



## **Brand Performance Check**

# **Continental Clothing Company Ltd**

This report covers the evaluation period 01-01-2021 to 31-12-2021

## 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 year's 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 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

## Continental Clothing Company Ltd

Evaluation Period: 01-01-2021 to 31-12-2021

Member company information	
Headquarters:	London , United Kingdom
Member since:	2006-10-01
Product types:	Garments, clothing, fashion apparel; Promotional wear and accessories; Bags & Other
Production in countries where Fair Wear is active:	Bangladesh, China, India, 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	100%
Benchmarking score	79
Category	Leader

## Summary:

Continental Clothing Ltd. (hereafter referred to as Continental) has shown advanced results on performance indicators. The benchmarking score of 79 means that Fair Wear has again awarded Continental the 'Leader' status. Although the monitoring threshold does not determine the category this year, Continental has fulfilled the monitoring requirements at suppliers responsible for 100% of its production volume.

## Corona Addendum:

The second year of the pandemic still significantly impacted the brand's operations. In 2020 factories returned to work only to close again under new lockdowns in 2021, and the situation stabilized in the second half of the year. Trading conditions were challenging across the global markets, with national economies feeling the burden of the pandemic. Increased organic cotton and freight prices were especially a challenge for the brand. The new trading barriers between the UK and the rest of Europe resulting from the UK exiting the single market and the customs union added to the overall suppression of trade. Consequently, Continental's year-on-year sales volumes decreased slightly for the first time in twenty years.

In 2021, Continental continued to frequently contact its suppliers on WhatsApp, email and phone to stay updated on the situation. Continental's suppliers were more affected by positive COVID-19 cases in the factories, which reduced capacity. At the Indian suppliers, production was also affected by a two-week lockdown in Spring 2021. The brand accepted any delays caused by a staff shortage. Continental was not affected by material delays as the brand keeps stock of material at the factory, which secures production flow for up to nine months.

Despite the COVID-19 pandemic, Continental conducted audits at three suppliers in 2021 and reached a monitoring threshold of 100% again.

Continental continued to discuss with suppliers the impact of COVID-19 on costs. The Indian suppliers added costs for implementing health and safety measures and COVID-19 testing, but the effect was relatively insignificant. The most significant impact has been wage payments during the lockdown in India. Wages were paid partly throughout the lockdown. Continental reported that legal minimum wages were secured, and an external audit verified the information. For Continental's production locations based in Turkey and China in 2021, COVID-19 had no significant effect on production.

Continental showed good practice by paying for the vaccination of all workers in 2021 at its main supplier in India.

Overall, Continental has established very strong long-term partnerships over the years, which ensure effective collaboration. The brand must focus on the biggest challenges of excessive overtime and living wages in the upcoming year. In addition, Continental must implement a systematic approach to monitor supplier-level remediation.

## 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.	81%	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:** Continental has a consolidated supplier base. It sources from six production locations in India, China, Bangladesh and Turkey. In 2021, 81% of Continental's purchasing volume came from four production locations, where Continental is responsible for more than 10 % of the respective locations' 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.	0.5%	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:** Only at one location in China where the member is producing baseball caps Continental's production volume is less than 2% of its total FOB, meaning that Continental has a relatively compact and consolidated supply chain.

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.	99%	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:** Continental has long-term business relations with almost all its suppliers. 99% of the production comes from production locations where a business relationship has existed between eight and 25 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:** Continental did not add any new supplier in 2021 but could show the Chinese supplier's missing questionnaire, a requirement in the last Brand Performance Check. The brand is preparing a procurement package with the Fair Wear questionnaire and Worker Information Sheet next to the procurement policy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders.	Advanced	Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0

**Comment:** The brand tracks country studies and reviews existing audit reports and certifications when starting a business with a new supplier. Analysing and discussing existing reports is the first step to understanding how responsive and transparent suppliers are towards social responsibility issues. Continental has drafted short guidance (bullet points) suggesting what to look for in the country study documents - for example, home working, gender issues etc. Continental includes Fair Wear requirements (summarised as steps) in its sourcing policy for adding new production locations. The entire team (production, planning, CSR) decides to onboard a new supplier. All parts have equal veto rights.

