



# **Brand Performance Check**

**JBC n.v.**

**Publication date: September 2020**

This report covers the evaluation period 01-02-2019 to 31-01-2020

## About the Brand Performance Check

Fair Wear Foundation (Fair Wear) 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. Fair Wear, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

Fair Wear's Brand Performance Check is a tool to evaluate and report on the activities of Fair Wear's member companies. The Checks examine how member company management systems support Fair Wear'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 Fair Wear 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 Fair Wear 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 Fair Wear's work.

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with member company employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at [www.fairwear.org](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

# Brand Performance Check Overview

**JBC n.v.**

**Evaluation Period: 01-02-2019 to 31-01-2020**

| Member company information   |  |
|--|--|
| Headquarters:  | Houthalen , Belgium  |
| Member since:  | 2015-03-31   |
| Product types:   | Garments, clothing, fashion apparel; Sports & activewear; Promotional wear and accessories |
| Production in countries where Fair Wear is active:                                     | Bangladesh, China, India, North Macedonia, Romania, Tunisia, Turkey                        |
| Production in other countries:   | Cambodia, France, Italy, Lithuania, Morocco, Netherlands, 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   | 60   |
| Category   | Good   |

## **Disclaimer**

*This performance check was conducted amidst the COVID-19 outbreak in 2020. Due to travel restrictions in 2020, the assessment methodology for this check was modified to adapt to an online version.*

*While the performance check does cover all indicators, Fair Wear was not able to cross-check information with the member company's other departments to the extent it would normally do. This may have led to shorter descriptions/comments in the report. We have taken additional measures to ensure the scores are still inclusive and representative of the performance/progress made: more documentation was requested from the member during the preparation phase and other staff members were interviewed to score a specific indicator, where necessary. Furthermore, due to our improved data management system, Fair Wear was able to better track and document progress, mitigating much of the disadvantage of a remote performance check.*

*This modified version was applied consistently to all members' performance checks starting their financial year in 2019 in order to maintain fair and comparable data.*

*Fair Wear will evaluate the members' response to the Corona-crisis in the performance check about the financial year starting in 2020. For members having financial years starting in April or later, parts of their response can already be reflected in the current performance check report, although their overall response will be evaluated in the next performance check.*

## Summary:

JBC N.V. has met most of Fair Wear's performance requirements. With a benchmarking score of 60 and a monitoring percentage of 82% (meeting the requirement for brands with 3+ years of Fair Wear membership), Fair Wear is awarding it the 'Good' category. During the performance check, it became clear that JBC is too big for the small production locations and too small for the big production locations. This is evident in the makeup of its supply chain. At the moment, JBC has a long list of production locations, but for 75% of its FOB, it is responsible for more than 10% of production and thus is a relatively large customer. However, 49% of its FOB comes from production locations that produce less than 2% of its FOB. JBC states that it needs a lot of different production locations as it has a varied collection, producing clothes for men, women, boys, girls and babies and for a ranges of prices.

The consolidation strategy focuses on identifying strategic suppliers, with the aim of identifying around 20 suppliers producing 80% of its FOB. These suppliers will each have different locations where production actually takes place. Fair Wear recommends that JBC continues with this consolidation strategy and ensures that the size of the supply chain and JBC's available resources for actively following up on CAP issues coincide. Possible solutions could be to enable buyers and suppliers to more actively address remediation (as an intermediary) or to make more resource available for active follow-up.

JBC's focus has been on increasing transparency of the supply chain and ensuring a proper overview of the working conditions at all locations. In addition, the CSR manager has focused on integrating purchasing practices that support good working condition in the company's general practices.

Fair Wear recommends that JBC expand its knowledge of cost breakdowns for all product groups. A next step would be to calculate the labour minute costs of its products in order to determine the exact costs of labour and link this to its own buying prices. The first priority would be to make sure this level of transparency can be achieved with its suppliers.

## Performance Category Overview

**Leader:** This category is for member companies who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

**Good:** It is Fair Wear's belief that member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of Fair Wear 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. | 80%    | 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:** In 2019, 80% of JBC's production came from production locations where it was responsible for at least 10% of production capacity.

JBC's financial year that is assessed runs from February 2019 to end of January 2020.

| 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. | 47%    | Fair Wear 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 Fair Wear. | 0     | 4   | 0   |

**Comment:** In 2019, approximately 47% of JBC's production came from factories where JBC buys less than 2% of its total FOB. Although this is lower than last year, it is still a very significant percentage and indicates that JBC makes use of a lot of production locations for relatively little of its production volume.

