



Brand Performance Check

TH Clothes - Biscana

Publication date: October 2022

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. 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

TH Clothes - Biscana

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

Member company information	
Headquarters:	Batalha , Portugal
Member since:	2017-12-31
Product types:	Promotional wear and accessories
Production in countries where Fair Wear is active:	Bangladesh, China
Production in other countries:	Pakistan, Portugal
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	71%
Benchmarking score	37
Category	Needs Improvement

Summary:

TH Clothes has shown insufficient progress in performance indicators. With a score of 37 points, the member brand will be placed in "Needs improvement". The company received an insufficient score on indicator 2.7 for the fourth time in a row, which means repeated non-compliance and automatically places the member in the 'Needs Improvement' category. TH Clothes has monitored 71% of its total FOB, which is below the monitoring requirement of 80% for a third-year+ member brand. However, to acknowledge that due to COVID-19, monitoring audits were not always possible, the monitoring threshold does not apply this year.

Corona Addendum:

2021 was a challenging year for TH Clothes-Biscana, hereafter TH Clothes. In 2021, the brand still faced a sales decrease. At the same time, the brand expanded its warehouse, which increased the financial pressure. TH Clothes had to cut expenses in different business areas leading to fewer visits to its suppliers and less budget for monitoring audits and training. Additionally, the lack of production capacities at its suppliers and raw material delays led to massive order delays, which could only be covered by the brand's expanded stock. The brand accepted all delays and sent its orders at an earlier stage to support its suppliers.

TH Clothes is not open to cooperating with any Fair Wear member brand, nor is the brand willing to disclose its suppliers internally to other Fair Wear members or on Fair Wear's website. Consequently, TH Clothes did not follow up on issues such as non-payment of legal minimum wages and excessive overtime at a shared supplier in Bangladesh.

TH Clothes could not show any improvements on the given requirements in the previous Brand Performance Check related to prevention and mitigation of excessive overtime, improved wages at its supplier, enhanced monitoring requirements for Bangladesh, cooperation and transparency. Additionally, TH Clothes did not follow up on the risk of excessive overtime because of capacity issues and material delays. There is a lack of a strategy and structured and thorough documentation. Therefore, TH Clothes has shown insufficient progress in performance indicators, specifically related to Fair Wear's enhanced monitoring requirements for Bangladesh. With 83% of TH Clothes' production volume, Bangladesh is a significant production country, and more effort is expected. As a result, TH Clothes received an insufficient score (-2) on compliance with Fair Wear's risk policy in Bangladesh for the fourth time in a row. This means that the brand will automatically be placed in the "Needs Improvement" category.

Fair Wear expects TH Clothes to cooperate with other Fair Wear member brands to remedy serious findings such as non-payment of legal minimum wages. In addition, TH Clothes should set up a work plan to implement the given requirements. For support, Fair Wear offers several toolkits on its member hub.

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.	59%	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 2021, TH Clothes bought 59% of its production volume from production locations where it buys at least 10% of production capacity. This number increased by 5% compared to the previous year.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	6%	Fair Wear provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to Fair Wear.	3	4	0

Comment: In 2021, TH Clothes sourced from ten suppliers (counting for 6% of the production volume) where the brand buys less than 2% of its total FOB. Compared to the previous year, this number decreased by one per cent. These suppliers make specific products which cannot be placed at TH Clothes' main suppliers.

Recommendation: Fair Wear recommends TH Clothes to consolidate its supply base by limiting the number of production locations in its 'tail end'. To achieve this, TH Clothes should determine whether production locations where they buy less than 2% of their FOB are strategically relevant. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions more efficiently and effectively. It is advised to describe the consolidation process 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.	60%	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 2021, 60% of TH Clothes' production volume came from production locations where a business relationship has existed for at least five years. This 60% are counting for three out of 16 suppliers, whereof one main supplier. TH Clothes has a written policy for internal use, used to maintain stable relationships with suppliers as the company grows. With this policy, relevant staff is encouraged to make use of existing suppliers rather than sourcing new ones as much as possible.

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: In 2021, TH Clothes started sourcing at three new suppliers in Bangladesh, China and Portugal. All new production locations have signed the questionnaire with the Code of Labour Practices.

