



BRAND PERFORMANCE CHECK

W.A.R.D. GmbH (Iriedaily)

this report covers the evaluation period 01-01-2017 to 31-12-2017

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

W.A.R.D. GmbH (Iriedaily)

Evaluation Period: 01-01-2017 to 31-12-2017

MEMBER COMPANY INFORMATION	
Headquarters:	Berlin , Germany
Member since:	01-01-2016
Product types:	Fashion, Sportswear
Production in countries where FWF is active:	China
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	94%
Benchmarking score	77
Category	Leader

Summary:

Iriedaily has met FWF's performance requirements and has made exceptional progress on performance indicators. 94% of its supply chain has been monitored and has therefore well exceeded the monitoring threshold for second-year members. Its overall performance amounts to a benchmarking score of 77 points, resulting in leadership status.

Iriedaily has a consolidated supplier base and works with a small number of suppliers, with which it maintains long personal relationships. This allows Iriedaily to work effectively on improving working conditions.

In 2017 Iriedaily made progress on establishing a system to evaluate suppliers on compliance with the FWF Code of Labour Practices. In the first year of membership Iriedaily has implemented significant changes to its production planning process to support reasonable working hours at its suppliers. Overtime hours at supplier level have been reduced at one of its key suppliers in China. FWF recommends Iriedaily to further analyse the root causes of excessive overtime.

Iriedaily has also dug deeper in its supply chain and has identified subcontractor locations. The mapping has provided Iriedaily a more realistic overview of its production locations. FWF encourages Iriedaily to include all locations in its monitoring system and include the FOB figures for these locations.

Two of Iriedaily's production locations participated in FWF's Workplace Education Programme, which informs workers and management about labour rights and grievance mechanisms.

For the upcoming year the challenge for Iriedaily is to obtain more insights into the price composition of its products and how labour costs link to Iriedaily's FOB price. This could support Iriedaily to assess the impact of its prices on living wages and include this in price discussions with suppliers.

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.	84%	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: Iriedaily works with a small number of key suppliers. At five of in total seventeen suppliers, leverage exceeds 10% of production capacity, allowing Iriedaily to influence working conditions more effectively.

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.	6%	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: Iriedaily has a small consolidated supply chain and distributes the majority of its FOB volume to key suppliers. Iriedaily digged deeper and discovered that parts of their production is made at subcontractor locations. Iriedaily included the subcontractors in their monitoring system. During the Brand Performance Check Iriedaily could show that subcontractor locations were added to their supplier list. Iriedaily tries to place most orders at their key suppliers, to maintain stable orders at their main suppliers.

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.	95%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	4	4	0

Comment: Longterm and stable relationships with suppliers is crucial in Iriedaily's sourcing policy. With 95% of their production volume locations, Iriedaily has a business relationship for more than five years. According to Iriedaily stable business relationships form the basis to build on common solutions when problems occur and to maintain quality standards.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.3 All new production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	Yes	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	2	2	0

Comment: For all new production locations the questionnaire was signed and put on file.

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: Iriedaily keeps their production in China and Portugal. They are well aware of the labour risks in these countries and rather want to expand their production in these countries. Its is a conscious decision to avoid expanding their production to countries with a higher labour risk level, like Myanmar.

Before orders are placed, the CEO visits the factory to go over the CoLP and discuss labour conditions with factory management. FWF country studies and existing audit reports are consulted before production.

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, and leads to production decisions	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.	2	2	0

Comment: Iriedaily has a database system for its suppliers, linkages between suppliers are visible and subcontractors are included in the system to get a better understanding of their supply chains.

Iriedaily made a rating system where suppliers are evaluated based on their compliance on the CoLP and on several other points (subcontractors, transparency, years of cooperation, leverage). This system gives a total score for each factory and Iriedaily uses this score in production decisions.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.6 The member company's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	4	4	0

Comment: The capacity of the suppliers is integrated in the production planning system of Iriedaily.

Production numbers are discussed with suppliers before orders are placed. Iriedaily has changed their production phase; two weeks were added to this phase to create more space for their suppliers and prevent overtime hours. With this shift, design and sales department have two weeks less in the whole production cycle, including the order season of their customers. A complete timesheet is discussed with the supplier and fabrics are pre-booked before orders are placed. The production phase for the 3 collections are roughly 4 months.