**Recommendation:** FWF recommends JBC to continue to consolidate its supply base by limiting the number of production locations in its 'tail end'. To achieve this, members should determine whether production locations 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.

It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

| Performance indicators   | Result | Relevance of Indicator  | Documentation                                    | Score | Max | Min |
|--|--------|---|--|-------|-----|-----|
| 1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years. | 57%    | 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:** JBC focuses on maintaining long-term business relationships with their suppliers. In 2019, 57% of their production was purchased 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:** JBC was able to show that new production locations were informed about the Fair Wear Code of Labour Practice and signed and returned the questionnaire.

| 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:** JBC has a buying process which follows a strict criterion for placing orders especially in the case of new production locations. With the aim of developing more long-term relationships with factories, adding new factories or suppliers for production is heavily monitored.

A new potential supplier is shortlisted by the Sourcing & Buying manager based on production necessities, namely price, and quality. The supplier is then evaluated by the CSR manager based on its social compliance, and only approved when the Fair Wear Questionnaire is filled in and signed by the supplier. Once the Fair Wear Code of Labour Practices is posted in the local language in every factory. Furthermore, an audit report not older than six months is required from every factory. The audits are evaluated and discussed with the factory beforehand. In case there is no existing audit report, the potential supplier must agree to plan an audit by an external auditor before bulk orders are placed.



Only after this evaluation and positive feedback of both the Buying and Sourcing manager and the CSR manager can a new supplier be added and orders can be placed. The CSR manager has the last say in this process and can also block new suppliers.

In addition, the CSR manager maintains an overview of country-specific risks and whenever new production countries are considered will advise the company whether to expand production. In 2019, the CSR manager focused the due diligence on Pakistan, because buyers requested to source there. The CSR manager discussed country-specific risks with the buyers and then visited the production locations to discuss potential risks and possible remediation with them prior to accepting the locations to be added to the system. Myanmar was also considered a potential sourcing country. Based on desk research and discussion with other Fair Wear members, JBC decided not to source there.

| 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:** JBC keeps track of the performance of its suppliers and production locations. JBC started with the productions locations in China, this tracking has improved since the previous Brand Performance Check. JBC is currently working on a system so that the internal database of factories shows more audit information that can be seen by buyers in the different departments (e.g. most important findings).

The CSR manager has developed a system to track production location's progress on compliance with the Code of Labour Practices, using Fair Wear and external audit data. This vendor rating is discussed with specific buyers responsible for a specific production location.

The vendor rating is also discussed with the suppliers and it is made clear upfront that a lack of transparency and unwillingness to cooperate on improvements will result in decreasing orders.

In the past financial year, one supplier's unwillingness to comply with or improve on the code of labour practice has resulted in decreased orders. This coincided with problems related to quality and communication on general. Another factory that has a high vendor rating has been treated favourably, and the CSR manager will request buyers to increase orders here.

| 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:** JBC implemented a system that works to ensure that production locations are not given more orders than they can handle. This is done using a combination of the factory indicating its maximum capacity and an assessment of JBC staff done during production location visit(s). An online system within JBC then shows the amount of production that can take place and 'blocks' orders that exceed this limit from being entered.

In 2018, JBC increased the lead times, with an average of 39 days. It also changed the planning system in two ways. First, they made the planning counting backward from the intended delivery date, indicating what deadlines the company had to meet internally to allow enough time for production. This internal planning also includes possible factories production will take place, so suppliers can be informed. Second, the planning process became more detailed, allowing better tracking of production planning and a better response from the company. These changes resulted in a significant change in the percentage of late delivery. In addition, the company shifted "never out of stock" items to lower production seasons. To reduce approval times, JBC has started working closely with their overseas buying office in order to decrease sample approval times and enable flexibility in lead times.

| Performance indicators  | Result               | Relevance of Indicator   | Documentation  | Score | Max | Min |
|---|----------------------|--|--|-------|-----|-----|
| 1.7 Degree to which member company mitigates root causes of excessive overtime. | Intermediate efforts | Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime. | Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc. | 3     | 6   | 0   |

**Comment:** In the past financial year there were a few audits indicating unclarity on overtime hours because the time registration system was not operated properly. JBC reached out to these factories to discuss the issue and also the bigger implication, that workers will be working overtime and JBC will not be able to properly influence this. As a solution the brand and factory decided to shift some of the production to other locations to alleviate production pressure and thus reduce overtime in the one specific factory. The actual results will be evaluated in the current financial year.