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.	Insufficient	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.	0	4	0

Comment: Before starting at new production locations, TH Clothes uses a basic supplier assessment checklist to review in-house facilities and general quality requirements for their garments. Every supplier is visited before orders are placed to check facilities, technical capability, and capacity. Additionally, the brand collects external audit reports. TH Clothes does have a basic policy in place which entails the required steps for onboarding new suppliers. In case the assessment reveals red flags, the quality manager, CEO and production manager will commonly decide whether or not a production location will be added to the supplier base. However, this procedure is not written in the policy yet. In 2021, TH Clothes added three production locations to its supplier base, one in Bangladesh, one in China, and one in Portugal. The supplier assessment checklist was used during visits of the Bangladeshi and Portuguese suppliers, except for the Chinese supplier which could not be visited. Each potential new supplier was informed about the Code of Labour Practices and the related requirements. However, no external audit reports of these new suppliers were uploaded to Fair Wear's data system, and no Fair Wear audits were conducted to check the situation at the suppliers, especially at the Chinese supplier. Also, the Bangladeshi supplier was not audited by the International ACCORD, and the brand did not make additional effort to evaluate the building, fire and electrical safety by local experts at this new supplier.

TH Clothes analyses the risks of its sourcing countries by using CSR risk check, Fair Wear country and wage information, information of Wage Indicator and other sources. Yet, the brand has not graded any risks, nor prioritized or linked the assessed risks to its suppliers. There is no formal process in place on how to prevent and mitigate risks, and what remediation steps may be necessary. For its main sourcing country Bangladesh, the brand assessed risks such as freedom of association, excessive overtime, and legally binding relationship. The identified main risks for China were forced labour, freedom of association and excessive overtime. Additionally, the brand identified risks such as freedom of association, excessive overtime and forced labour in its sourcing country Pakistan. The brand mainly relies on its supplier visits as part of its due diligence process. The quality manager spends several weeks per year at its suppliers in Bangladesh, and also visits its other suppliers when possible.

For COVID-19, the brand identified risks such as material delays leading to order delays, lack of capacities at production locations, lockdowns, occupational health and safety risks at suppliers and the general risk of sales decrease. The brand stayed in contact with its suppliers by visiting and using Whats App as a communication tool. For its Chinese suppliers, it was more difficult, considering the low leverage. The brand tried to have conversations with these suppliers on a monthly base, sometimes less. However, no documentation took place.

Requirement: A formal process should exist to evaluate the risks of labour violations in the production areas TH Clothes is operating. This evaluation should influence the decision on whether to place orders, how to prevent and mitigate risks, and what remediation steps may be necessary.

When there are no auditing limitations, members are expected to audit suppliers or work with existing qualitative audit reports to assess the labour conditions at their suppliers.

Recommendation: A risk analysis as part of the decision-making process of selecting new production locations is an important step to mitigate risk and prevent potential problems. Fair Wear recommends TH Clothes to clearly define preventive actions for identified risks and connect them to sourcing decisions. 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. Fair Wear advises to use information from Fair Wear country studies and wage ladders and use the Fair Wear Health and Safety guidelines. For gender risk assessments, TH Clothes can use the gender-toolkit that has fact-sheets per country, supplier checklists and a model policy on Sexual Harassment. TH Clothes can cooperate with local stakeholders to further investigate the situation in a specific country, particularly with regard to China and Bangladesh. Fair Wear can offer information on local stakeholders.

Fair Wear strongly recommends TH Clothes to ensure that new Bangladeshi suppliers are checked on fire, electrical and building safety by the RSC/International Accord or other specialists before placing the first order.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	1	2	0

Comment: TH Clothes could show a supplier evaluation file rating suppliers on general performance, quality, delivery and CSR. The criteria for social compliance are focused on various types of certifications and complaints filed through the complaints hotline. Besides this, the input from TH Clothes' quality manager (findings during factory visits, photographic evidence collected) is included. Each supplier starts with 100 points, and a number of points are deducted when non-compliance is found. Once a supplier has less than 75 points, it is flagged, and action is required. Each criterion has equal weight in this evaluation. Even though TH Clothes has a clear commitment to value long-term business relationships and large orders are placed at those who perform well enough in the overall supplier evaluation, it could not yet show how social compliance is rated and how this directly leads to production decisions.

In 2020, TH Clothes placed one trial order at a supplier in Myanmar. In 2021, the brand decided not to place new orders at this supplier as the situation in the country was not safe. The brand does not have an exit strategy in place but kept contact with the supplier to investigate the situation.

