



BRAND PERFORMANCE CHECK

King Louie

PUBLICATION DATE: DECEMBER 2017

this report covers the evaluation period 01-06-2016 to 31-05-2017

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

King Louie

Evaluation Period: 01-06-2016 to 31-05-2017

MEMBER COMPANY INFORMATION	
Headquarters:	Amsterdam, Netherlands
Member since:	01-10-2015
Product types:	Fashion
Production in countries where FWF is active:	China, India, Turkey
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	65%
Benchmarking score	54
Category	Good: 54

Summary:

King Louie meets most of FWF's management system requirements. The company monitored 65% of its supply chain, meeting the threshold for second-year members. With a benchmark score of 54, it is placed in the Good category.

King Louie worked towards consolidating its supplier base and increasing productivity by reducing the company's style framework by 25%, with new styles being used for more than one season. King Louie improved on monitoring subcontractors, but the main challenge remains to find out FOB data on subcontractor level.

Even though the company has gained more insight into risk areas, FWF encourages King Louie to better structure and formalise its due diligence process related to selecting new suppliers and evaluation of suppliers' social compliance.

Four FWF audits were conducted on behalf of King Louie in Turkey and China. Aiming at supporting reasonable working hours, King Louie discussed production planning. As a first step, fabrics are ordered sooner and reorders are placed during low season. The next step should be to work on a more systematic approach. King Louie had several discussions with suppliers on living wages. Wage ladders are shared and discussed with the audited suppliers. One of the long term Turkish suppliers was part of initial wage conversations, but due to low leverage, it remains a challenge to move forward.

King Louie has not yet organised WEP training at production units and FWF recommends to motivate its suppliers to do so for the purpose of awareness and understanding of FWF's labour standards.

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.	69%	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: King Louie buys 69% of its supplier volume from factories where the company has substantial leverage (at least 10% of the factory production capacity). This has slightly increased compared to the previous year and the company's goal is to further deepen the cooperation with selected key suppliers (including selected subcontractors) over the years.

Recommendation: FWF recommends King Louie to maintain stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.

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.	10%	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: A total of 10% of King Louie's production volume comes from production locations where the company buys less than 2% of its total FOB. This percentage consists mostly of seasonal products and accessories, such as belts.

Recommendation: FWF recommends King Louie to consolidate its supply base by limiting the number of suppliers in its 'tail end'. To achieve this, members should determine whether suppliers where they buy 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.

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.	53%	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: King Louie values long term relationships based on close cooperation with its suppliers. 53% of their 2015/2016 purchasing volume comes from factories they have worked with for more than 5 years. Compared to last year, this percentage slightly decreased due to consolidation of the company's supplier base and style framework.

Recommendation: FWF recommends King Louie to maintain stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.

It is advised to describe policies regarding maintaining long term business relationship in a sourcing strategy that is agreed upon with top management/sourcing staff.

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: New suppliers are informed about the FWF Code of Labour Practices by email before sampling starts. The supplier is requested to complete the FWF questionnaire before orders are placed. King Louie added three new suppliers in its last financial year and could show the signed questionnaires and CoLP.

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: The Head of Design and Production conducts the first search for new suppliers and discusses FWF membership and requirements before sampling is started. In the sampling phase, the CSR coordinator shares more about commitment to Code of Labour Practices implementation and collects CSR information from the supplier. Factory visits are done by King Louie’s agents, prior to placing orders. Only after receiving the signed questionnaire and evidence of a posted CoLP in the premises, orders are placed.

In terms of due diligence, the focus in the last financial year has mainly been on Turkey; regional risks and relevance of social compliance was discussed. For selection of subcontractors, King Louie relies on the main supplier, yet clear requirements are given by the brand or its agent to make sure authorisation is done before placing orders. Since the start of FWF membership, King Louie has been able to gain more insight into the subcontracting structure at its Turkish suppliers. For each subcontractor discovered and its location confirmed, the company discussed the risks and importance of social compliance. Three of those subcontractors were audited in Turkey in the last financial year.

Even though general risk assessment is done prior to production, King Louie does not yet properly conduct and document a due diligence process for selecting new suppliers in each production country.

