



Brand Performance Check
Hubert Schmitz GmbH (S-Gard)

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. 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

Hubert Schmitz GmbH (S-Gard)

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

Member company information	
Headquarters:	Heinsberg , Germany
Member since:	2015-12-31
Product types:	Workwear
Production in countries where Fair Wear is active:	Tunisia, Turkey
Production in other countries:	Germany, Poland
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	89%
Benchmarking score	60
Category	Good

Summary:

Hubert Schmitz GmbH (S-Gard) has met most of Fair Wear's performance requirements. With a benchmarking score of 60, Fair Wear has awarded S-Gard a place in the 'Good' category. Although the monitoring threshold does not determine the category this year, S-Gard has fulfilled the monitoring requirements at suppliers responsible for 89% of its production volume.

Corona Addendum:

The corona pandemic did not leave S-Gard and its supply chain untouched. When the pandemic first hit Europe in March 2020, S-Gard's sales decreased, partially because the sales colleagues could no longer visit potential customers. However, a few months into the pandemic, sales started picking up again and in total the year's turnover was only slightly lower than anticipated. The sales team worked reduced hours for the beginning of the pandemic, but all other headquarters staff were able to continue working their normal hours. The COVID-19 outbreak also deeply affected S-Gard on a personal level: several staff members, including S-Gard's owner, contracted the virus, as did a few business partners in Tunisia, one of whom passed away.

From the beginning of the crisis, S-Gard maintained regular contact with its suppliers – at least once per week with its suppliers in Turkey, Poland and Germany and on a daily basis with its suppliers in Tunisia. S-Gard did not cancel any orders, nor did it change its payment terms. Due to factory closures, some orders were delayed or postponed and, when the factories reopened at reduced capacity, S-Gard remained flexible in its production planning to make sure that orders reflected the available capacity. Production planning and the health and safety of the workers were the two most important topics of conversation between S-Gard and its suppliers.

In terms of health and safety measures, S-Gard paid for its Tunisian supplier to buy masks, hand sanitisers and infrared thermometers. S-Gard verified the implementation of health and safety measures through photographs and videos. S-Gard also focused on making sure that workers understood the health and safety measures and felt safe working in the factory by working with worker representatives to implement the measures through a bottom-up approach. S-Gard also discussed workers' wages with its Tunisian suppliers, which was a particular risk in Tunisia due to the factory closures and limited governmental support. Despite having discussed this with its suppliers, S-Gard did not verify whether workers received their wages by, for example, checking wage records.

S-Gard maintained weekly contact with its suppliers in Turkey, Poland and Germany, in which it discussed production planning, health and safety measures and workers' wages. The member company verified the implementation of health and safety measures through photographs and videos but did not verify whether workers received their wages. S-Gard prioritised its Tunisian suppliers for its follow up of COVID-19 related issues. In crisis situations, like the pandemic, it is particularly important for brands to make sure that they have the resources available to also closely follow up on issues in its lower priority countries.

Overall, S-Gard's way of conducting business meant that it was flexible and resilient in the face of this crisis. Long term relationships combined with high leverage enabled S-Gard to address issues and implement measures quickly and efficiently. Due to its flexibility regarding production planning and lack of peak or low seasons, S-Gard was also able to offer its suppliers financial stability.

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.	100%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	4	4	0

Comment: In the past financial year, 100% of Hubert Schmitz GmbH (S-Gard)'s production volume came from production locations where the company buys at least 10% of the factory's production capacity.

S-Gard worked with six main suppliers in Tunisia where over 80% of its production is sourced. Two of these suppliers are co-owned by S-Gard, one of which functions as a hub for all the other Tunisian suppliers - fabrics are distributed from there and factory management is in close contact with the other suppliers. This supplier will be referred to as the main supplier in Tunisia in this report. Despite this, S-Gard is in direct and frequent contact with all its Tunisian suppliers. Other than that, S-Gard has one supplier in Poland and for promotional wear, S-Gard sources from a German intermediary, who organises production at a Turkish site and a German site (for badges, labels and embroidery).