**Recommendation:** Fair Wear recommends cooperating with other customers at the factory to increase leverage, when trying to mitigate excessive overtime hours.

| Performance indicators   | Result       | Relevance of Indicator  | Documentation  | Score | Max | Min |
|--|--------------|---|--|-------|-----|-----|
| 1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations. | Insufficient | 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. | 0     | 4   | 0   |

**Comment:** At the moment the company does not have sufficient information, such as a breakdown of the CMT costs in production minutes or specific minute price, to link the prices it pays to the wages in production locations. However, this is high on the agenda of the CSR manager.

**Requirement:** JBC needs to demonstrate an understanding of the link between buying prices and wage levels, to ensure their pricing allows for at least payment of the legal minimum wage.

| 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. | No problems reported/no audits | If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, Fair Wear 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, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show minimum wage issue is reported/resolved. | N/A   | 0   | -2  |

| 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:** JBC collects information on wage levels in factories from audit reports. Most production locations do not yet pay living wages, but some pay above average. The company has discussed the root causes of living wages with some of their core suppliers and addressed possible root causes beyond the buying prices. At the moment the company is expanding its own knowledge and that of its suppliers to fully tackle the topic.

**Recommendation:** Fair Wear encourages JBC to extend its current discussion on wages with suppliers and address different strategies to work towards higher wages. It is advised to start with suppliers where the member is responsible for a large percentage of production and long term business relationship.

| Performance indicators   | Result | Relevance of Indicator   | Documentation                                    | Score | Max | Min |
|--|--------|--|--|-------|-----|-----|
| 1.12 Percentage of production volume from factories owned by the member company (bonus indicator). | None   | Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score. | Supplier information provided by member company. | N/A   | 2   | 0   |

| 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     | 6   | 0   |

**Comment:** JBC focused on ensuring payment of legal minimum wage in all their production facilities and therefore did not address the topic of living wage.

| 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%     | Fair Wear 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     | 6   | 0   |

## Purchasing Practices

**Possible Points: 52**

**Earned Points: 26**

## 2. Monitoring and Remediation

| Basic measurements   | Result   | Comments   |
|--|--|--|
| % of production volume where approved member own audit(s) took place.                      | 0%   |  |
| % of production volume where approved external audits took place.                          | 63%  |  |
| % of production volume where Fair Wear audits took place.                                  | 19%  |  |
| % of production volume where an audit took place.  | 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.g. (N/A = no production in low risk countries.) |
| Member meets monitoring requirements for tail-end production locations.                    | No (implementation will be assessed next performance check)  | FWF members must meet tail-end monitoring requirements. Implementation will be assessed during next Brand Performance check.                               |
| Requirement(s) for next performance check  | In the tail end of JBC's supplier base, FWF requires JBC to ensure it audits all production locations where it is responsible for more than 10% of total production. |  |
| Total monitoring threshold:  | 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 Fair Wear 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:** JBC has a designated CSR person who follows up on all problems identified in the monitoring system. The CSR person is assisted by one person in China and one person in Bangladesh to follow-up on country-specific issues.

| 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 Fair Wear teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for Fair Wear 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: Fair Wear 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:** JBC shares audit reports and CAPs with production locations and discussed improvement timelines. It has not actively asked the factory to share results also with worker representation

**Recommendation:** Before an audit takes place, JBC 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 prioritisation 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  | Fair Wear 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:** JBC could show active follow-up on Fair Wear audits and external audits. This is done via email, but mainly when company representatives are visiting the production locations. As the company is addressing findings from 109 audits, degree of remediation remains basic.

**Recommendation:** Fair Wear strongly recommends to ensure that the size of the supply chain and the available resources of JBC to actively follow up on CAP issues are coinciding. Possible solutions could be to decrease the number of production locations, enable suppliers to more actively address remediation (as an intermediary) or increase the amount of resources needed for active follow up.

| 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. | 84%    | 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:** JBC feels that it is important to see the production location and have a personal relationship with the production location. The company sees that this helps to increase social compliance and improve CAP follow-up. Also, buyers discuss CAPs when visiting, so there are more people discussing topics with suppliers.

