



## **Brand Performance Check**

### **SOLO INVEST S.A.S**

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

## SOLO INVEST S.A.S

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

Member company information	
Headquarters:	Paris , France
Member since:	2014-06-01
Product types:	Promotional wear and accessories
Production in countries where Fair Wear is active:	Bangladesh, China, Myanmar
Production in other countries:	Pakistan, France
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	86%
Benchmarking score	73
Category	Good

## Summary:

SOL's has met most of Fair Wear's performance requirements. With a benchmarking score of 73 points, SOL's is placed in the 'Good' category. Although the monitoring threshold does not determine the category this year, SOL's has fulfilled the monitoring requirements at suppliers responsible for 86% of its production volume.

## Corona Addendum:

Solo Invest S.A.S (hereafter SOL's) is a promotional brand, which means its collection includes a range of consistent NOS (never out of stock) articles throughout the year. SOL's main product items are T-shirts and sweaters and some additional products such as socks, scarves and ties. However, the additional products are the reason for a long list of production facilities where the brand has low leverage and fewer possibilities for improvements. In 2021, SOL's increased its business almost back to the level before the outbreak of the COVID-19 pandemic. SOL's main sourcing country is Bangladesh (responsible for 85% of the member's FOB).

SOL's closely monitored its Bangladeshi suppliers with frequent visits by the Quality, R&D and Sustainability Director and CSR manager; this was not possible for the Chinese suppliers. While the health and safety preventive measures were more incorporated into the supplier's and brand's daily routine and strictly monitored by the Chinese government and the RSC (the executive body of the International Accord on fire safety in Bangladesh), the member brand had to deal with massive order delays. SOL's reacted to this by increasing its lead times and being lenient with order delays. Most delays could be buffered by the brand's warehouse stock. The member brand offered financial support to its suppliers and prepaid materials to ensure enough liquidity at the suppliers.

In 2021, eleven factories were audited by Fair Wear. Most findings were related to incorrect payment of wages and excessive overtime. The brand followed up on the non-payment of legal minimum wages but did not investigate and follow up on the findings of excessive overtime.

In the past year, SOL's onboarded six new suppliers in Bangladesh and China. The brand applied its due diligence procedure before starting production. SOL's is aware of the country's risks. All suppliers have to sign the brand's code of conduct, stating that SOL's for example, does not accept forced labour and employees should have the right to collective bargaining. Yet, SOL's does not have a strategy on how to address country-specific risks, such as a lack of freedom of association and social dialogue, and violence and harassment and does not go beyond monitoring in its due diligence in countries such as China and Pakistan.

Fair Wear recommends SOL's to update its risk assessment regularly and link the risks to its suppliers on demand. Also, to define actions on how to prevent and mitigate supplier and country-specific risks such as excessive overtime, forced labour, migrant labour, violence and harassment and the lack of social dialogue, freedom of association and collective bargaining.

## 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.	91%	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:** SOL's buys at least 10% of the production capacity at 19 out of its 43 factories, representing 91% of SOL's total production volume. This percentage remained the same as the previous year, as SOL's has a stable supplier base.

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.	15%	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.	2	4	0

**Comment:** A total of 15% of SOL's production volume comes from production locations where the brand buys less than 2% of its total FOB, presenting 32 suppliers of the brand's total 42 suppliers. As the brand left Myanmar because of the military coup, new suppliers were needed to cover the orders from Myanmar. Despite onboarding additional suppliers, the brand succeeded in decreasing this percentage by 2% compared to the previous year. Even though SOL's focus is on T-shirts and sweaters, most of these smaller suppliers are used for additional products such as socks, scarves and ties. There is no strategy in place on how to reduce this tail end, although the brand acknowledges the monitoring difficulties due to the low leverage at most of these suppliers.

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



Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	53%	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:** SOL's maintains a long-term business relationship (of at least five years) with suppliers representing 53% of the total production volume. This percentage remained almost the same compared to the previous year.

**Recommendation:** Fair Wear recommends SOL's to maintain stable business relationships with suppliers. Long-term relationships support most aspects of the Code of Labour Practices and give factories a reason to invest in improving working conditions. It is advised to describe policies regarding maintaining long-term business relationships in a sourcing strategy that is agreed upon with top management/sourcing staff.

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, SOL's onboarded six new suppliers to its supplier base: three suppliers in Bangladesh and three suppliers in China. The member brand could show proof of the signed questionnaire with the Code of Labour Practices for all new suppliers.

