



## **Brand Performance Check**

# **PAPTEX Textilhandels GmbH**

**Publication date: July 2021**

This report covers the evaluation period 01-01-2020 to 31-12-2020

## 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.

*This years' report covers the response of our members and the impact on their supply chain due to the Covid-19 pandemic which started in 2020. The outbreak of the Covid-19 pandemic limited the brands' ability to visit and audit factories. To ensure the monitoring of working conditions throughout the pandemic, Fair Wear and its member brands made use of additional monitoring tools, such as complaints reports, surveys, and the consultation of local stakeholders. These sources may not provide as detailed insights as audit reports. To assess outcomes at production location level, we have included all available types of evidence to provide an accurate overview of the brands' management systems and their efforts to improve working conditions. Nevertheless, brands should resume verifying working conditions through audits when the situation allows for.*

# Brand Performance Check Overview

## PAPTEX Textilhandels GmbH

Evaluation Period: 01-01-2020 to 31-12-2020

Member company information	
Headquarters:	Dornbirn , Austria
Member since:	2016-01-01
Product types:	Home Textiles
Production in countries where Fair Wear is active:	China, India, Romania, Turkey
Production in other countries:	Austria, Germany
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	92%
Benchmarking score	69
Category	Good

## Summary:

Paptex has met most of Fair Wear's performance requirements. The company has monitored 92% of its purchasing volume. Combined with a benchmark score of 69, it means that Fair Wear has awarded Paptex the 'Good' category.

## Corona Addendum:

Paptex operates in the sector of home textiles. By working closely with its customers, the brand managed to minimise the financial impact of the Corona pandemic on its revenue and could ensure a steady order flow for its suppliers. At the same time, the brand experienced major challenges with the rise of transport costs and the price increase of GOTS certified fabric that occurred due to the systematic fraud in GOTS certification discovered in India.

From the start of the pandemic, Paptex kept itself informed on the impact of COVID-19 on its sourcing countries and production locations. The CEO and CSR manager at Paptex were in regular contact with all suppliers and proactively offered (financial) support. Moreover, the brand made use of FW guidance and consulted the (local) media. The brand did not systematically document the risks that were identified or make a prioritisation of countries versus risks. The main risks identified by Paptex for all its sourcing countries were shortcoming of supplies, liquidity issues, increased pressure on production due to lower capacity and, payment below legal minimum wages.

At the start of the pandemic, Paptex learned that one of its Chinese suppliers did not have enough stock of facemasks. Paptex responded by sending facemasks from Europe. Paptex later learned that some of its factories in Turkey and China had issues with capacity due to the COVID-19 measures taken and were making overtime hours to compensate for the limited capacity. The brand adopted its purchasing practices by allowing the use of subcontractors and accepting late deliveries. Paptex also supported its main factory in Turkey financially. It pre-financed raw material and paid for an overtime bonus for the workers. Paptex did not cancel any planned orders and even increased some of its orders to support its factories. The brand only postponed orders to accommodate the limited capacity some of the factories experienced.

As mentioned, Paptex identified the risk of payment of wages below legal minimum wage in its sourcing countries China, Turkey, India, and Romania. For its Turkish supplier, it was able to verify that wages did not get below legal minimum wage. For its other production locations, the brand did ask whether they could continue paying wages, but did not take additional steps to verify the actual wages paid in 2020. In the course of 2021, Paptex did collect wage information from most of its suppliers.

All in all, the brand's response to COVID-19 demonstrates that it has the systems in place to work together with customers and suppliers in a crisis like the pandemic. Fair Wear recommends the brand to focus more on the documentation of its responses and take additional steps to verify whether factories have done what has been confirmed by factory management.

## 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.	90%	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:** Paptex has two key suppliers located in Turkey and China that make up the largest part of its production volume. 90% of Paptex' production volume came from production locations where it buys at least 10% of the production capacity in 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.	7%	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.	3	4	0

**Comment:** In 2020, 7% of the production came from locations where Paptex buys less than 2% of its total FOB. In total it concerns 17 factories of which five are located in Austria and Germany. Compared to last year, Paptex reduced its tail-end with 1 % in 2020.

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.	93%	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:** Paptex has a longstanding relationship with 11 of its 20 suppliers, in total they represent 93% of the total FOB over 2020. It is part of Paptex's sourcing strategy to maintain long-term partnerships, as it takes time to build the trust needed to work together with suppliers on implementing the CoLP.



