



## BRAND PERFORMANCE CHECK

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Takko Holding GmbH

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this report covers the evaluation period 01-02-2017 to 31-01-2018

## 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

Takko Holding GmbH

Evaluation Period: 01-02-2017 to 31-01-2018

MEMBER COMPANY INFORMATION	
Headquarters:	Telgte and Friedrichsdorf, Germany
Member since:	01-10-2011
Product types:	Fashion
Production in countries where FWF is active:	Bangladesh, China, India, Myanmar, Turkey
Production in other countries:	Cambodia, Italy, Pakistan, Poland, Portugal, Sri Lanka
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	99%
Benchmarking score	64
Category	Good

## Summary:

Takko met most of FWF's management system requirements to improve working conditions. Takko monitored an impressive 99% of its total purchasing volume, which is well above the 90% required of brands in 3+ years of membership. Combined with a benchmarking score of 64, this places Takko in the 'Good' category.

Takko has made significant progress in consolidating its supplier base. Total number of suppliers went from 329 to 298 during the previous financial year. It is furthermore noteworthy that the total FOB volume from suppliers with which Takko enjoys a long-term business relation exceeding five years has increased from 58% to 73%.

Thanks to its local offices in South East Asia, Takko is frequently auditing its suppliers and is able to actively follow-up to remediate complaints and audit findings. However, in high-risk countries where Takko has no local auditors (including Turkey and Pakistan) monitoring and follow-up is less strong. Takko has strong systems for due diligence in place.

In its monitoring, Takko needs to develop a pricing policy where the company staff knows that their prices are allowing for the payment of at least legal minimum wages in production countries, which means labour costs per product should be known. Takko is furthermore advised to investigate and ensure that the use of agents does not lead to price pressure at its production locations.

## 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.	78%	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:** Because of Takko's relatively large order volumes, Takko is an important buyer (leverage above 10%) for suppliers that combined account for 78% of Takko's total purchasing volume. This figure has not changed compared to the preceding financial year.

However, with Takko's total supplier base decreasing with about thirty production locations, i.e. from 329 in 2016 to 298 in 2017, average FOB value per factory has increased significantly. Especially in Bangladesh the number of production locations used during the 2017 financial year decreased. This reflects Takko's strategy to place bigger orders with less factories. Takko indicated that when suppliers repeatedly show no commitment or willingness to improve they will be gradually phased out.

This is an indication that Takko is successful in consolidating its supplier base. This is a deliberate strategy and the CSR department is always challenging the need to bring on board new suppliers. Nonetheless, Takko indicated that it expects the number of suppliers to increase again during the present financial year with a focus on Bangladesh and possible new production countries, as Takko's product ranges are being expanded.

**Recommendation:** FWF recommends Takko to continue its efforts to consolidate its supplier base where possible, and increase leverage at main suppliers to effectively request improvements of working conditions. It is furthermore advised to include performance with social standards as a criterion when consolidating the supply base. To this end, Takko could 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.	86%	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:** As Takko has a large number of suppliers (around 300), only a few (5) account for more than 2% of Takko's total purchasing volume. In fact, 230 of Takko's suppliers account for less than 0.5% of Takko's total FOB volume. It must be noted, however, that Takko has significantly decreased the number of suppliers in the so-called tail of its supply chain.

**Recommendation:** FWF recommends Takko to continue its efforts to consolidate its supply base by limiting the number of suppliers in its 'tail end'. To achieve this, Takko should determine whether suppliers where they buy a relatively small percentage (less than 0.5%) of its 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.	73%	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:** With a process of consolidation of the supplier base, it is noted that the total FOB volume from suppliers with which Takko enjoys a long-term business relation exceeding five years has increased significantly from 58% to 73%.

**Recommendation:** FWF recommends Takko 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:** Some 35 new suppliers were added during the previous financial year. During the performance check a sample check was done for a number of all randomly chosen suppliers. Takko could show proof of the signed FWF Code of Labour Practices.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders.	Advanced	Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0

**Comment:** Takko's main reasons for bringing new factories on board include new styles and capacity limitations at existing suppliers. Initial contact is established by the purchasing department, which request the potential new factories to fill out and sign relevant documents, such as factory evaluation form, 'no sandblasting' policy, code of conduct, and introduction letter to Takko requirements.