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.	0%	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.	4	4	0

Comment: S-Gard has no production locations with less than 2% FOB.

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: 75% of S-Gard's production volume comes from production locations where the business relationship has existed for at least 5 years.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.3 All (new) production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	2nd years + member and no new production locations selected	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	N/A	2	0

Comment: S-Gard had no new production locations in 2020. All existing production locations had signed and returned the completed questionnaire and the worker information sheet with the Code of Labour Practices was posted.

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: S-Gard prioritises existing suppliers and will only select new suppliers as a last resort if capacity is unavailable. S-Gard has developed an evaluation-checklist, which helps them to assess whether to begin a relationship with a potential new supplier and takes social and environmental factors into consideration. However, the checklist has not yet been used to evaluate a new supplier as S-Gard has not expanded its supplier base since introducing it. However, if it has been deemed necessary by S-Gard to begin a relationship with a new supplier, it is selected on the basis of production capacity, price level and quality, which is assessed through trial orders. If the supplier delivers a high enough standard on these three points, S-Gard considers the supplier's communication skills and the possibilities regarding transport. Next, the company makes sure that any new supplier is transparent regarding social compliance, which includes health and safety, payment of wages and no excessive overtime, and distinctive environmental standards. Finally, S-Gard collects and assesses existing audit reports and if there are any corrective actions that need to be carried out, it discusses these with the supplier during a visit. Generally, S-Gard endeavours to visit production locations before placing orders. At this visit, S-Gard discusses factory working conditions, safety standards and Fair Wear requirements. The company also makes use of the Fair Wear Health and Safety Checklist to assess the health and safety situation in the factory. When S-Gard adds a new supplier, its owner has the final say but the CSR manager's input is taken into consideration as part of the decision making process.

COVID-19

The highest risks identified by S-Gard were the health and safety of workers, and the reduction of orders, which could result in problems with financial stability and payment of workers' wages. These risks were identified through discussions with suppliers and the consultation of Fair Wear documentation on the pandemic, including the Tunisia and Turkey Country Pages on the COVID-19 outbreak. S-Gard discussed all identified risks with its suppliers – with the Tunisian, German and Polish suppliers this was done directly, often on a daily basis, whereas with the Turkish suppliers this was done through an agent. No systematic overview was kept of these discussions. In Tunisia, S-Gard's suppliers had to close due to the pandemic, during which it maintained close contact and discussed measures necessary for when the factories were able to reopen. S-Gard made sure that all relevant guidance supplied by the governments was followed, however, it did note that there was not much guidance provided by the Tunisian government, where S-Gard sources most of its orders.

S-Gard had planned an audit in one of its Tunisian suppliers which had to be postponed to later in 2020. Instead, S-Gard made use of health and safety questionnaires, photographs and conversations to monitor the situation in its suppliers.

Recommendation: Members are encouraged to be aware of the COVID-19 guidance issued by local authorities in their production countries.

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: S-Gard has created an evaluation sheet for all its production locations, which consists of several indicators related to compliance with the Fair Wear Code of Labour Practices. This supplier evaluation template is used to monitor and compare the social compliance performance of all suppliers and is filled out throughout the year. On top of this, S-Gard makes use of audit CAPs to track any major transgressions and asks its suppliers to sign a conduct paper, which includes commitment to the code of labour practices and prohibits unauthorised subcontracting. The evaluation is used as a basis for discussions with suppliers. In Tunisia, this is used as input for a yearly supplier seminar, in which production capacity, quality and Fair Wear membership is discussed with factory management and supervisors. Best practices identified in the evaluations are shared through this platform, the purpose of which is to inspire other suppliers to implement similar practices. For example, one supplier bought a bus to transport workers to and from the factory, this was shared at the supplier seminar and now other suppliers are also following suit.

Despite of this way of highlighting good practices among its Tunisian suppliers, S-Gard has not yet developed a consistent reward system for progress made to improve working conditions. With suppliers where both quality, timeliness and compliance to code of labour practices are highly achieved, S-Gard started guaranteeing long-term commitment to the suppliers, in the shape of booking out long-term capacity. As such, growing together in terms of capacity, skills and expertise is the primary way in which S-Gard rewards its suppliers.