In 2019, JBC visited production locations responsible for 84% of their production volume.

| Performance indicators                                       | Result   | Relevance of Indicator  | Documentation  | Score | Max | Min |
|--|--|---|--|-------|-----|-----|
| 2.6 Existing audit reports from other sources are collected. | Yes, quality assessed and corrective actions implemented | Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work. | Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments. | 3     | 3   | 0   |

**Comment:** As part of JBC's sourcing policy, any existing audit reports are always first collected and assessed before placing any orders. In 2019, the majority of external audit reports that have been selected have also been discussed with the production location and corrective actions have been implemented.



| Performance indicators   | Result   | Relevance of Indicator  | Documentation   | Score | Max | Min |
|--|--|---|---|-------|-----|-----|
| 2.7 Compliance with FWF risk policies.   | Average score depending on the number of applicable policies and results | Aside from regular monitoring and remediation requirements under Fair Wear membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. Fair Wear requires member companies to be aware of those risks and implement policy requirements as prescribed by Fair Wear. | 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. | 5     | 6   | -2  |
| Compliance with FWF enhanced monitoring programme Bangladesh   | Intermediate   |   |   | 3     | 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  | Advanced   |   |   | 6     | 6   | -2  |
| Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees | Advanced   |   |   | 6     | 6   | -2  |
| Other risks specific to the member's supply chain are addressed by its monitoring system             | Intermediate   |   |   | 3     | 6   | -2  |

**Comment:** When JBC assesses its production locations there is increased attention for specific “high risk” areas. The company was able to provide some examples related to these risks:

- Turkey: JBC closely follows the changing context in Turkey. As millions of Syrian refugees live and work in Turkey now, there is an increased risk for illegal Syrian workers and child labour in the Turkish garment sector. JBC discussed the risks with its Turkish suppliers to prevent or mitigate related risks.

A letter has been shared with Turkish suppliers to outline the risks and desired approach. Suppliers are expected to sign the letter and send back to assure it has been read and can be referred to. During the performance check JBC was able to show signed letters from suppliers.

- Bangladesh: JBC is aware of FWF's high-risk policy for Bangladesh. Bengali suppliers are informed that the company is a signatory of the 'Accord on Fire and Building Safety in Bangladesh'. Therefore, it can only enter a business relationship if the supplier is a partner of the Accord and is open for inspections and respects provisions of the Accord. In the past three years, only one active production location (out of 31) had a WEP training in the last three financial years. For this reason, full points cannot be awarded.

- China: JBC is aware of the risks related to overtime in China, and has adjusted its production planning system to ensure it does not go over requested/scheduled capacity. In addition, the company pays special attention when production locations have dormitories to ensure workers living situation is good.

- India: JBC is aware of the risk of 'Sumangali scheme' labour in the region of Tamil Nadu. New suppliers operating in Tamil Nadu are asked by JBC to declare that there is no production taking place under the Sumangali Scheme, which is verified by audit reports.

| 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:** JBC continued to cooperate with other Fair Wear brands at shared suppliers in audit follow-up and remediation of the risks found.

| 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. | 57%    | Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. Fair Wear has defined minimum monitoring requirements for production locations in low-risk countries. | Documentation of visits, notification of suppliers of Fair Wear membership; posting of worker information sheets, completed questionnaires. | 2     | 2   | 0   |

| Performance indicators  | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------|------------------------|---------------|-------|-----|-----|
| Member undertakes additional activities to monitor suppliers. | Yes    |                        |               | 1     | 1   | 0   |

**Comment:** JBC produces in two production locations in low-risk countries. For one of these production locations all monitoring requirements are fulfilled, in addition the company has collected an audit report for additional monitoring.

| 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     | Fair Wear 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 Fair Wear and recent Audit Reports. | N/A   | 2   | 0   |

**Comment:** Although JBC meets its general monitoring threshold, the company has not monitored all its production location where it is responsible for more than 10% of production and therefore does not qualify for this bonus indicator.

| Performance indicators   | Result | Relevance of Indicator   | Documentation               | Score | Max | Min |
|--|--------|--|-----------------------------|-------|-----|-----|
| 2.11 Questionnaire is sent and information is collected from external brands resold by the member company. | Yes    | Fair Wear believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of Fair Wear or a similar organisation, and in which countries those brands produce goods. | Questionnaires are on file. | 1     | 2   | 0   |