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:** SOL's has a due diligence process for starting up a new business relationship. This takes between four and six months. SOL's uses a start-up package to be filled in by each potential supplier as a first step. This package includes Fair Wear's Questionnaire, SOL's code of conduct, supplier profile and SOL's general conditions. These requirements are also behind each production order. All suppliers have to return all four contractually binding documents, and also any relevant certification documents. The CSR manager checks if audit reports are available (with the main focus on BSCI reports including a CAP analysis). Additionally, the local staff checks on legally binding contracts for each worker. All data is filed in one central document to be able to monitor the status and prioritize in case of missing information. In addition, the factories are visited before the final decision to onboard the potential supplier is made. During the visits, the production location, line set-up, technical set-up, social compliance and payment documents are checked. When the assessment of all documents reveals no serious issues, the supplier will be onboarded. In case of a red flag, the SOL's Quality, R&D and Sustainability Director has the final say on whether or not to onboard the new supplier. In 2021, SOL's added six new suppliers to its supplier base: three suppliers in Bangladesh and three suppliers in China. Except for visiting the Chinese suppliers, the above-mentioned onboarding steps were applied to all suppliers.

SOL's has a country-specific risk assessment in place and is aware of the country's risks, such as excessive overtime, lack of functioning grievance mechanism and forced labour.

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:** Every six months, SOL's evaluation system assesses factories resulting in a supplier ranking. The supplier ranking allows the member to compare factory performances. Additionally, the member brand evaluates monthly five KPIs (Key Performance Indicators) per supplier: social compliance, documentation, quality, environmental aspects and purchase (order delays, number of partial shipments, and overall development). The results of the KPI evaluation are taken into account in the bi-annual supplier assessment and lead to production decisions. Suppliers which are performing well can expect higher orders or trainings. If a supplier scores low, SOL's investigates the reason and offers support. In case of a lack of improvements by the supplier, SOL's considers termination of the cooperation. For this, the member brand applies an exit strategy; however, SOL's does not have this strategy in a written policy. SOL's did not conduct a PPSA (Purchasing Practice Self Assessment) or gave its suppliers the possibility to assess its purchasing practices (PPA - Purchasing Practice Assessment).

In 2021, one Chinese supplier ended its cooperation with SOL's, because the supplier preferred to cooperate with more significant customers. Additionally, SOL's decided to terminate its collaboration with one Myanmar supplier because of the military coup and shifted the production to Bangladesh. According to the brand, human rights due diligence is not possible due to the political situation in this country. One factory of another Myanmar supplier burned down at the end of 2020. The factory was closed for a while but reopened again. SOL's decided not to continue its business with this supplier after the fire happened. The member brand applied its exit strategy to both suppliers, taking the worker's rights and the impact of the exit into consideration. SOL's is still in contact with its suppliers to follow up on the situation in the country and with the workers.

**Recommendation:** Fair Wear encourages SOL's 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.

As an additional step on top of the supplier evaluation, SOL's could consider giving suppliers the tools to conduct a self-evaluation. Furthermore, it could ask its suppliers to evaluate the purchasing practices of SOL's.

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:** SOL's has a strong and detailed production planning system and knows the output of each line per day. The brand has a forecast of six months or one year depending on the products. The production scheme is communicated and agreed on monthly with suppliers with a lead time between 90 to 120 days. The brand also considers a material lead time of 120 to 150 days before production.

Detailed production planning is crucial for the brand and its suppliers as high productivity is needed due to the large quantities of its orders (for example, T-shirts and polos), similar styles and colours. Small adjustments are communicated in advance to factories to plan the production capacities accordingly. Bulk orders are always placed with a shipment date instead of a delivery date and for every order SOL's plans a buffer of fourteen days to cover delays. The production schedule allows SOL's to follow the steps at any stage of production and shipping and to analyse the bottlenecks. When the situation seems to be sensitive regarding overtime, the brand can also reduce quantities, the production time can be spread out over several months or orders could be reshuffled to other production locations. Also, at least two production locations are used for the same style, to give space for delays. Given the timeless styles, the huge stock to absorb delays, and the absence of fast fashion cycles, SOL's believes that overtime is not needed for its orders.

In case of low stock on essential items, the brand will prioritize its orders and use air freight. SOL's is flexible with order delays and does not pressure its suppliers. However, if a supplier cannot deliver its goods within the fourteen days of buffer time, the supplier gets a lower rating in the supplier evaluation and in the worst case the supplier has to participate in the air freight expenses.