S-Gard did not end any of its business relationships in 2020.

COVID-19

S-Gard did not reduce or cancel any orders because of COVID-19. When its suppliers in Tunisia had to close and reopen at reduced production capacity, a production delay was created, which S-Gard accepted without any consequences.

Furthermore, S-Gard adapted its production planning to suit its suppliers, for example, as a way of supplying workers with face masks, S-Gard facilitated that workers sewed masks from available workwear fabrics.

S-Gard remained in daily communication with its suppliers in Tunisia, Germany and Poland. With its Turkish supplier, S-Gard maintained regular contact through an agent, but this was on a weekly rather than daily basis. The communication was a two-way street, where S-Gard and the suppliers reach out to one another, where the main topics were the pandemic and production planning.

Recommendation: Hubert Schmitz GmbH (S-Gard) is encouraged to make more explicit how social compliance in the supplier rating system in which quality, relationship, price, and planning are assessed is weighted and how compliance with CoLP leads to production decisions.

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: S-Gard has a long relationship and joint venture with one of its Tunisian suppliers, this allows for greater transparency regarding the production program to see how planning is organised. Furthermore, since S-Gard is the predominant customer at the factory and does not work with seasons, S-Gard can be flexible with its production planning. This gives the factory more freedom to decide when orders should be placed and produced and allows them flexibility in establishing deadlines for receiving materials. For most of its other Tunisian suppliers, S-Gard is the only customer (except one, where S-Gard has an estimated leverage of 50%) and 90% of S-Gard's production consists of customised items for specific customers. This also means that S-Gard works closely with the suppliers to make sure there is a steady stream of work, without seasons, that takes the factories' capacities into account. This allows for great flexibility and ensures that there is no undue production pressure that can lead to excessive overtime. S-Gard, therefore, has the flexibility to shift orders outside of low-capacity periods such as during Ramadhan or Eid in Tunisia. Poland serves as extra capacity during these peak times. S-Gard purchases simple garments in Turkey, such as promotional wear, and only a small part of the embroidery is completed at the German supplier. Furthermore, S-Gard is responsible for fabrics, therefore is able to plan retrospectively, set its own internal deadlines for fabric delivery and estimate production plan based on experience.

S-Gard has less information on capacity at its Turkish supplier. This is partly due to working through an intermediary and that the lines of communication are less close than with its Tunisian suppliers. However, S-Gard is in regular contact with the intermediary to ensure their orders are not causing production pressure. Furthermore, the orders that the Turkish supplier produces are simpler items - promotional wear - that are often used to refill stock, allowing S-Gard to be flexible in its supplier's lead times.

S-Gard uses its Polish supplier to fill in the gaps that are left by its Tunisian suppliers, for example during Eid, Ramadan and due to the heat in the summer, its Tunisian suppliers work fewer hours. S-Gard makes sure that production capacity is available at its Polish supplier during these times. It also discusses with its Polish supplier when these orders will be in advance to ensure that capacity is reserved for these orders. During the Tunisian factory closures because of the pandemic, S-Gard did not move extra production to its Polish supplier.

S-Gard does not work with a forecasting system - it still works with a traditional planning system that is heavily dependent on S-Gard's experience of working with suppliers over long periods of time. Although S-Gard knows the approximate capacity, S-Gard does not yet know the standard minute per style at suppliers in Tunisia. S-Gard does, however, know the production capacity of its Polish suppliers and calculates the standard minute per style. Although S-Gard does not plan together with its Polish suppliers, it can ensure that it does not overbook the factory. S-Gard discusses lead times with its Turkish supplier but is not aware of the production capacity and does not reserve specific lines for production.

In 2020, some of S-Gard's suppliers had to temporarily close due to the pandemic and when reopening, they had to produce at reduced capacity. S-Gard accepted all delays that resulted from the closures and stayed in close contact with its customers to update them about the production planning. Furthermore, by talking to its suppliers regularly about production planning, S-Gard ensured that it did not put extra pressure on its suppliers and worked with the available capacity.