COVID-19: the brand cancelled no orders in the past year and did not change its payment terms. No supplier reached out for financial support.

Recommendation: Fair Wear recommends TH Clothes to make more explicit how social compliance in the supplier rating system in which quality, relationship, price, and planning are assessed is weighted and how compliance with CoLP leads to production decisions.

Fair Wear recommends TH Clothes to implement a responsible exit strategy and make sure all relevant staff is informed about this. Please see Fair Wear's Guidelines on a responsible exit strategy on the member hub.

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: TH Clothes sell catalogue articles, which remain consistent for a long time. Also, the brand has a warehouse with stock. The annual order plan, based on the sales of the previous year is only maintained for the two main suppliers. For some suppliers the capacities are known, but not for all. However, the frequent visits to the production locations by TH Clothes' quality manager enables the brand to double-check capacity on the work floor. Usually, the orders for the main suppliers are placed at the end of each year. With a long lead time of eight months, whereof six months production time and two months shipping, the supplier does have the possibility to organise the production most efficiently and even to use the low season. Bulk orders are placed with different shipping dates. TH Clothes considers public holidays and factory vacations in its planning. There is no exchange about the order status during the production, but two weeks before shipping the brand and the supplier get in touch to discuss shipping details. At this stage, the brand will be informed about possible delays. TH Clothes accepts order delays without using penalties or requesting discounts.

2021 was a challenging year for TH Clothes. The brand and its suppliers had to deal with massive order delays because of a lack of capacities and raw material delays. To support its suppliers, the brand accepted all delays and tried to cover the lack of products with its warehouse stock. Additionally, the brand placed orders at an earlier stage (September instead of December) to give the supplier more time to buy raw materials.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.7 Degree to which member company mitigates root causes of excessive overtime.	Insufficient 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.	0	6	0

Comment: In 2021, two audits took place at two Bangladeshi suppliers, whereof one main supplier. For one supplier, the audit report indicated excessive overtime. This supplier (counting for 12% of TH Clothes' FOB) is a shared supplier with another Fair Wear member brand. As TH Clothes is not open for cooperation, the brand did not have access to the audit report and as a consequence did not remediate and mitigate the excessive overtime.

The audit report of the brand's main supplier stated that workers occasionally do not receive one day off per seven days of work and the total working time per week is occasionally above the legal limit, though not excessive. According to the brand, the root causes of excessive overtime are peak seasons and tight deadlines by other customers. TH Clothes has the opinion it does not contribute to excessive overtime, as the brand places orders at a very early stage, with long lead times, is flexible and accepts delays. Additionally, the styles are easy to produce, and no embroidery or printing is used for production. The brand supported its suppliers by placing the orders at an earlier stage and increasing the warehouse capacities. However, the brand did not take any preventive measures to reduce the risk of excessive overtime at this supplier.

In 2021, TH Clothes experienced massive order delays due to a lack of capacities, raw material delays and production closure due to power cuts in China. The brand did not take any action to follow up on the risk of excessive overtime at its suppliers facing these issues.

Requirement: TH Clothes should investigate to what extent its current buying practices have an effect on the working hours at supplier level. A root cause analysis of excessive overtime should be done to investigate which steps can be most effective to reduce overtime.

With a high risk of excessive overtime in its supply chain due to the COVID-19 pandemic, the member needs to monitor suppliers more actively on excessive overtime. TH Clothes should have collected information on whether the replacement of orders due to COVID-19 led to excessive overtime.

Recommendation: Fair Wear strongly recommends TH Clothes to cooperate with the other Fair Wear member brand and to commonly follow up on the excessive overtime at its shared supplier.

Besides discussing it with the supplier and assessing root causes, Fair Wear strongly recommends TH Clothes to actively take measures when excessive overtime is found. Taking measures to ensure that TH Clothes knows and shows whether excessive overtime takes place at a supplier is key in resolving the issue. Measures such as regular checks by the local technician, document checking and interviewing workers help assess whether excessive overtime takes place.

