



## **Brand Performance Check**

# **Continental Clothing Company Ltd**

**Publication date: October 2023**

This report covers the evaluation period 01-01-2022 to 31-12-2022

## 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.

# Scoring overview

Total score: 130

Possible score: 186

Benchmarking Score: 70

Performance Benchmarking Category: Leader



Foundational system's criteria

88%



Sourcing strategy

55%



Identifying continuous human rights risks

73%



Responsible purchasing practices

69%



Quality and coherence of prevention and remediation system

60%



Improvement and prevention

79%



Communication, transparency and evaluation

73%

## Summary:

Continental has shown advanced results on performance indicators and has made exceptional progress. With a total benchmarking score of 70, the member is placed in the Leader category.

Continental's sourcing strategy focuses on increasing influence through consolidation and long-term relations.

Continental conducts risk scoping and includes the following risk factors: country and sector. The member has yet to include business model, sourcing model and product level in its risk scoping. Moreover, the brand did not add information on country risks it felt had been addressed at the factory level already in the past, as it sees these risks as remediated, mitigated or prevented already. Continental used the

risk scoping tool in the Member Hub for its risk scoping exercise, and a gender lens and input from workers, suppliers and stakeholders are included.

Continental has a systematic approach to identifying human rights risks in its supply chain and has supplier risk assessments in place for all its production locations. There is a discrepancy between Continental's risk scoping, risk assessments, monitoring outcomes and the common risks as identified in external sources such as Fair Wear country studies. This is because Continental still mainly depends on its corrective action plans (CAPs) and uses its risk assessments as additions to those instead of as holistic overviews of its supply chain risks at the factory level. Continental sources from one production location in Bangladesh, which is covered under the RMG Sustainability Council (RSC). The member has not signed the International Accord.

During 2022, Continental worked on its living wage projects. The brand focused on training its suppliers on the Fair Price methodology and discussed open costing with its suppliers in India, Bangladesh and Türkiye. The brand solidified these discussions by adding a clause on fair prices and living wages in its Supplier Agreements, which it implemented in 2023, committing to collaboratively achieving living wage targets and ringfencing labour costs. Based on the root-cause analysis the brand has done on living wages, Continental has developed a time-bound plan to enable the systemic increase of wages at one of its suppliers. The member has started developing a systemic and time-bound approach to get wages increased towards a living wage at two of its other suppliers.

Fair Wear advises Continental to continue working on its risk identification and update its risk scoping and risk assessments in accordance with Fair Wear's Human Rights Due Diligence policy, also including business model, sourcing model and product level risk factors and risks without a high(er) likelihood and/ or severity. Moreover, the brand is encouraged to focus on rolling out its time-bound living wage projects.

In 2023, Fair Wear implemented a new performance check methodology aligned with the OECD guidelines on HRDD. This new methodology raises the bar and includes some new indicators, which may result in a lower score for member brands. Because this is a transition year, Fair Wear lowered the scoring threshold for this year only.

## 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.

# Company Profile Continental Clothing Company Ltd

## Member company information

Member since: 1 Jan 2006

Product types: Garments, clothing, fashion apparel, Promotional wear and accessories, Bags and Aprons, Headwear

Percentage of CMT production versus support processes 100%

Percentage of FOB purchased through own or joint venture production 0%

Percentage of FOB purchased directly 100%

Percentage of FOB purchased through agents or intermediaries 0%

Percentage of turnover of external brands resold 0%

Are vertically integrated suppliers part of the supply chain? Yes

FLA Member No

Member of other MSI's/Organisations GOTS, Fairtrade, PETA, OEKOTEX,

Number of complaints received last financial year 0

## Basic requirements

Definitive production location data has been submitted for the financial year under review? Yes

Work Plan and projected production location data have been submitted for the current financial year? Yes

Membership fee has been paid? Yes

## Production countries, including number of production locations and total production volume.

Production Country	Number of production locations	Percentage of production volume
India	3	63
Türkiye	1	22
Bangladesh	1	15
China	1	0

# Layer 1 Foundational system's criteria

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**Possible Points: 8**

**Earned Points: 7**

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1.1 Member company has a Responsible Business Conduct policy adopted by top management.: Yes

**Comment:** Continental Clothing Company Ltd has a Responsible Business Conduct Policy, but some elements, such as the operationalisation of its human rights due diligence (HRDD) process and its commitment to cooperate with other brands on HRDD, need improvement.