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:** Paptex uses a checklist that describes the different steps the company takes before placing orders at new suppliers. Making sure the signed questionnaire is sent back is one of the requirements for placing orders.

In 2020, Paptex added two new suppliers, one in Austria and one in China. Both factories have signed and returned the questionnaire with the Code of Labour Practises (CoLP).

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:** Paptex' production predominantly takes place in Turkey, China, and Romania. In 2020, Paptex had a trial order with one new supplier in China. Since the quality of the trial order and communication with the supplier was insufficient, Paptex decided not to start cooperation.

As a standard procedure, Paptex works with a checklist that describes the steps before placing orders. First, the product quality needs to be sufficient. Before moving further, Paptex checks if the supplier has a BSCI or SA8000 audit and checks the most urgent issues in the production locations. If these two steps are fulfilled, the member brands checks if it can work towards a long term relationship. To enable this, Paptex needs to be able to influence working conditions (sufficient leverage) and be granted direct contact with management. Last in the process is the commitment of Fair Wear membership. If agreed, the Fair Wear questionnaire is signed and Fair Wear Worker information sheets (WIS) are posted. The CEO has the final say regarding sourcing decisions. These decisions are influenced by the potential compliance of new suppliers with the CoLP, but this is done in an informal, intuitive way, and is not included in a policy.

Paptex conducts a yearly risk assessment for all its production countries, the information in the risk assessment is based on FW guidance documents and followed webinars. The risk assessment is linked to the evaluation of suppliers by means of a supplier evaluation form (see 1.5). It is the companies' strategy not to move large parts of the production to other countries and to maintain a stable supply chain. Nevertheless, Paptex' due diligence procedure has not been formalised in a document nor is it included in its sourcing strategy.

To keep itself informed of the impact of COVID-19 on its sourcing countries and production locations, the CEO at Paptex was in regular contact with all suppliers and proactively offered (financial) support. Moreover, the brand made use of FW guidance and consulted the (local) media. The brand did not systematically document the risks that were identified or make a prioritisation of countries versus risks. The first period of the pandemic was chaotic, production countries were in full-lockdown and at headquarters all staff was working hard to ensure no orders were cancelled by consumers. From talks with its Chinese supplier, Paptex learned there was a shortage of face-masks Later on, Paptex learned that some of its factories In Turkey and China were making overtime hours to compensate for the limited capacity. To sum up, the main risks identified by Paptex for all its sourcing countries were: shortage of raw materials, liquidity issues, increased pressure on production due to lower capacity and, payment below legal minimum wages.

**Recommendation:** The COVID-19 risk assessment should include country specific information regarding the lockdown and supplier specific information regarding its financial impact. It should link the changes in the member's purchasing practices to its impact on suppliers. This risk assessment should serve as the basis for dialogue between the member and supplier.

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:** Paptex makes use of a supplier evaluation system. The suppliers are rated based on their compliance with Fair Wear's Code of Labour Practices (CoLP) in addition to other elements such as the communication with the factory. On an annual basis, the outcomes of the evaluations are shared with suppliers by means of scorecards. If a supplier performs well, the member brand will consider higher orders and (further) joint investments in the production location. Part of Paptex's production exists out of Never Out Of Stock (NOS) items, these items are used for that. When a supplier is underperforming in terms of social compliance, this could lead to lower orders and eventually an exit by the member brand.

In 2020, Paptex stopped with four suppliers, three of them due to CoLP compliance. It concerns two factories in China with which the brand stopped after the first sample order. Another one in China for which Paptex has been decreasing its order volume over the last four years because of repeated non-compliance with FW CoLP. In addition, the brand stopped working with its Indian supplier because of the systematic fraud discovered with GOTS certification in the country.

Throughout the pandemic, the brand was in regular dialogue with its factories and adapted its purchasing practises in response to the issues factories experienced. For example, from talks with its Chinese supplier, Paptex learned there was a shortcoming of face-masks. To support the factory, the brand sent face-masks from Austria. Later on, Paptex learned that some of its factories in Turkey and China were making overtime hours to compensate for limited capacity. The brand adapted its purchasing practises by allowing the increased use of subcontractors and postponing some orders. Paptex did not cancel any of its planned orders and even increased some of its orders to support its factories. The brand only postponed orders to accommodate the limited capacity some of the factories experienced.