Even though Continental has a good understanding of country-specific risks, it does not have a systematic process to continuously monitor new and existing suppliers in those risk areas and consider this in its sourcing decisions. As a result of the last brand performance check, the brand started preparing a procurement package in 2022, including a procurement policy and purchasing policy. Fair Wear will review the implementation of this new process in the next brand performance check.

During the COVID-19 pandemic of 2021, Continental continued to frequently contact its suppliers on Whatsapp, email and phone to stay updated on the situation. Wage payments and support to workers during lockdowns, the ability of factories to restart operations, and health and safety measures were identified as crucial risk areas. Continental regularly engaged with suppliers on these topics, specifically in India and Bangladesh. According to the information Continental received from its suppliers, China and Turkey were less affected in 2021. In general feedback on the suppliers' situation was collected during regular calls and emails. The brand sent out customised questionnaires to have a detailed picture of the impacts of COVID-19 on workers' wages, overtime, and welfare. However, Continental sent those only in May 2022. The brand stated that compared to 2020, they knew which questions to ask to get the needed answers.

**Recommendation:** A risk analysis as part of the decision-making process of selecting new suppliers is an important step to mitigate risk and prevent potential problems. Fair Wear recommends Continental to define preventive actions for identified risks clearly and implement them accordingly. This also includes strategies to tackle structural risks such as low wage levels in the country, limited freedom of association, and restricted civil society that are beyond the brand's individual sphere of influence.

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:** Continental does not formally document the results of supplier evaluation following some system. However, as it only has six suppliers, it continuously monitors the suppliers' performance in terms of production, delivery, quality, and social compliance. This process informs business decisions. Continental develops a product with a supplier in mind, which emphasises building on the supplier relationship in focus. The brand is in contact with suppliers daily, and all suppliers diligently follow up on social compliance issues.

Continental did not cancel or reduce any orders because of COVID-19. That apart, the brand has continuous engagement with suppliers and ensures to place orders continuously to secure continuity of employment for the workers. Continental significantly increased business with the strategic supplier in India, which contributed to the facility's expansion and increased workforce.

Since the beginning, Continental did not end a business relationship with any of its suppliers. A written responsible exit strategy policy exists, but as the brand has never used it will be reviewed in 2022.

**Recommendation:** Fair Wear encourages Continental to develop an evaluation system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions. Such a system can show whether and what information is missing per supplier and can include outcomes of audits, training and complaints.

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:** Generally, Continental guarantees to fill a specific production capacity at its suppliers. It aims to maintain a steady production at the factories with dedicated lines producing continuously for Continental throughout the year. Consistency is essential as most products do not change over the years, and production lots are mixed in stock. The large stock allows Continental to place even orders throughout the year and respond to customer requests quickly, without asking suppliers to work additional hours.

Continental announces production plans at the beginning of the year and communicates with suppliers regularly to update itself on the production status (planning). Suppliers always have sufficient lead time before production starts, and volume is known well in advance. Long lead times are agreed upon for new products, including sampling prototypes and approvals before being put into production.

The brand does not push its suppliers when they cannot meet the production deadline, does not impose penalties, and does not impose pressure to do overtime.

In 2021, Continental's suppliers were more affected by positive COVID-19 cases in the factories, which reduced capacity. At the Indian suppliers, production was also affected by a two-week lockdown in Spring 2021. During the lockdown, workers returned to their home town, but when they tried to return to work, they could not due to COVID-19 restrictions between different regions. The entire workforce only returned around July 2021. As usual, the brand accepted any delays caused by staff shortages. Continental was not affected by material delays as the brand keeps stock of material at the factory, which secures production flow for up to nine months.

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:** Fair Wear audits at the end of 2020 confirmed excessive overtime and inconsistencies in record-keeping at production locations in China and Bangladesh. But as Fair Wear submitted the audit reports only in January 2021, the follow-up on the findings is reviewed in this performance check.

At the Bangladesh supplier, the audit report showed occasionally excessive overtime of up to 89 hours. Even though Continental has been planning the production on standard working hours of 48 hours for years, the supplier keeps planning based on a 60h workweek of six days. With a leverage of 5%, the brand has limited power to change the system. The brand continues to discuss the topic with management. It ensures that their order placement does not cause overtime for workers and that they accept late delivery without penalties if needed.