Recommendation: Fair Wear recommends Hubert Schmitz GmbH (S-Gard) 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.	No production problems /delays have been documented.	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.	N/A	6	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations.	Insufficient	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages – and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts.	0	4	0

Comment: For Tunisia, S-Gard has a close relationship with suppliers where prices are openly discussed and set based on the order quantity and complexity of the models. There are no set prices per product, due to the tendered/bulk order nature of the products. Because S-Gard works with a large portion of customized items, the sewing minutes have not yet been calculated and are therefore not considered during the pricing discussion. S-Gard retrieved the wage information per worker at all their Tunisian suppliers as a basis for calculating the labour minute, however does not yet know the labour minute cost and price composition for suppliers. S-Gard had planned to work on this in 2020 but this was postponed due to the pandemic. When the member company does start working on this again, it will first focus on Tunisia as it has closer ties to its suppliers there.

S-Gard is aware of the standard minute per style and negotiates prices with its Polish supplier in a partnership manner. It is not aware of the labour costs incurred by the factories. With its German intermediary, who arranges the orders at its Turkish supplier, it has negotiated a set agent's price, but it is not aware of how wages relate to prices.

Overall, across its supplier base, S-Gard does not know about the price-setting process and does not yet know the labour cost component in the product price or labour minutes needed per product. Without this information, S-Gard can not yet link the necessary minutes to the price per minute to extrapolate to wages – the brand is therefore not yet able to connect the price it pays to wages received by workers in its supply chain.

S-Gard was not aware whether its suppliers incurred any extra wage costs to implement the COVID-19 measures. Where relevant, however, S-Gard did financially support the implementation of health and safety measures taken by the factories.

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: While no findings were reported in the audits related to legal minimum wage violations, all did report non-compliances related to other wage violations, such as incorrect payment of bonuses and social security. S-Gard is following up on these findings as per the corrective action plan.

During the pandemic, the risk of workers not being paid minimum wage was particularly high due to factory closures and limited governmental support. S-Gard's suppliers in Tunisia applied for government assistance which would help to cover part of the workers' salaries. However, the suppliers were turned down for this government assistance. During the factory closures, the factory paid 50% of the workers' wages and requested that workers use their paid leave for the rest of the time. Despite having discussed this with its suppliers, S-Gard did not verify whether workers received their wages by, for example, checking wage records. The audit conducted at one of S-Gard's suppliers in November 2020 showed that workers used paid leave to receive payments during the factory closures and that when the factory reopened with reduced capacity, the workers were only paid for the hours worked. Both measures, however, did mean that workers received at least the minimum wage - around 50% of their usual wages.

S-Gard discussed the payment of workers' wages with its Turkish supplier and intermediary but did not verify whether the workers received at least minimum wage. In Turkey, however, the government's measures to support companies in paying workers wages made the risk of workers not being paid minimum wage smaller. This is the same for the supplier in Poland and Germany. However, by not verifying whether the workers received their wages it is not possible to score S-Gard higher in this indicator.

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

Please note that following Fair Wear's policy for repeated non-compliance in Fair Wear's Brand Performance Checks, members that receive an insufficient or -2 score on this indicator for the second year in a row, will be placed in the 'Needs Improvement' category.

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: No evidence of late payments made by S-Gard was found during the brand performance check. Nor did S-Gard change their payment terms during the pandemic.

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: S-Gard has had discussions with suppliers about wages and reasons for wages being lower than living wages. In 2019, S-Gard started taking steps towards calculating the labour minute costs and price composition for its Tunisian suppliers by retrieving all wage information per worker. S-Gard had planned to continue working to gain clearer insights into the price breakdown and how they relate to wages that are lower than a living wage but was unable to due to the pandemic. This was both because S-Gard decided focused its resources on working together with its suppliers to solve issues related to COVID-19 and because travel restrictions made it impossible to discuss these issues face to face with its suppliers.

As its main production locations are situated in Tunisia, S-Gard has chosen to start this process there and wants to apply what it learns to its other suppliers. As such, S-Gard has not yet started assessing the root causes for wages lower than living wages in its other suppliers.