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:** Over the last years Paptex has changed its production planning. Customers now give their forecasts six instead of three months ahead and Paptex' stock data is shared with its customers. Customers know that lead times for stitching departments are between six and eight weeks and they agreed to always provide their forecast.

Production lead times are set together with suppliers. In China, this is between eight and 13 weeks, in Turkey, this is between six and eight weeks. For some orders, standard lead times are used, and reorders have lead times of two weeks provided that fabric is in-house. In order to increase time for production, Paptex places orders as early as possible, even when it has not received all details from its customer. Paptex works with two seasons; spring and autumn. Moreover, a significant part of Paptex collection exists out of NOS articles and the company has programs of multiple years with several clients. These programs of multiple years ensure a stable order flow for its suppliers.

Paptex has an advanced production planning with its main supplier in Turkey which enables the brand to place orders that fill production gaps at the supplier. Paptex pre-finances fabrics at its main supplier in Turkey to prevent overtime as a result of delays in the delivery of fabric.

In response to delivery delays because of the COVID-19, Paptex accepted flexible delivery dates without penalising its factories and it postponed some of its orders to accommodate limited capacity.

**Recommendation:** Fair Wear recommends Paptex to learn more about the standard minute per style and how the production of its products impacts the total production capacity of the factory.

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:** Paptex sees that excessive overtime occurs mostly at its Chinese suppliers. Although the brand has raised the issue with its Chinese intermediaries and suppliers, this has had limited effect on the behaviour of its suppliers in relation to excessive overtime. Paptex found out that migrant workers in China often want to work excessive overtime. This shows the strong correlation between overtime hours and living wage. Since then, Paptex recommends suppliers to work with local employees as much as possible. According to factory management, local workers are less eager to work overtime as they have a family to spend time with. Furthermore, to attract local workers, suppliers have to raise their wages. This further reduces the need to work more overtime in order to earn enough money to cover for daily expenses.

At the end of 2019, Paptex received two audit reports from Chinese factories that had findings related to excessive overtime. In both factories, weekly overtime exceeded 60 hours and workers did not receive a regular day off a week. In 2020, the brand followed up on the issues by discussing it with factory management. Factory management stated that over-time was currently non-existent because of the impact of COVID-19. The brand did not take additional steps to verify whether this was really the case.

For its other production locations, the brand had actually identified excessive overtime as a risk resulting from the impact of COVID-19. From its main supplier in Turkey, Paptex learned that overtime was needed to compensate for the reduced capacity due to the taken COVID-19 measures in the factory. The member brand supported the factory by paying for the overtime compensation of workers. It also allowed for flexible deliveries and to increase production at a subcontractor to lighten production pressure.

**Recommendation:** Paptex is recommended to discuss with factory management on the causes of excessive overtime and provide support to manage overtime. If necessary, Paptex could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier. Fair Wear could recommend qualified persons upon request. 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.	Intermediate	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages – and towards the implementation of living wages.	Interviews with production staff, documents related to member’s pricing policy and system, buying contracts.	2	4	0

**Comment:** Paptex buys ready-made-garments (RMG) at its suppliers. For the majority of the products, it receives a detailed cost break-down of the accessories, applicants and materials. Moreover, the brand is aware of the approximate labour time that is needed for the production of its styles. In case the member brand has to negotiate prices, it bargains on material costs, stock optimisation and less or simpler packaging. In case Paptex is still not able to reach the target price of the customer, it will not offer the product.

In 2020, one of its suppliers came back to Paptex because of a significant labour cost increase for a product that was already ordered and, for which the price was already agreed upon. After a discussion with the supplier, Paptex decided to absorb the cost increase by itself. That way, Paptex supported the factory and ensured workers would receive the correct compensation for working on Paptex products.

Paptex acquired information from its main suppliers about the additional wage costs needed to implement COVID-19 measures. From the Turkish supplier it learned that they had to make more over-time hours to compensate for the limited capacity. The brand financially supported to the factory cover those costs. It was more difficult to get this kind of information from the factories in China, they were less transparent and said that there was no need for financial support from the brand.

