



BRAND PERFORMANCE CHECK

Maier Sports GmbH & Co KG

PUBLICATION DATE: FEBRUARY 2019

this report covers the evaluation period 01-07-2017 to 30-06-2018

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

BRAND PERFORMANCE CHECK OVERVIEW

Maier Sports GmbH & Co KG

Evaluation Period: 01-07-2017 to 30-06-2018

MEMBER COMPANY INFORMATION	
Headquarters:	Kongen, Germany
Member since:	01-06-2011
Product types:	Outdoor, Sportswear
Production in countries where FWF is active:	Bangladesh, China, India, Turkey
Production in other countries:	Germany, Pakistan
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
SCORING OVERVIEW	
% of own production under monitoring	82%
Benchmarking score	45
Category	Needs Improvement

Summary:

Maier Sports has shown insufficient progress in meeting performance indicators. With a monitoring percentage of 82%, Maier Sports does not meet the monitoring threshold required after three years of membership; however, Maier Sports obtained a benchmarking score of 45 points. Therefore, FWF is placing Maier Sports in the 'Needs Improvement' category.

Based on the interaction with Maier Sports and documents presented in the performance check, it is clear that the brand currently depends on informal processes that make it complex to proactively track and work on Code of Labour Practices (COLP) issues. Additionally, due to operational changes and related tasks taking priority, the brand was unable to dedicate the necessary time and resources to actively work on requirements indicated in the previous performance check, follow-up on corrective action plans and external audit report findings, or be responsive to complaints with reasonable turnaround time. This resulted in a lower score on the indicators than in previous years.

FWF strongly recommends Maier Sports to set-up a cohesive management system for documenting efforts, evaluating suppliers and tracking their progress to improve working conditions.

It is important that the brand dedicate resources and time to be able to actively engage and implement a holistic approach to due diligence, evaluate supplier compliance with Code of Labour Practices, work on critical issues such as excessive overtime, time record keeping issues at own production location, enhanced monitoring programme requirements and develop a strategy for living wages at its main 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.	82%	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: Maier Sports mainly sources its products from three main suppliers: it owns the Turkish factory and it has a joint venture with two Chinese factories. In case of a shortage of production capacity, these suppliers are allowed to subcontract to pre-approved suppliers. In total, Maier Sports had production at 20 factories in the above-mentioned period.

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.	9%	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: Maier Sports was able to bring down the number of CMT sub contractors used in India, by moving orders from several smaller Indian suppliers to one new supplier in India. That apart, the brand is using almost full capacity at the three main suppliers in China, these suppliers, depending on the need for additional capacity will place orders at subcontractor factories.

Recommendation: FWF recommends that Maier Sports describe the process of consolidation in a sourcing strategy that is agreed upon with top management and sourcing staff.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	90%	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: With most of its suppliers and subcontractors, Maier Sports has long term relationships.

Recommendation: FWF recommends Maier Sports to include 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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders.	Intermediate	Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	2	4	0

Comment: The selection process for a new supplier is done by the CEO of Maier Sports. For China and Turkey it is done in cooperation with the four main suppliers. But for India (new location) and Bangladesh, the due diligence process currently includes the FWF Health and Safety checklist and collecting of existing audit reports. The brand does not work with a supplier that has issues pertaining to payment of legal minimum wage.

Requirement: Maier Sports should further integrate human rights due diligence at new suppliers by ensuring that it knows the labour rights situation in the factory before placing orders. A risk analysis as part of a standardized decision-making process of selecting new suppliers is an important step to mitigate risks and prevent potential problems.

Maier Sports should be more aware of labour rights issues at a country-level and define a due diligence process that covers the risks. Labour standards should be integrated in a systematic manner in the decision making process.

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.	No	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.	0	2	0

Comment: Maier Sports was not able to demonstrate a systematic overview or a supplier evaluation system regarding the progress of all suppliers on the Code of Labour Practices.

The brand ended relationships with the Indian supplier and associated sub contractors where it had a 30% leverage, due to issues pertaining to unauthorised subcontracting. The brand announced the decision to the supplier a year and half in advance. The brand is not aware of the impact of its exit on workers.

Requirement: A systematic approach is required to effectively integrate social compliance into normal business processes. The approach needs to ensure that the brand consistently evaluates the entire supplier base and includes information into decision-making procedures.

