



## BRAND PERFORMANCE CHECK

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JBC n.v.

this report covers the evaluation period 01-02-2016 to 31-01-2017

## 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](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

## BRAND PERFORMANCE CHECK OVERVIEW

JBC n.v.

Evaluation Period: 01-02-2016 to 31-01-2017

MEMBER COMPANY INFORMATION	
Headquarters:	Houthalen, Belgium
Member since:	01-04-2015
Product types:	Fashion, Sportswear, Promotional
Production in countries where FWF is active:	Bangladesh, China, India, Turkey
Production in other countries:	Italy, Morocco, Pakistan
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	77%
Benchmarking score	61
Category	Good

## Summary:

JBC has shown progress and met most of FWF's performance requirements. With a score of 61 and a monitoring percentage of 77%, it achieves the Good category for brands in their second year of FWF membership.

JBC initiated a number of significant improvements in comparison to the previous year. In the first place, it initiated a system that allows it to much more effectively be aware of the production locations that it places orders at. Furthermore, it has introduced a system to improve its production planning by being aware of the production capacity of a certain location and ensuring that its orders do not exceed this capacity.

In terms of human rights due diligence and monitoring, JBC put in place a more robust system to receive information on the potential human rights risks and violations at new production locations. In addition, it also invested a lot of capacity into its audit follow-up and CAP remediation efforts, particularly related to its Chinese suppliers.

FWF encourages JBC to continue its efforts in improving its purchasing practices, starting with an ex ante due diligence system, a production planning that facilitates reduction of excessive overtime and also moving onto its pricing policy and increased transparency related to workers' wages. When it comes to its production locations, JBC needs to ensure all that production locations are known, what FOB is booked at each location, and what the potential human rights risks are.

## 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.	75%	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:** FWF was able to calculate that approximately 75% of JBC's production came from production locations where it was responsible for at least 10% of production capacity. Due to incomplete supplier information, this percentage could in practice be higher and FWF had to calculate this by hand.

**Requirement:** JBC must ensure that its supplier information is complete and accurate, including an estimation of its leverage at each production location. This information should be found in the questionnaire that each production location is required to complete before production starts.

**Recommendation:** FWF recommends JBC to consolidate its supplier base where possible, and increase leverage at main supplier(s) to effectively request improvements of working conditions. 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.	46%	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.	0	4	0

**Comment:** Approximately 46% of JBC's production came from factories where JBC buys less than 2% of its total FOB. This is a very significant percentage, and indicates that JBC makes use of a lot of production locations for relatively little of its production volume.

**Recommendation:** FWF recommends JBC to consolidate its supply base by limiting the number of suppliers in its 'tail end'. To achieve this, JBC should determine whether suppliers where it buys less than 2% of their FOB are of strategic relevance. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way.

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
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	82%	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.	4	4	0

**Comment:** JBC sources a majority of its production volume from locations where a business relationship has lasted for at least five years. This is an increase in comparison to the previous year.

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:** JBC was able to show that new production locations were able to sign and return the questionnaire. In one instance, one of its agents placed an order at a new factory without JBC giving permission. As soon as this was found out, JBC ensured that the questionnaire was signed and the WIS posted.

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:** In comparison to the previous Brand Performance Check, JBC has adapted its human rights due diligence process before placing orders at new production locations. The first step is making sure the FWF CoLP are posted, and that the questionnaire is also signed and returned. Production locations are also systematically asked if they have existing audit reports that can be shared. For more specific high risk areas like Bangladesh, Turkey or certain parts of India (eg. Sumangali), JBC has incorporated FWF-provided information and other risk information into its due diligence process when a new production location has been selected.

When a prospective new supplier is found, another part of the due diligence process involves a meeting between the CSR manager with factory management, if possible at JBC HQ, especially if it is an important supplier. During this meeting, FWF and social compliance are presented. A new factory is approved once both the Sourcing & Quality Manager and CSR Manager give their approval.