**Recommendation:** Fair Wear recommends PAPTEX to continue expanding the knowledge of cost break downs of all product groups. The work of the previous CSR manager should serve as a basis for the current sustainability manager to continue with this topic. Fair Wear's labour minute value and product costing calculator also enables suppliers to include any COVID-19 related costs.

PAPTEX Textilhandels GmbH is encouraged to provide employees involved in price negotiations with suppliers training on cost breakdown.

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	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.	-2	0	-2

**Comment:** In 2019, one issue was found during an audit at a Chinese supplier in which five piece-rate workers were paid below the legal minimum wage. The follow up of this issue continued in 2020 but due to COVID-19, the communication with the factory was difficult. Factory management did not respond to emails until recently. The issue was therefore not solved.

Paptex was aware of the risk of payment of wages below legal minimum wage in its sourcing countries China, Turkey, India and Romania, especially during temporary closures. For its Turkish supplier it was able to verify that wages did not get below legal minimum wage. For its other production locations the brand did ask whether they were able to continue the payment of wages but the brand did not take additional steps to verify the actual payment.

**Requirement:** If a supplier fails to pay minimum wages, members are expected to respond in time, identify root causes with factory management, and resolve that local labour laws are respected. Evidence of remediation must be collected. (online) Factory visits with a documents check or additional verification by Fair Wear may be needed to verify remediation.

**Recommendation:** During COVID-19 the member is expected to thoroughly check with its suppliers whether they foresee any issues with payment of wages.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

**Comment:** In 2020, there was no evidence of late payment to suppliers. Paptex did not face any liquidity issues due to the pandemic and the member stuck to its standard payment terms.

Paptex supported its main factory in Turkey financially by pre-financing raw material and paying for an overtime bonus for the workers.

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:** In the first months of 2020, the brand focused its efforts on the topic of living wages at its two main suppliers in Turkey and China. Both factories have filled in the FW Labour Minute Costing Calculator sheets and at its main supplier in Turkey the calculation sheets have been used to establish a target wage at the factory (see 1.13). The corona pandemic cause priorities to shift as its factories experienced numerous difficulties and the prices of raw material and transportation rose enormously. In the upcoming year, the brand is planning to re-start the discussion on living wages again with its main factory in Turkey (which accounts for nearly 60 % of the brands total FOB).

Low retail prices and strong competition in the industry of home-textile, which results in a cost price that does not allow for the payment of a living wage, are root causes defied for wages below living wage. Paptex is planning to share the costs related to the implementation of a target wage with its main supplier in Turkey. The costs will be integrated in the retail price. For that reason, Paptex will further investigate the price built-up of its collection to select a number of products that are most suitable to start with.

**Recommendation:** Fair Wear encourages Paptex to continue the discussion with its suppliers about different strategies to work towards higher wages.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	1%	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	1	2	0

**Comment:** Paptex owns a production workshop in Austria that is used for stitching and the finishing of goods.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	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.	2	6	0

**Comment:** In the beginning of 2020, Paptex had started to increase wages at its main supplier in Turkey by means of a bonus system payment. The bonus was paid out during the first months of 2020. However, when COVID-19 started the payment of the bonus was not continued. The main reason for that was the significant increase in costs experienced by the supplier (especially in raw material and transportation costs). The financial contribution of the brand was used to cover those costs. In addition, during 2020 Paptex has financially supported its main factory in other ways, for example by pre-financing fabrics.

Moreover, the brand felt that the bonus construction put all responsibility at brand-level while it would like this to be a shared responsibility. The brand has now agreed on a target wage with its Turkish supplier which is an increase of 20 % of the minimum wage. The implementation will take place in 2021.

Paptex is planning to finance the wage increase by increasing its retail prices. For that it will start with a selection of products to which it will include the set target wage in the cost-price.



**Recommendation:** Fair Wear advises companies to avoid the concept of a one-time charitable contribution. We strongly recommend members to integrate the financing of wage increases in its own systems, herewith committing to a long term process that leads to sustainable implementation of living wages.

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

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

**Comment:** As mentioned (see 1.13), Paptex had started to increase wages at its main Turkish supplier through a bonus system. As the payment was discontinued after COVID-19 started, the brand efforts are not awarded at this indicator.

**Recommendation:** We strongly recommend Paptex to show that discussions and plans for wage increases have resulted in the payment of a target wage.

