



BRAND PERFORMANCE CHECK

Outdoor & Sports Company Ltd.

PUBLICATION DATE: MAY 2018

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

ABOUT THE BRAND PERFORMANCE CHECK

Fair Wear Foundation believes that improving conditions for apparel product location workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the product location. FWF, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's member companies. The Checks examine how member company management systems support FWF's Code of Labour Practices. They evaluate the parts of member company supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

In most apparel supply chains, clothing brands do not own product locations, and most product locations work for many different brands. This means that in most cases FWF member companies have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of member companies. Outcomes at the product location level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF member companies cannot guarantee results.

Even if outcomes at the product location level cannot be guaranteed, the importance of good management practices by member companies cannot be understated. Even one concerned customer at a product location can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a product location can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of FWF's work.

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

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

BRAND PERFORMANCE CHECK OVERVIEW

Outdoor & Sports Company Ltd.

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

MEMBER COMPANY INFORMATION	
Headquarters:	Cheshire, United Kingdom
Member since:	01-07-2012
Product types:	Sportswear
Production in countries where FWF is active:	Bulgaria, China, India, Indonesia, Myanmar, Viet Nam
Production in other countries:	Hungary, Malaysia, Philippines, Portugal, Serbia, South Africa, Ukraine, United Arab Emirates, United Kingdom
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	93%
Benchmarking score	77
Category	Leader

Summary:

Outdoor and Sports Company (OSC) has shown advanced results on FWF performance indicators. With a monitoring percentage of 93% and a benchmarking score of 77, it remains in the Leader category.

One of the main focus areas of OSC is the consolidation of the supply chain. It has outlined all factories used for the different brands per product group in order to create synergies between brands, creating a better relationship with the factories and creating efficiencies in auditing and CAP follow-up. During the performance check the results were not yet visible. On the contrary, OSC's 'tail-end' of the supply chain is rather large. This is due to the fact that OSC is reducing production at a number of factories but has not yet stopped completely. FWF recommends OSC to continue with the consolidation process.

When it comes to human rights due diligence, OSC has developed a flow chart outlining the steps that need to be taken when selecting new factories. This is, however, not an official policy that can be shared among all OSC colleagues and other stakeholders. Therefore FWF recommends that OSC develops a company policy (agreed upon with top management/sourcing staff) addressing human rights due diligence in general and specifically to doing business in Myanmar and other supply chain specific risks.

In 2017 OSC had open costing for most of its production locations, and for 13 production locations it has an overview of wages paid, often down to the individual level. OSC has not yet connected its own labour minute costs to wage levels at production locations; this is planned for 2018.

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.	53%	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 2017, more than half of OSC's production volume came from factories where the company buys at least 10% of the production capacity, which is similar to 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.	25%	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: OSC is addressing the consolidation of the supply chain. It has outlined all factories used for the different brands per product group in order to create synergies between brands, creating a better relationship with the factories and creating efficiencies in auditing and CAP follow-up. During the performance check the results were not yet visible. In contrary, in 2017, 25% of OSC goods came from factories where the group buys less than 2% of the production capacity. This is more than last year (16%) and this is due to the fact that OSC is reducing production at a number of factories but has not yet stopped completely.

Recommendation: FWF recommends OSC to continue to consolidate its supply base by limiting the number of suppliers in its 'tail end'. To achieve this, OSC should determine whether suppliers where they buy less than 2% of its 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.	75%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	4	4	0

Comment: OSC values its relationship with its suppliers. In 2017, 75% of production volume was made at factories where OSC has had a relationship for at least five years, which is more than the year before. OSC encourages its brands to source from the same factories when possible, in order to consolidate its supply chain.

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: New suppliers receive the FWF questionnaire and a sourcing pack that includes an OHS questionnaire and the Code of Labour Practices with the 8 labour standards. During the performance check OSC was able to show that the questionnaires had been returned and the Code of Labour Practices posted for its new production locations in 2017.

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

Comment: OSC has developed a flow chart outlining the steps that need to be taken when selecting new factories. The company tries to look for production locations where FWF members are already present. After a sampling and pricing programme, there is at least one factory visit. During this visit, OSC establishes whether the supplier conforms to supplier guidelines and meets its ethical standards. FWF membership requirements and the factory's willingness to be audited by FWF's audit team are also discussed. At the moment there is not an official policy in place with regard to human rights due diligence.