Recommendation: Fair Wear encourages Hubert Schmitz GmbH (S-Gard) to discuss with suppliers about different strategies to work towards higher wages. It is advised to start with suppliers where the member is responsible for a large percentage of production and long term business relationship.

Fair Wear encourages Hubert Schmitz GmbH (S-Gard) to involve worker representatives and local organisations in assessing root causes of wages lower than living wages. It is advised that the outcomes of the root cause analysis are discussed internally and with top management, to form a basis for an embedded strategy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	21%	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: S-Gard has a joint venture with two of its Tunisian suppliers, which it co-funds.

Recommendation: Fair Wear supports direct ownership of suppliers. Owning a supplier provides clear accountability for and direct influence over working conditions. It reduces the risk of unexpected CoLP violations.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	None	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	0	6	0

Comment: S-Gard currently only works with the official minimum wage guide for all its production locations. S-Gard has not yet determined the needed wage increases.

Requirement: Hubert Schmitz GmbH (S-Gard) should analyse what is needed to increase wages and develop a strategy to finance the costs of wage increases.

Recommendation: To support companies in analysing the wage gap, 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: S-Gard has not yet implemented a target wage.

Requirement: Hubert Schmitz GmbH (S-Gard) is expected to begin setting a target wage for its production locations.

Recommendation: We encourage Hubert Schmitz GmbH (S-Gard) to show that discussions and plans for wage increases have resulted in the payment of a target wage.

Purchasing Practices

Possible Points: 44

Earned Points: 22

2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	75%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	14%	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.	Yes	
Requirement(s) for next performance check		
Total monitoring threshold:	89%	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 Product Manager is responsible to follow up on problems identified by the monitoring system. For its Tunisian suppliers, S-Gard does this in close cooperation with the managing director of its main Tunisian supplier and has designated staff for follow-up and verification.

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

Comment: S-Gard makes use of Fair Wear audits.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	Yes	2 part indicator: Fair Wear audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1

Comment: S-Gard shared the Fair Wear audit report and set up timelines with the suppliers in a timely manner. A worker representative was present during the exit meeting of the audit and has been included in subsequent follow up meetings.

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	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.	6	8	-2

Comment: In 2020, S-Gard conducted one audit at a supplier in Tunisia. This audit took place in November and therefore not yet a lot of follow up was done – this will be assessed in the next brand performance check. There were also still findings from 2019 that S-Gard was following up on with suppliers in the year under review. These included structural issues like living wages and creating space for a canteen. The role that S-Gard assumes in CAP resolution is one of moderation by discussing the issues with its suppliers and finding solutions that all parties can agree on. S-Gard then collects evidence in the shape of photographs and videos and coordinates any further follow up meetings. Furthermore, S-Gard gives advice on legislation and Fair Wear requirements. S-Gard prioritises its Tunisian suppliers in conducting Fair Wear audits as it has the closest relationships and most leverage with these suppliers. S-Gard's suppliers are eager to work on remediation. S-Gard aims to stimulate its suppliers by maintaining the close relationships and organising yearly supplier seminars.

COVID-19

On the one hand, S-Gard took a proactive approach in following up on COVID-19 related issues with its Tunisian suppliers. It regularly discussed what measures were needed to keep the workers safe and worked closely with its suppliers to find appropriate solutions. This included sending money to purchase items such as hand sanitation, thermometers, face masks, etc. and working with worker representatives to communicate the importance of the health and safety measures from the bottom up.

On the other hand, S-Gard was less proactive in its approach in resolving issues stemming from the pandemic with its Polish, German and Turkish suppliers. While it ensured open lines of communication and made sure it was kept up to date, S-Gard did not support in the implementation of measures or working together to find solutions. S-Gard decided to focus its resources on its main production country, Tunisia, where over 80% of production takes place. It is advisable, however, to make sure that a brand has sufficient resources to respond to issues throughout its supply chain.

