



BRAND PERFORMANCE CHECK

SOLO INVEST S.A.S

PUBLICATION DATE: JULY 2019

this report covers the evaluation period 01-01-2018 to 31-12-2018

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

SOLO INVEST S.A.S

Evaluation Period: 01-01-2018 to 31-12-2018

MEMBER COMPANY INFORMATION	
Headquarters:	Paris, France
Member since:	01-06-2014
Product types:	Promotional
Production in countries where FWF is active:	Bangladesh, China, Myanmar
Production in other countries:	Cambodia, 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	58
Category	Good

Summary:

Sol's has shown progress and met most of FWFs' performance requirements. The brand monitored 81% of its production, meeting the minimum required threshold for this Brand Performance Check. With a score of 58, Sol's is in the 'Good' category for this past financial year.

Sol's has very high leverage in – and long term relationships with – many of its production locations. The brand started with a new production location in Myanmar. Sol's main focus for both production and FWF monitoring is in Bangladesh, where it has a local office (Dakha Liaison Office, DLO) that allows it to follow up on CAP remediation.

The member could show progress in CAP monitoring but needs to be vigilant about country-specific risks. For that, it should investigate how its agents conduct due diligence for potential new factories.

Sol's is required to ensure the CoLP and questionnaires are returned by all factories before placing orders, and that Worker Information Sheets are also posted on the factory walls.

Sol's explained that it hired new sourcing staff and will open an office in China to monitor production there. These new measures will be reflected in the next Brand Performance Check and should enable Sol's to improve even more.

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.	87%	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: Sol's has very high leverage in many production locations. At 13 factories (representing over 70% of FOB) the leverage is 50% or more.

Recommendation: FWF recommends Sol's to take leverage into consideration when moving its production to Myanmar production locations. The member should consider the risk of human rights violations at suppliers, the influence it has to bring change and the impact it can have at a factory level.

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.	18%	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.	2	4	0

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.	69%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	3	4	0

Comment: Sol's has long-lasting relationships with a majority of suppliers, some for 25 years.

Recommendation: It is advised to describe policies regarding maintaining long term business relationships 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.	2nd years + member and no new production locations selected	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.	N/A	2	0

Comment: The questionnaire was missing for one production location, Sol's explained that they stopped working with this supplier, but this indicator requires the questionnaire to be filled in before placing an order.

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: Sol's has a package of documents to be filled in by new potential suppliers that include:

- FWF's Questionnaire
- Code of conduct
- Supplier profile
- SOL'S general requirements; "conditions generales d'achats" mentioning the other three documents - These requirements are also behind each PO.All suppliers have to return all four documents which are contractually binding, and also any relevant certification documents.

When in doubt the local Bangladesh team will visit the factory and use FWF Health and Safety checklist and will share his concerns/comments with the Quality department. If the doubt still persists concerning the capacity/quality and social compliance no order is placed.

In due diligence process, Sol's also asks some banks if the factories are trustworthy because of some issues in the past with some factories owners leaving the country, thus leaving workers without jobs and mainly not paying their remaining due salaries.

In 2018, Sol's started production in one factory based in Myanmar through a trading company.

The Quality Director discussed with FWF Myanmar country manager what to pay attention to and shared information with the intermediary (which was already a partner) in charge of selecting the production location. The intermediary company has high requirements in terms of social compliance and is able to be a good filter, checking local regulation and existing audits.

The process of starting a new business with a new supplier takes between 4 and 6 months.

Sol's decided needs to split risks to new countries (such as Myanmar) because it relies too much on Bangladesh.

Recommendation: A risk-analysis as part of the decision-making process of selecting new production locations is an important step to mitigate risk and prevent potential problems. FWF recommends Sol's to clearly define preventive actions for identified risks and connect them to sourcing decisions. This also includes strategies to tackle structural risks such as low wage levels in the country, limited freedom of association and restricted civil society that are beyond the brand's individual sphere of influence.

FWF recommends Sol's to ensure that the intermediary agency cannot select and place production at new production locations before it has completed the human rights due diligence process. FWF recommends putting this agreement with the intermediary platform in writing. Furthermore, FWF recommends the member to develop a responsible sourcing strategy towards the selection of new production locations.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	1	2	0

Comment: Sol's evaluation system which was created one and a half years ago evaluates factories every six months resulting in a supplier ranking. This allows the member to compare factory performances. The system covers 25 suppliers representing 90% of FOB, for now.

