under monitoring	92%	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 Director of Operations and CSR officer are both responsible for monitoring and remediation of labour standards.

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: Van Lier shared the audit report with their Indian supplier and started discussing findings soon after, with support from FWF to clarify CAP and pressing 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: After receiving their first FWF audit report for their Indian supplier, Van Lier had a call with FWF case manager to discuss findings and then had a meeting with the factory's owner at Van Lier's headquarter. Besides, the Director of Operations met together with FWF local staff and the factory's management - at the factory in India - to clarify and discuss the audit findings as well as steps to be taken. All parties really appreciated the constructive meeting and Van Lier will follow up on improvement during its next visit.

Recommendation: FWF recommends Van Lier's CSR Officer to follow up regularly on improvement by the factory by email or phone between the visits of the sourcing team. It is important that the company and the factory agree on next steps to be taken and on who is responsible of which.

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.	92%	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: Van Lier's Director of Operations and the Production Manager visit factories at least twice a year and even more for production locations located in Portugal. 92% of production volume from production locations were visited in the previous financial year.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	No	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.	0	3	0

Recommendation: Van Lier is encouraged to collect and follow-up on audit reports for all its suppliers, including in low risk countries. 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.

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: Most tanneries Van Lier buys leather from are located in Portugal and Italy. Each season, Van Lier collects all documentation about tanneries concerning chrome use, chemical use and environmental compliance (for instance REACH) .The company knows the production locations of leather. Van Lier also identified specific health and safety risks related to the production (gluing) of shoes, particularly in dealing with chemical material. Additional attention is given to health and safety measures and protection of workers, for instance in effective ventilation systems. Concerning Child Labour and specific risks linked to factories working in Agra, Van Lier joined meetings with several NGO's about those back in 2015.

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.	No CAPs active, no shared production locations or refusal of other company to cooperate	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.	N/A	2	-1

Comment: Van Lier shares several of its production locations with a large luxury brand but none with other FWF members. Through the supplier it receives several audit reports from that brand, however, there has not yet been contact with the brand to jointly follow up on improvement points.

Recommendation: It is strongly advised to identify other clients and their commitment to improving working conditions at the Indian supplier audited by FWF. Involving more costumers of the factory increases leverage, the chances of successful outcomes and long term improvements. Van Lier is recommended to contact the luxury brand to investigate whether they would be open to cooperate on improving social compliance.

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: Suppliers in low risk countries are visited several times a year, and the questionnaires are all signed and returned.

Photographs of the Worker Information Sheet are filed, but at a couple of production locations it was still the old version.

Requirement: For next Brand Performance Check, Van Lier is required to fulfill all requirements for all production locations located in low risk countries.

Recommendation: It is recommended to start collecting audit report for low-risk located factories, and assess findings and specific areas of possible improvements regarding the CoLP.

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.	None	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.	N/A	3	0

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.	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	2	0

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).	No external brands resold	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.	N/A	3	0

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: 21

Earned Points: 15

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 CSR Officer is in charge on following up on complaints according to FWF's complaint handling system.

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: Van Lier keeps pictures of the posted Worker Information Sheet for all factories, however a number of locations still use the old version of the poster.

Recommendation: Van Lier should make sure the updated Worker Information Sheet is posted in all factories and in areas where workers can read them.

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.	0%	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.	1	4	0

Comment: At the audited factory in India, workers were not aware of FWF CoLP and helpline. However, workers seemed eager to learn more when meeting the audit team. It seems that the factory had posted the WIS without a phone number or email address. Since there is no women working at the Indian supplier, the FWF Indian WEP is not relevant. FWF is currently looking for a training that could be provided by another organisation, to recommend it to the company.

Requirement: Van Lier should inform the factory managers about the existence of the hotline. Van Lier 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 FWF's worker hotline.

Recommendation: Van Lier should encourage the factory management to train the workers about their rights and the FWF helpline. In addition to sending the worker information sheet, Van Lier 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: 4

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: Van Lier is a family business and the staff works closely together. Thus, everyone is aware of FWF membership. Each time there is a commercial presentation, FWF membership is mentioned and store managers are curious, and ask more and more questions about it.

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: The Production manager visits factories in Portugal at least twice a year and also the tanneries and is aware of FWF requirements.

The Director of Operations discusses social compliance issues directly with the suppliers when she meets them for purchasing matters. The CSR person shares a list of things for the Director of Operations to check, before she travels to the production locations. Both then have meetings to discuss the visits' outcomes.

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: Van Lier works with one agent in China for one supplier. The factory was visited together with the agent and included going through the Code of Labour Practices.

Recommendation: Even though, leverage at the Chinese supplier is low, FWF recommends that Van Lier takes an active part in implementing the Code of Labour Practices at this supplier, with its agent's support.