In the past year, SOL's experienced order delays from two months to 3.5 months because of material delays. The brand reacted to this by increasing its lead times. Most times the brand was able to absorb the delays through its warehouse stock, prioritized orders that were needed and was lenient with delivery times. To support the supplier SOL's made 100% pre-payments for the materials, to ensure enough liquidity at its suppliers. Additionally, SOL's offered financial support if suppliers had increased costs because of COVID-19 preventive measures. But no suppliers made use of this offer.

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, all nine Fair Wear audits revealed findings related to excessive overtime at SOL's Bangladeshi suppliers. Workers did not regularly receive one day off per seven days of work and the total working time per week was regularly above 60 hours. The Quality, R&D and Sustainability Director discussed the issues with the management of the concerned factories. The lead times were discussed, and in case of huge order delays, the factories had to clear their backlogs first before they could receive new orders. SOL's was lenient with order delays; however, by granting more production time, the brand feels that this moreover will be used for other customers' orders instead of its own orders.

After a significant sales decrease in 2020 because of the impact of COVID-19 pandemic, SOL's succeeded in increasing its FOB by more than 80% in 2021, leading to an increase in orders. Despite the excessive overtime at its suppliers, SOL's is convinced not to contribute to excessive overtime due to its strong order planning. According to the brand, there are multiple reasons for excessive overtime at its Bangladeshi suppliers, such as that factories increase their order portfolios to receive bank loans or to buffer in case orders are cancelled. Also, the brand experiences that suppliers with fashion customers tend to have more excessive overtime.

Two Fair Wear audits conducted at the brand's Chinese suppliers indicated findings such as untransparent documents and therefore working hours could not be verified, the total working time per week was regularly above 60 hours, and workers did not regularly receive a day off per seven days of work. Additionally, factories' management indicated that the purchasing practices of the member contributed to excessive overtime. The brand's CSR manager followed up on the findings with the factories. However, the factories were given exceptional long timelines of two years to resolve the issues. Indicated improvements by the factories could not be verified, as visits were not possible. In future, the local Chinese office will follow up on findings such as excessive overtime, but for 2021, SOL's could not show any improvements.

Although the excessive overtime at SOL's suppliers is repetitive over the past years, and audit reports even mention that the brand does contribute to these, SOL's does not have a strategy on how to tackle this issue, nor has it installed a prevention and mitigation programme to avoid happening these findings again.

**Requirement:** SOL's 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.

**Recommendation:** Besides discussing it with the supplier and assessing root causes, Fair Wear strongly recommends SOL's to actively take measures when excessive overtime is found. Taking measures to ensure that SOL's 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, documents checking and interviewing workers help assess whether excessive overtime takes place. For additional support, Fair Wear provides the Fair Working Hours Guide, which is available on the member hub.

In addition, Fair Wear recommends SOL's to analyse its own purchasing practices to learn how exactly the brand is contributing to excessive overtime at its suppliers. This can be done by a Purchasing Practices Self Assessment (PPSA) and should include the suppliers (Purchasing Practices Assessment PPA) and the worker representatives. Fair Wear expects a clear action plan and improvements should be verified.

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:** SOL's works with open costing at all its production locations and price negotiations are based on monthly agreements. SOL's is in direct contact with most of the yarn suppliers, with which they set a price on a monthly base, sometimes for six months. If prices increase in that period, they will be adjusted in the FOB price. SOL's has a good and complete overview of wages including the different grades.

SOL's followed up on Fair Wear's recommendation of last year. Together with workers of several Bangladeshi suppliers, SOL's assessed the cost basket with a living wage estimation and the gap. In addition, the brand started a project to gain more insight into the link between its buying prices and wages. Yet, SOL's cannot link its own prices to the labour costs yet, which is needed for an advanced score.

SOL's offered financial support if suppliers had increased costs because of COVID-19 preventive measures. But no suppliers made use of this offer.

**Recommendation:** Fair Wear recommends SOL's to expand their knowledge of cost break downs of all product groups. 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. SOL's could consider offering training by a local representative on FairPrice to its suppliers. Such training is available in all Fair Wear countries.

SOL's is encouraged to provide buyers (or other employees involved in price negotiations with suppliers) training on cost breakdown, for example using the FairPrice app.

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:** Seven Fair Wear audits, conducted at SOL's Bangladeshi suppliers indicated several findings such as incorrect payment of entitled leaves, overtime premium, allowances, bonuses and benefits, and social security. At some suppliers, there was a risk that piece rate workers did not receive legal minimum wages, and for one supplier the wage records were inconsistent or incomplete. In addition, non-payment of legal minimum wages was found at three suppliers. SOL's local CSR manager followed up on the findings of payment below legal minimum wages and verified the corrections made by the suppliers. Proof of evidence was shown during the Brand Performance Check. In addition, the findings have been discussed with the factories' management. According to the brand, there are no piece rate workers anymore, as this is contractually not allowed. However, despite the follow-up on non-payment of legal minimum wages, SOL's could not show proof of a systematic approach and documentation on remediation and mitigation of the audit findings. Root causes were not analyzed, and no action plan was made on how to prevent these findings from happening again.