Recommendation: It is advised to describe the process of assessing working conditions at potential new suppliers in a sourcing strategy that is agreed upon with top management/sourcing staff.

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

Comment: In 2016 a rating tool was developed; the OSC supplier appraisal spreadsheet provides a score to all the factories according to product specifics, quality, logistics and follow up on FWF Corrective Action Plans. The aim is to use it for production decisions in the future, but this has not yet happened.

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: In general, lead times for production is between 100 and 120 days. OSC gathers forecasts of retailers orders early on to communicate orders quantities to its production locations. In addition to this, it also works with a critical path schedule and splits orders so that the supplier can spread out the production until the final delivery. Deadlines are determined in partnership with suppliers, and after every season there is an evaluation to discuss how the production went and if there are issues that can be improved.

Once samples are approved there will be no further changes to the product designs. Never out of stock and best-sellers items productions are planned ahead during the factories down time, to help mitigating overtime issues.

When absolutely necessary, OSC will be flexible on the deadline but if the factory has difficulty meeting it, OSC and the supplier will jointly determine options, such as splitting the delivery of the order or shipping goods by air freight. An extra buffer is planned for logistics reasons, concerning goods coming from Myanmar and Vietnam.

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: As mentioned earlier, OSC always has a discussion with factories about the former season's production run and works to see what can be done to improve the process in order to reduce overtime. It continued to address the problem of late materials deliveries from Japan and made design and production decisions (reduced the color palette to diminish dyeing process) to make sure that the fabric would be delivered on time for further production steps.

At new production locations, overtime is discussed straight-away and monitored by OSC.

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

Comment: In 2015, OSC had started an open costing process for a number of its styles, and in 2016, OSC made a study on legal minimum wages at factory level for a number of suppliers. In 2017, the company had open costing for most of its production locations and for thirteen production locations it has an overview of wages paid. OCS has not yet connected its own labour minute costs to wage levels at production locations. This is planned for 2018.

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

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.11 Degree to which member company assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Supply chain approach	Sustained progress towards living wages requires adjustments to member companies' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	6	8	0

Comment: In 2017, OSC had open costing for most of its production locations and for thirteen of its main production locations it has an overview of wages paid. Based on the wage information received from the different production location OSC is asking questions about the wage levels and wage calculations to get insight in root causes and discuss possible solutions. This is an ongoing process.

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

PURCHASING PRACTICES

Possible Points: 44

Earned Points: 32

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	88%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	5%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Meets monitoring requirements for tail-end production locations.	No	FWF members must meet tail-end monitoring requirements. Implementation will be assessed during next Brand Performance check.
Total of own production under monitoring	93%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100% Measured as a percentage of turnover.

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

Comment: OSC has a specific person that keeps an overview of problems identified by the monitoring system. The execution is shared by a team of three people, including the CSR manager and two sourcing managers.

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: A CAP log is kept up to date by the CSR manager to keep track of CAPs and improvement from the factories. Issues are prioritised and when an urgent document is needed the CSR manager will make sure the supplier answers in a timely manner.

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: OSC makes a serious effort to address all of the CAPs. Its sourcing and CSR teams discuss and follow-up on Corrective Action Plans with their suppliers when visiting them and through emails. A remediation review is conducted internally every 6 months. The CAPs issues are ranked through a color code that indicates whether it is still pending or has been resolved.

Recommendation: FWF recommends OSC to conduct a brand and factory root cause analysis when addressing CAP remediation.

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.	82%	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: 82% of the production locations were visited by OSC in 2017 which is equivalent to the previous year. Some visits are made by technicians from England or from the Chinese QC team who check OHS issues based on a specific questionnaire.

When the sourcing and CSR staff visit factories, they follow up on CAPs with another questionnaire that includes FWF implementation of the Code of Labour Practices.

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: For two of its suppliers, in Indonesia and UAE (where FWF did not have its own audit team at the time), OSC trained an audit team and shared the FWF audit template, so they could conduct audits meeting FWF requirements.