In addition, existing third-party audit reports are always required. New suppliers may only come on board if these can share a recent (not older than 1 year) and complete (so no summary report) third-party audit report, including a corrective action plan. In Bangladesh, Takko will also check whether new factories are covered under the Accord and will follow-up on the corrective action plans published on the Accord website. Depending on the results of these audits, the CSR department will ask questions about the status of remediation work, and, when satisfied, approve new suppliers. The local team will subsequently visit the production location to get a good impression before starting production. This system also applies to subcontractors where CMT takes place. Local Takko teams are subsequently following up on quality or social compliance directly and regularly with the factory, which means it has a good understanding of the production locations and can exercise leverage to work effectively on remediation.

Buyers cannot place orders before the CSR department gives the green light and it occurred regularly that the CSR department has refused new suppliers based on collected audit reports. Reasons for disapproving suppliers include payment below legal minimum wage, excessive overtime, safety conditions, absence of fire license, and, more generally, a lack of willingness to improve.

Business relations with a large number of Takko's suppliers are managed through agents/intermediaries. Agents are only allowed to place orders at a pool of pre-approved suppliers. New factories (production locations) need to be approved first and need to have either a valid third-party audit or Takko audit. In Myanmar, Bangladesh and Cambodia, Takko will always conduct an audit itself before working with new factories. In countries where Takko has its own audit teams (Bangladesh, India, Myanmar and China), it will always conduct a pre-audit before starting to source there. Takko also systematically updates its so-called CSR Risk Tool, which lists specific risks per country, which subsequently is checked and updated in Takko audit checklist.

**Recommendation:** A thorough risk analysis as part of the due diligence process of selecting new suppliers and factories (production locations) is an important step to mitigate risk and prevent potential problems. FWF recommends Takko to assess the risks associated with operating in specific high-risk countries. The member can cooperate with local stakeholders to further investigate the situation in a specific country. FWF can offer information on local stakeholders or facilitate contact.

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:** Takko has a scorecard system for all its suppliers. In close collaboration with the purchasing department, suppliers are rated on various elements including on quality, deadlines, prices, and also working conditions. The on-line system is accessible for all relevant staff. In case of major non-compliances at a production location, the CSR department can (temporarily) block the supplier and all its production locations. No new orders can be placed during this period by the buyers. Policies are in place to reduce or put on hold orders for suppliers that are not performing well on social compliance.

Furthermore, Takko is currently designing a system where they rate suppliers based on the remediation rate of corrective action plans, distinguishing between major and minor findings. This will lead to a certain rating, which will show clearly in the system and be considered when purchasing decisions are made.

**Recommendation:** Though Takko does penalize suppliers at which major non-compliances are found, it does not reward factories that perform well with regard to improving working conditions. Takko is advised to share assessment with its suppliers and actively reward factories (through more orders, or better prices) which perform well.

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:** Lead times vary from 3 to 9 months. Some 45% of the orders are placed with a nine month lead time, another 45% has a lead time of 6-9 months while the remaining 10 % has a lead time between 3 to 6 months. The latter is mostly used for production in Turkey.

As part of Takko's lead time project, Takko organizes meetings with agents/suppliers from a certain product group, the Denim days or Knitted days. Production planning is key focus during such days. During the listing of a new factory, Takko asks for the factory's production capacities, and this information is updated during the social audits. When possible, Takko focuses its order placements for factories' "off-seasons" (or down period).

When a factory cannot meet the delivery deadline, Takko will assess the reasons for late delivery. If a delay is caused by the supplier, Takko may apply a penalty. However, Takko applies a buffer period (e.g. 3 weeks for Bangladesh). When the order is completed during the buffer period, the penalty is waived if informed in advance.