If a supplier must be phased out, a responsible exit strategy should be implemented. This is especially important where brand production is a significant part of total factory production.

Recommendation: FWF recommends that Maier Sports review and integrate FWF Responsible Exit Strategy Guidelines when deciding to phase out a supplier.

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: A technician is assigned to every supplier who controls the process flow, in case of issues, a decision is made by the CEO to ensure orders can be produced on time without high overtime (e.g. air delivery). The technician is in constant contact with the supplier and production plans are shared every second week.

Lead times usually average 120 days, with some difference between Turkey and China due to different delivery times needed (longer for China).

Only the brand's Turkish supplier uses standard minutes per style. All other suppliers do not calculate the standard minute per style, but estimate how much time the production of a piece of garment would cost. Therefore, Maier Sports is not aware of the factories' total production capacity in minutes. This limits its ability to plan according to capacity.

Requirement: 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: Audit reports at production locations in China where the brand has a 95% leverage indicates overtime issues and its own production location in Turkey still faces 'record keeping' issues. Maier Sports estimates that fabric and zipper delivery are main reasons for delays and subsequent excessive overtime. The brand is trying to address this by placing fabric orders looking further into the future. Suppliers do come back to Maier Sports if they have issues with fabric delays, Maier Sports does not push the factory if the delay is not caused by the supplier.

The brand has not yet been able to resolve the issue, which is also a requirement from previous year performance check. Since Maier Sports is the only customer at its Chinese joint ventures, Maier Sports has a larger responsibility to ensure that its production planning does not lead to excessive overtime.

Requirement: FWF requires Maier Sports to ensure that its own production planning improves by ensuring a timely delivery of designs, fabric and zippers. With its main suppliers, it should work towards a more integrated system based on the actual production capacity.

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: At its own production site in Turkey, Maier Sports uses open cost calculation. It is aware of the total costs in the factory, including the labour costs. It has calculated the cost per minute per style, but did not yet calculate the labour minute cost. At its Chinese joint ventures, Maier Sports does not have an open costing model. Maier Sports does make estimates of costs per style and compares those estimates with the proposed price of the supplier. Maier Sports is aware of wage levels in China, with FWF audits as an important source of information.

At its Indian suppliers, Maier Sports relies on the price given by the supplier. In general, Maier Sports feels responsible for its suppliers and works on the basis of trust and long term relationships. It does not constantly push its suppliers for a lower price, but does compare price levels and negotiates prices.

Recommendation: FWF recommends Maier Sports to learn more about the standard minute per style and the price paid per minute. Maier Sports should work towards an open costing model with its Chinese joint ventures. The open costing model would help to support prices that are based on a division of direct labour costs, indirect labour costs and overhead costs. This forms the basis for ensuring enough is paid to cover at least the legal minimum wage and for making steps towards a living wage.

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

Comment: Three FWF audits conducted in 2016, 2017 and two in 2018 at production locations in Turkey and China at the main suppliers of Maier Sports and BSCI audits in Bangladesh, China and India did not report issues pertaining to payment of legal minimum wage.

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: Maier Sports knows the labour costs of its factory in Turkey. With its Chinese Joint Ventures, it is discussing transparency in labour costs. Through FWF audits, Maier Sports is aware of living wage levels. However, Maier Sport does not yet use wage ladders systematically to assess wage levels and to agree on target wages with any of its suppliers.

At the supplier location in Turkey, the supplier conducted a worker survey to understand wage needs of the workers and the brand is aware of the results.

Requirement: Maier Sports buys exclusively at several suppliers and owns one supplier. Therefore, Maier Sports is held more accountable and expected to implement adequate steps to work towards living wages.

Recommendation: FWF recommends that the brand perform a root cause analysis and take specific steps to increase wages, resulting in a systemic approach. FWF further recommends that the brand perform an analysis per factory, and have discussions with suppliers across the bulk of the supply chain. The brand should have a defined action plan to work on living wages, that includes production locations, internal systems and applies this to the entire supply chain.

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).	10%	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.	1	2	0

Comment: Maier Sports owns the production site in Turkey.

PURCHASING PRACTICES

Possible Points: 46

Earned Points: 24

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	82%	
% 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	82%	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: Maier Sports has designated the CSR officer to follow up on issues identified by the monitoring system. The CEO is involved for issues on India and Bangladesh.

