



# **Brand Performance Check**

## **King Louie**

This report covers the evaluation period 01-06-2020 to 31-05-2021

## 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

## King Louie

**Evaluation Period: 01-06-2020 to 31-05-2021**

Member company information	
Headquarters:	Amsterdam , Netherlands
Member since:	2015-09-30
Product types:	Garments, clothing, fashion apparel
Production in countries where Fair Wear is active:	China, Turkey
Production in other countries:	
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	78%
Benchmarking score	58
Category	Good

## Summary:

King Louie has shown progress and met most of Fair Wear's performance requirements. A combination of Fair Wear audits and external audits result in a monitoring percentage of 78%. A benchmarking score of 58 means King Louie remains in the 'Good' category.

King Louie monitored 78% of its supply chain, which is less than the required 80% for a brand that has been a member for at least three years, to be placed in the 'Good' category. However, due to the COVID-19 pandemic, the monitoring threshold does not determine the category for this financial year.

## Corona Addendum:

King Louie succeeded to complete a successful year with an increase in turnover leading to more orders than expected. As a result, no orders were cancelled or reduced. King Louie's staff was in regular contact with its agents and suppliers and discussed all (additional) orders before placing them. When suppliers had to close the factory due to COVID-19, this time was used as vacation time, ensuring the workers received their usual wages, which was followed up by the member brand. In the past financial year, delay of raw materials was seen as a far bigger concern than production closures. King Louie was very lenient to late deliveries in the past financial year, even more than before. The CSR coordinator informed themselves about the COVID-19 pandemic, using Fair Wear's information and guidance. In addition, King Louie informed itself regularly about the situation at the suppliers, the workforce capacities, the health and safety risks and preventive measures taken, the financial and order situation at its suppliers, specific circumstances in the factories, and if additional support was needed. Both its main suppliers and the agents updated the situation with photographic evidence to keep track of the measurements taken. King Louie did not receive concrete requests by its suppliers to (financially) support any preventive measures, apart from the flexibility in terms of production and delivery.

King Louie has shown solid monitoring throughout the COVID-19 pandemic, and although the brand can still make progress, King Louie's systems have proven resilient in a time of crisis.

## 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.	68%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	3	4	0

**Comment:** In the assessed financial year (2020/2021), a total of 68% of King Louie's production volume came from production locations where it buys at least 10% of the production capacity.

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.	10%	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:** King Louie buys 10% of the production volume from production locations where the company buys less than 2% of its total FOB. Most accessories are produced at production locations where King Louie has small orders. Accessories are an additional selling product to the brand, mainly consisting of small orders. Therefore, King Louie feels it is a difficult task to limit the production locations in its 'tail-end'. However, the brand is aware of the risks of a long supplier "tail-end" and consolidation will be further assessed.

**Recommendation:** Fair Wear recommends King Louie to consolidate its supply base by limiting the number of production locations in its 'tail end'. To achieve this, King Louie should determine whether production locations where they buy less than 2% of their FOB are of strategic relevance. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	58%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	3	4	0

**Comment:** In the past financial year, 58% of King Louie's purchasing volume came from factories it has worked with for more than 5 years. The percentage slightly decreased as for one Chinese supplier the production was shifted to a new production location, counting as a new supplier.

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:** King Louie checks social compliance before sampling and requests available social audits and other information on how a supplier works. New suppliers are informed about the Fair Wear Code of Labour Practices (CoLP) before sampling starts. The supplier is requested to complete the Fair Wear questionnaire before orders are placed. In the past financial year, King Louie added three new suppliers; it could show signed questionnaires with the CoLP of each new production location. Each of the newly added three production locations in China is specialised in specific products (like jackets). One added Chinese supplier is only active for the production of specific items, which will not take place annually. In addition, one production site of a Chinese supplier was shifted to a new production site and therefore counted as a new supplier.

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:** King Louie created a written due diligence guide, to be used internally and ensure consistency in onboarding new production locations. This guide outlines the process King Louie staff must follow in selecting new production locations, requirements and the steps of a responsible exit strategy.