At the Chinese supplier, where Continental has 14% leverage, excessive overtime of 82 hours a week was found. Workers worked seven consecutive days regularly, and working hours could not be verified due to inconsistent time recordings. The brand is aware of the problem and has continuing discussions with the owner about the issue, making clear that excessive overtime is illegal and unacceptable. The brand does not want its products to be produced during excessive overtime. The management confirmed that Continental does not cause overtime as lead times are long and orders are placed promptly. The brand imposes no penalties or pressure with regards to late deliveries. According to the owner and management, the root cause is that Chinese migrant workers insist on doing overtime. Without overtime, they would look for other employment. For Continental, excessive overtime at this partner is a big concern which is why the brand is, for the first time, considering stopping business with a long-term partner as there is no improvement in sight. For the moment, the brand monitors the overtime by collecting audit reports. The last external report showed only a few excessive overtime cases and that overtime is voluntary. The brand would be interested to see more best practice examples from other members on how to deal with the issue to support systemic change.

**Recommendation:** Fair Wear recommends to discuss whether living wages might be the root cause for the excessive overtime at the Chinese partner. Increased wages might help to reduce excessive overtime.

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:** Continental does not put pressure on its suppliers regarding prices. Generally, it requests a price quotation from its suppliers for a new style. If the quoted price is too high, Continental first assesses with its customers whether they can sell it at a higher price. If not, they will look at the cost breakdown to determine whether they can make savings somewhere. According to Continental, the price is never based on order quantity, and Continental will also not lower the price for repeat orders. As styles often run for many years, the price must be sustainable for the supplier in the long run. Continental can crosscheck wages through wage ladders in audit reports and requests of payrolls.

Continental applies open costing with most of its suppliers and understands the labour minutes needed for its products. However, as quoted prices include overhead, the brand can still not directly link buying prices to wages in production locations.

In 2021, Continental faced significant price increases caused by raw material prices, energy costs, and annual increases in labour costs.

Continental continued to discuss the impact of COVID-19 on costs with suppliers. The Indian suppliers added costs for implementing health and safety measures and costs of COVID-19 testing, but the effect was relatively insignificant. To ensure the safety of the workers, Continental paid for the vaccination of all workers in 2021 at its key supplier in India.

**Recommendation:** Fair Wear recommends Continental to expand their knowledge of cost breakdowns. A 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 their own buying prices, for example by using the FairPrice app. The FairPrice app also enables suppliers to include any COVID-19 related costs. Continental could consider offering training by a local representative on FairPrice to its suppliers. Such training is available in all Fair Wear countries.

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:** The Fair Wear audit from December 2020 at a Bangladeshi supplier stated that during worker interviews, workers reported that trainees were paid only 2000 Taka during their trainee period instead of the legal minimum wage of 6164 Taka. In the CAP follow-up, the factory left the field blank but explained via email that there are no trainees at the factory and workers all receive legal minimum wage. The supplier thinks that workers from another factory were interviewed by mistake during offsite interviews as there are no trainees in the factory. The brand did not take any further action within the past financial year. Another finding in the report concerning the wrong pay grade for a worker was resolved, the pay grade was adjusted, and payroll December 2020 was sent to verify.

In India, a two weeks lockdown occurred in 2021 during which the main concern was continuity of wage payments. Continental's strategic supplier declared wages were paid partially during lockdowns in 2020 and 2021 but legal minimum wages were secured for all workers. An external audit report verified the information that at least legal minimum wages were paid throughout 2021. The other Indian supplier confirmed wages were secured thanks to financial support by other brands.

For Continental's production locations based in Bangladesh, Turkey and China in 2021 no lockdown occurred in 2021.

A Fair Wear audit at a Chinese supplier from November 2020 showed inconsistent time records due to irregular time recording by the workers. The brand had no update in the CAP format but had collected feedback via email. Only in May 2022 did Continental receive evidence of correct time records.

**Recommendation:** In case of a crisis such as COVID-19, Continental is encouraged to find solutions in collaboration with their suppliers to ensure they can continue the payment of minimum wages to their workers.