The evaluation system possesses five categories of similar importance. Each category has several sub-criteria attached to different coefficients. Those coefficients are decided internally in each team.

Categories are:

1/Product development including Product/price performance

2/Quality: technical aspects and final inspection, defects, conformity, customer claim

3/Purchasing performance: open costing/ financial risk/ lead time and delays, minimum quantities / sourcing

4/ Supply chain/logistics

5/ Contractual management : reports on certification / Social responsibility/ Code of conduct / Accord compliance

Rating of each criterion then provides a color code result; Green, Yellow or Red, for each category

The evaluation goes with a CAP and a deadline of six months for factories to improve. Then the CAP follow-up is made every month and checked by buyers, production managers, and quality managers.

If improvements are made the collaboration can continue, on the opposite if the evaluation rating goes down, the potential ending of collaboration is discussed in meetings involving all teams.

Sol's approach remains to give a chance to factories to improve step by step.

The success of a factory for Sol's means: quality, productivity, keep prices promises and keep working on CAPs.

Recommendation: Sol's is encouraged to make more explicit how social compliance in the supplier rating system (in which quality, relationship, price, and planning are assessed) is weighted and how compliance with CoLP leads to production decisions.

FWF encourages the member to implement a responsible exit strategy and make sure all relevant staff is informed about this. Please see FWF's guidelines on a responsible exit strategy.

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: Sol's has a very strong and detailed production planning system and knows the output of each line and per day. Although Sol's products are not seasonal, summer is usually a peak time to get the goods because of summer events, and corporate/sports items that need to be ready for customers in September for new "school - kick-off" year.

Sol's has a forecast of 6 months or 1-year depending on products.

"Programmes of production" are communicated and agreed on monthly with suppliers with the lead time between 90 to 120 days. Since products have very similar styles more or less the same color and quantities (for t-shirts and polos mainly) are very big - there is a need for high productivity. Sol's and its suppliers work with a well-tuned production forecast where only fine-tuning is needed.

When small adjustments are needed, and those are communicated in advance to factories so they can plan production capacities.

The production schedule allows to follow the production steps at any stage of production/shipping, and see where bottlenecks lie. When the situation seems to be sensitive regarding overtime, the brand can also reduce quantities if needed and production time can be spread out on several months or orders could be reshuffled to other production locations.

Despite these instruments in place and the high leverage of the member, Sol's production locations have significant overtime issues.

Recommendation: FWF recommends Sol's to discuss with the factories how to deal with planning of production during Summer season to prevent excessive overtime.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.7 Degree to which member company mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	3	6	0

Comment: Overtime was found in all FWF audits conducted in 2018. For remediation, the brand asked some factories to revise their policy and discussed production planning.

Concerning the investigation of root causes and remediation:

Delays reasons influencing overtime can be multiple: power cuts, fabric arriving late, a machine to be repaired etc. But also linked to quality issues: color, fabric, which means some products might need to be made again.

One factory had dyeing issues, then they agreed that one local staff would spend more time to support the dyeing process. One factory had issues to transport the fabric from one location to the other and they didn't communicate well between the dyeing facility and the CMT factory; so the brand brought them together to discuss and solve the problem.

Another way to help reduce overtime; teams would discuss possible compromises, on color for example, in order to reduce goods production and mitigate working hours' increases. Besides, Sol's takes into account upcoming holidays especially Ramadhan and Eid period for Bangladesh when there is an increase in overtime. Through communication with factories, the member tries to ensure that orders are not rushed to be made during that time. The Dakha Liaison Office plays a big role to support in such cases.

Despite those discussions and Sol's flexibility, overtime is still a big issue in its supply chain.

Recommendation: Besides discussing it with the supplier and assessing root causes, FWF strongly recommends Sol's to actively take measures when excessive overtime is found. Taking measures to ensure that the brand knows and shows whether excessive overtime takes place at a supplier is key in resolving the issue. Measures such as regular checks by the local technician, documents checking and interviewing workers help assess whether excessive overtime takes place.

Yarns and fabric delayed deliveries can be monitored by Sol's, in addition, the member could support factories in making sure all machines (and electricity) are functional, thanks to more regular technical checks. Sol's should also look closer at the peak production in Summer.

A recommendation is not written about hiring a local expert to support, because a Planner was already hired (in 2019).

