



BRAND PERFORMANCE CHECK

Ortovox Sportartikel GmbH

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this report covers the evaluation period 01-07-2018 to 30-06-2019

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

Ortovox Sportartikel GmbH

Evaluation Period: 01-07-2018 to 30-06-2019

MEMBER COMPANY INFORMATION	
Headquarters:	Taufkirchen, Germany
Member since:	01-07-2015
Product types:	Outdoor, Sportswear
Production in countries where FWF is active:	China, Viet Nam
Production in other countries:	Austria, Belarus, Germany, Hungary, Italy, Latvia, Lithuania, Poland, Serbia, Taiwan, Ukraine
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	98%
Benchmarking score	76
Category	Leader

Summary:

Ortovox has shown progress and met most of Fair Wear's performance requirements. Despite continuous growth and the introduction of more production locations, the company managed to maintain its monitoring percentage at 98%. It did this through using external audit reports in countries where Fair Wear is not active and fulfilling monitoring requirements for low-risk countries. Based on this monitoring percentage, combined with a benchmark score of 73, Fair Wear has awarded Ortovox the Leader category. In the past financial year, the company set its CSR goals as part of its ProtACT 2024 strategy, including its continuous focus on improving labour conditions through Fair Wear Foundation membership.

Ortovox values its relationships with suppliers. It has three main suppliers in Europe (Latvia, Lithuania and Hungary) accounting for 52% of FOB. As the company grows, Ortovox cooperates with these suppliers to look for alternative production locations that are part of these suppliers' network, in order to expand and strengthen the relationship. In the past financial year, the company cooperated closely with these suppliers to improve its due diligence process and actively involve them in audits and remediation.

While the company focuses on expanding its production in Europe, Fair Wear recommends that Ortovox continues its remediation activities in Asia, addressing the country-specific risks for China and Vietnam. Also, Fair Wear recommends that Ortovox get clearer insight into the relationship between buying prices and wages, for example, by documenting labour minutes per style. This way, Ortovox will be able to contribute to raising wages in the coming years.

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.	71%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	3	4	0

Comment: In the past financial year, Ortovox bought 71% of its production volume from production locations where the company buys at least 10% of production capacity. This is an increase compared to 64% last year.

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.	24%	FWF provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to FWF.	0	4	0

Comment: In the past financial year, 24% of production volume came from production locations where Ortovox buys less than 2% of its total FOB. This is an increase compared to last year. This is because Ortovox overall production grew and the company had to find alternative production locations. In finding alternative locations the company aims to cooperate with existing partners in Europe, however, these facilities do not allow for production above 2% of FOB.

Recommendation: FWF recommends Ortovox to consolidate its supply base by limiting the number of suppliers in its 'tail end'. To achieve this, members should determine whether suppliers where they buy less than 2% of their FOB are of strategic relevance. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	47%	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.	2	4	0

Comment: Over the past financial year, Ortovox' production volume grew, which meant the company needed additional production locations. When selecting new production locations they closely work with already existing suppliers. As such, the number of suppliers has not increased, but the number of production locations (subcontractors to the main supplier) has increased. Which means that in the past financial year, 47% of production came from production locations where a business relationship has existed for at least five years.

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

Comment: Whenever Ortovox starts a new business relationship the procurement manager sends out a request for all necessary information, including the FWF questionnaire. Before bulk orders are placed a signed questionnaire needs to be returned. This is part of the checklist which also includes basic financial and invoicing information. Ortovox discusses FWF membership with potential suppliers prior to placing first orders. In the past financial year, Ortovox focused on the process when selecting new subcontractors (not a new business relationship). At the moment, there is no official system in place for subcontractors. The quality manager will inform CSR when a new subcontractor is used and then the questionnaire and Worker Information Sheet are shared. For the coming financial year, there will be a new ERP system, which will allow more specific information per subcontractor/production location. Ortovox could show the signed FWF Code of Labour Practices (CoLP) on file for all new suppliers of its last financial year.

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

Comment: Ortovox follows a thorough process when selecting a new supplier to ensure the supplier has the needed capacity and skills and shares the mindset of Ortovox regarding quality and social compliance. All production locations are visited several times before orders are placed. This includes a factory tour using the FWF Health&Safety checklist. FWF membership is discussed and Ortovox checks whether the supplier has experience with FWF or similar initiatives. While the Head of Product has the final responsibility to select a new supplier, the opinion of CSR staff is considered in the decision. Ortovox tries to focus on a limited number of countries to manage risks both related to social compliance and business and is aware of country information provided by FWF.

In the past financial year, Ortovox started production in Serbia, at a subcontractor for one of their main suppliers. For this country, the CSR team drafted a country profile as input for the due diligence process. In addition, existing audit reports were used to do production location specific due diligence. Based on this information, the company decided to do an audit when production had started. It turned out that there were more problems than expected. Based on this experience the company has decided to do a FWF audit before production starts and it provided the main supplier a more specific insight into their due diligence 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.	Yes, and leads to production decisions	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	2	2	0

Comment: Ortovox has a supplier evaluation system, which includes production location compliance with the Code of Labour Practices. In the past financial year, the evaluation is complemented with audit results. The evaluation is done on main supplier level and shared with suppliers. CAP is established based on the results, which allows for the start of a dialogue between Ortovox and its suppliers. If the dialogue does not lead to the necessary results Ortovox may decide to stop the relationship. In the past financial year the orders at one production location have staled due to its evaluation results on several aspects.