In comparison to the previous year, the due diligence process has become more structured. However, it is unclear yet if due diligence has become an integral part of JBC's new sourcing strategy that is agreed upon with top management. Such a policy would clearly describe the due diligence process that takes place before a specific production location is selected.

**Recommendation:** JBC is advised to describe the process of assessing working conditions at potential new suppliers in a sourcing strategy that is agreed upon with top management/sourcing staff. The UN Framework on Business and Human Rights provides more background on the concept of human rights due diligence.



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:** JBC keeps track of the performance of its suppliers and production locations. Especially for its factories located in China, this tracking has been improved since the previous Brand Performance Check. JBC is currently working on a system to so that the internal database of factories shows more audit information that can be seen by buyers in the different departments (eg. most important findings).

**Recommendation:** JBC is encouraged to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions. Another 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:** JBC has two seasons in a year: summer and winter. Within this division, new collections are produced on a monthly basis. Production is forecast based on past sales figures and trend forecasts. In general, the lead time for production in the Far East is 22 weeks while the lead time for Eastern Europe and North Africa ranges from 6 to 10 weeks.

Since the previous Brand Performance Check, JBC has started implementing a system that works to ensure that production locations are not given more orders than they can handle. This is done using a combination of the factory indicating its maximum capacity and an assessment of JBC staff done during production location visit(s). An online system within JBC then shows the amount of production that can take place and 'blocks' orders that exceed this limit from being entered. In this way, individual production managers are given the opportunity to spread orders, or place them at alternate locations. In addition to this, JBC has also tightened its sampling approval process, making use of a sample flow report. This should also lead to decreased approval times.

As this process was initiated in 2016 and still being fully implemented in 2017, full points cannot yet be awarded.

**Recommendation:** A good production planning system can be established based on the production capacity of the factory for regular working hours. This will further help reduce the need for excessive overtime.

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

Audit reports and follow-up showed that lack of registration of overtime is dealt with effectively. Furthermore, JBC's new system to block production schedule should help reduce some of the root causes of overtime.

In this way, JBC has started taking steps to address the root causes of overtime. This is, as mentioned earlier, an ongoing process that is still being refined in the current financial year. For this reason, full points cannot yet be awarded.

**Recommendation:** JBC can develop instruments or policies to deal with possible delays to avoid excessive overtime. Those instruments could include being flexible with delivery dates, prioritizing orders, offer support/flexibility for material delivery, ordering in low season, etc.

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.

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

In addition to new policies and procedures related to order flow and factory capacity, JBC is starting to introduce open costing as well. In this way, JBC is able to receive and analyze information related to BOM and CMT costs. A point of discussion between JBC and suppliers is increasing line efficiency. As JBC places relatively small orders, the efficiency is relatively low. One way to increase efficiency is by combining orders to increase the pieces a factory can produce.

There is no direct link yet between pricing and wage levels at a factory level.

**Recommendation:** At a minimum, member companies are recommended to investigate wages levels in production countries, among others by making use of FWFs Wage Ladder and country studies. As an advanced step, increased transparency in costing and productivity gives insight in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages.

More specifically, JBC is encouraged to apply open costing to as many of its order placements as possible and work on linking the price paid per piece to the wages earned by workers at a factory level. This increased level of transparency sets the basis for moving towards living wages at a structural level.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if suppliers fail to pay legal minimum wages.	Yes	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.	1	2	-2

**Comment:** JBC followed up on a number of cases where it was unclear whether or not legal minimum wages were being paid. However, not in all cases documentation was provided that this had been remediated. This is a similar finding from last year, and therefore the requirement to urgently and extensively follow up on these types of findings is repeated.

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

**Recommendation:** JBC is encouraged to receive and maintain better documentation on the follow-up related to the non-payment of legal minimum wages.

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

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

JBC's external auditing organization has started including living wage benchmark information in its audit reports. This formed a basis for discussions with suppliers in the area of wages.