Fair Wear strongly recommends Continental always to verify whether legal minimum wage issues have been resolved in case factory management claims so. Follow-up should always take place timely after the risk is identified. In case no recent audit reports are available, Continental could hire a local consultant or plan a monitoring visit of one of Fair Wear's auditors to check whether the issue has been resolved.

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:** There has been no evidence of late payments to suppliers by Continental.

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.	Advanced	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	6	6	0

**Comment:** While Continental is yet to link the buying prices to wages in production locations, the brand is since 2016 implemented a living wage project at its main supplier in India. The FairShare benchmark set in 2017 was 14,048 INR. It was decided that all the workers would receive the same nominal wage increase after consultation with workers. However, it should be noted that Continental's contribution to the wage increase is proportional to the production capacity needed for two 'FairShare' collections (now less than 10%). At the same time, Continental's total leverage at the supplier is close to 75%. Nonetheless, as the number of workers at the supplier increased from 209 to 926 (in 2021), all workers were entitled to the same nominal living wage premium. Continental's contribution increased accordingly in 2021. Continental thus contributes a larger amount than what was calculated based on the initial percentage of the production capacity used for the FairShare collections.

Furthermore, Continental started another initiative in 2018 to move toward paying living wages to its supplier in Turkey. The next step will be to set a target wage level in consultation with the factory management and worker representation. In 2021, due to COVID-19, the brand did not make much progress. The brand foresees difficulties in making progress due to Turkey's current challenging economic situation.

In 2021, Continental was still discussing joining a living wage project at its second supplier in India, initiated by another Fair Wear member brand also sourcing there. But due to the challenges of COVID-19, no further steps have been taken.

Generally, Continental has the intention to roll out the use of the Fair Price App to all six suppliers. The brand explored its first trials with the app at four suppliers in China, Bangladesh and India. The results were unsatisfactory, and Continental concluded the implementation requires a personal visit planned for the end of 2022.

**Recommendation:** Continental is advised to work with its suppliers and expand its living wage approach proportional to the entire leverage Continental has at its suppliers and review again targets set in 2017 compared to amounts paid per shift.

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.	Advanced	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.	6	6	0



**Comment:** Continental implements the FairShare approach at its supplier in India, where products showing the FairShare label carry a small price premium that is passed directly to the garment workers towards their Living Wage. Until 2021, the brand implemented this approach with two collections, accounting for less than 10% of the factory's production capacity. For these collections, Continental asked customers to pay a Fair Share premium. However, the sales of the FairShare collection decreased, but at the same time, the number of workers increased threefold (all workers were entitled to the same nominal increase). Therefore, the Fair Share Premiums on the two collections did not create enough revenues to support the agreed-upon wage increase. As a result, Continental had to absorb a substantial amount, paid towards workers' living wages, from its other collections.

As a result of this development in 2021, the brand fundamentally changed the FairShare approach. As of 2022, the FairShare payment will no longer be linked to the product. The main reason for the change is the decreased demand for the FairShare collection. The change does not affect the workers, they still receive INR 25 wage increase per shift.

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.	58%	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.	4	6	0

**Comment:** Continental pays its share of a target wage (payout of INR 25 per shift for all workers) at its main supplier in India, accounting for 58% of its total purchasing volume. However, it should be noted that Continental's contribution to the wage increase is proportional to the production capacity needed for two 'fair share' collections (less than 10%). At the same time, Continental's entire leverage at the supplier is close to 75%. Continental started calculating a target wage at its supplier in Turkey, but this has not yet led to actual wage increases in 2021.

**Recommendation:** Fair Wear recommends the member to start paying its share of the target wage proportionate to its leverage of almost 75%. Also, Fair Wear recommends the brand to improve its efforts with other suppliers.