Two Fair Wear audits of Chinese factories showed the risk of non-payment of legal minimum wages of piece rate workers, inconsistent or incomplete wage records and incorrect payment of entitled leaves. The brand's CSR manager, located in Bangladesh, followed up on these findings. However, as visits were not possible, it was difficult for the brand to verify the improvements. To improve the process of better communication and cooperation with its Chinese suppliers, SOL's opened a local office which took over the CAP follow up with the suppliers. In 2022, the brand was able to verify the improvements made by the suppliers.

Serious findings such as non payment of legal minimum wages need to be resolved within one month. Despite the fact that SOL's could show proof of an on-time follow-up on these findings, the brand agreed on long improvement timelines of one and two years for its Chinese and Bangladeshi suppliers (please see also indicator 2.3).

**Requirement:** 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.

If a supplier is not transparent about wages, SOL's is expected to respond as if minimum wages have not been paid. SOL's is required to start an investigation into the causes of the incomplete data, discuss this with the supplier and collect evidence of payment of legal minimum wage. Factory visits with a documents check or additional verification by Fair Wear may be needed to verify remediation.

**Recommendation:** Fair Wear strongly recommends SOL'S to always verify whether legal minimum wage issues have actually been resolved in case factory management claims so. SOL's could hire a local consultant or plan a monitoring visit of one of Fair Wear's auditors to check whether the issue has actually been resolved.

Fair Wear strongly recommends SOL's to have a more systematic approach in solving findings related to non-payment or incorrect payment of legal minimum wages. Root causes need to be assessed and discussed with factory management, an action plan should be agreed on in cooperation with the factories' worker representatives and closely monitored. Proper documentation (preferable in English) should be ensured.

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 was no evidence of late payments to suppliers. SOL's payment terms are pre-payment of 70% of the order value, which is about six to seven months before delivery in France. This pre-payment agreement counts for 50% of all suppliers. For tailend suppliers, the brand uses letters of credit (L/C).

COVID-19:

The brand faced a serious sales decrease in 2021. As a consequence, the brand reached out to its suppliers by asking for a 2% discount. All suppliers agreed to this, except for one supplier, where the discount was negotiated to be 1%. Additionally, for the tail-end suppliers, the brand negotiated a 2% discount for immediate payment. SOL's supported a Bangladeshi supplier by giving a loan to build a new factory. SOL's made 100% pre-payments for material supply to ensure enough financial liquidity for its suppliers.



Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.11 Degree to which member company assesses and responds to root causes for wages that are lower than living wages in production locations.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach	Evidence of how payment below living wage was addressed, such as: Internal policy and strategy documents, reports, correspondence with factories, etc	4	6	0

**Comment:** SOL's has started to address the topic of wages below living wages with its main suppliers and uses audits to verify the wage levels at the suppliers. One shared supplier in Bangladesh was classified as a handcrafts business and not garment production, leading to lower wage levels for the workers. Together with another Fair Wear member brand SOL's followed up on this and succeeded in convincing the supplier to pay the wages of all workers according to the wage levels of the garment industry. SOL's increased its prices to ensure that the supplier is able to cover the additional costs. Further, the brand gave a loan to one supplier to support the building of a new factory and agreed with the supplier a wage increase for the workers.

According to the brand root causes for wages lower than living wages are low legal minimum wages stipulated by the government and strong competition. Generally, SOL's wants to contribute to higher wages; however, it also feels that governments are also responsible to push for higher wages.

The brand took the effort to discuss the living wage topic with its suppliers and how workers get a chance to rise in wage levels. The brand recommended its suppliers to use the Fair Wear Fair Price App to assess the wage gap and to learn which prices are needed to cover the wage gap. SOL's experienced that suppliers are reluctant to engage in this project as the fear of losing their customers in case of higher prices.

**Recommendation:** Fair Wear encourages SOL's to discuss with suppliers about different strategies to work towards higher wages. It is advised to start with suppliers where the member is responsible for a large percentage of production and long-term business relationship and to include the worker representatives into the discussions.