As the Corporate Social Sustainability (CSR) coordinator is part of the production team, meetings take place frequently and potential new suppliers are discussed and evaluated in the onboarding process extensively. Agents are requested to hand in information about the new production site. In addition, audit reports are collected and evaluated. In case the evaluation reveals too many issues, the CEO, Head of Design and Production and the CSR coordinator together decide, whether to start with this supplier or not. Yet, there is no formal risk assessment and documentation in place.

Overall, King Louie is aware of the main risks in its two production countries, Turkey and China, using country information provided by Fair Wear, and also using its agents and supplier feedback as additional sources. King Louie prefers cooperation with agents with the same mindset about CSR as the member brand has. Through the long-lasting and close relationship with its local agents and its main suppliers, updates on developments in the relevant regions are shared immediately.

King Louie could show insight into the main risks its suppliers were facing during the COVID-19 pandemic of the past financial year. At the beginning of the COVID-19 pandemic, there was uncertainty among King Louie's suppliers. Therefore the brand's management contacted each supplier separately sharing its own situation and explaining the projected plan. Also, King Louie investigated in risks and needs of its suppliers. Both economic and health risks were shared by the suppliers as the main risks and King Louie responded by regularly checking in and collecting information regarding lockdown and factory closure, payments of workers, layoffs, etc. King Louie reached out to its main suppliers and agents to check the financial and health situation on the subcontractor level as well. Fortunately, almost all production sites could continue production. In case suppliers had to close the factory due to COVID-19, this time was used as vacation time, ensuring the workers received their usual wages. In the past financial year, delay of raw materials was seen as a far bigger concern than production closures. The CSR coordinator informed themselves about the COVID-19 pandemic, using Fair Wear's information and guidance. In addition, King Louie stayed in close contact with its agents and suppliers, informing regularly about the situation at the suppliers, the health- and safety measures taken, the order situation at its suppliers and if additional support was needed.

**Recommendation:** Fair Wear recommends King Louie to develop a strategic and formal risk assessment including the steps already being set. The brand is recommended to document its risk assessment. During the next financial year, Fair Wear will support this process through several Human Rights Due Diligence (HRDD) workshops, including risk assessment.

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:** After each season, the CSR coordinator and Head of Design and Production evaluate each supplier. Prior to the evaluation, all related departments, are requested to hand in their view about the supplier's performance in the previous season which is documented in an overview. Audit reports are the main source of input for the evaluation of social compliance. The overall performance of each supplier is discussed and in case social compliance behaviour is uncertain, the CSR coordinator immediately flags this within the production team and CEO. After each meeting, the CSR coordinator writes a summary including the discussed decisions or with clear recommendations for decisions. King Louie shares the outcome of the supplier's evaluation with its agents and suppliers. In case a supplier performs well on CSR, this supplier is favoured for next season's production. There is one production location with low scores on social compliance and communication. King Louie does have an exit strategy, but before coming into force, the brand prefers guiding the suppliers to do better. Now, as this supplier does have a low scoring for quite a time, a last Fair Wear audit is planned as soon as possible. Depending on the audit results and findings and the willingness of the supplier to work on improvements, King Louie will decide if a final phasing out is needed.

After the first months of COVID-19, more stability came in on both sides, the member brand and its suppliers, especially as King Louie succeeded to complete a successful year with an increase of turnover, leading to more orders than expected. As a result, no orders were cancelled or reduced, instead, more orders had to be placed at its suppliers to cover the demand. King Louie's staff was in regular contact with its agents and suppliers and all (additional) orders were discussed before placing. Due to some late deliveries of materials, reduction of staff capacity because of COVID-19 and the increase of orders, King Louie showed flexibility and leniency with regards to late deliveries. Suppliers do not have to pay penalties and in case needed goods were shipped by air freight on the member brands expenses.

In the last Brand Performance Check, King Louie was recommended to evaluate its own purchasing practices via a supplier assessment. The brand followed up on this recommendation by sending out a survey to its suppliers. Feedback showed, that its suppliers were satisfied with its overall purchasing practices, but the additional orders were of concern regarding delivery times and overtime. The brand took this feedback seriously by starting several corrective actions like pre-ordering of materials at an earlier stage than usual, adapting its sales planning according to the sales increase, placing bigger orders at the very beginning and by doing so, avoiding additional orders in between. All measures will be expected to have an effect from the next financial year on.