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## Purchasing Practices

**Possible Points: 50**

**Earned Points: 43**

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## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	100%	
% 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.	Yes	
Requirement(s) for next performance check		
Total monitoring threshold:	100%	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:** Continental's Head of Product and Sustainability is responsible to follow up on problems identified by the monitoring system.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case Fair Wear teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for Fair Wear to approve the auditing system.	Information on audit methodology.	N/A	0	-1

**Comment:** Member makes use of Fair Wear audits and/or external audits only (N/A).

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:** Continental shares the Audit Report and Corrective Action Plan (CAP) findings with the factories in a timely manner and sets deadlines for receiving feedback on the CAPs. As the follow-up is mainly done and tracked through emails, the follow-up is more ad-hoc. The brand also reviews the presence of worker representatives in the audit exit meetings but does not actively check if they are involved in the remediation of the findings.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Basic	Fair Wear considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	4	8	-2

**Comment:** Despite the COVID-19 pandemic, Continental conducted audits at three suppliers in 2021 (one Fair Wear audit and two external audits). In this year's Brand Performance Check, late CAPs from 2020 were also checked. Continental does not systematically address CAP follow-up. The CSR manager of Continental is well aware of all specific CAP findings. Nevertheless, during the Brand Performance Check, Continental could not consistently demonstrate an ongoing follow-up of CAPs on file but had the feedback via email or verbally from a phone call.

At a Turkish supplier, where the brand's leverage is around 20%, the CAP issues reviewed missed verification, e.g. via photo documentation. For all findings, Continental's CSR manager gave detailed verbal updates on remediation but was missing written CAP updates. At a Chinese supplier, where the brand has 14% leverage, remediation updates were provided in an email summary from the factory shown during the check. At a Bangladeshi supplier, the CAP follow-up included detailed updates and proof via documentation but was not readable due to the bad image quality. It is important to highlight since December 2020, the supplier did not give an update via the CAP on the high-risk finding of failure to pay legal minimum wages for trainees. The brand only flagged the missing remediation in May 2022.

On complex findings, for example, related to the living wage or overtime, the brand did not make much progress in 2021. Those findings still need to be further discussed with the suppliers.

**Recommendation:** Fair Wear strongly recommends to increase the amount of resources needed for systematic CAP follow-up and keeping track of the status of CAP findings in an overview.

Fair Wear recommends Continental Clothing Company Ltd to only close issues when verification can be provided by showing proof (pictures, documentation) or by on-site visits of Continental Clothing Company Ltd, by including worker representation, or an independent third party.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	not applicable	Due to the Covid-19 pandemic, brands could often not visit their suppliers from March - December 2020. For consistency purposes, we therefore decided to score all our member brands N/A on visiting suppliers over the year 2020.	Member companies should document all production location visits with at least the date and name of the visitor.	N/A	4	0

**Comment:** As travel was restricted due to the COVID-19 pandemic, this indicator is not applicable in 2021. Also, Continental was not able to visit suppliers in 2021.

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	Intermediate			3	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	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:** Bangladesh: Continental has one supplier in Bangladesh and is aware of the risks of building safety, excessive overtime, low wages, gender-based violence, etc. Continental has not signed the Bangladesh Accord on Fire and Building Safety. Fair Wear has inspected Continental's supplier in Bangladesh, and the Accord remediation is fully completed. Important to mention is that the factory owner is a strong supporter of the Accord and has been appointed as a member of the RMG Sustainability Council (RSC) committee.

Turkey: Continental produces at one supplier in Turkey. Since the publication of Fair Wear guidance on risks related to Turkish garment factories employing Syrian refugees, the company has discussed the topic with its production location. Given the factory's location within Turkey, the risk of employing Syrian refugees is considered low. The factory also participated in webinars organised by Fair Wear on the issue. The supplier has an official policy on hiring refugees, which has not been used since no refugee has applied for a job. The brand acknowledges the risk of subcontracting and has discussed this in detail with the supplier. A Fair Wear audit in 2021 confirmed improved transparency on subcontracting (no subcontracting found). In addition, Continental collects external audit reports to check for findings on this issue specifically. The brand believes that the risk for subcontracting is reduced as Continental's orders are repeat orders which the factory has been making over many years.

India: Continental produces at two factories in India. It is aware of the risk of Sumangali at spinning mills in India, which is a complex and deeply rooted problem. One of its suppliers, shared with another Fair Wear member, is a vertically integrated factory. At the spinning mill, Sumangali did exist in the past, and women's freedom of movement at the dormitory used to be restricted. Continental and the other member gradually improved the women's situation over the years. A visit in 2019 confirmed workers had their bank accounts and mobile phones and were allowed to move freely in and out of the dormitory.

China: Continental discussed the risk of forced labour with its suppliers. A report by an independent third-party analysing the risk of forced labour at Continentals' suppliers based in China showed no finding.