**Recommendation:** FWF encourages JBC to have more robust discussions with its suppliers on the topic of wages and the role JBC can play. This can be done by assessing 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.

As it is JBC's intention to shift production more to Bangladesh, this decision is also affected by the better pricing received there. However, JBC still needs to make sure that within the Bangladeshi context, it starts establishing a link between the prices it pays and the wages that garment factory workers earn.

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: 23**

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	21%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	0%	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.		
Total of own production under monitoring	77%	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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.2 Quality of own auditing system meets FWF standards.	Yes	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.	0	0	-1

**Comment:** JBC makes use of an external auditing company for auditing the majority of its suppliers in China and other countries. In the course of JBC's membership of FWF, JBC and FWF had various discussions with the providers of JBC's own auditing system. This led to some joint training and audit sessions, as described in previous Brand Performance Check. In the past year, this auditing organization has started to include living wage estimates in its audit reports. In terms of local stakeholder information, the auditing organization provides a contextual analysis of the factory's audit findings. For worker interviews, where necessary, these take place. In general, the auditing system is a robust system that enables it to make relevant findings and place them within the right context.

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

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:** As mentioned earlier in this report, JBC made significant efforts to remediate audit reports and provide follow-up. This was especially evident for the factories in China.

JBC has a long-term relationship with a number of its suppliers, and therefore is able to enter into a dialogue with them. This is an effective basis for engaging in dialogue in order to implement changes related to more difficult labour conditions such as excessive overtime, freedom of association and living wages.

**Recommendation:** JBC is encouraged to maintain its level of CAP remediation and follow-up, also for factories outside of China. It is encouraged to make use of its new local agent/intermediary in Bangladesh to provide assistance, as this is a country that is of increasing importance to JBC.

At the same time, JBC is encouraged to lay the foundation for making progress on the more difficult labour standards at a factory and a structural level.

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.	89%	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

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:** As mentioned earlier, as part of its due diligence process, JBC asks for any existing audit reports. When it receives these, it also assesses the quality of the reports.

**Recommendation:** Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces double work. Existing audits can be counted towards the monitoring threshold if the quality of the report is assessed using the FWF audit quality tool and corrective actions are implemented.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	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.	3	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Intermediate			3	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:** In the previous financial year, JBC updated its supplier manual with FWF/social compliance requirements. In 2016, there was no production in Myanmar (there will be in 2017). For Bangladesh, JBC is member of the Accord, spent significant efforts remediating findings with its suppliers and also got its suppliers to join an introductory WEP meeting. There was, however, no follow-up given to this meeting by its suppliers and no further follow-up was given with regards to the specific risks related to gender-based violence. For this reason, full points cannot (yet) be awarded.

**Recommendation:** JBC is encouraged to ensure its Bangladeshi suppliers are enrolled and actively participate in a WEP training program that works on reducing the risks of gender-based violence.

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:** JBC has cooperated with other FWF brands in audit follow up and remediation of risks (eg. Syrian refugees in Turkey).

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.	0-49%	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.	0	2	0

**Comment:** During a random sample check of low-risk production locations, JBC was unable to show that it had questionnaires and pictures of the posted Worker Information Sheets for the majority of its production locations in low-risk countries.

**Requirement:** Monitoring requirements need to be fulfilled for production in low-risk countries in order for it to be counted towards the monitoring threshold. All production sites in low-risk countries must:

- Be visited annually by affiliate representatives;
- Be informed of FWF membership and return the completed CoLP questionnaire before production orders are placed;
- Be aware of specific risks identified by FWF;
- Have the FWF Worker Information Sheet posted in local languages.

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.	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:** JBC made use of 4 external brands in 2016 and engaged with them on their sustainability/social compliance policies. This entailed emails, meetings (in person or by phone) and sharing of documents.

The questionnaires were also signed and on file.

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).	0%	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.	0	3	0

Comment: No external brands are FWF members or members of another credible initiative.

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: 34

Earned Points: 23

### 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

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

Recommendation: JBC has a system in place to ensure that the Worker Information Sheets are posted.