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## Purchasing Practices

**Possible Points: 52**

**Earned Points: 31**

## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	91%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	1%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
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.
Total monitoring threshold:	92%	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:** The sustainability manager is responsible to follow up on problems identified by the monitoring system.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case 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.	No Corrective Action Plans were active during the previous year	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.	N/A	2	-1

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:** Paptex systematically addresses CAP follow up. The CSR manager keeps track of remediation statuses of the CAP findings. CAP findings are prioritised by Paptex and follow-up is discussed with suppliers via email. Furthermore, the sustainability manager and CEO discuss the follow-up of CAPs with their suppliers during on-site visits. At its main supplier in Turkey, Paptex has started to include worker representation in the remediation process. Since they only speak the local language, Paptex has decided to involve one of its shop managers in Austria that speaks that language too. CAP status and relevant correspondence on the findings are documented and if possible supported by photos. Paptex uses a traffic light system in every CAP report to indicate the status of each finding.

Paptex did not conduct any FW audits in 2020, it commissioned one external audit at a supplier in Romania but that audit did not have any CAP findings. During the Brand Performance Check, Paptex could demonstrate on-going follow-up of CAPs at various suppliers from audits conducted in 2019. The brand experienced it was more difficult to follow up on CAP issues by mail and WeChat with its Chinese suppliers, the longer that the brand has not visited the suppliers the more difficult it got.

Findings related to COVID-19 were not included in the standard CAP remediation process. The brand did follow up on issues that resulted from dialogue with suppliers. For example, it sent face-masks to one supplier that did not have enough supplies and financially supported its main supplier in Turkey to overcome the additional material and transportation costs (see 1.4).

**Recommendation:** Paptex is advised to further systemise the inclusion of worker representation in the remediation process. Either to engage workers in identifying and implementing improvements or to verify realised improvements. Furthermore, COVID-19 related issues can be included in outstanding CAPs to facilitate monitoring.

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.	not applicable	Due to the Covid-19 pandemic, brands could often not visit their suppliers from March - December 2020. For consistency purposes, we therefore decided to score all our member brands N/A on visiting suppliers over the year 2020.	Member companies should document all production location visits with at least the date and name of the visitor.	N/A	4	0

**Comment:** As travel was restricted due to the COVID-19, this indicator is not applicable in 2020 for all Fair Wear members. Nevertheless, Paptex did visit all its European supplier in 2020.

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:** In 2020, Paptex collected one external audit report, it has also assessed the quality of the report using the Fair Wear quality assessment tool.

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	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Intermediate			3	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Advanced			6	6	-2

**Comment:** Turkey

Paptex' main sourcing country is Turkey, the brand works with one main supplier and three subcontractors. The brand is aware of the risks related to Turkish garment factories employing Syrian refugees and discusses these risks with its main supplier on a regular basis. The factory management and brand have agreed that Syrian refugees will only be employed with an official contract and with the same working conditions as local people. Currently, the factory has no Syrian refugees employed. Moreover, Paptex has made policy on the use of subcontracting that was signed by its main supplier. The risk at its subcontractors would normally be monitored by supplier visits, which could not take place in 2020 for obvious reasons. The brand did not conduct audits at its subcontractors to monitor working conditions nor did it make use of alternative monitoring tools.

## India

Paptex is aware of the risks related to the Sumangali scheme in India as well as the risk of gender-based violence. In 2020 it sourced from one supplier in India to buy GOTS certified cotton. The brand experienced major issues with the factory after systematic fraud in GOTS certification was discovered in India. The brand is currently considering to phase out the supplier if this will continue to be an issue.

## Other risks

The brand is aware of the risks of forced labour, excessive overtime and Freedom of Association (FoA) in China. In 2020, it was decided that it no longer sources cotton from China, the brand did not take other remediation steps. Paptex is also sourcing from one supplier in Romania and is aware of the risks related to sourcing Romania such as payment of wages below living wages, FoA and overtime. The factory in Romania is visited often by Paptex and it has knowledge of the region where the factory is located. The factory has also been audited to monitor the working conditions.