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: Maier Sports shared FWF audit reports with its suppliers and discussed the key issues during visit to the supplier.

For external audit reports collected for India, Bangladesh and China (BSCI and Accord reports) the brand does not set up specific timelines with its suppliers or follow-up.

Recommendation: FWF strongly recommends Maier Sports to set up specific timelines with suppliers regarding BSCI-audits. Maier Sports should prioritize issues together with factory management, especially in case of issues that need immediate remediation. Maier Sports should keep track of the issues continuously and should verify whether issues are resolved in accordance with the agreed timelines.

Before an audit takes place, Maier Sports is recommended to check with the supplier whether worker representatives are active. In this way, they can be involved from the start of an audit and be invited for the audit opening and exit meeting.

Including workers when following up on audit reports gives the brand the opportunity to be informed of issues in the factory and have a voice in the prioritization of issues.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Insufficient	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.	-2	8	-2

Comment: At its main Turkish supplier, Maier Sports did follow up on several issues and the FWF audit conducted in June 2018 shows most of the non-compliant issues of the previous CAP have been improved. But for other suppliers (both FWF audits and external BSCI and Accord audits), the brand was not able to demonstrate follow-up or provide an overview of remediation status. In general, the brand seems not to have sufficient capacity to adequately follow-up on CAPs.

Requirement: Resolving and remediating non-compliances is one of the most important criteria FWF Member companies can do towards improving working conditions. FWF expects Member companies to examine and support remediation of any problem that they encounter. Coordinated efforts between different departments are required to ensure sustained responses to CAPs.

As a first step, Maier Sports needs to have a system in place to track audit report findings and CAPs, which is updated and available for review by key staff in direct contact with the supplier.

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.	97%	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: Maier Sports visited nearly all of its suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes and quality assessed	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	2	3	0

Comment: Maier Sports collected several BSCI audit reports of its suppliers. Maier Sports used the Audit Quality Assessment tool but was not able to demonstrate follow up at the time of the Brand Performance Check.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	Aside from regular monitoring and remediation requirements under FWF membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. FWF requires member companies to be aware of those risks and implement policy requirements as prescribed by FWF.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	0	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Insufficient			-2	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	Intermediate			3	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Insufficient			-2	6	-2

Comment: Bangladesh: Maier Sports had active production at one supplier in Bangladesh. The brand has not signed the Accord on Fire and Building Safety but sources only from production locations that are part of the Accord remediation. The brand shared the Bangladesh Accord on Fire and Building Safety report and Alliance report for 2016 but was not able to demonstrate active follow-up or share an updated status of the findings. The supplier did not participate in the FWF Fire and Building Safety workshop nor in the WEP Gender Based Violence-training.

Turkey: The main supplier in Turkey is an owned production and the brand has discussed risks related to employing Syrian refugees with the supplier. This supplier has a in house subcontractor, where the audit reported issues pertaining to double book keeping system. The brand had active production at two other subcontractor locations of which one has been audited by FWF.

India: The brand was not able to demonstrate awareness and due diligence efforts on the country specific risks in India, relating to violence against women, home-based work etc.

Requirement: Bangladesh: Maier Sports should make sure all production locations participate in the Fire and Building Safety awareness raising workshop for top management as a basic requirement of the Enhanced programme on monitoring and remediation. FWF offers the workshop at least twice a year in Bangladesh. Also, Maier Sports should actively follow up on the audit reports.

Recommendation: Turkey: FWF continues to strongly encourage members to schedule visits to Turkish suppliers and their known subcontractors at least annually. Suppliers who appear to be at particular risk of violations related to Syrian refugees – or at risk of using unauthorised subcontractors – should be scheduled for a high-quality audit focused on these risks. Members should also investigate whether other audits have recently been conducted, and whether they identify risks. As many Syrian refugees are working in subcontractor factories, FWF encourages members to ensure they are included whenever main suppliers are audited.

India: FWF recommends that Maier Sports become aware of country specific risks in India, review audit reports collected for these risks and agree with the supplier on the Corrective Action Plan before placing orders at new suppliers. The brand can further engage the supplier on addressing specific risks by enrolling suppliers in FWF WEP programme addressing violence against women, supervisory skill-building programme among others.