**Recommendation:** King Louie is encouraged to improve its supplier's evaluation by making it 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.

After the first steps of the purchasing practices assessment by its suppliers, the brand is recommended to follow up on its corrective measures and start a process of a regular assessment of its purchasing practices by its suppliers and preferable also within King Louie (Purchasing Practices Self Assessment).

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.6 The member company's production planning systems support reasonable working hours.	General or ad-hoc system.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	2	4	0

**Comment:** King Louie works with two production phases per year for each supplier. The member brand is placing recurring styles at the same production locations to make production more efficient and predictable. The design process of a new collection takes roughly five months, followed by a pre-sale phase for the retailers and one month after the pre-sale phase, the final orders are placed at the suppliers. King Louie does not work with a forecast and does not book capacities at its suppliers. Due to the long-lasting cooperation between the brand and its suppliers, the brand does have a good insight about the capacities at its suppliers and the suppliers, therefore, do have enough experience on the order quantities.

Late design changes rarely happen and information will be shared with the suppliers before the final order is placed. Sometimes repeated orders are necessary and are always discussed with the supplier before placing the order. It is up to the supplier to set the delivery date: either the repeated order can be shipped with the bulk order or will be delivered at a later time, depending on the capacity of the supplier. King Louie accepts the delivery times given by the supplier. For complex, time-consuming designs, orders are placed first and suppliers are consulted in advance about the best timing for the production. King Louie has a small amount of Never Out of Stock (NOS) items and several "classics", items on which only small changes are made, for example, colour. Production of the NOS items and classics is planned for the low season.

For the delivery dates, the suppliers receive not a specific date, but delivery dates within a "delivery block". One "delivery block" consists of three to four weeks in which the order can be delivered. In case of a production delay, the supplier can shift the delivery time within the block or in case needed shift the delivery time to the next "delivery block". The only request by the brand is to be informed on time about late deliveries.

The brand had to place repeated orders at its suppliers to cover the increased demand for its products. King Louie was in close contact with its agents and suppliers and all orders and repeated orders were discussed before the orders were placed. The suppliers faced late deliveries of raw materials, reduced production capacities as a result of COVID-19 and expressed their concerns about the number of repeated orders. King Louie reacted to this feedback by ordering the materials at an earlier stage than usual or pre-paying the material in case the orders were placed by the supplier itself, and by showing leniency towards delivery times.

**Recommendation:** Fair Wear recommends King Louie to continue the evaluation of its own purchasing practices with its suppliers and discuss together how the order planning system in combination with production planning can be improved to avoid the risk of excessive overtime. In addition, as a result of the increased repeated order volume, the member brand is recommended together with its suppliers to carefully follow up on the risk of excessive overtime, especially within the next financial year.

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

**Comment:** In the past financial year, eight Fair Wear audits were conducted at the member brands suppliers in China and Turkey. All audits revealed excessive overtime like for example, workers do not regularly receive 1 day off per 7 days of work or the total working time per week are regularly above 60 hours. King Louie has addressed and discussed the findings with its agents and suppliers, nevertheless, the brand feels it as a difficult task. In the purchasing practices assessment conducted in the last financial year to find out more about the root causes for excessive overtime, suppliers indicated the risk of increased overtime due to the number of repeated orders in the past financial year. This risk has been discussed with its suppliers and King Louie showed flexibility and leniency with delivery times. Despite the challenges in addressing overtime, King Louie tried to improve its own purchasing practices to avoid contributing to excessive overtime, like for example ordering raw material at an earlier stage, increasing order volumes instead of repeated orders during the season and being lenient with delivery dates.

For Turkey, King Louie decided to train its agents and suppliers on Fair Wears' Code of Labour Practices (Workplace Education Programme Basic). The brand also joined the training. Via training its agents and its suppliers King Louie hopes for more commitment and knowledge to improve on findings like excessive overtime.