**Recommendation:** Takko is advised to monitor the working hours of its suppliers more carefully and investigate ways to reduce excessive overtime. A good production planning system needs to be established based on the production capacity of the factory for regular working hours.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.7 Degree to which member company mitigates root causes of excessive overtime.	Insufficient 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.	0	6	0

**Comment:** Excessive overtime is a frequent finding at FWF audits in Bangladesh. According to Takko, this is generally due to late delivery of fabric from China, including administrative delays clearing fabric through customs, festival leave, heavy traffic delay.

Takko does not see a direct responsibility for itself when excessive overtime occurs at its suppliers. Takko is of the view that it cannot control if the factory takes on more work than its production capacity allows based on legally allowed working hours. However, even at suppliers where Takko has very high leverage, excessive overtime does occur. Takko generally regarded it as a structural issue on which it has little influence.

**Requirement:** The member should investigate to what extent its current buying practices has an effect on the working hours at supplier level. A root cause analysis of excessive overtime should be done to investigate which steps can be most effective to reduce overtime.

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.	No policy in place	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.	0	4	0

**Comment:** Takko essentially checks through audits whether the factories pay legal minimum wage to the workers. For each style, Takko prepares a costing-sheet, which includes fabric consumption, trims, special treatment like washing/dyeing or printing, and CM costs based on an estimation of the complexity of the product. However, Takko does not calculate labour minutes per style, nor does it do open book costing with any of its suppliers. It therefore has no way of knowing exactly whether the prices they pay suffice for payment of legal minimum wages.

Previously Takko acknowledges that, as a discounter, there is a pressure to keep target prices, and margins, relatively low. This is also confirmed by Takko factories, which indicated that Takko, through its agents, puts pressure on its suppliers to accept low prices. When factories are dependant on Takko for a large percentage of their production capacity, they sometimes have no choice but to accept a low price, even if that could mean that their margins are reduced or they even have to take a loss on an order in order to pay for the factory's fixed costs, including wages. During the brand performance check, Takko did not acknowledge that there is any price pressure on factories and factories are free to choose their customers.

**Requirement:** Takko needs to develop a pricing policy where it knows the labour cost of garments and which allows the payment of at least legal minimum wages in production countries.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if suppliers fail to pay legal minimum wages.	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:** FWF audits confirm that Takko factories pay the legal minimum wage level. Nonetheless, Takko factories in India and Myanmar, though technically complying with national minimum wage legislation, are findings ways to pay the lowest possible wages:

- The majority of Takko factories in India apply the Legal Minimum Wage for the Hosiery industry, which start at 4,831 INR (unskilled workers), whereas the legal minimum wage for the Tailoring industry starts at 8,047 INR (unskilled workers). The tailoring legal minimum wage was raised significantly by the government in 2014 (outside of annual, minor revisions). Industry representatives strongly protested and petitioned this. The Madras High Court confirmed the tailoring minimum wage increase in 2016. As a consequence, many factories have started to apply for registration under hosiery as the legal minimum wage is comparatively lower than the revised tailoring industry wage. While the tailoring legal minimum wage is significantly higher, both figures are far from living wage benchmarks of local stakeholders.

- In Myanmar, Takko factories apply trainee and probation level wages, which are 50% and 75% of the legal minimum wage respectively.

There are no indications that Takko has addressed the above issues with its suppliers or factories in India and Myanmar.

**Recommendation:** Takko is advised to work with its suppliers to ensure that its factories are not using weak national legislative frameworks to pay workers the lowest possible wage levels.

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:** Takko discusses wage ladders, which include living wage benchmarks, in audit reports with its suppliers. However, Takko is more focused on ensuring compliance with legal minimum wages, rather than actually working with its suppliers towards living wages.

**Requirement:** Takko has to take adequate steps to move towards living wages as estimated by local stakeholders.

**Recommendation:** FWF encourages Takko to discuss with suppliers about possibilities to work towards higher benchmarks. It is advised to start with suppliers where Takko has high leverage and long term business relationship.