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.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	2	6	0

**Comment:** SOL's agreed to price increases to finance wage increases at two of its Bangladeshi suppliers (see also indicator 1.11). However, the brand did not agree to a living wage benchmark and has not a written target wage agreement with any of its suppliers yet.

SOL's does not have a clear strategy on how to increase the wages at its suppliers and where the money comes from.

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

**Recommendation:** Fair Wear recommends SOL's to create a strategy and a clear action plan on how to increase the wages and to define where the money comes from. Additionally, Fair Wear recommends to agree on target wages with the suppliers. For shared suppliers, this can be negotiated together with other (Fair Wear member) brands.

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:** SOL's does not pay its share of a target wage for any of its production volume.

**Requirement:** SOL's is expected to begin setting a target wage for its production locations.

**Recommendation:** We encourage SOL's to show that discussions and plans for wage increases have resulted in the payment of a target wage.

Fair Wear recommends to verify the wage increases at the supplier level.

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## Purchasing Practices

**Possible Points: 52**

**Earned Points: 29**

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## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	86%	
% 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:	86%	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:** SOL's Quality, R&D and Sustainability Director and CSR manager are in charge of following up on the problems identified. The CSR manager is based in Bangladesh.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	No	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.	-1	2	-1

**Comment:** In 2021, eleven audits were conducted at the brand's suppliers: nine audits in Bangladesh and two in China. All audit reports go first to the CSR manager based in Bangladesh before distributing to the suppliers. The brand does not follow Fair Wear's recommended improvement timelines. Instead, it gives its suppliers very long timelines. For example, the finding of non-payment of legal minimum wages at SOL's main supplier should have been resolved within one month. The brand gave a timeline of more than two years. The procedure was also followed for the Chinese suppliers where serious findings such for example excessive overtime were given timelines of more than one year.

**Requirement:** SOL's is required to share and discuss the audit report and CAP findings with the factory within 2 months. A reasonable time frame should be specified for resolving findings. In case worker representation is applicable, the CAP should be shared with worker representative as well as involved in setting the time-frame for realising improvements.

**Recommendation:** Fair Wear strongly recommends SOL's to follow the required improvement timelines given by the auditors. This should be agreed on with the factory management and the worker representatives. Serious findings should be prioritized first. In case a finding can not be resolved within the required timeline the brand and supplier are expected to agree on a reasonable time frame.

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:** SOL's has a system to file and monitor progress on active Corrective Action Plans (CAP) with factories. Local offices and relevant staff (such as the responsible buyer) are involved in the CAP follow-up and coordinated by the Quality, R&D and Sustainability Director.

SOL's Quality, R&D and Sustainability Director visits Bangladesh frequently, which enables him to act immediately on critical findings for the majority of the suppliers, as most of them are based in Bangladesh. In the case of critical findings, top management is involved. Less critical findings can be handled by the local CSR manager and through visits by the local team. As the CSR manager is local, worker representatives are included in the CAP follow-up.

In 2021, Fair Wear audited eleven factories: nine in Bangladesh, and two in China. Most audits showed findings related to safety and health, working hours and a living wage. Findings were discussed with the suppliers and CAPs are used to work on corrective actions. A working file was updated with supporting documentation as proof of remediation, such as salary sheets, photos and videos. However, the brand did not follow up on the recommended improvement timelines but agreed to long extensions with the suppliers (see also 2.3). The Bangladeshi CSR manager was also responsible for the CAP follow-up of the Chinese suppliers. The CAPs were handled in the local language, and the CSR manager used translation tools to follow up on the indicated improvements, including the verification of the documents. This task will be taken over by the newly implemented local office in China from 2022 on.

SOL's does not evaluate the progress of each CAP (for example in per cent) or the severity of the findings as a contribution to the supplier evaluation. Furthermore, the brand does not analyse how its purchasing practices contribute to repeated findings such as excessive overtime or how to prevent repeated structural issues such as incorrect payments or payments below living wages.

**Recommendation:** Fair Wear strongly recommends to have all relevant documents available in English and not only in local language to ensure that the staff in France does have access to important information.

Fair Wear recommends SOL's to evaluate the progress of each supplier in the CAP follow-up and to include this in its supplier evaluation.

Fair Wear encourages SOL's to continue strengthening their system to analyse how they might have contributed to findings and what changes they can make in their purchasing practices. This includes an analysis and a workplan to remediate and mitigate structural issues at its suppliers.