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations.	Advanced	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages – and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts.	4	4	0

Comment: Negotiation goes through monthly "programs" which are fixed agreements, orders placed are never reduced so it allows having quite a flat production for factories and avoids peaks, and to fill in sewing lines consistently all year long.

For 90% of products Sol's and factories work with open costing.

Sol's suppliers agree to work in total open costing. For the minimum wage increase in Bangladesh they had to rediscuss and sit to revise all the confection's prices. It was a very long process to collect information from factories, but those were open to cooperate.

Each formula confection's prices were corrected, but for the rest, usually, the formula doesn't change. It is mainly the input materials that influence the change in costs.

Since there is a stable production pattern for simple items like t-shirts, Sol's has a good and complete overview of wages including for the different grades. Sol's also checks the Gazette of Bangladesh regularly to adjust labor costs when needed.

Recommendation: FWF recommend Sol's to apply this calculation and price fixing system where applicable in other countries outside of Bangladesh. (FWF noted that it might not be possible or relevant for all products yet)

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	Yes	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, FWF member companies are expected to hold management of the supplier accountable for respecting local labour law. Payment below minimum wage must be remediated urgently.	Complaint reports, CAPs, additional emails, FWF Audit Reports or additional monitoring visits by a FWF auditor, or other documents that show minimum wage issue is reported/resolved.	0	0	-2

Comment: One factory audited by FWF had a legal minimum wage issue of a quality inspector who was classified as a helper. The issues were resolved by the factory.

Sol's is well aware of the different wage Grades in Bangladesh and pays extra attention to the classification of workers.

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

Comment: Sol's makes a pre-payment of 60-65% of Purchase Orders, when placing those, at most suppliers and the remaining is paid once goods are received in stock. Such practices support a better organisation and financial sustainability of factories.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.11 Degree to which member company assesses and responds to root causes for wages that are lower than living wages in production locations.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach	Evidence of how payment below living wage was addressed, such as: Internal policy and strategy documents, reports, correspondence with factories, etc	4	6	0

Comment: Most of Sol's production is made in Bangladesh where the minimum wage was raised at the end of 2018. After the implementation of new Legal Minimum Wage by the Gazette in Bangladesh, Sol's retroactively paid the increase on orders produced after the 1st of December.

In the past, prices of Sol's were already supporting wages above the legal minimum wage. Sol's paid in 2018 the legal minimum wage + a "premium"/ "upcharge" + overtime hours (even though orders through "programs" are done without including overtime hours). The only "upcharges" difference between factories are due to productivity differences.

For the increase of the new legal minimum wage, Sol's also asked and insisted that factories checked that all workers were in the appropriate wage Grade and that there was no "cheating" to reduce labor costs through incorrect salaries. Workers working in the dyeing section had no grade affiliation and Sol's asked suppliers to put them automatically in Grade 5.

In order to calculate overtime rate and not create tension in the same industrial zone, the piece rate of the zone was studied and Sol's followed to the recommendation of the Industrial Zone to establish the overtime price.

Recommendation: FWF encourages Sol's to involve worker representatives and local organisations in assessing the root causes of wages lower than living wages.

It is advised that the outcomes of the root cause analysis are discussed internally and with top management, to form a basis for an embedded strategy.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.13 Member company determines and finances wage increases	None	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	0	4	0

Comment: Sol's has strong systems in place but doesn't have a clear strategy on wage increases nor wage targets.

Requirement: Sol's should analyse what is needed to increase wages and develop a strategy to finance the costs of wage increases.

Recommendation: To support companies in analysing the wage gap, FWF has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models.

It is advised that the strategy for how to finance wage increases is agreed upon by top management.

In determining what is needed and how wages should be increased, it is recommended to involve worker representation.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.14 Percentage of production volume where the member company pays its share of the target wage	0%	FWF member companies are challenged to adopt approaches that absorb the extra costs of increasing wages.	Member company's own documentation, evidence of target wage implementation, such as wage reports, factory documentation, communication with factories, etc.	0	3	0

Requirement: The member is expected to begin setting a target wage for its production locations.

PURCHASING PRACTICES

Possible Points: 45

Earned Points: 25

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%	To be counted towards the monitoring threshold. FWF low-risk policy should be implemented. See indicator 2.9. (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.
Requirement(s) for next performance check	6	
Total of own production under monitoring	82%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

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: Sol's Quality Director is in charge of following-up on the problems identified.