**Comment:** JBC has shared the questionnaire with external brands resold. Not all external brands have provided JBC with necessary information.

| Performance indicators  | Result | Relevance of Indicator   | Documentation   | Score | Max | Min |
|---|--------|--|---|-------|-----|-----|
| 2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume). | 0%     | Fair Wear 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 Fair Wear's information management system. Documentation of sales volumes of products made by Fair Wear or FLA members. | 0     | 3   | 0   |

| Performance indicators  | Result       | Relevance of Indicator  | Documentation   | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 2.13 Questionnaire is sent and information is collected from licensees. | No licensees | Fair Wear believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place. | Questionnaires are on file. Contracts with licensees. | N/A   | 1   | 0   |

## Monitoring and Remediation

**Possible Points: 35**

**Earned Points: 26**

### 3. Complaints Handling

| Basic measurements  | Result | Comments   |
|---|--------|--|
| Number of worker complaints received since last check.    | 7      | At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system. |
| Number of worker complaints in process of being resolved. | 6      |  |
| Number of worker complaints resolved since last check.    | 2      |  |

| Performance indicators  | Result | Relevance of Indicator   | Documentation  | Score | Max | Min |
|---|--------|--|--|-------|-----|-----|
| 3.1 A specific employee has been designated to address worker complaints. | Yes    | Followup is a serious part of Fair Wear 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:** JBC's CSR Manager is responsible for dealing with complaints from workers or their representatives against their employer within the supply chain of JBC.

| 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 Fair Wear 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:** All production locations have posted Worker Information Sheets, and sharing a picture of the Worker Information Sheet is part of the onboarding process of new suppliers, as described under indicator 1.4.

| 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. | 6%     | After informing workers and management of the Fair Wear CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue. | Training reports, Fair Wear's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes. | 4     | 6   | 0   |

**Comment:** In the past three years JBC has organised WEP Basic trainings at 4 production locations, responsible for 6% of its production volume.

**Recommendation:** Fair Wear recommends JBC to actively raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint helpline among a larger portion of its suppliers. JBC should ensure good quality systematic training of workers and management on these topics. To this end, JBC can either use Fair Wear's WEP Basic module, or implement training related to the Fair Wear CoLP and complaint helpline through third-party training providers or brand staff. Non-Fair Wear training must follow the standards outlined in Fair Wear's guidance and checklist 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. | Yes    | Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues. | Documentation that member company has completed all required steps in the complaints handling process. | 3     | 6   | -2  |

**Comment:** JBC has received seven complaint via the Fair Wear helpline All complaints have been addressed in accordance with the Fair Wear complaints procedure. In the past financial year 2 complaints were resolved en six are still in process.

| Performance indicators  | Result             | Relevance of Indicator   | Documentation  | Score | Max | Min |
|---|--------------------|--|--|-------|-----|-----|
| 3.5 Cooperation with other customers in addressing worker complaints at shared suppliers. | Active cooperation | Because most production locations supply several customers with products, involvement of other customers by the Fair Wear member company can be critical in resolving a complaint at a supplier. | Documentation of joint efforts, e.g. emails, sharing of complaint data, etc. | 2     | 2   | 0   |

**Comment:** When possible JBC cooperates with other members in addressing worker complaints.

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## Complaints Handling

**Possible Points: 17**

**Earned Points: 12**

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## 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 Fair Wear membership requirements helps to support cross-departmental collaboration when needed. | Emails, trainings, presentation, newsletters, etc. | 1     | 1   | 0   |

**Comment:** JBC's CSR manager gives presentations internally on a regular basis. There are also presentations for new employees on the topic of CSR and Fair Wear. The CSR Manager also regularly provides a CSR update during monthly staff meetings and is involved in on-boarding of new employees.

| 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 Fair Wear requirements and advocate for change within their organisations. | Fair Wear Seminars or equivalent trainings provided; presentations, curricula, etc. | 2     | 2   | -1  |

**Comment:** The CSR manager has one-on-one meetings with new buyers about Fair Wear and social compliance in general who are in direct contact with suppliers as part of their onboarding policy. Explanation of human rights due diligence needs to be frequently repeated, especially in relation to JBC's order blocking system.

| 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, Fair Wear audit findings. | 1     | 2   | 0   |