The two-week change has had a bigger impact than expected on other processes such as sales. Buyers are now forced to place their orders earlier. Pre-orders have to be made based on the designs of the products in a catalogue.. Clients were explained the reasoning behind the shift from ordering based on samples to ordering from a catalogue

The number of pieces are discussed with the factory and the production capacity of the factory is taken into account. Iriedaily calculates the lead times based on the experience of the year before and their experiences with the specific factory from years before. If a supplier has difficulties, more time is added to the delivery date. Iriedaily provides suppliers a 2-3 weeks delay, when needed. This to avoid overtime hours performed.

Iriedaily focused on the actual factory capacity at their Portugese suppliers. Iriedaily adjusts the leadtimes to factories capacity and delivery window is enlarged when needed. It helps them to set the correct time frames. It enables factories to be more flexible and split order delivery.

In 2019 Iriedaily will create only two collections, the mid season collection will go away to have more time available for designing the two collections and limit pressure at the factories.

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 four audits conducted in China, excessive overtime findings was reported. During their visits, Iriedaily addresses overtime hours with factory management and discussed with factory management solutions to reduce overtime hours. Iriedaily has worked closely with another FWF member to tackle the overtime issue at one of their main suppliers in China.

Iriedaily is in regular contact with factory management to have their lead times better connected to the production plan and capacity of the factory. Iriedaily also tries to avoid design changes as much as possible to not disrupt the production process. At their main supplier the overtime hours have been reduced since the audit, reported in a re-audit.

Iriedaily has changed their production planning phase at the company level. Prior to the change, production numbers were changed by the sales department during the production phase. To avoid late minute changes management has decided to create more space for the production phase by obliging the sales department to hand in the numbers earlier. As a result, a forecast of the number of products to be manufactured is shared two weeks earlier to all their suppliers, to prevent excessive overtime hours.

Recommendation: FWF recommends Iriedaily to continue discussing with factory management on the causes of excessive overtime and provide support to manage overtime hours. If necessary, Iriedaily could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier. FWF recommends cooperating with other customers at the factory to increase leverage, when trying to mitigate excessive overtime hours.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company's pricing policy allows for payment of at least the legal minimum wages in production countries.	Country-level policy	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.	2	4	0

Comment: Prices are mainly established on experiences of the previous year. Iriedaily defines the target price based on the costs of the product and retail price. Iriedaily discusses prices together with factory management.

Fabric costs can be separated from FOB price by Iriedaily. Iriedaily is not yet aware about the exact labour costs per factory.

The price for a product is fixed for one season, only up charges happen. Iriedaily is not asking discount for higher numbers, and the production quantities are set at an early stage together with the factory.

Iriedaily knows for China at country level the minimum wages, mostly through audit findings. They started to get more insight on prices at the style-level. Iriedaily wants to start to dig deeper in the labour costs at style level at one of their Chinese factories. They will use the labour minute costing to set up a database, and once this is running, they would like to extent it to Portugal.

Recommendation: FWF encourages Iriedaily to increase transparency in costing and productivity. This provides a better insight in the labour costs per product and 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.	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: One audit report mentioned that the factory did not maintain workers attendance records. As a result, it could not be established if the factory pays the legal to all workers. Iriedaily addressed the point with the supplier.

Requirement: FWF requires Iriedaily to ensure that all their suppliers respect local labour law. Hourly wage of piece rate workers must in all cases at least meet hourly minimum wages.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.11 Degree to which member company assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Basic approach	Sustained progress towards living wages requires adjustments to member companies' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	2	8	0

Comment: Iriedaily discusses wage levels with their suppliers based on wage ladder data of FWF audits. Beyond this, they lack detailed insights in the labour costs at style level.

Iriedaily wants to start to dig deeper in the labour costs at style level at one of their Chinese factories. They would like to do this together with another FWF member, who also produces at this factory. They will use the labour minute values and efficiency percentages in different factories/countries to set up a database, and once this is running, they would like to extent it to Portugal.