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: The Quality Director checks FWF audits' CAP and adds comments before sharing it with the CSR manager of a factory, as well as Sol's Quality officer in charge of this factory, and the Quality Manager of Dakha Liaison Office (DLO). Then the factory provides feedback in the CAP file according to the timeline within this plan.

CAPs are also discussed in meetings with other departments which then follow up on improvement with factories every month.

Recommendation: Before an audit takes place, Sol's 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 them 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.	Basic	FWF considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	4	8	-2

Comment: Sol's checks progress on CAPs with factories every month but the focus is mainly on production and quality requirements.

However, a good example of Sol's support to its suppliers to resolve issues: one factory had some overtime issues due to regular power cuts and is now building a new facility with more stable access to power. In order to help the factory absorb the cost of construction, Sol's committed to maintaining the level of orders so that the turnover can absorb some of the new site's construction costs.

Recommendation: FWF encourages Sol's to continue strengthening their system to analyse how they might have contributed to findings and what changes they can make in their purchasing practices.

FWF also recommends Sol's to gradually ensure factories establish independent worker representation and involve these representatives in monitoring and remediation of findings.

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.	98.99%	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: Visits are made by the Quality and Purchasing teams of Sol's headquarters, the local staff of Bangladesh is on the ground often, and for some locations the intermediary is doing visits.

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: Sol's doesn't use the audit quality tool, but showed all external audit reports collected as an improvement on 2017 Brand Performance Check report requirement.

Recommendation: FWF recommends Sol's to use the Audit Quality Assessment Tool and immediately discuss with the supplier what information is missing and how to collect that information.

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.	1	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Intermediate			3	6	-2
Compliance with FWF Myanmar policy	Intermediate			3	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	Insufficient			-2	6	-2

Comment: MYANMAR

Myanmar is a new production country in 2018 for Sol's, who followed the advice of their trading partner.

The Quality Director discussed with FWF Myanmar country manager what to pay attention to and shared information with the intermediary (which was already a partner) in charge of selecting the production location.

The purchasing manager went there to assess the situation in the country and visited several factories suggested by the intermediary.

Then Sol's picked the one which was a brand new building and was matching their expectations in terms of production, working conditions, financial potential, lead time, resources and ability to take care of import/export.

Then the purchasing manager shared information with the Quality Director who started to collect all information and audit reports.

Although Sol's collected a BSCI audit, it did not show that specific country risks were taken into account when selecting the new factory, as they trust the intermediary to be doing a good job.

BANGLADESH

Only 2/3 of Sol's factories are either part of the Accord or the National Initiative which is not meeting the requirements of the Enhance monitoring programme for Bangladesh. For the last third, Sol's collects Health and Safety policies and proofs of Fire drills and Fire fighting training. A couple of factories used to work with Alliance. One factory works with a local NGO collecting evidence.

Sol's uses FWF and BSCI CAP to collect information on Anti-Harassment Committees, and files pictures, policies, and notes of committees' meetings, grievance mechanisms, fire drills training.

When Sol's staff visits suppliers, they check fire safety, train the local team and QC.

CHINA (Other risks)

Sol's has four main suppliers for accessories in China, the member sends CAPs to those, but does not receive feedback.

Requirement: Sol's' monitoring system should identify and address high-risk issues that are specific to the member's sourcing practices. FWF provides policies and country-specific requirements to Member companies. Priorities in remediation efforts are guided by these policies.

For MYANMAR:

FWF members (that consider) placing orders in Myanmar are required to share in full their due diligence process to ensure compliance with the above points. FWF shares information with members, when available, on factories linked to the military regime and/or forced labour cases and/or questionable land ownership.

Describe reasons for moving production into Myanmar;

Specify how conditions for each labour standard in Myanmar will be improved in practice;

Promote processes that enhance social dialogue in each production factory in the country, preferably select unionised factories;

Publish wage ladders per factory and cross-check with available benchmarks.

FWF members sourcing in Myanmar are required to develop and publish wage ladders for each factory where production takes place.

For BANGLADESH:

In case the member has not included all its suppliers to the fire & building safety workshop for top management: the member should ensure that 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.

For CHINA, the member needs to conduct active follow-up on specific issues such as overtime.

Recommendation: For BANGLADESH; In terms of ensuring women's safety at work, the brand should make sure that suppliers have sufficient knowledge and a functional system to promote gender equality and prevent gender-based violence. A functional system to prevent violence needs the involvement of both factory management and workers representatives. FWF local team has extensive experience on supporting both employees and employers in setting up anti-harassment systems. FWF local team could provide training and regular support to suppliers upon request.