Recommendation: Fair Wear strongly recommends to ensure that the scope of the supply chain and the available resources of Hubert Schmitz GmbH (S-Gard) to actively follow up on CAP issues are coinciding - that similar resources can be allocated towards all suppliers and not one priority country. Possible solutions could be to decrease the number of suppliers or increase the amount of resources needed for active follow up.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	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: In 2020, this indicator counts as non applicable for all member brands due to the pandemic. S-Gard visited production locations that account for 3% of the production volume.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	No existing reports/all audits by FWF or FWF member company	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.	N/A	3	0

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.	3	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	Intermediate			3	6	-2

Comment: Turkey:

S-Gard has sourced from one Turkish supplier since 2016 through a German intermediary. Both the intermediary and the supplier received the Fair Wear Guidance on Risks related to Turkish Garment Factories employing Syrian Refugees. S-Gard discussed the employment of Syrian refugees with the intermediary and was informed that no refugees were currently employed by the Turkish factory. S-Gard conducted a Fair Wear audit at the supplier to gather additional information and collected a pre-existing audit report which it discussed with the factory and intermediary. S-Gard gathers additional information via the Fair wear country studies and shares this information with the intermediary in Germany. However, the factory has not sufficiently cooperated for S-Gard to conduct the necessary due diligence surrounding Syrian refugees.

Even though the supplier in Turkey and the intermediary have signed the conduct paper which forbids unauthorised subcontracting, S-Gard does not have sufficient insight into the factory to be certain that no unauthorised subcontracting takes place. However, S-Gard receives updates, including photos of production at the factory through the intermediary to mitigate this risk as much as possible. S-Gard has not yet visited this supplier, which also was not possible in 2020 due to travel restrictions.

Tunisia:

The majority of S-Gard's production takes place at six suppliers in Tunisia, where S-Gard has co-funded joint ventures with two suppliers. S-Gard works closely with the local staff present at their Tunisian partner venture to gather information about national labour law changes, CBA wage changes and other country-specific production information. S-Gard is aware of the risks within Tunisia through Fair Wear's country study, visits to the production locations, auditing and as enlisting suppliers in the Fair Wear organised supplier seminars. In terms of unauthorised subcontracting, all suppliers have signed the conduct paper which forbids this, and the highly technical nature of the products mean that the suppliers need specialised equipment to be able to produce them. Another risk specific to Tunisia is that of short-term contracts for workers. S-Gard discusses this with its suppliers and minimises this risk by ensuring that there is a steady stream of orders to suppliers without peak or low seasons. The technical nature of the product also means that it is beneficial to keep workers for as long as possible.

Other risks:

S-Gard has production in Poland and Germany, where information on risks in production is gathered during visits and discussions with the management. S-Gard is dependent on the national labour laws as a guidance for due diligence at the suppliers. S-Gard is in regular contact with the suppliers, and has long existing relationships with both production locations.

Some of S-Gard's products require really tough fabrics (workwear that can withstand extremely high temperatures), which means that extra stringent safety measures must be taken for those cutting these fabrics. Chain gloves are mandatory to be worn while cutting these fabrics, which need to be comfortable and easily accessible in different sizes to ensure that workers will wear them and be properly protected. S-Gard buys these gloves in Germany and exports them to Tunisia, regularly checks that enough are available and arranges more if needed by suppliers.

COVID-19:

At the start of the pandemic, S-Gard reached out to all its suppliers to confirm that it would not be cancelling any orders. Throughout the pandemic, S-Gard was in daily communication with its Tunisian suppliers and weekly communication with its Turkish, Polish and German suppliers. In this communication, S-Gard discussed production planning and the implementation of health and safety measures.

S-Gard wanted to ship masks, hand sanitisers and other PPE to its main Tunisian supplier, who would distribute it among the others. However, due to restrictions imposed by the Tunisian government, S-Gard was not able to send the shipment. Instead, S-Gard made fabrics, which were going to be used for producing workwear orders, available for workers to sew face masks from, and sent money to its main supplier to purchase the rest of the items locally and distribute them among the rest of the suppliers. Factories had to close in Tunisia and when they reopened, S-Gard worked closely with them to ensure that all requirements could be met, albeit at reduced capacity, such as maintaining enough space between workers. S-Gard spent time and effort on informing the workers about the health and safety measurements and why they were necessary – ensuring that the workers felt safe was a priority. As such, S-Gard worked with worker representatives in implementing health and safety measures that were dependent on the behaviour of workers, such as maintaining distance during lunch. Through also implementing the measures from the bottom up, S-Gard tried to ensure that they would be followed through on all levels

In terms of following up on COVID-related issues with its suppliers in Turkey, Poland and Germany, S-Gard took a less proactive response. The company kept open lines of communication and discussed necessary measures with its suppliers but did not give any further support, financial or otherwise.