#### COVID-19:

During the COVID-19 pandemic of 2021, Continental continued to frequently contact its suppliers through regular calls and emails. Wage payments and support to workers during lockdowns, the ability of factories to restart operations, and health and safety measures were identified as crucial risk areas. Continental regularly engaged with suppliers on these topics, specifically in India and Bangladesh. In India workers had reduced wages during part of the lockdown period 2021, an external audit confirmed that legal minimum wages were paid. To ensure the health and safety of the workers, Continental paid for the vaccination of all workers in 2021 at the strategic supplier in India. According to the information Continental received from its suppliers, China and Turkey were less affected in 2021. The brand sent out customised questionnaires to have a detailed picture of the impacts of COVID-19 on workers' wages, overtime, and welfare. However, Continental sent those only in May 2022.

**Recommendation:** Fair Wear recommends to join the Bangladesh Accord.

Continental is encouraged to enrol its suppliers in India and Turkey in WEP training programmes offered by Fair Wear.



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:** No CAPs active at shared production locations (N/A)

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

**Member undertakes additional activities to monitor suppliers.:** N/A (N/A)

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).	Yes	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.	2	2	0

**Comment:** Continental has again achieved 100% monitoring threshold which includes the Chinese tail-end production partner.

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: 18**

**Earned Points: 13**

### 3. Complaints Handling

Basic measurements	Result	Comments
Number of worker complaints received since last check.	4	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved.	1	
Number of worker complaints resolved since last check.	4	

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:** Continental's Head of Product and Sustainability is designated to address 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:** Usually, Continental staff visiting the production locations always check on the presence of the Worker Information Sheets. As no visits were possible, the brand asked for photos and reviewed audit reports on potential non-compliance.

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.	All production in low-risk countries/training not possible	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.	N/A	6	0

**Comment:** Because of travel restrictions in 2021 that limited the possibility of conducting training, this indicator is not applicable in 2021. However, one supplier of Continental participated in the WEP Basic module of Fair Wear. The brand's suppliers in Bangladesh, Turkey, and India also conduct monthly training and awareness programs for workers covering topics of the CoLP.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure.	Yes	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	3	6	-2

**Comment:** In 2021, Continental received a total of four new complaints. Two complaints at a supplier based in China were filed within two consecutive months, and both included issues around wages. Issues were raised that wages were not paid in time and wage calculations were unclear. The complaints were followed up thoroughly by the brand. Factory management showed proof wages were paid in time. The Global Service Team in China verified pay slips for Continental. Both complaints were closed as the case could not be grounded.

In addition, Continental received two complaints from another Chinese supplier, a shared factory with several member brands. The first complaint about reduced wages due to subcontracted production could not be grounded and was therefore closed. The second complaint about overtime was followed up by collecting proof of attendance records and agreements. The documentation showed no none compliance. Consequently, the complaint was closed.

The brand followed up on the complaints but did not take any preventive actions.

**Recommendation:** It is recommended to uncover the root causes of complaints and prevent them from recurring.

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

**Comment:** Two complaints were raised at a shared supplier in which nine Fair Wear members are active. One member took the lead in the follow-up, informing and consulting the other member brands in the remediation.

## Complaints Handling

**Possible Points: 11**

**Earned Points: 8**

## 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:** As a small organization, information is freely shared between employees, including an overview of sustainability efforts, social requirements, and Fair Wear membership.

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:** Continental is a small company, and there has not been any change regarding staff in direct contact with suppliers. All staff in direct contact with suppliers, such as quality control supervisors, are well informed of Fair Wear requirements and provided with additional training to help support monitoring activities.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Member does not use agents/contractors	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, Fair Wear audit findings.	N/A	2	0

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.	All production in low-risk countries/training not possible	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.	N/A	6	0

**Comment:** Because of travel restrictions in 2021 that limited the possibility of conducting training, this indicator is not applicable in 2021. However, it is to mention that the brand is focusing on transformative training and started planning these at two suppliers where the workforce is and will be increasing significantly this year.

**Recommendation:** Fair Wear recommends Continental to follow its plans to implement training programmes in 2022 that support factory-level transformation such as establishing functional internal grievance mechanisms, improving worker-management dialogue and communication skills or addressing gender-based violence.