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

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## PURCHASING PRACTICES

Possible Points: 44

Earned Points: 19

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## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	98%	
% 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.	No	FWF members must meet tail-end monitoring requirements. Implementation will be assessed during next Brand Performance check.
Total of own production under monitoring	99%	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: FWF regularly compares the quality of Takko audit reports with FWF audits at the same locations in the same period. It was found that generally the reports are of good quality, but often lack specific information regarding living wages (focus is on legal minimum wage) and information regarding excessive overtime is not always in line with the FWF audits.



Takko is committed to improve the quality of its own audits. This includes third-party training for its local audit teams. In addition, Takko indicated that it systematically reviews FWF audit reports with the team in Bangladesh and India, analyse if something was missed by Takko's own team. It also systematically updates its CSR Risk Tool, which lists specific risks per country, which is checked and updated in Takko audit checklist. In addition, by adding it to the auditor checklist, findings in one factory will influence what the team checks in all factories. Takko also strengthened its audits by conducting off-site worker interviews. To this end, workers are interviewed in their homes in the evening during the days of the audit.

**Recommendation:** FWF recommends to have own audit teams trained by FWF staff during the next financial year.

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:** Upon completion of an audit, the local team will send the report and CAP directly to the supplier and factory. CAPs are signed by the factory with commitments as to the timelines. Takko compliance team will then follow-up every three months until the factory is audited again a year later. When needed, Takko makes surprise surveillance visits to follow up on suspected cases. Moreover, Takko also use WEP training to follow-up on non-compliances.

During opening and closing meeting Takko invites worker representatives to join. Moreover, it is Takko's policy to invite all related departments to the closing meeting, including fire-fighting staff, workers in charge of health and safety, nurse, etc.

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:** During the Brand Performance Check, follow-up on corrective actions plans in FWF audit reports was verified randomly. The CSR team at Takko headquarters was able to share information on the status of CAP findings.

In countries where Takko has a local audit team, the local team takes responsibility in discussing required follow-up directly with the factory. This is complemented with Takko Purchasing and CSR staff following up with the agents. In India and Bangladesh, follow-up and amendment of the CAP status takes place monthly. For Myanmar, CAPs are being followed up by Takko CSR staff based in China and Myanmar, as well as the CSR team in Germany. The latter is also responsible for follow-up on findings at factories in Europe.

For follow-up on findings, Takko understand that it must be present in the factory very regularly. In the future, 2018 onwards, Takko plans to put a Takko person permanently in (the main) factories in India to keep an eye on social standards, as well as quality issues.

**Requirement:** FWF acknowledges that Takko has made great improvements in shortening the tail of its supply chain. However, there remained 2 suppliers for which Takko accounted for more than 10 percent of the production capacity which were not audited. FWF requires Takko to ensure it audits ALL production locations where Takko is responsible for over 10% of the location's production capacity.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	92%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0

Comment: Suppliers accounting for 92% of Takko's production volume have been visited by Takko. A small number of new suppliers, mostly concentrated in China and India, were not visited. All other suppliers are frequently visited by local staff and occasionally by headquarter staff.

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

Comment: As part of Takko's due diligence process when assessing new suppliers, third party audit reports (mostly BSCI) are always requested by Takko and questions are asked regarding the follow-up on corrective actions. In 2016, Takko adopted a new rule that it will only accept full audit reports. Without a full third party audit report, or an audit conducted by Takko itself, no orders may be placed at these new suppliers. Takko has used the third-party quality assessment tool to assess a number of BSCI audit reports, though not all as BSCI reports follow the same methodology.

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.	4	6	0
Compliance with FWF enhanced monitoring programme Bangladesh	Advanced			6	6	-2
Compliance with FWF Myanmar policy	Intermediate			3	6	-2
Compliance with FWF guidance on abrasive blasting	Advanced			6	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Intermediate			3	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

**Comment:** Takko is a signatory of the Accord. As a result, all Takko suppliers have been inspected by the Accord. Training is provided by the Accord and support is made available to establish safety committees. Takko is the lead brand for a large number of factories for the Accord.