As S-Gard is the only customer for most of its suppliers in Tunisia, it was able to adjust its orders to reflect the production capacity available at the factories, which was reduced to around 50% after the factories were allowed to reopen. S-Gard also offered flexibility in production planning to its suppliers in Turkey, Poland and Germany but had less control than in Tunisia. S-Gard made use of Fair Wear's guidance where applicable but prioritised contact with the suppliers and dealing with any issues head on.

Recommendation: Knowing the country specific risks facilitates the starting point for discussing this with suppliers. Member companies can agree on additional commitments that are required to mitigate risks. Hubert Schmitz GmbH (S-Gard) can provide additional measures for support and integrate that in the monitoring system.

Hubert Schmitz GmbH (S-Gard) is advised to discuss with its suppliers in Turkey, Poland and Germany which support they can provide in implementing OHS measures in response to COVID-19.

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.	No CAPs active, no shared production locations or refusal of other company to cooperate	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.	N/A	2	-1

Comment: S-Gard did not have any shared production locations in 2020.

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.	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. 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: S-Gard has a one production location in both Poland and Germany. Both of these production locations have filled in and signed the questionnaire, and the Fair Wear code of labour practices is posted.

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

Monitoring and Remediation

Possible Points: 21

Earned Points: 15

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 Product Manager is responsible for addressing worker complaints.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company has informed factory management and workers about the FWF CoLP and complaints hotline.	Yes	Informing both management and workers about the 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: S-Gard was able to show photos of the posted Worker Information Sheet, including contact information of the Fair Wear local complaints handler. The photos were taken during staff visits to production locations and confirmed that information sheets were posted in factories in locations that were accessible to all workers.

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.	79%	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.	6	6	0

Comment: S-Gard has organised WEP basic training at three of its main production locations in Tunisia that are responsible for 79% of production volume.

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

Complaints Handling

Possible Points: 9

Earned Points: 9

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: S-Gard has fortnightly meetings with the marketing and productions teams where ongoing projects and ongoing remediation at suppliers are discussed with the team. In these meetings, Fair Wear membership and requirements are discussed. Fair Wear membership is also discussed at the quarterly sales meetings.

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: S-Gard's product manager debriefs the team on all activities and requirements related to Fair Wear. The CEO is actively involved in discussions with suppliers and takes part in meetings involving Fair Wear 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.	Yes	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, Fair Wear audit findings.	1	2	0

Comment: S-Gard works with an intermediary for its supplier in Turkey, where it sources promotional products. S-Gard has informed this intermediary of the Fair Wear Code of Labour Practices and has discussed Fair Wear requirements. Despite working with the intermediary, S-Gard had direct contact with the supplier to discuss issues and work on corrective action plans. The intermediary plays an additional communication role where necessary.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.4 Factory participation in training programmes that support transformative processes related to human rights.	0%	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. 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.	0	6	0

Comment: S-Gard had planned to conduct the WEP communications training in 2020 but it had to be postponed due to the pandemic.