Recommendation: FWF encourages Iriedaily to work towards higher wage benchmarks. It is advised to start with suppliers where Iriedaily has high leverage and long term business relationship. FWF has developed experience with approaches that ensure that production workers in the selected facility take full benefit from the additional amounts that are committed to wage increases. FWF could give companies specific guidance on process rollout on request.

FWF advises companies to avoid the concept of a one-time charitable contribution, and strongly recommends Member companies to commit to a long term process that leads to sustainable implementation of living wages.

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: 31

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	50%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	44%	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	94%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100% Measured as a percentage of turnover.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

Comment: The CEO is the main person responsible for FWF membership. There is a designated CSR staff person and this person works closely together with the CEO.

CAP follow-up is also supported by other staff members, including the production, distribution and design departments.

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: If Iriedaily receives an audit report, it is reviewed swiftly and then passed on to the supplier. Timelines are agreed together with the factory first by email and audit findings are also discussed at CEO level during factory visits.

Recommendation: FWF recommends Iriedaily to systematically include worker representation when discussing audit findings and defining corrective action plans.

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: Iriedaily keeps an overview of all active CAPs and remains in frequent contact with the suppliers to request updates.

CAP findings are followed up by different departments, depending on the issue. Issues related to lead times are taken on with the supplier and the distribution department. The design department is also involved in the CAP follow up, they travel regularly to the factories and include discussions on corrective actions in their visits. For more difficult issues, the CEO will take these on with factory management. CSR staff is directly linked to the CEO, the lines are short and issues can be discussed easily on management level.

During the Brand Performance Check Iriedaily could show that corrective actions had been implemented. Some progress has been made on overtime hours and solving health and safety issues. Iriedaily invested for instance in ergonomic chairs and floor mats for their main supplier in China.

However considerable challenges regarding excessive overtime, effective worker representation, living wages and social security coverage for Chinese workers remain at their Chinese suppliers.

Recommendation: FWF recommends Iriedaily to define strategies to tackle complex, systemic findings in their supply chain. This may include defining action plans together with the supplier that set realistic mid-term goals.

To facilitate remediation, Iriedaily 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.	86%	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: Iriedaily visits the majority of its suppliers at least once a year.

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: Almost all suppliers of Iriedaily have been audited by FWF. Iriedaily has collected existing audit reports, but has not assessed the quality.

Recommendation: 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	0
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
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Policies are not relevant to the company's supply chain			N/A	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Policies are not relevant to the company's supply chain			N/A	6	-2

Comment: Iriedaily does not produce in Myanmar and Bangladesh and does not use sandblasting for its products.

The company has a thorough understanding of risks in its supply chain and monitors the risks in China closely, by e.g. filling the health and safety checklist each time someone of Iriedaily visits the factories.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

Comment: Iriedaily worked closely together with other FWF members on three Corrective Action Plans.

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: Iriedaily maintains long personal relationships with their suppliers in Portugal, where 44% of its FOB volume is produced. All production sites are visited at least once a year and mostly twice a year. FWF's risk assessment for Portugal had been consulted. During the Brand Performance Check Iriedaily could show that the Worker Information Sheet was posted at all their suppliers in low risk countries. Also the FWF questionnaire has been signed.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	No external brands resold	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	N/A	2	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	No external brands resold	FWF believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0

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

MONITORING AND REMEDIATION

Possible Points: 26

Earned Points: 21

3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	1	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	1	
Number of worker complaints resolved since last check	0	

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.2 System is in place to check that the Worker Information Sheet is posted in factories.	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	0

Comment: Iriedaily regularly checks during visits whether the Worker Information Sheet is posted at an accessible location in the factory and records this. Also their intermediaries check if the Worker Information Sheet is posted.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Percentage of FWF-audited production locations where at least half of workers are aware of the FWF worker helpline.	100%	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.	4	4	0

Comment: At one of the two audited sites in China the majority of workers was not aware of the FWF CoLP and the helpline. After the audit factory management repeated the training internally to reach more workers.

At two factories WEP trainings were carried out, these also count towards this indicator.