For China, the situation is more difficult as the supplier does not show much interest to improve on audit findings. Audit findings show not only excessive overtime but also inconsistent or incomplete records. The brand feels that the lack of visits is not good for the relationship, as phone calls and digital meetings cannot completely compensate for personal meetings. Also, King Louie is not sure if the lack of cooperation and improvement is related to unwillingness or if the supplier has to cope with other problems, which were not shared. The brand still wants to hold on to its supplier and prefers conducting another Fair Wear audit, before deciding whether to continue with this supplier or not. The supplier is informed about this decision.

The brand is aware that in the financial year assessed in this Brand Performance Check, overtime might, even more, have happened due to the increase of order volume, placed by the brand as repeated orders. King Louie is therefore in close contact with its agents and suppliers and started corrective action as described in the first paragraph of this indicator.

**Recommendation:** Besides discussing excessive overtime with the supplier and assessing root causes, Fair Wear strongly recommends King Louie to actively take measures when excessive overtime is found. Taking measures to ensure that King Louie knows and shows whether excessive overtime takes place at a supplier is key in resolving the issue. Measures such as regular checks by for example its agents, documents checking and interviewing workers help assess whether overtime takes place.

For additional support, Fair Wear recommends the 'Fair Working Hours Guide', available on the Member Hub.

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:** As a starting point, King Louie calculates the buying prices based on its retail prices. There are price segments for the collections which contain often-repeated styles and materials. The CEO and Head of Design and Production are negotiating the prices with its agents. The agent negotiates the prices with the related factories and informs the member brand. For new items or collections, prices are requested in advance. The brand has a clear statement not to squeeze the prices requested by its agents, as the long-lasting cooperation, trust and good quality is of much value to the brand. In addition, King Louie truly believes that each company needs to earn money to thrive of.

King Louie does not know how many labour minutes go into a style, nor does the brand know the link between its buying prices and the wage levels. First attempts have been made with a start of a wage calculation project at one supplier in Turkey. The aim of the project was the investigation how labour costs were related to purchasing prices, demonstrating the gap between minimum and living wages. This project could not be completed successfully as the supplier stepped out of the project, arguing that the living wage estimates are far too high and that it would be impossible to maintain these levels in relation to other factories in the same region. King Louie continued exploring the link of its prices related to wages and applied for a pilot project with Fair Wear. The aim was that another Turkish supplier should participate in testing the newly developed Fair Price App. Fair Price is an online app to support factories in fact-based costing. Due to a delay of the Fair Price tests, this was moved into the next financial year. Because of this, the insight into labour minutes at this supplier was not yet clear at the time of the performance check.

For COVID-19, King Louie does not know the supplier's additional wage costs to implement the COVID-19 measures. Generally, the brand accepts price increases from its agents/suppliers.

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

**Recommendation:** Fair Wear recommends King Louie to continue expanding their knowledge of cost breakdowns of all product groups. This could be done by for example request information about the labour minutes/style at all suppliers. Fair Wear audit reports also include information about wage levels, which give additional insight. The next step would be to calculate the labour minute costs of its products to be able to calculate the exact costs of labour and link this to its own buying prices. First priority would be to make sure this level of transparency can be achieved with its suppliers. The Fair Price app also enables suppliers to include any COVID-19 related costs.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	Yes	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, 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.	0	0	-2

**Comment:** In the assessed financial year, two audits in Turkey indicated payment below legal minimum wage. King Louie immediately followed up on this finding by contacting agents and suppliers to find out the cause. It turned out that due to COVID-19 the Turkish government did not allow suppliers to dismiss workers for a certain period, but suppliers were allowed to send workers home on unpaid leave. The gap in wages received would be compensated by governmental support, which was only 30% of the legal minimum wage. This support was not enough to earn on, therefore workers took on work, preferring not being registered, to ensure receiving governmental support and some additional money. This happened at both factories of King Louie: workers were officially on unpaid leave but worked additional hours unregistered. The factory management thought it would be a good deed to support these workers and agreed to not register them. As a consequence, no proper wage records were kept for these unregistered workers and payment was below legal minimum wage. King Louie expressed the importance of registered workers, complete records and payment of at least legal minimum wage. To follow up on this, wage overviews were sent to the brand to show proof that now all workers earn at least legal minimum wage. Meanwhile, all workers concerned are back to normal working hours at their former employers.