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.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	Yes, quality assessed and corrective actions implemented	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	3	3	0

**Comment:** SOL's is a member of amfori BSCI. Third-party audit reports, including those of amfori BSCI, are collected by SOL's as part of the due diligence process for potential new production locations. The Fair Wear audit quality assessment tool was not used to assess these external audit reports. In case the amfori BSCI audit reports reveal good results (A or B grade) no CAP follow-up will be done as the brand prefer to prioritize serious issues (grade C and below).

**Recommendation:** Fair Wear recommends SOL's to assess the quality of the external audit report and immediately discuss with the supplier what information is missing and how to collect that information.

Fair Wear also recommends to follow up on findings mentioned in amfori BSCI audit reports with A and B grades.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	Aside from regular monitoring and remediation requirements under Fair Wear membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. Fair Wear requires member companies to be aware of those risks and implement policy requirements as prescribed by Fair Wear.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	5	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Advanced			6	6	-2
Compliance with FWF Myanmar policy	Advanced			6	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	Intermediate			3	6	-2

**Comment:** Bangladesh

Bangladesh is SOL's main sourcing country, responsible for 80% of the member brand's FOB. SOL's is aware of the risks in Bangladesh and stays up-to-date about these risks by consulting the Fair Wear country team regularly, working with local staff members and information gathered in audit reports. However, SOL's did not update its country risk assessment in 2021 and did not take additional preventive steps to mitigate structural and typical country risks such as excessive overtime or lack of freedom of association, collective bargaining, and social dialogue.



The member brand signed the Bangladesh Accord on Fire and Building Safety. All production locations in Bangladesh fall under the Accord and according to the brand, 80% of all CAP findings of the Accord are remediated. The brand is in close contact with the Accord and supports its suppliers where needed. For example, the brand gave a loan to one supplier to build a new factory. SOL's local staff in Bangladesh visits all sites on at least a monthly basis. A health and safety checklist is filled out regularly, and the outcome is systematically shared with the CSR team. In 2021, SOL's enrolled five Bangladeshi suppliers, counting for 27% of the member brand's FOB, in Fair Wear's WEP violence and harassment prevention training. The trainings started at the end of 2021 and are not finalized yet.

#### China

SOL's is aware of the risks in China, such as prison labour, subcontracting (in general and to North Korea), lack of transparency regarding resources used or excessive overtime. SOL's tried to address these risks; however, the lack of visits in 2021 made it more difficult to discuss these points with the suppliers. A new risk addressed by SOL's are migrant workers, which is spread over China. Before the outbreak of COVID-19 and in future with the new local team, the brand checks (social) insurance, passports and other documents to evaluate where the workers are coming from.

SOL's participated in research about forced labour and issues were found. However, this supplier is not active anymore. The brand has a Code of Conduct, stating that SOL's does not accept forced labour in its supply chain. Every supplier has to sign the brand's Code of Conduct. In addition, the material suppliers need to show proof of evidence of the cotton's origin to prevent buying cotton from the Xingjiang area.

SOL's did not take additional activities to promote social dialogue and freedom of association.

#### Myanmar

Due to the military coup in Myanmar, SOL's decided to terminate its business with one supplier. According to the member brand responsible human rights due diligence was under the circumstances given not possible. SOL's exited the supplier according to Fair Wear's exit strategy. The factory of a second supplier burnt down at the end of 2020. As no production was possible, the orders were shifted to Bangladesh. SOL's is still in contact with its suppliers to follow up on the situation in the country and with the workers.

#### Pakistan

SOL's visited this supplier, and the supplier was audited in 2021. However, the brand did not take on additional activities related to country-specific risks, such as violence and harassment at the workplace.

## COVID-19

China followed a strict monitoring regarding COVID-19 infections. Factories or areas were closed when infections were found. The RSC (implementation organisation of the International Accord) in Bangladesh strictly monitored the suppliers regarding COVID-19 preventive measures. The brand did not experience lack of capacities; however, all audit reports indicated excessive overtime. The brand did not follow up on whether these findings were related to the COVID-19 pandemic.

### **Recommendation:** China:

Fair Wear recommends to pay specific attention to China in its sourcing strategy. Before onboarding new suppliers, the member brand needs to have an action plan on how to address and tackle country-specific risks such as forced labour, migrant labour and the lack of social dialogue, freedom of association and collective bargaining.

### Pakistan:

Fair Wear recommends to provide violence and harassment prevention programmes.

## COVID-19:

Fair Wear strongly recommends to assess if specific findings such as excessive overtime are related to the COVID-19 pandemic and how SOL's purchasing practices could have contributed to these. SOL's needs to follow up on these findings.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

**Comment:** SOL's collaborates with several other Fair Wear member brands in CAP and complaint follow-up at shared suppliers.