**Comment:** JBC works with several agents. These agents are all informed of Fair Wear membership and took steps to ensure access to factory level information. As far as Fair Wear can ascertain, these agents have not yet taken an active role to support implementation of the Fair Wear Code of Labour Practices by, for example, providing training sessions to factory management.



| 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. | 1%     | Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. Fair Wear has developed several modules, however, other (member-led) programmes may also count. | Training reports, Fair Wear's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes. | 1     | 6   | 0   |

**Comment:** In one production location in Bangladesh, a WEP on violence prevention capacity building was organised. This production location accounts for 1% of production.

| Performance indicators  | Result       | Relevance of Indicator  | Documentation  | Score | Max | Min |
|---|--------------|---|--|-------|-----|-----|
| 4.5 Degree to which member company follows up after a training programme. | No follow-up | 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. | 0     | 2   | 0   |

**Comment:** JBC did not actively follow-up on the training in one of their Bangladeshi production locations.

**Recommendation:** Fair Wear recommends JBC to check whether their supplier conducts regular anti-harassment committee meetings, whether an external expert attends these meetings and whether complaints are reported to the committee. JBC should also communicate to suppliers that reported incidents will not result in negative consequences (such as withdrawing orders) as long as the factory investigates and remediates them accordingly. JBC could also check whether committee members and management are organising awareness raising activities about sexual harassment and whether re-elections of the committee and/or re-training are needed, e.g. due to worker turnover.

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## **Training and Capacity Building**

**Possible Points: 13**

**Earned Points: 5**

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## 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:** In 2018, JBC focused on getting all information on production locations in good order by sending out additional questionnaires and asking for updated external audit reports. In addition, it increased the number of visits to production locations significantly. All these activities resulted in a better overview of production.

In 2019, it increased its transparency even more. Now all production locations from all product groups are in the database.

| 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:** JBC's CSR manager updates all relevant staff regularly, for example during buyers meeting, every other month. In addition, the CSR manager has a meeting with the Chief Buying Officer every 3 weeks a meeting.

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## Information Management

**Possible Points: 7**

**Earned Points: 7**

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## 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 | Fair Wear's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about Fair Wear are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers. | Fair Wear membership is communicated on member's website; other communications in line with Fair Wear communications policy. | 2     | 2   | -3  |

**Comment:** JBC communicates about Fair Wear on its website, magazine and additionally on the doors of its headquarters, email signatures of employees and in their stores. All communication is compliant with Fair Wear's communication policy.

| 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 Fair Wear'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:** Supplier list is part of the sustainability report

| 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 Fair Wear's communication policy. | Social report that is in line with Fair Wear's communication policy. | 2     | 2   | -1  |

**Comment:** JBC published a complete and accurate sustainability report on its website.

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## Transparency

**Possible Points: 6**

**Earned Points: 6**

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## 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 Fair Wear policies are integrated into the structure of the company. | Meeting minutes, verbal reporting, Powerpoints, etc. | 2     | 2   | 0   |

**Comment:** JBC's top management regularly reviews Fair Wear membership, social compliance and its efforts related to both.

| 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. | 0%     | In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach. | Member company should show documentation related to the specific requirements made in the previous Brand Performance Check. | -2    | 4   | -2  |

**Comment:** JBC received a requirement regarding monitoring all production locations where the company buys more than 2% of FOB or where it is responsible for more than 10% of production. This has not been addressed in the past financial year.

## Evaluation

**Possible Points: 6**

**Earned Points: 0**

## Recommendations to Fair Wear

JBC would like to get more hands-on and practical support in addressing remediation at production locations, specifically when it comes to more difficult topics such as living wages or freedom of association.



## Scoring Overview

| Category                       | Earned | Possible |
|--------------------------------|--------|----------|
| Purchasing Practices           | 26     | 52       |
| Monitoring and Remediation     | 26     | 35       |
| Complaints Handling            | 12     | 17       |
| Training and Capacity Building | 5      | 13       |
| Information Management         | 7      | 7        |
| Transparency                   | 6      | 6        |
| Evaluation                     | 0      | 6        |
| Totals:                        | 82     | 136      |

### Benchmarking Score (earned points divided by possible points)

60

### Performance Benchmarking Category

Good

## Brand Performance Check details

Date of Brand Performance Check:

22-07-2020

Conducted by:

Anne van Lakerveld

Interviews with:

Valerie Geluykens - CSR Manager