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

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## **Training and Capacity Building**

**Possible Points: 3**

**Earned Points: 3**

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## 5. Information Management

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.1 Level of effort to identify all production locations.	Intermediate	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	3	6	-2

**Comment:** Continental has focussed on establishing a supply chain comprising a select number of suppliers with whom the brand has long-term relationships. Agreements guarantee suppliers that Continental fills the capacity of a certain number of production lines. Continental knows fairly accurately which production lines focus on the brand's production. Based on this, it has a good understanding of the potential risk of subcontracting.

At the same time, Continental does not have any local staff who can visit the factory regularly. Staff from headquarters visits the suppliers twice a year, including a surprise visit to reduce the risk of subcontracting. In 2021, the brand was not able to visit its suppliers.

**Recommendation:** As Continental relies on visits to eliminate unauthorised subcontracting, the brand should visit all suppliers as soon as the situation allows.

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:** Information about suppliers, including audits and CAP status updates, is shared between all staff responsible for product development, sustainability, quality control, and production.

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## Information Management

**Possible Points: 7**

**Earned Points: 4**

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## 6. Transparency

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.1 Degree of member company compliance with FWF Communications Policy.	Significant problems found, but appropriately remediated	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.	0	2	-3

**Comment:** Continental communicates about Fair Wear through the company website, social media, social report, catalogues, and on-garment communication and follows Fair wear's communication guidelines. However, a check of various third-party resellers revealed violations of Fair Wear's communication policy. One reseller referred to Fair Trade Foundation instead of Fair Wear Foundation and communicated products are Fair Wear certified. Another third-party reseller used very vague language, which might be misleading to the consumer.

**Requirement:** Any communication that implies that products, factories or brands are 'certified' or 'fair' must be avoided. Continental must inform all third-party resellers about Fair Wear's communication policy and ensure these are implemented correctly.

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:** Continental publishes the Brand Performance Check and Social Report on its website. While the brand has disclosed its suppliers to other Fair Wear members it has not disclosed the supplier list on the Fair Wear website due to commercial concerns.

**Requirement:** Fair Wear requires Continental to disclose production locations to other member brands in Fair Force and on the Fair Wear website.

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

**Comment:** The brand has submitted the social report and published it on its website.

## Transparency

**Possible Points: 6**

**Earned Points: 3**

## 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:** Continental has been a member of Fair Wear for over 15 years and considers the membership part of the company's DNA. The brand evaluates the cost, budgets, and Fair Wear's ability to offer guidance as experts on supply chain issues.

**Recommendation:** Fair Wear advises Continental to organise a meeting with management and sourcing staff to discuss the outcomes of this performance check and use those to formulate future plans.

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.	66%	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

**Comment:** In the past performance check, Continental had a requirement regarding a missing questionnaire for a new production location and a requirement regarding increasing external transparency. Fair Wear gave a third requirement to follow up on the COVID-19-related risk of payment below the legal minimum wage. The company thoroughly addressed the first requirement and showed improvements on the second requirement. Continental only partly followed up the third requirement of transparency.

**Recommendation:** Continental should focus on resolving all requirements given by Fair Wear.

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## Evaluation

**Possible Points: 6**

**Earned Points: 6**

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## Recommendations to Fair Wear

1. Fair Wear's requirements are complex and sometimes unsuitable for small companies.
2. Fair Wear's guidance is often very complex and could be more simple and straightforward.
3. Continental would appreciate it if Fair Wear could seek new funding for the former women supervisor training in India. Continental participated in this training and found it highly beneficial.
4. Continental would be interested to see more best practice examples from other members on how to deal with the excessive overtime to support systemic change.

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	43	50
Monitoring and Remediation	13	18
Complaints Handling	8	11
Training and Capacity Building	3	3
Information Management	4	7
Transparency	3	6
Evaluation	6	6
Totals:	80	101

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

79

### Performance Benchmarking Category

Leader



## Brand Performance Check details

Date of Brand Performance Check:

31-05-2022

Conducted by:

Julia Kraemer

Interviews with:

Mariusz Stochaj - Head of Product and Sustainability

Fiona Jarret - Intern