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)	0%	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.	0	6	0

Comment: Since there is no women working at the Indian supplier, the FWF Indian WEP is not relevant. FWF is currently looking for a training that could be provided by another organisation, to recommend it to the company.

Recommendation: Van Lier should encourage the factory management, in China and India, to train the workers about their rights and the FWF helpline. In addition to sending the worker information sheet, Van Lier can use the worker information cards available for download on FWF's website. It would be worth trying to reach out to other customers at the Chinese factory in order to share fees to conduct a WEP training there.

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)	0%	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.	0	4	0

Comment: Van Lier didn't enroll factories, in countries where WEP are not offered, in other kind of training.

Recommendation: All factory workers and management should be informed about FWF, labour standards and grievance mechanisms. In order to further communication between employers and workers in the workplace FWF recommends Van Lier 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.

FWF has developed the Factory Guide, an innovative and comprehensive e-learning tool to increase awareness of factory managers on FWF requirements and labour standards. This tool specifically provides FWF member companies the opportunity to increase awareness of managers in countries where FWF does not offer the WEP modules. FWF recommends Van Lier to ensure suppliers actively use the Factory Guide.

TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 4

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: Van Lier does not accept second party production or outsourcing in Asia but doesn't have a written policy about his. Two subcontractors of a Portuguese supplier were listed last year in FWF's database. Van Lier investigates whether some of the processes were done by homeworkers in India, which was not the case. Most of the leather production processes are done in-house at different departments at the suppliers Van Lier works with.

Recommendation: Van Lier is advised to develop a systematic approach to complete the supplier list. Part of the approach can be:

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

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: Although the CSR officer and Director of Operations have regular talks, during the Brand performance check, it seemed that they hadn't shared information on the status of the remediation process at the Indian factory.

Recommendation: FWF recommends to document all monitoring and FWF information per factory in order to efficiently collect all social compliance information including due diligence and visit reports. It is advised to have regular meetings about CAP remediation status and process.

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: Van Lier meets the minimum communications requirements and no significant problems were found.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company 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.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	0	2	0

Recommendation: FWF recommends Van Lier to publish one or more of the following reports on its website: brand performance check, audit reports, supplier information. Good reporting helps to ensure the transparency of the company and FWF's work.

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	For new member companies	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.	-1	2	-1

Comment: Van Lier still hadn't submit its Social report on the day the Brand Performance Check was conducted.

Requirement: FWF approach requires transparency on member companies work towards social standards. The social report needs to be submitted to FWF before the Brand Performance Check is conducted.

TRANSPARENCY

Possible Points: 6

Earned Points: 1

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: During the year, reassessing FWF requirements when new suppliers have to come in is on the agenda. Suppliers come at the head office quite often and then FWF is always discussed. Although the FWF membership is present in everyday work, it doesn't seem to be assessed as such in a systematic manner with top management.

Recommendation: It is recommended to plan an evaluation meeting to discuss the outcomes of this Performance check and formulate plans to follow up on both requirements and recommendations.

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.	2%	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.	2	4	-2

Comment: In the previous brand performance check report, a requirement concerned the WEP trainings to raise awareness of workers about their rights. Unfortunately, the WEP programme in India doesn't suit Van Lier's suppliers as only males work in that factory. At its Chinese supplier, Van Lier's leverage is very small. For these reasons, it wasn't possible to meet this requirement but not by lack of awareness or will from the company. However, regarding the workers awareness about their rights and the FWF hotline, a requirement is formulated in this report for the indicator 3.3. and a suggestion made about doing a WEP at the Chinese production location.

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

EVALUATION

Possible Points: 6

Earned Points: 4

RECOMMENDATIONS TO FWF

Van Lier would appreciate that FWF reviews its way of communicating and visual communication, as it feels its is a bit old-fashioned.

From its perspective FWF's logo doesn't make sense for their business as they sell shoes and the logo shows a clothes hanger.

A more modern approach, maybe with the use of a famous person as an ambassador, was suggested.

Van Lier appreciates FWF membership and brings it forward when meeting new business partners, especially in Germany.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	25	42
Monitoring and Remediation	15	21
Complaints Handling	4	7
Training and Capacity Building	4	15
Information Management	4	7
Transparency	1	6
Evaluation	4	6
Totals:	57	104

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

55

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

02-08-2017

Conducted by:

Florence Bacin. Juliette Li

Interviews with:

Geert van Spaendonck - General Director of Van Lier

Anna Hullegie - The Supply Chain Director

Ruvani van Spaendonck- Public Relations and Corporate Social Responsibility

René de Vroome - Product Quality Officer

Dick Brands - Senior account manager