In cases where audits were not possible, the member could make use of additional monitoring tools, such as worker surveys, to monitor working hours at its suppliers

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

Comment: TH Clothes uses a costing system for its products in which different components of the price are specified. The labour cost is considered part of what is called the 'margin' in this costing sheet. TH Clothes expects the factory to get its overhead, labour costs and profit margin from this component. The division between these costs is not specified. TH Clothes is not aware of the number of sewing minutes that go into its products. The company negotiates prices in good faith and believes this brings them to a fair price. The brand can not link its buying prices to wage levels in production locations.

Requirement: TH Clothes 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: At a minimum, members are recommended to investigate wage levels in production countries, among others by making use of Fair Wear's Wage Ladder and country studies. As an advanced step, increased transparency in costing and productivity gives insight in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	No	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, Fair Wear member companies are expected to hold management of the supplier accountable for respecting local labour law. Payment below minimum wage must be remediated urgently.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show minimum wage issue is reported/resolved.	-2	0	-2

Comment: Two audit reports at TH Clothes Bangladeshi suppliers revealed non-payment of legal minimum wages. The supplier (counting for 12 % of the TH Clothes' FOB) is a shared supplier with another Fair Wear member brand. As TH Clothes is not open for cooperation, the brand did not have access to the audit report and as a consequence did not remediate this serious finding. The other audit took place at the brand's main supplier. TH Clothes followed up on this finding and supported the supplier by increasing the price by one cent per article, leading to an expected total amount of 50.000\$. Both parties agreed that this money should be distributed to the workers to cover the wage gap. The payment was verified by Fair Wear.

In 2021, the legal minimum wages increased in Pakistan and suppliers had to pay back wages for six months to the workers. The Pakistani supplier increased its prices three times in 2021, which was accepted by TH Clothes. However, the brand did not verify if the supplier paid the increased legal minimum wages.

The Chinese suppliers faced lockdowns due to power cuts. TH Clothes did not follow up if this led to non-payment of legal minimum wages.

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

If a supplier fails to pay minimum wages, members are expected to respond in time, identify root causes with factory management, and resolve the issue. Evidence of remediation must be collected. Factory visits with a documents check or additional verification by Fair Wear may be needed to verify remediation.

Recommendation: Fair Wear strongly recommends TH Clothes to cooperate with the other Fair Wear member brand and to commonly follow up on the non-payment of legal minimum wages at its shared supplier.

In case legal minimum wages increase, Fair Wear recommends to thoroughly check if the suppliers follows up on the increase and to verify the payment of legal minimum wages to the workers. Proof of evidence must be collected.

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 were no findings of late payment by TH Clothes in 2021. The brand works with letters of credit (L/C). The payment terms are 45 days after shipping.

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.	Insufficient	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: TH Clothes did not follow up on the requirement given in the past year to assess the root causes of wages that are lower than living wages. Like in the previous Brand Performance Check, the member brand indicated to have discussed this issue with its suppliers, but could not show meeting minutes or documentation. TH Clothes finds it difficult to detect the root causes for wages that are lower than living wages in its production locations. However, the brand started working on a strategy which was in its beginning stage and could not be assessed yet.

Requirement: TH Clothes 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. TH Clothes 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.

Recommendation: Fair Wear encourages TH Clothes to create an action plan on how to address and assess root causes for wages that are lower than living wages. The main supplier in Bangladesh, where the brand has 30% leverage would be a good start.

Generally, the brand is strongly advised to have better and more structured documentation in place of the dialogues with its suppliers and the actions being taken.

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: TH Clothes did not work on the requirements given in the last year's Brand Performance Check. The brand has not determined wage increases at suppliers yet and did not set a target wage at any of its suppliers. There is no strategy in place on how to start this process and to define where the money would come from.

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

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

It is advised that the strategy for how to finance wage increases is agreed upon by top management.

In determining what is needed and how wages should be increased, it is recommended to involve 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: TH Clothes has not set a target wage for its suppliers.

Purchasing Practices

Possible Points: 52

Earned Points: 14

2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	70%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	1%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Member meets monitoring requirements for tail-end production locations.	Standard monitoring below 80%	Monitoring threshold below 80%.
Requirement(s) for next performance check		
Total monitoring threshold:	71%	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: TH Clothes' quality manager and the CSR/sourcing manager are responsible for following up on problems identified by the monitoring system.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	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: In the past financial year, two Fair Wear audits took place at suppliers in Bangladesh. One audit was requested by the brand itself. The audit report and CAP were shared on time. As the brand's quality manager frequently visited the supplier throughout the past year, active communication with the worker representatives about the CAP took place. The brand and supplier followed up on the improvement timelines suggested by Fair Wear.