In the context of COVID-19, almost all production sites could continue production. When suppliers had to close the factory due to COVID-19, this time was used as vacation time, ensuring the workers received their usual wages. Through regular phone calls, the brand followed up on payment of at least legal minimum wages, the order situation of other customers at the suppliers and if financial support was needed. The risk of payment of wages below the legal minimum was decreased by the fact that King Louie placed much more orders at its suppliers than initially planned.

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:** King Louie paid its invoices within agreed terms and during COVID-19 all ordered goods were paid for right away.

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:** As mentioned under indicator 1.8, King Louie started calculating product costs as a step to better understand the link between buying prices and wage levels. The Fair Wear calculator was used and a first meeting regarding living wages with the participating supplier was initiated. As already described in 1.8, the supplier stepped out of the project. Since then, King Louie is waiting for the pilot project for the newly developed Fair Price app of Fair Wear with another Turkish supplier. This project has still not started, therefore the brand could not show any progress.

Wages are discussed with agents, yet the brand feels it as a challenging topic, especially with agents, and had hoped for more support by Fair Wear to make more progress. King Louie finds it difficult to make progress on the assessment of root causes for wages lower than living wages while it does not yet have insight in the relation between its buying prices and the wage levels.

Audit findings mentioned under indicator 1.9 showed clearly the impact of COVID-19 to payment of no/lower wages and the brand followed up on this as described.

**Requirement:** King Louie must assess the root causes of wages that are lower than living wages, taking into account its leverage and effect of its own pricing policy. King Louie is expected to take an active role in discussing living wages with its suppliers. The Fair Wear wage ladder can be used as a tool to implement living wages, to document, monitor, negotiate and evaluate the improvements at its suppliers.

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

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

**Comment:** King Louie has yet a strategy to start financing wage increases at its suppliers.

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

**Recommendation:** In determining what is needed and how wages should be increased, it is recommended to involve agents and worker representation.

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:** King Louie does not pay its a share of the target wage.

**Requirement:** King Louie is expected to begin setting a target wage for its production locations.

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## Purchasing Practices

**Possible Points: 52**

**Earned Points: 26**

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## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	78%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	0%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Member meets monitoring requirements for tail-end production locations.	Standard monitoring below 80%	Monitoring threshold below 80%.
Total monitoring threshold:	78%	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 CSR coordinator is responsible for monitoring and when absent, the Head of Design and Production is responsible.

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:** King Louie makes use of Fair Wear audits and external audits only.

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:** Audits and Corrective Action Plans (CAPs) are shared with the agents and factories. Virtual meetings take place to discuss the findings and to agree on the timeline for findings with the highest priority. For the remaining findings, it's up to the suppliers what to work on next. The CSR coordinator keeps track of the status of all CAPs by requesting updates on improvement and proof, both from the supplier directly or via the production agent. The status of the CAPs is discussed with the Head of Design and Production and the CEO in regular meetings. King Louie could show that improvements were made at several suppliers, yet, there are no worker representatives involved in CAP follow up.

**Recommendation:** Before an audit takes place, King Louie is recommended to check with the supplier whether worker representatives are active. In this way, they can be involved from the start of an audit and be invited for the audit opening and exit meeting. Including workers when following up on audit reports gives them the opportunity to be informed of issues in the factory and have a voice in the prioritization of issues.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	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 the past financial year, eight factories were audited: one factory in China and seven factories in Turkey. King Louie could show efforts in follow up with all audited suppliers. As part of the follow-up process, one of King Louie's main agents participated in the WEP Basic training. A significant improvement in terms of commitment was noticed by King Louie after the training. Follow up on CAPs was done more proactively and several improvements could be shown. The agent has played a significant role in the follow-up and provided evidence of the measures taken.