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.	50%	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: Approximately 50% of JBC's FWF-audited production locations were either aware of the FWF worker helpline or had a WEP training session conducted there.

Recommendation: JBC can 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, Member companies 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: JBC's CSR Manager gives presentations internally on a regular basis. There are also presentations for new employees on the topic of CSR and FWF. The CSR Manager also regularly provides a CSR update during monthly staff meetings. Kick-off meetings for seasons also incorporate relevant information and stores have a lot of information regarding JBC's FWF membership. The FWF logo is also in all staff email signatures.

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 CSR Manager has one-to-one meeting with new buyers about FWF/social compliance who are in direct contact with suppliers.

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

JBC is planning to work more directly with factories, allowing it have more control over factory awareness of FWF's Code of Labour Practices.

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)	11%	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.	2	6	0

**Comment:** Factories representing approximately 11% of JBC's production locations received WEP training sessions.

**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.

JBC is encouraged to provide WEP training sessions for its strategic (new) suppliers in countries where the WEP program is provided.

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

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

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## TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 6

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## 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:** In comparison to last year, JBC has booked significant progress in identifying its production locations. It did this by making it mandatory for its buying teams to add production locations to all of its order placements. It worked hard to ensure that production locations were known before orders were placed, but this was not always possible. Instead, locations were sometimes added after the fact.

For a number of suppliers, JBC was unable to ascertain the exact production locations for all orders, especially for those suppliers that produce for it via an agent. It has taken steps to address this situation, and the supplier data should be more complete in the next financial year.

**Recommendation:** Members are 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
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: JBC was able to show that the CSR Manager shared information on working conditions at production locations with its China office, members of the buying/sourcing teams and members of the executive board.

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## 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: FWF information can be found in stores, on the doors of its headquarters, on email signatures of employees, etc. In 2016, JBC also communicated actively about FWF in its brochures.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Published Performance Checks, Audits, and other efforts lead to increased transparency	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.	1	2	0

Comment: The Brand Performance Check report is published online on its website with a description of the result. For its I AM collection, JBC discloses the production locations where the products are made online. The list of production locations is not complete, however, so full points cannot be awarded.

Recommendation: FWF recommends JBC to publish one or more of the following reports on its website: brand performance check, audit reports, supplier information. Good reporting by members helps to ensure the transparency of the affiliate 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	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

## TRANSPARENCY

Possible Points: 6

Earned Points: 5

## 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: JBC's top management regularly reviews FWF membership, social compliance and its efforts related to both.

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.	60%	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, JBC had 10 requirements, 9 of which were still relevant this year (it is no longer producing in Myanmar). JBC was able to show that it booked progress on the following requirements:

- 1.4: Due diligence process for new suppliers;
- 1.6: Production planning to reduce excessive overtime;
- 1.7: Conducting root cause analysis of excessive overtime;
- 3.2: Having a system in place to ensure the posting of the Worker Information Sheet;
- 3.3: Workers' awareness of the FWF worker helpline;
- 5.1: Being aware of all of its production locations;
- 6.1: Ensuring communication in line with FWF's requirements.

In the past year, it did not make progress on:

- 1.9: Effectively following up on the non-payment of legal minimum wages in a timely manner.



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

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## EVALUATION

Possible Points: 6

Earned Points: 6

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## RECOMMENDATIONS TO FWF

N/A

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	23	44
Monitoring and Remediation	23	34
Complaints Handling	6	7
Training and Capacity Building	6	15
Information Management	4	7
Transparency	5	6
Evaluation	6	6
Totals:	73	119

### BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

61

### PERFORMANCE BENCHMARKING CATEGORY

Good

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

14-06-2017

Conducted by:

Kees Gootjes, Sandra Gonza

Interviews with:

Saartje Boutsen, CSR Manage

Michiel Vandermeer, Sourcing & Buying Manager

Hanne Berckmans, Capacity & Supplier Performance Specialist