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

Comment: Due to very specific quality and material requirements, Ortovox follows a production planning process that starts three years in advance and in close cooperation with suppliers. Suppliers receive first forecasts early on, which are continuously updated. First orders are placed before the sales meeting, more orders then follow afterward and again after relevant trade fairs. Lead times between order and delivery range from 8 to 9 months. Ortovox meets with CMT and fabric suppliers several times a year in strategic round tables to discuss upcoming production, which takes fabric availability and CMT capacity into account. Production control schedules are then shared with Ortovox and updated when necessary. Key suppliers share weekly updates with Ortovox.

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

Comment: Around 60 % of Ortovox' production takes place in Europe, where audits and discussions with the factory do not indicate excessive overtime. At several of Ortovox' production locations in China and Vietnam, audits have shown problems related to excessive overtime. Ortovox has discussed this and most often it is related to late delivery of materials. Therefore, in the past financial year, the company focused on improving communication between Ortovox, the production location, and the material supplier. This has resulted in better insight into timelines. Suppliers that experienced problems now include Ortovox in the communication with the material supplier, which allows the company to maintain a better overview and respond quickly when it foresees problems.

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.	Intermediate	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.	2	4	0

Comment: Ortovox is aware of minimum wage levels in its production countries and has started discussing wage levels with suppliers. Several key suppliers follow an open-costing approach. Ortovox knows the labour costs for most products and for some suppliers the labour minute costs. The company has a product lifecycle management system to help to get a better grip on this. At this moment this system only includes material costs and no specific information on wages. In the past financial year, the company developed a specific tool to make labour costs and standard minute value explicit. The plan is to first focus on one or two products to make the link between buying prices and wages specific.

Recommendation: FWF recommends Ortovox to look into the information and tools available on FWF's website related to labour minute costing to align the process with the industry standard and to allow the company to demonstrate the link between its buying prices and wage levels in production locations.

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: In the past financial year, Ortovox did an audit at their production location in Serbia. This audit showed that some workers were paid below legal minimum wage, due to illegal deductions and unclear documentation. Ortovox responded immediately to investigate the situation and discuss possible solutions with the production location and the main supplier.

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 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: Ortovox has started discussing wage levels with suppliers and where available, the FWF wage ladder was discussed with suppliers as well. As most production locations indicate they have a problem with retaining people, Ortovox introduces the topic of increasing wages as a way to improve worker satisfaction. The implementation of this approach depends on the internal process of knowing how the company can contribute to higher wages through its buying prices.

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

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

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: As Ortovox focuses on finding out how their buying prices relate to wages, they have not yet set a target wage or decided on how to finance possible wage increases.

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

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: Ortovox is expected to begin setting a target wage for its production locations.

PURCHASING PRACTICES

Possible Points: 47

Earned Points: 29

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	59%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	39%	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	FWF requires Ortovox to ensure it meets the necessary monitoring requirements for all production locations where it is responsible for more than 10% of total production.	
Total of own production under monitoring	98%	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: Ortovox has a designated CSR team to follow up on findings identified by the monitoring system.

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: Ortovox shares the audit report and corrective action plan and establishes an improvement timeline in a timely manner with the factory. Worker representatives are sometimes mentioned in the email to factories, but not systematically

Recommendation: FWF recommends Ortovox to check worker representatives' involvement in the audit and ensure audit results are shared with them as well.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	6	8	-2

Comment: Ortovox has the following procedure regarding CAP follow-up: CSR staff coordinates audit follow-up and keeps an overview monitoring document for all suppliers. Corrective actions are discussed with suppliers and improvements are documented. Ortovox also evaluates whether findings are caused by the company's sourcing practices and asks suppliers whether they need support by the company in remediation. Wherever possible, Ortovox cooperates with other (FWF member) brands sourcing at the same supplier. To discuss more complex findings, face to face meetings between suppliers and CSR staff or the Head of Product are organised.

Recommendation: FWF encourages Ortovox 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 Ortovox 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.	93%	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: Ortovox visited production locations responsible for 93% of total production.

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

Comment: Ortovox collects existing audit reports from production locations as part of their due diligence process and evaluates their usefulness. In addition, as the company produces in countries where FWF does not offer audits they ask other organisations to follow the FWF audit methodology as much as possible. The company was able to show they assessed the quality and did an active follow-up.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	Advanced result on all relevant policies	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.	6	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2
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	Advanced			6	6	-2

Comment: Ortovox does not have production in Bangladesh, Myanmar or Turkey and does not produce denim products.

For Vietnam and China, excessive overtime is a big risk and Ortovox addresses that in their own systems and in the communications with the factory (as described under 1.6 and 1.7).

One of the production locations in China uses homeworkers. The company is aware of the guidance on homeworkers and is addressing this in the next visit in November.