The second audit was requested by another Fair Wear member brand. There is no active cooperation between these two brands as TH Clothes is not open to this. Hence, the brand was unaware that this audit occurred and does not have access to the report and CAP. However, the findings are known due to the communication with the factory management.

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.	Insufficient	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.	-2	8	-2

Comment: Despite the recommendation given in the past Brand Performance Check, TH Clothes still does not have a clear system in place to keep track of the progress on CAPs at this moment nor does the brand analyse how it might have contributed to findings. In the past financial year, two Bangladeshi suppliers were audited, whereof the brand's main supplier. No CAP follow-up took place for one audit, as the brand refuses to cooperate with another Fair Wear member brand (see also indicator 2.3).

There was a basic CAP follow-up at the brand's main supplier. The quality manager normally spends most of the year in Bangladesh, regularly visits the factories, and immediately discusses non-compliances with the factory management. The improvements in occupational health and safety findings were checked during the visits. Findings related to payments below legal minimum wages were followed up (see indicator 1.9). Findings such as (occasional) excessive overtime were not addressed as the brand does not know how to address them. Also, the brand is convinced not to contribute to the excessive overtime at its supplier. For more information see indicator 1.7. Other findings such as incorrect payment of wages, lack of social security coverage, lack of a functioning anti-harassment committee, lack of democratically elected worker representatives, lack of functional grievance mechanism and no awareness of Fair Wear's code of labour practices remained unresolved.

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

Resolving and remediating non-compliances is one of the most important criteria member companies can do towards improving working conditions. Fair Wear expects TH Clothes to examine and support remediation of any problem that they encounter. Coordinated efforts between different departments are required to ensure sustained responses to CAPs.

Recommendation: Fair Wear strongly recommends that TH Clothes more systematically keep track of CAP state and continue strengthening their system to analyse how they might have contributed to findings and what changes they can make in their purchasing practices. In addition, TH Clothes is recommended to systematically address all findings, specifically the high urgency findings first. The member brand and supplier should thoroughly document all remediated steps, and proof of evidence should be filed on the member brand's file system.

Fair Wear also recommends TH Clothes to gradually ensure factories establish independent worker representation and involve these representatives in monitoring and remediation of findings.

The member should take steps to remediate CAP findings and regularly check in with suppliers on the status and developments.

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.	97%	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.	4	4	0

Comment: Except for China, TH Clothes was able to visit 2021 all its suppliers in Bangladesh, Pakistan and Portugal, counting for 97% of the member brand's FOB.

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 insufficient result on relevant policies	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.	-2	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Insufficient			-2	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	Policies are not relevant to the company's supply chain			N/A	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Insufficient			-2	6	-2

Comment: Bangladesh:

TH Clothes showed insufficient progress on this indicator. Although the brand has signed the International Accord, it could not show its contribution to support active remediation of the accord CAP findings. Moreover, only four out of ten Bangladeshi suppliers are audited by the Accord yet. The progress rates of the CAPs vary between 84% and 100%. The other six suppliers, whereof its main suppliers, responsible for 58% of the member's FOB, are still not audited, neither by the Accord nor by other specialised organisations. The member brand asked the Accord for audit dates for its suppliers but received no response from the Accord. TH Clothes did not take alternative steps to ensure the fire and building safety in the meantime.

TH Clothes is generally aware of Bangladesh's country-specific risks such as freedom of association, excessive overtime, and legally binding relationship, but did not follow up on these. It has agreed with its suppliers not to subcontract as part of its terms and conditions for working with suppliers. TH Clothes' Quality Manager regularly visits the production sites and uses a checklist that includes health and safety points to assess the situation in the factories. Although required by Fair Wear's enhanced monitoring programme and indicated as CAP finding in one audit report, TH Clothes did not follow up on the instalment of functioning anti-harassment committees at its Bangladeshi suppliers. No Fair Wear Workplace Education Programme (WEP) Basic training including violence and harassment prevention has been given to any suppliers so far. With 83% of TH Clothes' production volume, Bangladesh is a very important production country, and more effort is expected. TH Clothes has not undertaken adequate further action to follow up on the concrete requirement given last year.