## COVID-19

Paptex kept itself informed of the impact of COVID-19 by having regular contact with its suppliers and consulting FW guidance and relevant media. As main risks the brand identified: liquidity issues due to order cancellations, production and delivery delays and payment below legal minimum wage during work stoppages. The brand did not make a prioritisation of risks versus countries, its main remediation efforts were focused on its main supplier in Turkey. The brand supported this supplier financially in different ways (pre-financing fabrics, covering additional costs related to transportation and raw materials) and accepted all late deliveries. Also, the brand did not cancel any of its planned orders to ensure a steady order flow (this applies to all suppliers). For its other suppliers, the brand also always accepted late deliveries caused by production or delivery delays. To prevent workers getting ill, the brand ensured that all factories had the correct COVID-19 measures in place. It did so by asking the factories about their measures taken, if they followed government regulations and it requested evidence of the measures. To ensure legal minimum wages were always paid, Paptex reached out to factory management. For its Turkish supplier it was able to verify that wages did not get below legal minimum wage. For its other production locations the brand did ask whether they were able to continue the payment of wages but the brand did not take additional steps to verify the actual wage paid in 2020. In the course of 2021, Paptex did collect the wage information at most of its suppliers.

**Recommendation:** Knowing the country specific risks facilitates the starting point for discussing this with suppliers, it is also important to take country risks in consideration when wanting to increase production in a certain region. Member companies can agree on additional commitments that are required to mitigate risks. Paptex can provide additional measures for support and integrate that in the monitoring system.

Especially for its Chinese suppliers, we ask Paptex to make a clear statement to its suppliers that, as a brand, it does not want to be involved with any forced labour in its supply chains, including subcontractors.

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:** Paptex has one shared supplier with another Fair Wear member. Paptex is in the lead for CAP and training follow-up and informed the other member of the progress.

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.	80%	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

**Member undertakes additional activities to monitor suppliers.:** No (o)

**Comment:** Paptex sources at four suppliers in low-risk countries Austria and Germany, responsible for 1% of its total production volume. All suppliers have returned the signed CoLP, one of the four suppliers is so far not willing to post the WIS.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	No external brands resold	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.	N/A	2	0



Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	No external brands resold	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.	N/A	3	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	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

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## Monitoring and Remediation

**Possible Points: 24**

**Earned Points: 18**

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### 3. Complaints Handling

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.1 A specific employee has been designated to address worker complaints.	Yes	Followup is a serious part of 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:** The sustainability manager at Paptex is responsible for following up on worker complaints.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company has informed factory management and workers about the FWF CoLP and complaints hotline.	Yes	Informing both management and workers about the 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:** Paptex checks on a regular basis whether the Worker Information Sheet (WIS) is still posted in the factory. In normal circumstances, staff would also make regular visits to factories during which the Worker Information Cards (WIS) would be handed out to the workers. Paptex is planning to resume that activity once international travel is allowed again.

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.	33%	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 2018 and 2019, four of Paptex' suppliers, accounting for 33% of its production volume in high-risk countries, participated in FWF's Workplace Education Programme (WEP) basic module. These production locations were all located in China.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure.	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	N/A	6	-2

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers.	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the 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.	N/A	2	0

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## Complaints Handling

**Possible Points: 9**

**Earned Points: 7**

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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:** In 2020, Paptex has created a welcome package for all new staff. It consists of a series of documents with different information including the brand's membership with Fair Wear. Moreover, detailed information sheets are available on the public server and the Fair Wear membership is discussed during online meetings and in the companies' WhatsApp group.

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:** All staff that is in direct contact with suppliers includes the sustainability manager, production planning manager and the CEO. All are aware of Fair Wear requirements and they actively work together on monitoring the working conditions at the suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes + actively support COLP	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, Fair Wear audit findings.	2	2	0

**Comment:** Paptex works with three agents. In addition, its main supplier in Turkey acts as agent for locations in the country. The agents are aware of the Fair Wear Code of Labour Practices. They play a crucial role in CAP remediation and organising WEPs as these agents are Paptex' main point of contact to the factory.

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.	29%	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.	4	6	0

**Comment:** In 2019, Paptex's main Turkish supplier has participated in a WEP Factory Dialogue.

**Recommendation:** Fair Wear recommends Paptex to follow up on the initial training by establishing functional worker committees with a step-by-step approach and organise multiple follow-up sessions spread over several months and strengthen herewith internal grievance mechanisms. The training outline should have a worker-centered approach and focus on behavioural and structural change to improve working conditions for the long term, such as gender based violence and worker-management dialogue.