Bangladesh:

FWF recommends that the brand review in detail the requirements of the Enhanced Monitoring Programme for Bangladesh and take necessary steps to mitigate risks. Some key steps to consider:

- 1) Ensuring that credible fire and building safety inspections have taken place at all production locations in Bangladesh.
- 2) Retrieving the inspection reports and (updated) corrective action plans from Accord, Alliance and DiFE websites.
- 3) In case inspection reports and CAPs are not available on-line, checking directly with all the suppliers in Bangladesh if their facilities have had a comprehensive safety inspection in accordance with the National Tripartite Plan of Action on Fire Safety and Structural Integrity. If so, collecting the inspection report, the CAP and status of remediation of the CAPs.
- 4) If no inspection report and corrective action plan can be identified, defining necessary steps to ensure that safety.
- 5) Active follow-up on to ensure effective and timely remediation of corrective action plans. This is particularly pressing for factories that are not covered by the Accord or Alliance, and thus fall under the National Initiative.
- 6) Facilitating effective remediation follow-up and increased leverage, through cooperation with other brands sourcing at the same factory.
- 7) Reviewing and discussing training needs and arranging relevant training for owners and management of suppliers (including the FWF training on fire and building safety).
- 8) Contributing to the remediation, either financially, or by guaranteeing orders.
- 9) Defining a responsible exit strategy for factories that are not able or not willing to be inspected or make sufficient progress on remediation of the CAPs. This specifically applies to factories that are terminated by the Accord for failure to implement workplace safety measures.

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: Maier Sports has a shared audit (with another FWF member) at one supplier. The supplier is a sub-contractor of the brand's owned production location and hence is taking the lead in remediation. The brand is keeping the other FWF member informed on the status of remediation.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	0-49%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	0	2	0

Comment: Maier Sports sources a small quality from a German supplier. The brand collected the signed questionnaires from the supplier. The brand has shared the 'worker information sheet' with the German supplier, but is yet to verify if the updated version is posted at the required locations.

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

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.10 Extra bonus indicator: in case FWF member company conducts full audits above the minimum required monitoring threshold.	Not applicable	FWF encourages all of its members to audit/monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to FWF and recent Audit Reports.	N/A	3	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	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: 29

Earned Points: 10

Additional comments on Monitoring and Remediation:

Tail end requirement: For the supplier in India, tail end requirements are applicable. The brand collected a BSCI report but was not able to demonstrate follow-up or share status of remediation on the audit findings.

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	2	

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

Comment: The CSR-officer is responsible for following up on complaints.

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: The brand's technicians regularly visit suppliers in China and Turkey, the main producing countries. During the visits, they ensure that the worker information sheet is posted in the factory. In addition, a photo of the Worker information sheet is taken at least once a season and documented. The brand has also created a document to guide suppliers on where and how the worker information sheets should be posted and used.

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.	20%	The FWF complaints procedure is a crucial element of verification. If production location based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Production location participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited production locations where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of production locations in WEP programme.	1	4	0

Comment: Of the five FWF audits conducted after 2016 at supplier locations in Turkey and China, at four locations less than 50% of interviewed workers were aware of the FWF complaints mechanism, the CoLP and relevant legislation.

Recommendation: Maier Sports can stimulate its suppliers to participate in WEP training sessions, to raise awareness about the existence and the functioning of FWF's worker hotline. In addition to sending the worker information sheet, Member companies can use the worker information cards available for download on FWF's website.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure	No	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.	-2	6	-2

Comment: For one complaint concerning deductions on wages at a supplier location in China, the brand was not sufficiently responsive as required by the FWF Complaints Procedure. This delayed the complaint investigation and remediation process.

Requirement: The brand is required to inform the factory within one week of being notified of an admissible complaint. In the case of issues that pose immediate risks this period is reduced to 48 hours. The factory has a right to respond to the complaint. The brand has to inform FWF within a week after receiving information about factory's response. For immediate risk issues this is 48 hours.

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: 2

Additional comments on Complaints Handling:

Complaints pertaining to discrimination that was closed at the brand's own production location in Turkey came up again during worker interviews in the FWF audit conducted in June 2018. FWF recommends that the brand pay additional attention to monitor the situation regarding a safe and healthy workplace free from discrimination.

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: Maier Sports informed all staff about FWF membership requirements through Maier Sports Magazine, an internal newsletter.