Requirement: A formal process should exist to evaluate the risks of labour violations in the production areas the member is operating. This evaluation should influence the decision on whether to place orders, how to prevent and mitigate risks, and what remediation steps may be necessary.

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: To be able to better monitor and control the supplier base, King Louie has consolidated the number of factories, even in making more diverse range of products

One supplier was phased out because of a smaller range of products. This supplier was informed in advanced and a phase out process was agreed upon.

King Louie works with several agents that play an important role in the production countries. These agents monitor supplier compliance and report back to King Louie. Communication, CSR commitment and quality are assessed, but not explicitly linked to production decision-making procedures.

In the near future, King Louie wants to create a contract, in which suppliers and factories state to cooperate with King Louie on their path to improve labour conditions according to the standards set by FWF. In this way, King Louie hopes to be able to show sourcing, production and design staff what the social compliance levels are of the potential suppliers.

Recommendation: King Louie 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. 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: King Louie works with four delivery blocks per year for each supplier. This way of working is especially interesting for King Louie's small and medium suppliers in Turkey, as it gives the suppliers more space to plan ahead and move around or switch orders in case needed.

In 2015, a new ERP system was implemented, which has shown to save time in the production calendar of 2016/2017; fabrics can be ordered earlier in the process, and consequently King Louie's long term suppliers receive the orders two weeks earlier.

In addition, King Louie reduced its style framework in order to increase quantities for less styles and make production more efficient and predictable; more variation of fabrics and small cut adjustments, rather than many different styles that require new production line setup for each new order. The style framework has been reduced by 25%, with new styles being used for more than one season. Orders of time-consuming products are placed first.

Recommendation: A good production planning system needs to be established based on the production capacity of the factory for regular working hours.

It is advised to establish a system for sharing and updating forecasts with suppliers to facilitate their planning. The system may include assurance of early delivery of materials and trimmings to suppliers, ensuring samples are approved in time and that late changes are discussed with the supplier.

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: In 2016/2017, FWF conducted four audits for King Louie; three Turkish and one Chinese supplier. At the Chinese supplier there was no time keeping system in place, which made it impossible to verify working hours. As a follow up, King Louie discussed the findings with the factory manager and a fingerprint registration system was installed at the factory. King Louie also discussed the possibilities to accept late deliveries and moved parts of the orders to lower production seasons.

At the three Turkish suppliers excessive overtime was found during the audits. One of the root causes was found to be fabric delivery delays. King Louie is addressing this by ordering fabrics sooner in the process. Besides this, King Louie started to place re-orders in low season to find out if this could be a way to mitigate overtime.

Recommendation: FWF recommends King Louie to use the outcomes of the root cause analysis 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: While King Louie is aware of general level of production costs, cost of material and minimum wages per country, it currently lacks insight into labour costs at first tier supplier and subcontractor level. As a follow up of the audits done in Turkey in the last financial year, King Louie started discussions about wages and planning to take further steps in the next year to work towards more style level policy.

Recommendation: At a minimum, King Louie is recommended to investigate wage levels in production countries, starting by making use of FWF's 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.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if suppliers fail to pay legal minimum wages.	No minimum wage problems reported	If a supplier fails to pay minimum wage, FWF member companies are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.	2	2	-2

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: In the last financial year, King Louie conducted research and had several discussions with suppliers on living wages. The wage ladders were shared and discussed with the audited suppliers. One of long term suppliers in Turkey was part of initial wage conversations, but due to the low leverage it remains a challenge to move forward.

Requirement: King Louie is expected to take an active role in discussing living wages with its suppliers. The FWF wage ladder can be used as a tool to implement living wages. Most relevant wage estimates, such as local minimum wage, Asia Floor Wage, collective bargaining wage and industrial best practice wages are provided in the wage ladder. The wage ladder is included in FWF's audit reports. It demonstrates the gaps between workers' wages at a factory and living wages demanded by major stakeholders. The wage ladder can be used to document, monitor, negotiate and evaluate the improvements at its suppliers.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	N/A	2	0

PURCHASING PRACTICES

Possible Points: 44

Earned Points: 25

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	64%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	1%	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	65%	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: King Louie's CSR coordinator is also involved in buying, sampling and production department, which smoothens cooperation with other employees.