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:** Since a couple of years, SOL's has a business relationship with one supplier in France, where it buys only a small amount of T-Shirts. The supplier was visited in 2021, and an occupational health and safety checklist was completed.

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:** In 2021, SOL's conducted four Fair Wear audits and several amfori BSCI audits at its tail-end suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	No external brands resold	Fair Wear believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of Fair Wear or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	N/A	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	No external brands resold	Fair Wear believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in Fair Wear's information management system. Documentation of sales volumes of products made by Fair Wear or FLA members.	N/A	3	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	Fair Wear believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

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## Monitoring and Remediation

**Possible Points: 26**

**Earned Points: 19**

### 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.	0	
Number of worker complaints resolved since last check.	6	

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:** SOL's Quality, R&D and Sustainability Director together with the CSR manager is in charge of complaints follow-up.

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:** SOL's checks at its suppliers whether the Worker Information Sheet is posted. However, several of the worker information sheets shown to Fair Wear during the Brand Performance Check were not up to date, e.g. with an old Fair Wear logo. The brand claims that suppliers are not willing to update the posted Worker Information Sheets.

**Recommendation:** SOL's is strongly recommended to ensure that the posted Worker Information Sheets at its suppliers are up to date (Logo Fair Wear, Complaints hotline number), specifically in China.

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.

In 2021, SOL's enrolled five Bangladeshi suppliers, counting for 27% of the member brand's FOB, in Fair Wear's WEP violence and harassment prevention training. The trainings started at the end of 2021 and are not finalized yet (see also indicator 4.4)

**Recommendation:** Fair Wear recommends SOL's to actively raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint helpline among a larger portion of its suppliers. SOL's should ensure good quality systematic training of workers and management on these topics. To this end, SOL's 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 + Preventive steps taken	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.	6	6	-2

**Comment:** In 2021, Fair Wear received four complaints filed from workers at SOL's suppliers in Bangladesh. The complaints were related to employment is freely chosen, legally binding employment relationship, living wage, reasonable hours of work, and safe and healthy working conditions. All complaints were addressed in accordance with the Fair Wear Complaints Procedure. SOL's took the necessary steps to resolve the issues and included the worker representatives in solution finding. For one complaint about verbal abuse and physical harassment, the brand and the factory have taken preventive steps by encouraging better communication and continued monitoring of management staff. In addition, the management was also trained on what constitutes (sexual) harassment. This led to first improvements.

**Recommendation:** It is recommended to uncover the root causes of complaints and prevent them from recurring. When appropriate, the investigation includes incidents at other factories.

Fair Wear recommends SOL's to strengthen the supplier's internal grievance mechanism. Fair Wear's Workplace Education Programmes (WEP) are a good starting point to raise awareness among workers and factory management.

Fair Wear recommends SOL's to continue closely monitoring the impact of the preventive steps taken at one supplier.

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:** SOL's showed active cooperation with another Fair Wear member brand for one complaint at a Bangladeshi supplier.

## Complaints Handling

**Possible Points: 11**

**Earned Points: 11**

## 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:** SOL's staff is made aware of the Fair Wear membership in regular staff meetings. New staff will spend time in each department to learn about their work, which means they will necessarily hear about Fair Wear membership. This includes local staff in Bangladesh and China.

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:** Regular management meetings and sales meetings are held throughout the year. In both meetings, Key Performance Indicators (KPIs) results are shared including updates about the Fair Wear membership. In these meetings, the status of the annual work plan is discussed and adjusted where needed. The local team, including the CSR manager, is closely involved in CAP follow-up and frequently discusses status with the Quality, R&D and Sustainability Director. In addition, the Quality and Control staff (QC), often present at the brand's suppliers, are trained on Fair Wear-related topics and how to interact with workers. The staff members have to complete a health and safety checklist as part of SOL's awareness and engagement process when visiting suppliers.

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



**Comment:** For some specific products and to manage some factories' relationships SOL's makes use of agents. The agents are given an important role in monitoring subcontracting and overall communication with the factories. Factory visits are often done by SOL's, together with the agent involved. The agents are informed about Fair Wear's Code of Labour Practices. SOL's works directly with its suppliers when it comes to improvements in labour standards. In case needed the agents will be involved.

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.