Takko experienced difficulties when being held responsible for remediation at factories that they are no longer producing for Takko or when the management changes hands. Also follow-up at factories that are located in multi-purpose buildings is more difficult, as the factory management then does not own the building. Furthermore, most of Takko's production locations attended the FWF fire safety management workshops, as well as representatives of their intermediary business partners and local Takko compliance staff. In addition, several of their production locations in Bangladesh participate in the WEP trainings and have established anti-harassment committees. During the last financial year, Takko enrolled seven suppliers into the WEP Prevention of Violence against Women or Gender Based Violence.

In Turkey, Takko visited all new and existing factories where sewing takes place (including CMT-subcontractors). During the visits, Takko looked into the risk of Syrian refugees working there. Takko is of the view that the risk of Syrian refugees is not prevalent in the larger factories that produce for the export market. However, at smaller subcontractors the risk is considered to be higher.

Takko has a small number of suppliers in Myanmar, but has high leverage (80-100%) at many of these. Orders are mostly placed through an agent that is present in the country. Audits have been conducted at these suppliers by local Takko auditors and Takko auditors from other countries in the region. Takko has not reported publicly in its sourcing report about the status of compliance with labour standards at its factories and how these will be improved. In addition, even though it has enrolled most factories in the WEP Basic, it has not supported processes that enhance social dialogue in each production factory in the country. The list of production locations of all FWF member companies in Myanmar is published on the FWF website.

All suppliers must sign Takko's policy that prohibits abrasive blasting, or sandblasting, at its denim suppliers. During regular visits, Takko staff verifies that the policy is adhered to and no sandblastings occurs at its suppliers.

Takko systematically updates its CSR Risk Tool, which lists specific risks per country, which is checked and updated in Takko's audit checklist.

**Requirement:** Takko is required to follow the additional requirements, as contained in the enhanced monitoring programme for Myanmar. FWF member companies sourcing in Myanmar should take additional steps to:

- Avoid factories linked to the military, forced labour and/or 'land grab' practices
- Describe reasons for moving production into Myanmar
- Specify how conditions for each labour standard in Myanmar will be improved in practice
- Promote processes that enhance social dialogue in each production factory in the country, preferably select unionised factories
- Publish wage ladders per factory and cross-check with available benchmarks

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	No CAPs active, no shared production locations or refusal of other company to cooperate	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	N/A	2	-1

**Comment:** There were no CAPs shared with other FWF member companies. However, in Myanmar Takko followed up on issues at a shared factory of H&M, which has helped leverage and to make improvements on audit findings.

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: Takko only has 9 factories based in low risk countries, which collectively account for less than 1 percent of its total production volume. COLP questionnaires are collected and the worker information sheets are posted. Takko did not visit 2 factories based in low risk countries. On the other hand, it conducted audits at 3 of its 9 factories located in low risk countries.

Requirement: Takko must ensure up to date information on the labour conditions in the location either by a regular visit and/or a report by a third party.

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

Comment: As part of its monitoring system, Takko consistently audits its suppliers. During the preceding financial year, Takko and FWF-audits were conducted at suppliers that combined account for 99% of Takko total purchasing volume.

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: Takko sells one external brand. It could show the signed questionnaire on request.

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

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: 35

Earned Points: 27



### 3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	17	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	6	
Number of worker complaints resolved since last check	11	

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

Comment: Takko visits factories regularly and checks that the Worker Information Sheet is posted and can demonstrate proof.

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.	69%	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:** A relatively large percentage of factories that were audited by FWF were also enrolled by Takko in FWF's Workplace Education Programme. At factories that are enrolled in the WEP it is considered that workers are aware of the FWF helpline.

**Recommendation:** FWF recommends Takko to continuously train its suppliers and ensure that an increasing amount of workers at a supplier are aware of the FWF worker helpline. Besides FWF-training, Takko could also take other measures to promote the FWF-worker helpline. Such measures could include showing the FWF-formula to all workers and/or providing the FWF worker information cards to workers when handing out the pay slips.