For MYANMAR:

Member companies are recommended to investigate the wage levels at supplier factories to make certain that at least the legal minimum wage i.e. no payment at trainee (50% of LMW), or probation period (75%) levels, is paid to workers. In addition, member companies must be very vigilant on child labour and Freedom of Association violations and take this into account during due diligence, monitoring and remediation efforts. Before starting to source at a new factory, member companies are advised to approach FWF which could ask stakeholders whether any information is available on the prospected new supplier.

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: Sol's discussed with other FWF members about one common supplier.

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.	No production in low-risk countries	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. FWF has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	N/A	3	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.10 Extra bonus indicator: in case FWF member company conducts full audits at tail-end production locations (when the minimum required monitoring threshold is met).	No	FWF encourages its members to 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	2	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: 27

Earned Points: 16

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

Comment: Sol's Quality Director is in charge of complaints follow-up.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.2 Member company has informed factory management and workers about the FWF CoLP and complaints hotline.	No	Informing both management and workers about the FWF Code of Labour Practices and complaints hotline is a first step in alerting workers to their rights. The Worker Information Sheet is a tool to do this and should be visibly posted at all production locations.	Photos by company staff, audit reports, checklists from production location visits, etc.	-2	2	-2

Comment: Sol's did not collect pictures of the posted Code of Labor practices for 2 factories with which they started business with in 2018, and after the Brand Performance Check sill couldn't collect those since the relationship with suppliers had ended.

Requirement: Sol's must ensure that the Worker Information Sheet, including contact information of the local complaints handler of FWF, is posted in factories in a location that is accessible to all workers. Member company should check by means of a visit whether the Worker Information Sheet is posted in the factories.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline.	4%	After informing workers and management of the FWF CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, FWF's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	4	6	0

Comment: Three Chinese suppliers were trained in 2016 and 2017. No Bangladeshi supplier was trained in the last 3 years.

Recommendation: FWF recommends members to actively raise awareness about the FWF Code of Labour Practices and FWF complaint hotline among a larger portion of its suppliers. The member should ensure good quality systematic training of workers and management on these topics. To this end, members can either use FWF's Workplace Education Programme (WEP) basic module or implement training related to the FWF CoLP and complaint hotline through service providers or brand staff. FWF guidance on good quality training is available on the Member Hub.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	N/A	6	-2

Comment: The CSR person at the factory level and DLO are informed, and CAP is shared with FWF country representative in Bangladesh.

The local staff of Sol's is involved in clarifying the situation and supports remediation.

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: 9

Earned Points: 3

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	0

Comment: A leaflet about the company's charter and values is shared with all new staff - it is part of new-comers training.

Every new staff will spend time in each department to learn about their work, which means they will necessarily hear about FWF membership.

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: Sol's has regular Managers' meetings and Salesforce meetings.

In both meetings, KPIs results are shared and when relevant, updated about FWF membership are also shared. Every month meetings between all departments to discuss and plan for the next 12 months of work and adjustments.

The Bangladesh team goes through CAPs with the Quality Director when he visits the country. Bangladeshi Quality Control Manager (who used to work for another FWF member) went to observe a FWF audit. He, and the local Office manager, also attended FWF supplier seminar in 2018

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: Sol's needs support from agents/traders in order to source some specific products and manage some factories' relationships. Sol's has started to work with one intermediary for 2 years.

The Purchasing Director already knew them for a long time and knew they had the experience he was looking for. They have a dedicated team and they can do the due diligence work for Sol's.

The intermediary is in charge of telling the factory about Sol's requirements, and they have to be transparent and in charge of communication with the factory. If they have to go to the factory they would go together.

Recommendation: FWF recommends the member to actively train their sourcing contractors/agents on monitoring and remediating gender-related problems and enable them to support the implementation of the CoLP.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Factory participation in training programmes that support transformative processes related to human rights.	0%	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. FWF has developed several modules, however, other (member-led) programmes may also count.	Training reports, FWF's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	0	6	0