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: After receiving an audit report, King Louie reviews it promptly and passes it on to the supplier involved. King Louie schedules a call or visit by its agents immediately to discuss the findings and agree on timelines. King Louie keeps track of the process and timelines by weekly updating the CAPs.

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.	Basic	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.	4	8	-2

Comment: The process of following up corrective action plans is closely coordinated by the CSR person, keeping overview of status of all CAPs. During weekly meetings with the Head of Design and Production the most important issues are discussed. King Louie requests regular updates and evidence of improvements, either from the supplier directly or via the production agent.

During the Brand Performance Check, King Louie was able to show that improvements, such as the installation of hour registration system and health and safety measures, were made at several suppliers.

Meanwhile, especially at the suppliers where King Louie has relatively low leverage, the follow up of more complex issues remains challenging and agreement on shared responsibility is yet to be achieved.

Recommendation: To facilitate remediation, King Louie could consider:

- Hire a local consultant to assist factory in developing an action plan and to assist factory management in investigating root causes.
- Organise supplier seminars.
- Provide factory training.
- Share knowledge/material.
- providing financial support to the supplier for implementing improvements.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	N/A	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.	N/A	4	0

Comment: lara send visit reports

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	1	3	0

Comment: King Louie has collected several BSCI reports, however the quality was not yet assessed. This is planned for the next financial year.

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.	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: With its Turkish suppliers, King Louie started discussions about the risk of employing Syrian refugees. King Louie's CSR coordinator attended a FWF webinar about this topic and information about guidance is shared with the main suppliers.

One supplier in the Turkish city Izmir indicated that it is a struggle to find skilled people but was looking for ways to hire Syrian refugees under Dutch law as it is complicated on Turkish law

The jeans produced for King Louie

Jeans but not used/washed look > still put Recommendation

Recommendation: When alternative production methods for sandblasting are used, FWF members must perform a risk assessment of these methods and accept to fully disclose all information related to the health and safety of workers involved. In cooperation with the member, FWF will determine the approach for ensuring safe methods.

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

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: In the past financial year, King Louie has worked with two production locations in Portugal that accounts for less than 1% of its FOB.

Due to the strategic decision to decrease the style framework, both of these suppliers are becoming obsolete and will be phased out in the next year. King Louie did not visit the sites, but FWF questionnaire has been signed and sent to the company and the Worker Information Sheet was posted.

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.	Not applicable	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	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.	1	2	0

Comment: The questionnaire for external suppliers was sent to all external brands. King Louie has shown during the Brand Performance Check that a total of seven brands have signed and returned the questionnaire. The remaining [number] need follow up.

to check - laura needs to fill in the external supplier list

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).	N/A	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

Comment: to check

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: 26

Earned Points: 11

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 coordinator is designated to address worker complaints in case of filing.

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: Visiting the sites is mostly done by King Louie's agents. During those visits the agents are requested to check whether the Worker Information Sheet is posted on an accessible spot in the factory. King Louie keeps track of this by collecting evident and colour coding the status for each supplier.

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.	43%	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.	2	4	0

Comment: Since the start of FWF membership in 2015, seven audits were conducted at King Louie suppliers. Three of the audits showed that at least half of the workers are aware of the FWF CoLP and worker helpline.

Recommendation: King Louie 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, King Louie 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: 5

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: In the past financial year, King Louie's sales team dealing with retail customers was given a presentation on FWF in general and current updates. Each new employee receives an introduction to FWF and communication team is informed specifically about FWF's communication guidelines.

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 coordinator has weekly meetings with relevant staff to update on current issues and activities. The Head of Design and Production is closely working together with CSR person, which enables the information and input to run smoothly to the relevant staff. Monthly talks are held by the CSR person with management to involve them when necessary and discuss points of attention.