For production in several European countries, the company uses a systematic analysis of the audit results to identify risks and address these in direct contact with the production locations.

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: Ortovox actively cooperates where possible with other (FWF member) brands in addressing issues related to labour conditions. The company improved its active role in these collaborations over the past financial year.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	50-100% AND member undertakes additional activities to monitor suppliers	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.	3	3	0

Comment: Ortovox fulfilled the monitoring requirements for 96% of its production volume in low-risk countries. For the remaining 4%, the company did not visit the production location. 31% of its production in low-risk countries is SA8000 certified.

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).	Yes	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.	2	2	0

Comment: Ortovox monitors 98% of its total FOB, which includes audits at tail-end production locations.

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: 32

Earned Points: 30

3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	0	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved	0	
Number of worker complaints resolved since last check	0	

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

Comment: Ortovox has defined clear responsibilities for addressing worker complaints.

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.	Yes	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: Ortovox staff visiting production locations checks regularly whether the worker information sheet has been posted. Pictures of these posted sheets were on file.

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.	35%	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: Ortovox did a WEP Basic at 3 production locations in Vietnam, accounting for 17% of FOB. In addition, it organised a training focusing on improving workers' and management understanding of the FWF Code of Labour Practices in Ukraine.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the FWF member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	0

COMPLAINTS HANDLING

Possible Points: 9

Earned Points: 7

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: At Ortovox, CSR staff informs all staff about FWF during monthly staff meetings and through the internal newsletter. Also, it is part of the induction programme for new staff members and was part of the presentation for sales people during the past financial year. In addition, if anything ad hoc comes up, all staff is informed by an email from the CSR department.

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

Comment: Every other week there are meetings with the people are in direct contact with suppliers to inform them about FWF requirements. Also, Ortovox staff visiting production locations are asked to address or check specific audit findings.

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

Comment: Ortovox does not use agents. However, they closely cooperate with three main suppliers in Europe. These suppliers are actively involved in follow-up on audits at their subcontractors and Ortovox is cooperating with them to improve their due diligence process when selecting new production locations. Also, their Hungarian supplier participated in the supplier seminar in North Macedonia to learn more about FWF and living wages.

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.	7%	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.	1	6	0

Comment: Two of Ortovox' production locations in Vietnam are involved in the Better Work programme.

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 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: Better Work is following up on the training, and as per FWF guidelines, Better Work is in the lead with Ortovox staying updated.

TRAINING AND CAPACITY BUILDING

Possible Points: 11

Earned Points: 6

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: Ortovox is aware of which production locations are used for their production. Suppliers have to get new production locations or subcontracting approved beforehand. In-line quality control takes place at key suppliers which reduces the risk for unauthorized subcontracting and Ortovox quality staff is well-trained on the issue. Most production takes place in Europe, where Ortovox staff regularly visits.

In the past financial year, the company learned that the standard process did not automatically include all subcontractors prior to production taking place. Therefore the company updated to process, focused on improving communication, to ensure that the product department communicates all the information they know about subcontractors as soon as possible.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1

Comment: All involved staff has access to relevant supplier information. Head of Product, CSR staff and quality managers exchange frequently.

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: All information of Ortovox regarding FWF adheres to FWF's communications policy. Ortovox communicates on its website about FWF membership. Each workbook includes CSR stories in general and FWF has featured a few times.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Supplier list is disclosed to the public.	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.	2	2	0

Comment: The full supplier list is part of the social report. This report also includes the main audit findings and is published on the company's website.

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

TRANSPARENCY

Possible Points: 6

Earned Points: 6

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: The CSR department is in regular contact with top management. FWF membership evaluation is done annually.

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.	No requirements were included in previous Check	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.	N/A	4	-2

Comment: Ortovox did not receive any requirements in the past performance check.

EVALUATION

Possible Points: 2

Earned Points: 2

RECOMMENDATIONS TO FWF

Ortovox has the following recommendations for Fair Wear Foundations:

- It would be beneficial if our brand liaison would have more time to provide more support to really work in-depth to change systems.
- Please look at the member hub, at the moment information on the member hub is difficult to find.
- We would like to have annual meetings, specifically to get together with brands.
- We would like you to evaluate the performance check - does it really benefit all different business models. It pushes us in different directions, but what about the results of an individual assessment of what is needed.
- Please look into misunderstandings between Vietnamese auditors and factories.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	29	47
Monitoring and Remediation	30	32
Complaints Handling	7	9
Training and Capacity Building	6	11
Information Management	7	7
Transparency	6	6
Evaluation	2	2
Totals:	87	114

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

76

PERFORMANCE BENCHMARKING CATEGORY

Leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

14-10-2019

Conducted by:

Anne van Lakerveld

Interviews with:

Stefanie Rieder-Haas (CSR Manager)

Katrin Bauer (CSR Manager)

Claudia Mitze (Financial Department)

Stefan Krause (Head of Product)

Tobias Maletz (Product Manager Backpacks)

Brigitte Bräunlein (Production Planning)

Hendrik Reschke (Communications)

Christian Schneidermeier (CEO)