Recommendation: FWF recommends members to implement training programmes that support factory-level transformation such as establishing functional internal grievance mechanisms, improving worker-management dialogue and communication skills or addressing gender-based violence. Training assessed under this indicator should go beyond raising awareness and focus on behavioural change and long-term structures to improve working conditions. To this end, members can make use of FWF's Workplace Education Programme communication or violence prevention module or implement advanced training through service providers or brand staff. FWF guidance on good quality training is available on the Member Hub.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Degree to which member company follows up after a training programme.	No training programmes have been conducted or member produces solely in low-risk countries	After factory-level training programmes, complementary activities such as remediation and changes on brand level will achieve a lasting impact.	Documentation of discussions with factory management and worker representatives, minutes of regular worker-management dialogue meetings or anti-harassment committees.	N/A	2	0

Comment: No "advanced trainings" were conducted in Sol's supply chain

TRAINING AND CAPACITY BUILDING

Possible Points: 11

Earned Points: 4

5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Advanced	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	6	6	-2

Comment: QC team in Bangladesh is often on factories' production floor so if the goods are not in the lines, and thanks to quantities monitoring (through production schedule), they would detect subcontracting quite easily.

Subcontracting was discovered in the past, for instance, one order was already packed and the rest was not in the production facility, or sometimes Quality controllers find slight product differences. If a subcontracting issue is found Sol's has a discussion and tries to recover the confidence to continue to work together, otherwise, they might have to terminate the relationship.

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: CAP are discussed in meetings between buyers and quality team before sharing those with the factories. Teams in contact with factories work together to create the suppliers evaluation system described in 1.5.

The Quality team in charge of FWF monitoring, receives orders emails sent by buyers to factories, so they can follow up production shedule etc.

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: 7

6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	FWF's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about FWF are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	FWF membership is communicated on member's website; other communications in line with FWF communications policy.	2	2	-3

Comment: In Sol's catalog, there is one page about the "fair spirit" including FWF logo. On its website, Sol's explains what is FWF and its mission. On Sol's_Europe website: it is mentioned in the part about commitments and the Charter.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	No	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.	0	2	0

Recommendation: FWF recommends Sol's to publish one or more of the following reports on its website: brand performance check, audit reports, supplier information. Good reporting by members helps to ensure the transparency of the member and FWF's work.

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

Comment: The social report is submitted but not published on Sol's website.

Requirement: FWF approach requires transparency on member companies work towards social standards. The social report needs to be submitted to FWF and published on Member company's website.

TRANSPARENCY

Possible Points: 6

Earned Points: 3

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: Sol's envisions its FWF membership as a core part of its business.

Every month there are two meetings including FWF membership on the agenda, and about sourcing and quality of products. Managers meet every 2 weeks where all departments share KPIs and main updates including FWF topics: points of information/points of decision making and brainstorming. If decisions need to be escalated it comes back up to discussion with the President.

The President is also directly in contact with long-time factories-partners to discuss matters and travels twice a year on the field.

FWF membership is also discussed with suppliers.

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.	66%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

Comment: Sol's has shown progress on indicators 1.9, 2.4, 2.6 and 2.7 where requirements existed for 2017. Improvements are still needed regarding indicators 1.11 and 3.2.

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 following requirements mentioned in the last Brand Performance Check.

EVALUATION

Possible Points: 6

Earned Points: 6

RECOMMENDATIONS TO FWF

Sol's recommends FWF to conduct the Brand Performance Check earlier in the year, in order to have time to work on requirements and recommendations.

Sol's finds FWF guidance on what is a living wage in Bangladesh insufficient.

The Chairman expects from FWF some understanding that improvement needs time, the same way Sol's leaves time to its suppliers to improve.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	25	45
Monitoring and Remediation	16	27
Complaints Handling	3	9
Training and Capacity Building	4	11
Information Management	7	7
Transparency	3	6
Evaluation	6	6
Totals:	64	111

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

58

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

19-06-2019

Conducted by:

Florence Bacin, Sandra Gonza

Interviews with:

Mr ALAIN MILGROM – Chairman

Ms AUDELIA KRIEF – Deputy CEO

Ms ALEXANDRA BOURDERYE – Purchasing plannification Manager

Mr CEDRIC LENOIR – Purchasing Director

Mr FRANCOIS OSTER – C.F.O.

Ms CHRISTELLE STEIN-LOPEZ – Opérationnal Marketing Manager

Ms SIGRID PABST – Marketing and Communication Director

Mr CLEMENT LE MEUR – Brand Manager and Price Negotiation Expert

Ms ANNE-ALICE GUIMARAES – Quality officer

Ms MAGALI HURE – Quality officer

Ms MARJORY BONNE – Quality officer

Mr FREDERIC DUHAÏEN – Quality Director