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 + actively support COLP	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.	2	2	0

Comment: King Louie works for the majority of suppliers with agents. This makes it very crucial for King Louie to involve them in monitoring and remediation efforts. In the past two years, King Louie has seen a very positive effect of audits conducted by FWF on the role of agents in Code implementation; after an audit is done, agents understand more about the issues and act proactively in the follow up of findings. One of King Louie's agents in Turkey even started to train subcontractors herself about FWF.

Recommendation: FWF recommends King Louie to continue actively training their agents on monitoring and remediation to enable them to support the implementation of the CoLP.

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: King Louie did not yet organise WEP training at production units. One WEP training was done in spring 2016, but that was organised by another FWF member company before King Louie started placing orders there.

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

Recommendation: In order to ensure awareness and enhance understanding of the relevant labour standards, grievance mechanisms and the importance of a good mechanism for communication between employers and workers in the workplace, FWF developed the Workplace Education Programme. FWF currently offers the following training modules for the WEP: Basic, Communication, Gender Based Violence, Supervisor and the Factory Guide. More info on availability in countries can be found on the FWF website. King Louie should motivate its main supplier(s) to join WEP trainings.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Production location participation in trainings (where WEP is not offered; by production volume)	All production is in WEP areas.	In areas where the Workplace Education Programme is not yet offered, member companies may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	N/A	4	0

TRAINING AND CAPACITY BUILDING

Possible Points: 11

Earned Points: 5

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: King Louie has continued to identify all production locations. All CMT subcontractors and additional units where King Louie has a direct relationship are now included in the company's supplier list. The main challenge remains to find out FOB data on subcontractor level.

Several production units were visited by the agents on behalf of the company.

King Louie requires first tier main suppliers to only work with a selection of subcontractors, authorised by the company.

Requirement: Production staff and CSR manager must ensure all active production locations are included in the database for the financial year under review. Correct FOB percentages should be given per supplier including subcontracted sites to show the relevance of each supplier in relation to the member's total purchasing volume.

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: Both the Production department and Design&Sourcing department have access to information about working conditions at suppliers and are briefed about the improvement progress regularly in team meetings.

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: King Louie communicates about FWF on its website and used the FWF 3rd party brochure for the retailers. The company is planning to create a communications toolkit to better inform and instruct shops that sell King Louie products. These shops are regularly checked on compliance with FWF's communication policy.

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: King Louie has published its latest Brand Performance Check report on the company website.

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 submitted to FWF	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

TRANSPARENCY

Possible Points: 6

Earned Points: 4

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: FWF membership updates are part of the agenda of the monthly meeting between management and CSR. An annual evaluation of membership is done by the directors.

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.	35%	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: King Louie received nine requirements during its last Brand Performance Check:

Three were related to due diligence (questionnaires must be collected before orders are placed and more systematic approach is needed in risk assessment and decision-making. Progress has been made (see indicator 1.3,1.4,1.5), but formalisation still remains to be done in the next year.

The third requirement concerned living wages. King Louie started discussions on the topic with one or two suppliers and are getting familiar with the FWF wage ladders.

Another requirement was related to factory visits. In Turkey and China, agents visited the factories on behalf of the company.

External brands have been listed in the supplier list and actively approached to collect information.

The last requirement concerned awareness raising on factory level; so far King Louie has not yet organised WEP sessions for factory workers and management.

EVALUATION

Possible Points: 6

Earned Points: 4

RECOMMENDATIONS TO FWF

King Louie expects an improved audit and meeting planning process of FWF. more continuity of FWF after frequent changes of main contact persons.

The company would also be in favor of an open supplier database for FWF members.

King Louie highly appreciates the topic specific webinars organised throughout the year and recommends FWF to continue and develop this further.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	25	44
Monitoring and Remediation	11	26
Complaints Handling	5	7
Training and Capacity Building	5	11
Information Management	4	7
Transparency	4	6
Evaluation	4	6
Totals:	58	107

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

54

PERFORMANCE BENCHMARKING CATEGORY

Good: 54

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

26-10-2017

Conducted by:

Hendrine Stelwagen, Florence Bacin

Interviews with:

Laura Tol - CSR coordinator

Jeroen Dijkema - Sales Director

Gael Brutin - Head of Design, Production and Buying