During its due diligence process, OSC collects existing audit reports. In 2017, it used the audit quality assessment tool and focused on corrective actions indicated by the audit reports.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	Aside from regular monitoring and remediation requirements under FWF membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. FWF requires member companies to be aware of those risks and implement policy requirements as prescribed by FWF.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	3	6	0
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Intermediate			3	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Policies are not relevant to the company's supply chain			N/A	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

Comment: Due diligence was conducted in Myanmar by the group. OSC started visiting their first production location there in 2015 and conducted a follow-up visit 6 months later.

As they have a long and fruitful relation with their supplier in China, they felt confident to collaborate when it decided to open a factory in Myanmar. OSC decided to work hand in hand with them to get the production started. OSC is thus involved in terms of capacity building, OHS and adapting to the local culture. The CSR and sourcing teams are aware of the specific social compliance country risks and prefer to mitigate those by working together with other FWF member brands at shared suppliers in Myanmar.

However, at the moment OSC's approach to doing business in Myanmar as well as a more general policy regarding due diligence and human rights risk is not part of official company policy.

Recommendation: FWF recommends OSC to develop a company policy addressing human rights due diligence in general and specifically to doing business in Myanmar and other supply chain specific risks, that is agreed upon with top management/sourcing staff. In addition, FWF recommends OSC to fulfil all of FWF's requirements related to sourcing in Myanmar.

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: OSC cooperates with several other FWF members. They share audits and follow up on CAPs. They also update one another after visiting common factories.

OSC also cooperates when conducting human rights due diligence at potential new production locations.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	50-100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	1	2	0

Comment: Production locations in low risk countries were visited by OSC. The company could provide proof that it met all requirements for low risk countries monitoring, including posting of the Worker Information Sheet.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	Yes, and member has collected necessary information	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.	2	2	0

Comment: OSC resells Oboz and Altera Shoes and Zempire tents. All have signed the external brand questionnaire and OSC has collected audit reports for the known production locations (one of which is also producing for another FWF member).

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%	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.	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	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: 34

Earned Points: 25

Additional comments on Monitoring and Remediation:

Requirement: In the tail end of OSC's supplier base, FWF requires OSC to ensure it audits all production locations where OSC is responsible for over 10% of the location's production capacity as per the monitoring threshold requirements.

3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	2	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved	1	
Number of worker complaints resolved since last check	1	

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

Comment: The CSR manager has been designated to address worker complaints.

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

Comment: OSC has a system in place to check that the Worker Information Sheet is posted. Whenever a company representative visits a production location (s)he is asked to take a photo of the worker information sheet and share it with the CSR manager.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Percentage of FWF-audited production locations where at least half of workers are aware of the FWF worker helpline.	60%	The FWF complaints procedure is a crucial element of verification. If production location based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Production location participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited production locations where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of production locations in WEP programme.	3	4	0

Comment: Trainings and audit findings showed that 60% of OSC's production locations counted at least half of their workers as being aware of the FWF worker helpline.

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 + Preventive steps taken	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.	6	6	-2

Comment: As soon as OSC received a complaint, it gets in touch with the factories and asks clarifying questions about the issues. The CSR manager followed up on remediation by discussing with factory management and has visited the production locations.
At the moment one complaint is resolved and the other complaint is close to being resolved.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	Active cooperation	Because most production locations supply several customers with products, involvement of other customers by the FWF member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	2	2	0

Comment: OSC cooperated with several other FWF members when addressing complaints.

COMPLAINTS HANDLING

Possible Points: 15

Earned Points: 14

4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff at member company are made aware of FWF membership.	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	-1

Comment: All staff is aware of FWF membership and new staff have a training about the company that includes some time spent with the CSR manager to be informed about FWF CoLP and requirements. In 2017, a presentation about FWF membership was given to the sales force refresh their knowledge.

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: The CSR manager provides regular trainings to the sourcing team about FWF requirements.