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	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.	3	6	-2

Comment: Complaint is actively followed up by Iriedaily together with other FWF members. The main issue in the complaint had to do with excessive overtime hours. As part of the complaint remediation, Iriedaily pays extra attention to the impact of their planning system on overtime hours. Iriedaily increased the production phase after they received this complaint.

Recommendation: FWF encourages Iriedaily to continue investigating and remediating the complaint together with other brands sourcing at the supplier. FWF recommends to monitor and evaluate also other Chinese suppliers on excessive overtime hours.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	Active cooperation	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.	2	2	0

Comment: Iriedaily shared the complaint with other FWF members and they are following up together. Another FWF member takes the lead in the complaint remediation. Together they have more leverage at the production site and will have more influence on the remediation process. Although the FWF members are working closely together, their influence is still limited as there are other brands sourcing at the supplier with a higher leverage.

COMPLAINTS HANDLING

Possible Points: 15

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: Iriedaily organizes a yearly presentation about CSR and FWF membership, information about production sites is shared with all staff members. There is ongoing communication about FWF membership with the sales and production department.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

Comment: All interviewed staff showed a high level of understanding regarding FWF's approach and implications of membership. Several team members participated in FWF events.

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: For some suppliers, Iriedaily works with intermediaries. They are aware of FWF membership and check if the Worker Information Sheet is posted in the factory.

For their factories in Portugal Iriedaily works closely with their agent. The agent is actively involved in monitoring and remediation efforts.

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)	71%	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.	6	6	0

Comment: Two factories of Iriedaily participated in a WEP training in 2017.

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: 11

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: Iriedaily has invested a lot of time and effort in identifying all production locations, including subcontractor locations. All subcontractor locations that were identified have been included in their own factory database and in FWF's database. Not all FOB percentages on subcontractor level are known and included in the system.

Requirement: Iriedaily to find out the FOB figures for all their CMT subcontractors and include the figures in the factory list in FWF's database.

Recommendation: FWF recommends Iriedaily to periodically check with its intermediaries whether all known production locations are still up to date and use the information coming from questionnaires to update supplier data, including subcontractors.

Agreements could be signed with factories on the use of subcontractors stating clearly when subcontractors are used.

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: All staff in direct contact with suppliers, including the CEO, Head of Distribution, Head of Production and Head of Sales are actively involved in FWF and social compliance at their suppliers. The CEO used the FWF health & safety checklist when visiting production locations and an observations report is shared with the rest of the team.

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: Iriedaily communicates about FWF on its website and Facebook page. All communication is compliant 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: Iriedaily communicates about FWF on its website, all communication is compliant with FWF's communication policy.

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

TRANSPARENCY

Possible Points: 6

Earned Points: 5

7. EVALUATION

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management	Yes	An annual evaluation involving top management ensures that FWF policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

Comment: Top management is highly involved in FWF membership. FWF membership is integrated in decisions on management level.

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.	20%	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: Last year's performance check included one requirement:

1. Iriedaily needs to develop a pricing policy where Iriedaily knows the labour cost of garment and which allows the payment of at least legal minimum wages in production countries.

-> Iriedaily has started their work on living wages, and they want to continue this year.

Iriedaily has showed progress on most recommendations of last years Performance Check.

EVALUATION

Possible Points: 6

Earned Points: 4

RECOMMENDATIONS TO FWF

As a brand we are also a stakeholder of FWF. It would be good to have the brands/fashion way of thinking in the board of FWF. Or get some other kind of influence. FWF should make more use of brand's knowledge.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	31	44
Monitoring and Remediation	21	26
Complaints Handling	12	15
Training and Capacity Building	11	11
Information Management	4	7
Transparency	5	6
Evaluation	4	6
Totals:	88	115

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

77

PERFORMANCE BENCHMARKING CATEGORY

Leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

24-05-2018

Conducted by:

Rosan van Wolveren

Interviews with:

- Walter Molt (CEO and Head of Sales)
- Manfred Ammann (Head of Distribution)
- Patrick Kreßner (Head of Design)
- Bella Kruschinski (Senior Designer)
- Mathias Rucker (Junior Marketing)
- Ines Schwitzky (Category Manager)
- Daniel Luger (CEO) and at the moment CSR