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:** In 2020, there has been no active follow up on the WEP factory dialogue that had taken place in 2019.

**Recommendation:** Fair Wear recommends Paptex to discuss outcomes of WEP training sessions with its suppliers and what steps management is planning to further strengthen dialogue between workers and management. This may include holding regular meetings between worker representatives and management to discuss improvements to working conditions or allowing worker representatives to conduct a worker survey on specific issues.

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## **Training and Capacity Building**

**Possible Points: 13**

**Earned Points: 9**

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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.	Intermediate	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	3	6	-2

**Comment:** Paptex has a subcontracting policy which states that outsourcing is an option but it should be announced beforehand. The policy includes suppliers as well as agents. In Turkey and India the company has made significant efforts to identify all suppliers. Moreover, the brand is consciously phasing out some product that pose a higher risk for subcontracting

In addition to this, shipment locations are always checked upon arrival of the goods and Paptex has a good idea what the technical possibilities are for each production location. If a supplier provides a technique which they don't have in-house, Paptex will notice.

**Recommendation:** Fair Wear recommends Paptex to periodically check whether all known production locations are still up to date and use the information coming from questionnaires to update supplier data, including subcontractors.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	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:** For each supplier, Paptex stores all relevant documents on the server. Other information on the compliance status of suppliers is shared among relevant staff verbally, in an informal way. Audit reports are sent by email to all relevant staff.

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## **Information Management**

**Possible Points: 7**

**Earned Points: 4**

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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:** Paptex communicates about its Fair Wear activities through its website, brochures, shops and on social media. Since 2020, the brand is using on-garment communication, it's now on all products.

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:** Paptex publishes the Brand Performance Check reports on its website. In 2020, the member has disclosed 90 % of its factories both to other members in Fairforce and on the Fair Wear Website following the new transparency policy.

**Recommendation:** Fair Wear recommends member brand to disclose 100% of production locations to other Fair Wear members in Fair Force and on the Fair Wear website

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.3 Social Report is submitted to FWF and is published on member company's website.	Complete and accurate report submitted to FWF AND published on member's website.	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with Fair Wear's communication policy.	Social report that is in line with Fair Wear's communication policy.	2	2	-1

**Comment:** Paptex shared its social report with Fair Wear and posted it on its website.

## Transparency

**Possible Points: 6**

**Earned Points: 6**

## 7. Evaluation

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management.	Yes	An annual evaluation involving top management ensures that Fair Wear policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

**Comment:** The CEO and sustainability manager are actively involved with Paptex' Fair Wear membership and evaluate on a regular, but ad hoc, basis. Supplier feedback is taken into account in these evaluations. The Brand Performance Check report is used to set priorities, as well as for input to the sourcing strategy and the Fair Wear workplan.

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.	100%	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.	4	4	-2

**Comment:** Last year, Paptex received requirements for the living wage indicators 1.8, 1.11 and 1.13, the brand has made sufficient progress on all requirements. For more information, see the respective indicators.

## Evaluation

**Possible Points: 6**

**Earned Points: 6**

## Recommendations to Fair Wear

Paptex advises Fair Wear to have more understanding for the opposing position of financial institutions on Fair Wear's advice to brands to shorten the tail-end of the supply chain. Generally, financial institutions advise is to have more suppliers in order to decrease the risk of financial dependency on just one or a couple of suppliers and/or customers.

Moreover, Paptex recommends Fair Wear to take the economic development of a brand's sourcing countries into consideration when rating a brand's efforts on living wage.

Paptex would like to see more collaboration of Fair Wear with environmental initiatives such as Cradle2Cradle and GOTS.

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	31	52
Monitoring and Remediation	18	24
Complaints Handling	7	9
Training and Capacity Building	9	13
Information Management	4	7
Transparency	6	6
Evaluation	6	6
Totals:	81	117

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

69

### Performance Benchmarking Category

Good

## Brand Performance Check details

Date of Brand Performance Check:

24-06-2021

Conducted by:

Annemiek Smits

Interviews with:

Lucía Fuentes-Murillo - Sustainability Manager

Stefan Grabher - CEO

Alexandra Petek - Purchasing

Corina Müller - Marketing