In 2021, SOL's enrolled five Bangladeshi suppliers, counting for 27% of the member brand's FOB, in Fair Wear's WEP violence and harassment prevention training. The trainings started at the end of 2021 and are not finalized yet (see also indicator 3.3)

**Recommendation:** Fair Wear recommends SOL's 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, SOL's 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.	Active follow-up	After factory-level training programmes, complementary activities such as remediation and changes on brand level will achieve a lasting impact.	Documentation of discussions with factory management and worker representatives, minutes of regular worker-management dialogue meetings or anti-harassment committees.	2	2	0

**Comment:** In 2021, five WEP violence and harassment prevention trainings started at five of SOL's suppliers. These trainings are still ongoing. Where possible, the local CSR manager tries to attend the trainings and follows up with the workers and factory management afterwards.

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## Training and Capacity Building

**Possible Points: 7**

**Earned Points: 7**

## 5. Information Management

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.1 Level of effort to identify all production locations.	Advanced	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.	6	6	-2

**Comment:** SOL's has a clear policy on subcontracting with a written agreement for all its suppliers. A strict policy is used in case production locations seem dishonest about subcontracting. SOL's articles are generally not embroidered or printed, which limits the (unauthorized) use of subcontracting. In specific cases, embroidery and printing will take place in production facilities with appropriate equipment. In the past year, production facilities in Bangladesh, Pakistan and France have been visited. The Chinese suppliers could not be visited, hence, a risk of unauthorized subcontracting remains.

**Recommendation:** In case factory visits are not possible, Fair Wear recommends to find alternative ways to check the use of unauthorized subcontracting, specifically in China.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1

**Comment:** The buying team and quality/CSR team discuss the CAPs before sharing these with the factories. Teams in contact with factories work together to create the suppliers' evaluation system described in 1.5. In addition, Fair Wear tools, such as the health and safety checklist are used by relevant staff during factory visits, and the outcome is reported back to the rest of the team. The CSR and quality team in charge of Fair Wear implementation receives order emails sent by buyers to factories so that they can follow up on production schedules.

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## **Information Management**

**Possible Points: 7**

**Earned Points: 7**

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## 6. Transparency

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	Fair Wear's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about Fair Wear are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	Fair Wear membership is communicated on member's website; other communications in line with Fair Wear communications policy.	2	2	-3

**Comment:** SOL's publishes information about Fair Wear Foundation and its membership commitments on its website. Additionally, the resellers and local offices in different countries are informed about the Fair Wear membership. All communication is in line with Fair Wear's communications policy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Supplier list is disclosed to the public.	Good reporting by members helps to ensure the transparency of Fair Wear's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	2	2	0

**Comment:** SOL's has disclosed production locations. 85% of production volume is disclosed to other members in the internal Fair Wear system and on the Fair Wear website.

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

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

**Comment:** The social report is submitted to Fair Wear. However, the brand does not publish the Brand Performance Checks and social reports on its website directly but links these to Fair Wear's website.

**Recommendation:** Fair Wear recommends SOL's to directly publish its social reports and the Brand Performance Check on its website.

In addition, Fair Wear recommends SOL's to publish its supplier list as well as audit reports for more transparency.

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## Transparency

**Possible Points: 6**

**Earned Points: 6**

## 7. Evaluation

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

**Comment:** SOL's considers its Fair Wear membership as a core part of its business and an important basis for improvement in social compliance and more transparency.

Fair Wear membership is on the agenda of management's monthly meetings. Managers meet every two weeks where all departments share KPIs and main updates including Fair Wear topics: points of information/points of decision making and brainstorming. If decisions need to be escalated, it comes back up for discussion with the CEO.

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.	No requirements were included in previous Check	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.	N/A	4	-2

## Evaluation

**Possible Points: 2**

**Earned Points: 2**

## Recommendations to Fair Wear

SOL's recommends Fair Wear to have a more commercial approach to create more awareness for social compliance and Fair Wear's Code of Labour Practice within the industry and other countries.

SOL's recommends Fair Wear to reduce staff turnover.



## Scoring Overview

Category	Earned	Possible
Purchasing Practices	29	52
Monitoring and Remediation	19	26
Complaints Handling	11	11
Training and Capacity Building	7	7
Information Management	7	7
Transparency	6	6
Evaluation	2	2
Totals:	81	111

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

73

### Performance Benchmarking Category

Good

## Brand Performance Check details

Date of Brand Performance Check:

02-08-2022

Conducted by:

Annet Baldus

Interviews with:

Mrs. Audelia Krief – CEO

Mr. Geert De Wael- Quality, R&D and Sustainability Director

Mr. Cedric Lenoir- Buying Director

Mrs. Caroline Artiguebielle - Finance CFO

Mrs. Muriel Laurant- Marketing Director

Mr. Ashikur Rahman- In-Charge (CSR)