Recommendation: Fair Wear recommends Hubert Schmitz GmbH (S-Gard) to implement training programmes that support factory-level transformation such as establishing functional internal grievance mechanisms, improving worker-management dialogue and communication skills or addressing gender-based violence. Training assessed under this indicator should go beyond raising awareness and focus on behavioural and structural change to improve working conditions. To this end, Hubert Schmitz GmbH (S-Gard) can make use of Fair Wear's WEP Communication or Violence and Harassment Prevention modules or implement advanced training through external training providers or brand staff. Non-Fair Wear training must follow the standards outlined in Fair Wear's guidance and checklist available on the Member Hub.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Degree to which member company follows up after a training programme.	No training programmes have been conducted or member produces solely in low-risk countries	After factory-level training programmes, complementary activities such as remediation and changes on brand level will achieve a lasting impact.	Documentation of discussions with factory management and worker representatives, minutes of regular worker-management dialogue meetings or anti-harassment committees.	N/A	2	0

Training and Capacity Building

Possible Points: 11

Earned Points: 4

5. Information Management

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.1 Level of effort to identify all production locations.	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: S-Gard works with six main suppliers in Tunisia, one in Poland, one in Turkey and an embroidering and finishings factory in Germany. According to the S-Gard code of conduct signed by suppliers, subcontracting has been discussed and agreed upon with suppliers. S-Gard visits production locations in Tunisia, Poland and Germany regularly to check production, verify existing lines, capacity and machinery. Due to the high-quality and complex nature of the technical products, S-Gard is easily able to check consistency in quality for each product. S-Gard believes that the type of product they produce has a very low risk of outsourcing or subcontracting due to complexity in product and need of high-end machinery. In Turkey, however, there is a high risk of subcontracting by factories. S-Gard has not visited the location but has had discussed on the issue with the German intermediary who has also signed the code of conduct that forbids unauthorised subcontracting.

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: S-Gard is a small organisation where information is easily shared among staff. All relevant staff members have access to audit reports, updated CAPs and information about Fair Wear. When management visit production sites, they are updated by the Product Manager on progress made by the suppliers and issues that still need to be discussed.

Information Management

Possible Points: 7

Earned Points: 4

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: S-Gard communicates its Fair Wear membership through the following channels of communication: Its website, social media and presentation for customers. All communication is in line with Fair Wear communications policy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Published Brand Performance Checks, audit reports, and/or other efforts lead to increased transparency.	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.	1	2	0

Comment: S-Gard publishes the link to the brand performance check on its website.

While mentioning the names of its Tunisian suppliers in its social report, S-Gard has not disclosed its production locations to the public or to Fair Wear's new transparency policy.

Recommendation: Fair Wear recommends S-Gard 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	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.	1	2	-1

Comment: S-Gard has submitted its social report to Fair Wear and publishes a clear link to the report on its website.

Transparency

Possible Points: 6

Earned Points: 4

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: S-Gard holds annual systematic evaluation of Fair Wear membership and requirements. When preparing the social report and the work plan, S-Gard evaluates progress made and possible next steps. There is a common understanding of the importance of Fair Wear membership with buy-in and commitment at the CEO level.

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.	10%	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	2	4	-2

Comment: Based on the previous performance check, S-Gard was required to conduct a root cause analysis for wages that are lower than living wages in production locations as well as establish and commence payment of its share of the target wage at suppliers. While S-Gard had planned to work on this in 2020, the pandemic meant that it prioritised working closely with its suppliers on dealing with the issues that arose from the pandemic instead. Furthermore, S-Gard prefers to hold conversations surrounding wages in person, which was not possible due to travel restrictions.

Requirement: It is required to work towards remediation of previous requirements from the last Brand Performance Check. Further engagement needs to be taken with regard to the following requirements mentioned in the last Brand Performance Check.

Recommendation: Although the member was not able to execute the requirements included in the previous performance check due to the COVID-19 pandemic, the member should resort to following up on these requirements when the situation allows.

Evaluation

Possible Points: 6

Earned Points: 4

Recommendations to Fair Wear

Improvements have already taken place regarding the communication with the brand liaison and other German brands. S-Gard recommends Fair Wear to continue on this trajectory.

Scoring Overview

Category	Earned	Possible
Purchasing Practices	22	44
Monitoring and Remediation	15	21
Complaints Handling	9	9
Training and Capacity Building	4	11
Information Management	4	7
Transparency	4	6
Evaluation	4	6
Totals:	62	104

Benchmarking Score (earned points divided by possible points)

60

Performance Benchmarking Category

Good

Brand Performance Check details

Date of Brand Performance Check:

08-06-2021

Conducted by:

Liselotte Goemans