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	Yes + Preventive steps taken	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.	6	6	-2

**Comment:** Incoming worker complaints are always addressed in accordance with the complaints procedure. However, follow-up on remediation was difficult at a factory in Myanmar which decided that it no longer wanted to produce for Takko. One complaint was received on the provision of holiday leave in Myanmar. Takko subsequently followed up with all other factories in Myanmar to double-check if they complied with local laws regarding holiday leave. Complaint findings are also added to the checklist in social audits and shared between each country team.

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: 13

Earned Points: 12

## 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:** All employees in direct contact with suppliers / factories (production locations) receive a 3-hour training from the CSR team. During the training, FWF requirements are explained, what they have achieved so far, etc. In addition, requirements from the Accord, FWF and the CSR department is a regular topic during management meetings.

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:** Purchasing staff who are in contact with suppliers is trained on FWF membership requirements and support remediation of corrective actions. This also applies to local staff in the production countries. When new suppliers are considered, buyers conduct the initial follow-up on existing audit reports. Only when the factory is listed in Takko system CSR takes over.

Furthermore, it is standard procedure that whenever suppliers visit the German office, the purchasing department invites the CSR department to address outstanding issues. If they cannot make the meeting, all information is handed over to the buyer to follow-up. FWF updates are also shared in internal newsletter (including stores).

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:** Agents are actively informed about FWF membership requirements. Agents also participate regularly in Fire and Building Safety training organized by FWF in Bangladesh. Takko local staff also involve agents in audits and complaints remediation. Every time an agent comes to Takko headquarters, CSR is discussed.

All agent offices also have a social auditor, who usually joins the Takko audit team during visits. Takko requires the agent to be involved during audits and complaints follow-up. All policy documents are shared with agents. Whenever agents visit the Takko office, they will have meetings with CSR department.

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)	14%	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:** During 2017 Takko has enrolled 7 more suppliers in Bangladesh in the WEP/GBV or prevention of violence against women. In order to reach the volume of suppliers in Bangladesh, Takko has hired two local trainers, which are to be trained by FWF. Takko has also enrolled 4 suppliers in Myanmar in the WEP Basic.

Through Takko's membership of the Accord in Bangladesh, training on health and safety issues was provided to 77 factories. These training are only provided if the factory has a safety committee in place. Takko encourages factories to establish safety committee and Anti-Harassment Committees and then recommend them for training.

**Recommendation:** In order to ensure awareness and enhance understanding of the relevant labour standards, grievance mechanisms and the importance of a good mechanism for communication between employers and workers in the workplace, FWF developed the Workplace Education Programme. FWF currently offers the following training modules for the WEP: Basic, Communication, Gender Based Violence, Supervisor and the Factory Guide. More info on availability in countries can be found on the FWF website. Takko 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)	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: Takko is considering to offer training in Pakistan, but this has not yet materialized.

## TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 7

## 5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Advanced	Any improvements to supply chains require 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.	6	6	-2

**Comment:** Takko has a supplier database which can be accessed by all staff. An order for CMT production can only be placed in the IT-system, when it is a production location that is checked by local teams and all signed documents (CoLP/questionnaire) are received. Besides the questionnaire, Takko also uses a factory datasheet where suppliers need to indicate which production steps they have in-house, and, following this, which subcontractors are to be used (e.g. for washing, embroidery, printing etc.).

In several countries, Takko has local teams that are visiting the factories regularly for quality control or compliance issues. Frequent presence in factories makes it possible to closely monitor where production takes place. In countries where Takko does not have local staff, e.g. Turkey, though third-party audits need to be available, it is more difficult to conduct regular visits and thus monitor these production locations as closely as in other countries.

Takko distinguishes between main suppliers, which includes all production location where CMT takes place (even when one subcontracts to the other), and subcontractors, which includes all locations where additional tasks such as washing, printing, etc, take place. It is positive to note that in Bangladesh also the subcontractors are audited and it is verified whether worker information sheets are posted. In China, the subcontractors are not audited (yet).