1.2 All member company staff are made aware of Fair Wear's membership requirements.: Yes

1.3 All staff who have direct contact with suppliers are trained to support the implementation of Fair Wear requirements.: Yes

1.4 A specific staff person(s) is designated to follow up on problems identified by the monitoring system, including complaints handling. The staff person(s) must have the necessary competence, knowledge, experience, and resources.: Yes

1.5 Member company has a system in place to identify all production locations, including a policy for unauthorised subcontracting.: Yes

1.6 Member company discloses internally through Fair Wear's information management system, in line with Fair Wear's Transparency Policy.: Yes

**Comment:** Continental discloses 67% of production locations internally through Fair Wear's information management system.



**1.7 Member company discloses externally on Fair Wear's transparency portal, in line with Fair Wear's Transparency Policy.: No**

**Comment:** Continental Clothing Company Ltd discloses 0% of production locations externally on Fair Wear's transparency portal.

**1.8 Member complies with the basic requirements of Fair Wear's communication policy.: Yes**

## Layer 2 Human rights due diligence, including sourcing strategy and responsible purchasing practices.

**Possible Points: 78**

**Earned Points: 52**

### Indicators on Sourcing strategy

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.1 Member company's sourcing strategy is focused on increasing influence to meaningfully and effectively improve working conditions.	Intermediate	Fair Wear expects members to adjust their sourcing strategy to increase their influence over working conditions. Members should aim to keep the number of production locations at a level that allows for the effective implementation of responsible business practices.	Strategy document; consolidation plans, examples of implementation.	4	6	0

**Comment:** Continental has a sourcing strategy addressing influencing labour conditions.

The member has five active suppliers. 85% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. Less than 1% of the production volume comes from suppliers where Continental buys less than 2% of its total FOB.

This is an improvement compared to the previous year. Continental's sourcing strategy explicitly focuses on increasing influence through consolidation. The sourcing strategy does not yet mention increasing influence through active cooperation with other clients.

**Recommendation:** Continental could include in its sourcing strategy a commitment to increase influence on suppliers by cooperating with other buyers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.2 Member company's sourcing strategy is focused on building long-term relationships.	Basic	Stable business relationships underpin the implementation of the Code of Labour Practices and give factories a reason to invest in improving working conditions.	Strategy documents; % of FOB from suppliers where a business relationship has existed for more than five years; Examples of contracts outlining a commitment to long-term relationship; Evidence of shared forecasting.	2	6	0

**Comment:** Continental has a sourcing strategy that focuses on maintaining long-term relationships. Since 2023 the brand started working on Supplier Agreements which explicitly include a commitment to long-term orders from both brand and supplier, but these were not yet implemented during the previous financial year.

**Recommendation:** Fair Wear recommends Continental to commit to long-term contracts which detail minimum order amount and timeframe.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.3 Member company conducts a risk scoping exercise as part of its sourcing strategy.	Basic	Human rights due diligence, according to the OECD guidelines, requires companies to undertake a scoping exercise to identify and mitigate potential human rights risks in supply chains of potential business partners.	HRDD policy; Sourcing strategy linked to results of scoping exercise; HRDD processes, including specific responsibilities of different departments; Use of country studies; Analysis of business and sourcing model risks; Use of licensees and/or design collaborations.	2	6	-2

**Comment:** Continental conducts risk scoping and includes the following risk factors: country and sector. The member has yet to include business model, sourcing model and product level in its risk scoping.

In its country risk scoping, the member has assessed the impact and prevalence of the risks correctly. However, Continental only identified the risks it felt are most likely to occur in its supply chain, adding only one or two risks per labour standard. The brand did not add information on country risks it felt had been addressed at factory-level already in the past as it sees these risks as remediated, mitigated or prevented already.

Continental used the risk scoping tool in the Member Hub for its risk scoping exercise, and a gender lens and input from workers, suppliers and stakeholders are included.

The member adjusts its sourcing strategy based on the risk scoping, as outcomes of the scoping are included in decision-making regarding which countries are potential sourcing countries for Continental. In the past, Continental has decided against sourcing from countries based on the risks associated with them.

Additionally, Continental's sourcing strategy privileges suppliers with trade union representation or internal worker committees, and will only source from countries where workers can freely form or join a trade union and/or bargain collectively after the responsible exit from its Chinese supplier is finalised.