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: Maier Sports, technicians as well as the CEO are in direct contact with suppliers. They are partly engaged to implement social standards at the production locations. The CSR officer participated in the FWF annual conference, the German stakeholder meeting, and webinars.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	1	2	0

Comment: Maier Sports has direct contact with the suppliers in China and Turkey through the parent factory. For India and Bangladesh, the brand uses an agent. Maier Sports could not demonstrate how the agent was informed of the FWF CoLP (besides the questionnaire) and how the agent actively followed up on improving working conditions.

Requirement: FWF recommends to actively inform the agents about the FWF CoLP and include the agent in following up on issues related to the FWF CoLP.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Production location participation in Workplace Education Programme (where WEP is offered; by production volume)	39%	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.	4	6	0

Comment: Maier Sports trained two of its most important suppliers on the FWF CoLP and FWF worker helpline through the WEP-basic training.

Recommendation: FWF strongly recommends to enroll more suppliers in the WEP-basic training and its India and Bangladeshi suppliers in the FWF WEP training programme against Gender Based Violence.

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)	0.09%	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: Maier Sports sources a very small quantity from a supplier in Pakistan.

TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 8

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: Maier Sports has in-depth knowledge of its production sites. Suppliers and subcontractors are visited regularly by staff of Maier Sports. Its factory and joint ventures can propose the use of a subcontractor to Maier Sports. After approval by Maier Sports, orders can be placed at the subcontractor.

Maier Sports is not yet aware of all the printing and embroidery subcontractors that are used by its main suppliers. Furthermore, it is not aware whether other subcontractors again subcontract the orders. While they are aware of some locations and have visited them, some of the locations also change frequently.

Recommendation: FWF recommends Maier Sports to complete its supplier list by adding printing and embroidery subcontractors. Furthermore, Maier Sports should assess the risk of further subcontracting by the subcontractors, especially with the risk of Indian homeworkers.

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

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.	No	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: From the information shared in the performance check, Maier Sports could not demonstrate how relevant information is shared between technicians, the CEO and CSR staff and there is no central point for data collection and documentation. When the CEO travels to supplier locations, CSR staff and technicians prepare an overview for the visit. But feedback is not always received and collated systematically.

Recommendation: It is advised to make relevant staff aware of the available tools FWF offers, such as the Health and Safety guides, monitoring CAP documents, access to FWF's online information system.

Purchasing staff is recommended to share reports from factory visits that include a status update of implementing the CoLP.

INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 2

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: Maier Sports communicates in line with FWF Communications 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: Maier Sports has published the Performance Check Report and the Social 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 was submitted to FWF way past the deadline.

Requirement: The social report needs to be submitted to FWF and published on Member company's website at maximum 90 days after end of financial year.

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: Maier Sports' top management is involved in FWF membership and annual evaluations are done with the CSR officer.

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.	10%	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: Maier Sports had ten requirements from the previous performance check.

The brand was not able to demonstrate a systematic approach, plan to address these requirements. The status of the requirements from previous performance check are:

- one of the requirements pertained to production planning which the brand is working on,
- one of the requirements pertained to excessive overtime, the brand is yet to do a root cause analysis,
- two requirements pertained to progress on CAP and involving worker representatives - the brand has not yet started working on this,
- one requirement pertained to Enhanced Monitoring (Bangladesh) - the brand has not yet started working on this,
- three requirements pertaining to posting of worker information sheets, identifying and including support processes (e.g. printing) in the FWF database and Level of progress made on required changes from previous Brand Performance Check respectively - the brand has not yet started working on this.

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

EVALUATION

Possible Points: 6

Earned Points: 4

RECOMMENDATIONS TO FWF

Would like to have more training on living wage, with the supplier in Turkey.

Happy that audit report is available in the local language.

Audit report and CAP are difficult to print out.

Key customers require BSCI, and they do not accept FWF audit.

Would be good if FWF and BSCI can collaborate.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	24	46
Monitoring and Remediation	10	29
Complaints Handling	2	13
Training and Capacity Building	8	15
Information Management	2	7
Transparency	5	6
Evaluation	4	6
Totals:	55	122

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

45

PERFORMANCE BENCHMARKING CATEGORY

Needs Improvement

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

27-11-2018

Conducted by:

Supraja Suresh

Interviews with:

Simone Mayer - CEO

Agnes Neeth - CSR officer

Lisa-Marie Dozier - CSR officer