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: Takko has a comprehensive supplier database which records all steps in a product life cycle. The system can be accessed by all staff. Information about social compliance is included in this tool. Offices in Bangladesh, China and India have access to the same system for supplier evaluation

## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 7



## 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: Information on the website of Takko and their social report on their FWF membership complies with the FWF 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: Takko publishes its Brand Performance Check report on its 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 published on member's website	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with FWF's communication policy.	Social report that is in line with FWF's communication policy.	2	2	-1

Comment: The social report (called sourcing report) is published on the website of the company and available in different languages.

## 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: Takko is of the opinion that Fair Wear Foundation membership is of strategic importance. Membership as such is thus not questioned. Social compliance issues at Takko suppliers are regularly discussed with top management.

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.	33%	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: Three requirements were included in the last Brand Performance Check:

- 1) Takko needs to develop a pricing policy where the Member company knows the labour cost of garments and which allows the payment of at least legal minimum wages in production countries.
- 2) Takko has to take adequate steps to move towards living wages as estimated by local stakeholders.
- 3) FWF requires Takko to ensure it audits all production locations where Takko is responsible for over 10% of the location's production capacity, as well as all production locations in Bangladesh.

Takko has taken notable steps with regard to the third requirement, but has not been able to make progress on the other requirements.

Requirement: It is required to work towards remediation of previous requirements from the last Brand Performance Check.

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## EVALUATION

Possible Points: 6

Earned Points: 4

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## RECOMMENDATIONS TO FWF

- 1) New complaint system – Takko finds it difficult to access information easily through database, which is not user-friendly. Also, it is not immediately clear what the complaint is about through the automatically generated email notifications.
- 2) Member is responsible for complaints even 120 days after the brand ceased working with factory. Takko made it clear that there is usually a reason why Takko has stopped production, most likely the unwillingness of the factory to cooperate. Takko expect that it is clearly written in the complaint report that Takko has made efforts to remediate and they do not expect the complaint to be published in this case
- 3) FWF usually selects the verification audits based on whether the factory concerned has been audited before, existence of complaints and/or high FOB value. Takko requests FWF to also select other factories for the verification audits.
- 4) Takko is concerned whether FWF's Case Manager has enough time for Takko.
- 5) The quality of the audit report should improve and reports should be shared more timely.
- 6) Feedback from factory management during WEP is that FWF trainers are acting like the hero, training is not about the workers or the training, or implementing systems for improvement, more about advertising FWF. Multiple factories and countries, factory management feels nervous about the method of delivery – “FWF are here to help you, only we can help you”
- 7) Takko is of the opinion that it will not be able to meet the new living wage requirements in the 2019 Brand Performance Check system as it will not be able to achieve target wages at all suppliers.
- 8) When coming up with new requirements in the BPC, FWF should consult with members. Also, the new brand performance check requirements should be released earlier than Sept or an advance warning should be given in July of the preceding year, in order to allow enough time to talk to everyone and to plan budget
- 9) Takko would like to be involved at meetings arranged by FWF outdoor brands at ISPO. Otherwise the outcomes should be shared more widely amongst all members.
- 10) Takko does not agree to FWF taking steps towards increased transparency if that means that Takko suppliers are made public through an aggregated list accessible through the FWF website.
- 11) Takko suggest a non-disclosure agreement is signed.
- 12) Takko suggest FWF communicates a clear subcontractor definition and policy.

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	19	44
Monitoring and Remediation	27	35
Complaints Handling	12	13
Training and Capacity Building	7	15
Information Management	7	7
Transparency	5	6
Evaluation	4	6
Totals:	81	126

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

64

### PERFORMANCE BENCHMARKING CATEGORY

Good

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

17-04-2018

Conducted by:

Koen Oosterom and Emma Conos

Interviews with:

Diana Hödtke  
Thomas Ciesielski  
Patricia Zülch  
Iryna Makoveienko  
Katrin Meindl  
Birthe Mattschull  
C. Deenathayalapandian