China:

TH Clothes did not take any action on country-specific risks. The brand does not have a policy and process in place to mitigate and remediate risks such as freedom of association, excessive overtime and forced labour. The brand did not investigate whether its suppliers are linked to forced labour. As no supplier is located in the Xinjiang region, the brand feels that no further follow-up is needed. Furthermore, no action was taken by the brand to support the process of social dialogue and freedom of association. No supplier was audited, and no supplier was visited or received any training.

Pakistan:

TH Clothes did not take any action on country-specific risks. The supplier is located in the Karachi region and according to the brand the Karachi region is paying the highest wages.

Covid-19:

No specific monitoring took place, except visiting its suppliers in Bangladesh, Pakistan and Portugal and checking the occupational health and safety measures undertaken by its suppliers. The brand was lenient with order delays.

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

TH Clothes' monitoring system should identify and address high-risk issues that are specific to the member's sourcing practices. Fair Wear provides policies and country-specific requirements to member companies. Priorities in remediation efforts are guided by these policies.

Recommendation: Bangladesh: Fair Wear expects TH Clothes to comply with the risk policy for Bangladesh. Fair Wear requires all member companies to ensure inspections and remediation on fire and building safety are conducted at ALL suppliers. TH Clothes should make sure all factories are inspected and start to work on remediation plans. TH Clothes should share responsibilities with their production locations as business partners to improve workers' safety at the workplace. At the minimum, the member company should provide the necessary support to the suppliers. In terms of fire and building safety, the member could offer financial or technical support, or offer flexible lead time so that factories could prioritize remediation. Additionally, Fair Wear strongly recommends TH Clothes to offer Violence and Harassment prevention trainings to its suppliers and follow up by installing functioning Anti-Harassment committees.

China: Fair Wear strongly recommends that TH Clothes makes a clear statement to its suppliers that, as a brand TH Clothes does not want to be involved with any forced labour in its supply chain, including subcontractors. We advise TH Clothes to add the risk of forced labour to its risk assessment and monitor its suppliers more thoroughly.

Pakistan: Fair Wear expects TH Clothes to follow up on country-related specific risks.

COVID-19: After almost two years of COVID-19, preventive measures are more automatically integrated into the daily business of the suppliers. However, Fair Wear encourages TH Clothes to continue close monitoring of its suppliers related to the pandemic. The brand should know about the workforce, infection rate, vaccination rate, lockdowns, capacity issues and others at its suppliers and follow up on any related issues.

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 cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	-1	2	-1

Comment: TH Clothes shares one production location with two other Fair Wear members. However, the brand is not open to any cooperation with other (Fair Wear) brands. TH Clothes believes that given the complexity of the promotional wear industry, it is too risky to cooperate with other brands. TH Clothes' opinion however is not shared by the other Fair Wear member brand, which is open to cooperating.

Requirement: Cooperation among Fair Wear members is required. In addition, it is advised to identify other clients and their commitment to improving working conditions. Involving more costumers of the factory increases leverage, the chances of successful outcomes and long term improvements.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. Fair Wear has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of Fair Wear membership; posting of worker information sheets, completed questionnaires.	2	2	0

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

Comment: TH Clothes has a small percentage of production at two facilities in Portugal, which are visited yearly.

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.	Yes, and member has collected necessary information	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.	2	2	0

Comment: TH Clothes resells articles from one external brand. The questionnaire was collected. However, this cooperation has ended in 2021.

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).	100%	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.	3	3	0

Comment: TH Clothes resells items from one external brand, which is also a Fair Wear member.

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: 32

Earned Points: 10

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 team follows up on any complaint raised through the Fair Wear complaints handling system.

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: Worker information sheets are posted at all production locations. This is checked and photographed during every visit by the own staff or agent, and photos are kept on file. However, during the Brand Performance Check, issues were found that some posted worker information sheets were not up to date.

Recommendation: Fair Wear recommends to ensure that all worker information sheets are up to date.

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 COVID-19 restrictions in 2021 that limited the possibility to conduct training, this indicator is considered not applicable in this check.

Recommendation: Fair Wear recommends TH Clothes to actively raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint helpline among a larger portion of its suppliers. TH Clothes should ensure good quality systematic training of workers and management on these topics. To this end, TH Clothes 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.	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: 3

Earned Points: 3

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: Information and news on Fair Wear membership are shared with all staff regularly via e-mail. Additionally, new staff members take part in training sessions on textile production, including certifications and memberships.