Progress on the CAP of a supplier in China was minimal. Transparency on wage records and working hours was lacking at this supplier, which complicated follow up on the more difficult issues, as visits were also not possible. In addition, communication with this supplier is difficult and the supplier does not show effort to work on improvements. This situation has been discussed with the CEO, Head of Design and Production and the supplier. As this production location is scoring low on social compliance and communication, the member brand is thinking of phasing out this supplier. But before starting the final process, a last Fair Wear audit is planned as soon as possible. See more under indicator 1.5.

One audit in Turkey showed cases of child labour. To support two families, the factories management approved the employment of two child workers, without considering the consequences. During the audit, the factory management was transparent and supportive to provide information on the situation. Supported by Fair Wear, the brand followed up on this issue. King Louie offered financial support for one child to ensure further school education and coverage for the wage loss. For the second child, no solution was offered by the brand, as the brand did not feel it was only the brand's responsibility to cover all costs. However, King Louie explored for further solutions to find additional partners like the supplier, agent or other customers of the supplier to take over the financial support for this child. Unfortunately, this was not successful. With the help of a local NGO (Non-Governmental Organisation), contact was made with the children's parents to convince them to let the children go back to school. Despite all efforts made, the NGO finally lost contact with the children, so no financial support could be distributed to the family and the child. As a learning result, the member brand enrolled the supplier, the agent and itself in a WEP Basic training. This has improved the commitment, cooperation and communication between all parties involved.

For the external audit reports collected by King Louie, no CAPs are available and follow up has been basic.

Overall, no worker representatives were involved in the remediation of audit findings.

During COVID-19, communication regarding follow up was mostly done by phone calls. No meeting minutes were available. Depending on the input of its suppliers, King Louie offered support to its suppliers. However, apart from the request to be flexible on delivery dates, no specific COVID-19 related issues were mentioned by the suppliers for which they requested support from King Louie.

**Recommendation:** In the case of child work, Fair Wear expects full remediation for all children as a brands responsibility. Fair Wear also recommends King Louie gradually ensure factories establish independent worker representation and involve these representatives in monitoring and remediation of findings.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	Yes and quality assessed	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.	2	3	0

**Comment:** The CSR coordinator has collected several external audit reports with a general check of the content. However, the brand does not follow up on the CAPs.

**Recommendation:** Fair Wear strongly recommends King Louie to assess the quality of the external audit report and immediately discuss with the supplier what information is missing and how to collect that information. In addition, a CAP should be installed and integrated in the overall monitoring of all suppliers.

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:

King Louie has put effort to identify its subcontractor locations in Turkey thoroughly and has discussed the risks related to employing Syrian refugees, based on the information shared by Fair Wear about this topic with the agents and suppliers. One of the main agents in Turkey is committed to the implementation of the Code of Labour Practices, as well as the guidance on risks related to Syrian refugees and subcontracting. As visits were not possible in the past financial year, the brand, its agents and suppliers were in close contact via email and virtual meetings. During the regular calls, the topic of subcontracting and the employment of Syrian refugees were discussed. King Louie has a clear regulation with its suppliers to be informed about subcontracting partners before the production starts. The brand prefers that in case needed, its main suppliers have a consistent pool of subcontracting partners ensuring all subcontracting partners are informed about the Fair Wear Code of Labour Practices. However, two audit reports of Turkish factories of December 2020 and February 2021 revealed the use of unknown subcontractors, which was followed up by the brand. One Turkish supplier does have a policy with regards to the employment of Syrian Refugees in place. In addition, as nine of ten Turkish suppliers are audited, this topic was also integrated into the CAP follow-up. In the financial year assessed, no Turkish supplier was trained, but shortly after the end of the financial year, the management of five suppliers, including the agent, took part in a Fair Wear online WEP training covering Fair Wear's Code of Labour Practices, Social Dialogue and an emphasis on child labour.

**Other Risks:**

**China:**

For China, King Louie identified risks like overtime and living wages at its suppliers, caused by lack of transparency and document inconsistencies. Cooperation with its Chinese suppliers is facilitated through an agent and most of the newly onboarded suppliers are specialised in the production of specific items. The majority of its suppliers are audited by a third-party organisation. One main supplier was audited by Fair Wear in October 2020. The supplier shows very little interest in CAP follow up and improvements are less. King Louie does have a strategy in place to follow up on this issue as earlier explained in indicators 1.5 and 2.4.