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.	Member does not use agents/contractors	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.	N/A	2	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Production location participation in Workplace Education Programme (where WEP is offered; by production volume)	61%	Lack of knowledge and skills on best practices related to labour standards is a common issue in production locations. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	6	6	0

Comment: Eleven suppliers of the company have been trained by FWF in 2017. OSC also actively follows up and discusses CAPs related to the WEP trainings reports.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Production location participation in trainings (where WEP is not offered; by production volume)	0%	In areas where the Workplace Education Programme is not yet offered, member companies may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	0	4	0

Comment: No training was offered by OSC to suppliers in countries where FWF is not active.

Recommendation: All factory workers should be informed about the labour standards and the process of monitoring and remediation. In order to further communication between employers and workers in the workplace FWF recommends OSC to ensure suppliers participate in trainings. Trainings must meet FWF quality standards to receive credit for this indicator: top management, supervisors and workers should be included in the trainings, separately. Workplace standards and dispute handling should be included in the training. At least 10-20% of the workforce must be trained, depending on the size of the factory. Worker participation should be balanced and representative.

TRAINING AND CAPACITY BUILDING

Possible Points: 13

Earned Points: 9

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: Subcontracting is forbidden by OSC unless it is for printing and embroidering. And in those cases, the first tier supplier must inform OSC. Subcontractors are registered in FWF database and OSC checks that they have posted the CoLP.

The local Chinese QC team always visits factories in China and Indonesia at different stages of the production, which allows them to check the production locations.

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: CSR and sourcing staff fill in a yearly list of travels plan which allows the CSR department to mobilize all traveling staff to follow up on pending issues.They share a check-list of CAPs to be checked by using a questionnaire. The local QC staff is also involved depending on the issues.
In 2017 the sourcing team started with regular sourcing meetings including CAP follow-up, supplier appraisal, factory audit plan and review.
OSC has started more communication between its different brands to work towards more shared factories.

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 OSC brands contain information related to FWF and adhere to its communications policy. In 2017, OSC introduced its leader logo on the hang-tags of its products, in line with FWF's communication policy.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Published Performance Checks, Audits, and other efforts lead to increased transparency	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	1	2	0

Comment: OSC shares its Brand Performance Check report on its website.

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

Comment: OSC shares its Social Report on its website.

TRANSPARENCY

Possible Points: 6

Earned Points: 5

7. EVALUATION

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

Comment: FWF is a regular item of discussion during management meetings, and progress on audits and Brand Performance Check scores is reported on. FWF membership is integrated in the company. All the staff is informed and involved from product design onwards.

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.	49%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	2	4	-2

Comment: The previous performance check contained one requirement regarding monitoring requirements. FWF requires OSC to ensure it audits all production locations that are responsible for over 2% of production and production locations where OSC is responsible for over 10% of the location's production capacity.

In 2017, OSC did audit all companies that are responsible for over 2% of production but did not audit all companies where OSC is responsible for over 10% of the location's production capacity. Therefore full points cannot be awarded for this indicator.

EVALUATION

Possible Points: 6

Earned Points: 4

RECOMMENDATIONS TO FWF

OSC recommends FWF to locally print the Worker Information Cards and have brands order them to have them delivered to the factory. This ensures the local team checks all information is correct.

OSC recommends FWF to improve its audit accuracy and consistency. In addition, OSC recommends to look into possibilities to make the CAPs more workable, for example by limiting the number of findings.

OSC recommends FWF to have more marketing activities focused on the UK and possibly have a stand at ISPO.

OSC recommends FWF to improve the complaints reporting process in the FWF database. To ensure that a brand can access the complaint via the database and not just via the original e-mail link.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	32	44
Monitoring and Remediation	25	34
Complaints Handling	14	15
Training and Capacity Building	9	13
Information Management	7	7
Transparency	5	6
Evaluation	4	6
Totals:	96	125

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

77

PERFORMANCE BENCHMARKING CATEGORY

Leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

11-04-2018

Conducted by:

Kees Gootjes, Anne van Lakerveld

Interviews with:

Hamish Dunn, Mountain Equipment Brand Director

Duncan Machin, Marketing manager Sprayway

Steve Rothwell, Ron Hill Sourcing Director

Sarah Forte, Commercial Director for Mountain Equipment and Sprayway.

Kevin Offer, CSR and FWF Manager