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: TH Clothes consists of a relatively small team, where quality control and compliance fall under the production team, with one lead. All other staff members in direct contact with suppliers are informed of Fair Wear requirements via e-mail and during meetings.

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: TH Clothes works with two agents in Bangladesh. The agents ensure Fair Wear requirements, such as signing the Code of Labour Practices and CAP follow-up are met. The agents negotiate the prices and are made aware of the importance of living wages. Despite working with agents, TH Clothes has the possibility to contact the factories directly. The CSR team is in close contact with its agents.

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 to conduct training, this indicator is not applicable in 2021.

Recommendation: Fair Wear recommends TH Clothes 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, TH Clothes 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: 5

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: As part of TH Clothes' written agreement with suppliers, suppliers are required to produce all products in-house and inform and get approval from TH Clothes if they use subcontractors. The quality manager spends most of the year in the production countries and visits the premises many times per year. Through visual inspection and dialogue with the factories, the quality manager crosschecks the production schedule with the work floor. Information from questionnaires is used to update supplier data, including subcontractors. Finding unauthorised subcontracting can be a reason to end relationships with a supplier. However, as travelling to the Chinese factories was impossible in 2021, and none of these suppliers have been audited, the risk of unauthorized subcontracting remains at these suppliers.

Recommendation: Fair Wear recommends to also include the Chinese factories in close monitoring regarding the potential use of subcontracting partners. This can be done either by frequent visits or audits where the auditors pay specific attention to this topic.

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: TH Clothes' team is fairly small, and they regularly share information on conditions at production locations via meetings and shared emails. After a factory visit, the staff is informed about the factory visit, including any working conditions issues.

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: TH Clothes communicates about Fair Wear's membership on its website and catalogues. The brand's distributors are additionally informed with a newsletter. The brand does not use social media.

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: The Social Report and Brand Performance Check report are published on the member brand's website.

TH Clothes has disclosed 0% of production locations to other members in the internal Fair Wear system and on the Fair Wear website. This non-disclosure of the member brand will be mentioned on the brand page on the Fair Wear website and separately in a list of member brands that are unwilling to disclose production locations on the Fair Wear website.

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

Recommendation: Fair Wear recommends TH Clothes to publish more of the following reports on its own website: Brand Performance Check reports and Social Reports, audit reports, supplier information. Good member reporting helps ensure the member's transparency and Fair Wear's work.

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: TH Clothes submitted the Social Report to Fair Wear on time and it is published on the member's website.

Transparency

Possible Points: 6

Earned Points: 5

7. Evaluation

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

Comment: TH Clothes discusses and evaluates Fair Wear membership throughout the year during meetings between top management, quality Manager and production manager.

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.	0%	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: TH Clothes received six requirements in the previous brand performance Check, whereof one indicator (2.7) falls under the Fair Wear non-repeated compliance policy. TH Clothes could not show any improvement on the given requirements. Moreover, the brand received an insufficient score (-2) on compliance with Fair Wear's risk policy in Bangladesh for the fourth time in a row. This means that the brand will automatically be placed in the "Needs Improvement" category.

The given requirements were related to the brand's purchasing practices (indicators 1.7, 1.11, 1.13), monitoring and remediation (indicators 2.7 and 2.8) and transparency (indicator 6.2).

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

Evaluation

Possible Points: 6

Earned Points: 0

Recommendations to Fair Wear

According to the quality manager, the brand would like to have more onsite support and assistance to raise awareness regarding wages, audits, and trainings at its suppliers. TH Clothes feels it is challenging to have enough budget for the membership fee, audits, and trainings. Onsite support should be included in the membership fee.

Scoring Overview

Category	Earned	Possible
Purchasing Practices	14	52
Monitoring and Remediation	10	32
Complaints Handling	3	3
Training and Capacity Building	5	5
Information Management	4	7
Transparency	5	6
Evaluation	0	6
Totals:	41	111

Benchmarking Score (earned points divided by possible points)

37

Performance Benchmarking Category

Needs Improvement

Brand Performance Check details

Date of Brand Performance Check:

27-06-2022

Conducted by:

Annet Baldus

Interviews with:

Mr. Mauro - CEO

Nuno Lucas - Purchasing Manager

Pedro Cunha - CSR

Jessica Ferreira - CSR, Sourcing