Compliance with COVID-19 guidance:

During the past financial year, King Louie was in close contact with its agents and suppliers, mostly via phone calls and sometimes by virtual meetings. Yet, there were no meeting minutes available. The brand informed itself about the workforce capacities, health and safety risks and preventive measures taken, the financial- and order situation of its suppliers, specific circumstances in the factories and follow up on payment of wages. For more information about follow up on payment below legal minimum wage, see indicator 1.9. Both its main suppliers and the agents gave updates on the situation with photographic evidence in order to keep track of the measurements taken. King Louie offered support but did not receive concrete requests, apart from the flexibility in terms of production and delivery. Seven of nine Turkish suppliers were audited last year and two suppliers in China were audited. The brand did not use Fair Wear's guidances available on the Member Hub and did not use alternative monitoring tools besides audits and calls/digital meetings.

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:** There were no shared production locations in this financial year.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	No production in low-risk countries	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.	N/A	2	0

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

**Comment:** Since March 2020 King Louie stopped reselling products of external brands which fall within Fair Wear's scope.

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: 22**

**Earned Points: 15**

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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 CSR coordinator is designated to address worker complaints. In case of absence, the Head of Design and Production is taking over.

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:** King Louie collects evidence of posted Worker Information Sheets. The collection of evidence is done by both King Louie and by the agents. During visits, the agents are requested to check whether the Worker Information Sheet is posted on an accessible spot for workers. As visits were still not possible in the past financial year, King Louie has asked for photo proof to show proper posting. However, most of the worker information sheets shown to Fair Wear during the Brand Performance Check were not up to date, e.g. with an old Fair Wear logo or even only in written format.

**Recommendation:** King Louie is recommended to check annually whether the posted Worker Information Sheets are up to date (Logo Fair Wear, Complaints hotline number) and undertake action if this is not the case.

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

**Comment:** In the past three years, King Louie actively raised awareness of the Fair Wear Code of Labour Practices and complaints hotline at one production location in Turkey, responsible for 4% of the brands turnover.

**Recommendation:** Fair Wear recommends King Louie to actively raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint helpline among a larger portion of its suppliers. King Louie should ensure good quality systematic training of workers and management on these topics. To this end, King Louie can either use Fair Wear's WEP Basic module, or implement training related to the Fair Wear Cof Labour Practices and complaint helpline through third-party training providers or brand staff. Non-Fair Wear training must follow the standards outlined in Fair Wear's guidance and checklist available on the Member Hub.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure.	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: 7**

## 4. Training and Capacity Building

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.1 All staff at member company are made aware of FWF membership.	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of Fair Wear membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	0

**Comment:** Fair Wear membership is on the agenda of the monthly team meetings, at least twice per year. In addition, the CSR coordinator and CEO meet every three weeks to discuss all related CSR topics, including Fair Wear. King Louie publishes an internal newsletter for the whole company staff on a bi-monthly basis, updates on Fair Wear progress and highlights are shared with the staff. First steps are set to develop training for new onboarding employees but have not been finalised yet. King Louie's sales agents are updated on Fair Wear membership regularly.

**Recommendation:** King Louie is encouraged to continue developing a standard procedure for its new employees to get familiar with membership. Communication materials about Fair Wear are available on the Member Hub.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement Fair Wear requirements and advocate for change within their organisations.	Fair Wear Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

**Comment:** The CSR coordinator works closely together with the Head of Design and Production, who has frequent contact with production locations. In this way, Fair Wear related information such as CAP status is easily shared with factory management or relevant staff. Management is informed about Fair Wear developments every 3rd week of the month by the CSR coordinator.

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:** Both agents in Turkey and China have been actively involved in monitoring and remediation efforts. In addition, King Louie does have a close relationship with its agents, some of them were able to visit King Louie's headquarter in the past financial year. During these in-person meetings and via calls, Fair Wear topics were discussed. The brand has actively involved its Turkish agents in specific Fair Wear training, however, this has started shortly after this assessed financial year.

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:** None of the production locations participated in training programmes supporting transformative processes related to human rights.

**Recommendation:** Fair Wear recommends King Louie 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, King Louie 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: 5**

## 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:** King Louie showed efforts to identify and register all production locations. King Louie allows suppliers to use subcontractors, yet only if King Louie is informed about subcontracting partners before the production starts. The brand prefers, that in case needed, its main suppliers have a consistent pool of subcontracting partners, ensuring that all subcontracting partners are informed about the Fair Wear Code of Labour Practices. Two audit reports of Turkish factories however revealed the use of unknown subcontractors, which has been followed up by the member brand. Meanwhile, the suppliers confirmed not using any of these subcontracting partners anymore. Upon this information, the brand decided not to include these unknown subcontractors in its supplier database, as information on turnover and leverage was not accessible anymore.

**Requirement:** After the end of each financial year, King Louie must confirm their list of production locations and provide relevant financial data. A complete list means ALL production locations are included of all production processes the member uses in the stages after fabric production.

**Recommendation:** Fair Wear recommends King Louie to take additional efforts to ensure that the brand is always informed beforehand about the placement of production at production locations. This could be done by implementing a policy for using subcontracting partners, signed by all agents and suppliers, continuous monitoring and training of agents and suppliers to prevent unknown 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:** The CSR coordinator and the Production and Design department have regular meetings in which the performance of factories in social compliance is on the agenda. The departments have full access to information about working conditions at production locations. In addition, the CSR coordinator and CEO meet every three weeks to discuss all related CSR topics, including Fair Wear. King Louie is in close contact with its agents and updates each other on a regular basis on all supplier relevant topics, such as CAP follow up and Occupational Health & Safety (OHS) at the factories.

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## 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:** King Louie shares about Fair Wear on its website and on a regular basis in its online newsletter. The CSR coordinator regularly checks whether King Louie's communication and the shops' communications are in line with Fair Wear's communication policy. Furthermore, King Louie participated in the Fashion Revolution Campaign 2021.

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:** King Louie has published the most recent Brand Performance Check on the company website. King Louie has disclosed production locations. 48% of production volume is disclosed to other members in its internal system 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:** A complete and accurate report was submitted to Fair Wear. Yet, the social report is not published on King Louie's website.

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## **Transparency**

**Possible Points: 6**

**Earned Points: 5**

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## 7. Evaluation

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

**Comment:** Fair Wear membership updates are part of the agenda of the meeting between management, Head of Design and Production and the CSR coordinator, held every three weeks. Annual evaluation of Fair Wear membership is done after the Brand Performance Check and forms a basis for the strategy for next year.

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.	33%	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:** King Louie has shown efforts to work on requirement 1.7 where the brand mitigates the root causes of excessive overtime. In the past financial year, King Louie has conducted a purchasing practices assessment to find out more about the root causes for excessive overtime. Collected feedback of its suppliers has been taken into account. King Louie took an effort to improve its own purchasing practices to avoid contributing to excessive overtime, like for example ordering raw material at an earlier stage, increasing order volumes instead of repeated orders during the season and being lenient with delivery dates.

Insufficient progress was made on the following requirements: 1.13 Member company determines and finances wage increases; and 1.14 Percentage of production volume where the member company pays its share of the target wages.

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## Evaluation

**Possible Points: 6**

**Earned Points: 4**

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## Recommendations to Fair Wear

King Louie values its Fair Wear membership and the support provided by Fair Wear during the past financial year. However, unfortunately, answers by Fair Wear takes often a long time. In addition, King Louie had hoped for more support on the topic of Living Wage.

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	26	52
Monitoring and Remediation	15	22
Complaints Handling	7	9
Training and Capacity Building	5	11
Information Management	4	7
Transparency	5	6
Evaluation	4	6
Totals:	66	113

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

58

### Performance Benchmarking Category

Good

## Brand Performance Check details

Date of Brand Performance Check:

24-11-2021

Conducted by:

Annet Baldus

Interviews with:

Mr. Jeroen Dijkema - CEO

Mrs. Gael Brutin - Head of Design and Production

Mrs. Laura Tol - CSR Coordinator

Mrs. Diane van Ieperen - Marketing