**Recommendation:** Fair Wear recommends Continental to include all risk factors in its risk scoping, including those that do not have a high(er) likelihood and/ or severity.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.4 Member company engages in dialogue with factory management about Fair Wear membership requirements before finalising the first purchase order.	Advanced	Sourcing dialogues aim to increase transparency between the member and the potential supplier, which can benefit improvements efforts going forward.	Process outline to select new factories; Material used in sourcing dialogue; Documents for sharing commitment towards social compliance; Meeting reports; On-site visits; Reviews of suppliers' policies.	4	4	0

**Comment:** It is the standard process for Continental to inform new suppliers about Fair Wear membership by sharing the Fair Wear questionnaire including the eight code of labour practices (CoLP). Continental's Supplier Agreement also mentions the CoLP. Additionally, the brand discusses human rights and how the supplier and Continental can cooperate on this topic by discussing existing audit reports and/or health and safety risks identified during a pre-production factory visit. No suppliers have been added last year.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.5 Member company collects the necessary human rights information to inform sourcing decisions before finalising the first purchase order.	2nd+ year member and no new production locations selected.	Human rights due diligence processes are necessary to identify and mitigate potential human rights risks in supply chains. Specific risks per factory need to be considered as part of the decision to start cooperation and/or place purchasing orders.	Questionnaire with CoLP, reviewing and collecting existing external information, evidence of investigating operational-level grievance system, union and independent worker committee presence, collective bargaining agreements, engaging in conversations with other customers and other stakeholders, including workers.	N/A	6	0

**Comment:** In the previous financial year, Continental has not added any new suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.6 Member actively ensures awareness of the Fair Wear CoLP, the complaints helpline, and social dialogue mechanisms within the first year of starting business.	No production locations in the first year of business.	This indicator focuses on the preliminary mitigation of risks by actively raising awareness about the Fair Wear Code of Labour Practices and complaints helpline. Discussing Fair Wear's CoLP with management and workers is a key step towards ensuring sustainable improvements in working conditions and developing social dialogue at the supplier level.	Evidence of social dialogue awareness raised through earlier training/onboarding programmes, onboarding materials, information sessions on the factory grievance system and complaints helpline, use of Fair Wear factory guide, awareness-raising videos, and the CoLP.	N/A	6	0

**Comment:** In the previous financial year, Continental has not added any new suppliers.

## Indicators on Identifying continuous human rights risks

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.7 Member company has a system to continuously monitor human rights risks in its supply chain.	Intermediate	Members are expected to regularly evaluate risk in a systematic manner. The system used to identify human rights risks determines the accuracy of the risks identified and, as such, the possibilities for mitigation and remediation.	Use of risk policies, country studies, audit reports, other sources used, how often information is updated.	4	6	0

**Comment:** Continental has a systematic approach to identifying human rights risks in its supply chain and has assessed the risks for each production location. It has determined the appropriate monitoring tool and frequency per country. For instance, the brand monitors its suppliers in Bangladesh, Türkiye, India and China by conducting audits, desktop research including Fair Wear country information, factory visits, yearly in-person meetings with factory management and sending out a supplier questionnaire at least once a year on relevant Code of Labour Practices (CoLP) topics. Next to its systematic approach, the brand ensures it uses different monitoring tools that include input from workers, suppliers, and other stakeholders. These tools are Fair Wear audits, meeting minutes from worker committee meetings and the aforementioned supplier questionnaires.

There is a discrepancy between Continental's risk scoping, risk assessments, monitoring outcomes and the common risks as identified in external sources such as Fair Wear country studies. For instance, while 'workers not being free to terminate their employment' is a common risk in China, the brand has not included this risk in its risk assessment for its Chinese factory. Likewise, the risk of 'total working time per week exceeds 60 hours' is a common risk in China and has also been identified during an audit, but the brand has not included the risk in its risk assessment for its Chinese factory. This is due to the fact that Continental still mainly depends on its corrective action plans (CAPs) and uses its risk assessments as additions to those, instead of as holistic overviews of its supply chain risks at factory level.

Continental sources from one production location in Bangladesh. Regarding the Enhanced Human Rights Due Diligence Policy for fire, structural and electrical safety in Bangladesh, Continental only sources from factories that are covered under the RMG Sustainability Council (RSC). The brand monitors the RSC reports and uses this information for its risk scoping. However, this information is not yet included in its factory risk assessment for its Bangladeshi supplier. The member has not signed the International Accord.

**Requirement:** Continental must include the requirements of the new 'Enhanced Human Rights Due Diligence Policy for fire, structural and electrical safety in Bangladesh' in its monitoring system. In accordance with the policy, the member must be able to demonstrate collaboration on prevention, mitigation and remediation with the signatories of the International Accord, as well as proof of actual (financial) contribution to what is required from the RSC activities for all its production locations in Bangladesh.

**Recommendation:** Fair Wear strongly recommends Continental to update its risk assessments in accordance with Fair Wear's Human Rights Due Diligence policy and encourages Continental to expand its risk assessment to include more risks.



Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.8 Member company's continuous monitoring of human rights risks includes an assessment of freedom of association (FoA).	Intermediate	Freedom of association and collective bargaining are 'enabling rights.' When these rights are respected, they pave the way for garment workers and their employers to address and implement the other standards in Fair Wear's Code of Labour Practices - often without brand intervention.	Use of supplier questionnaire to inform decision-making, collected country information, and analyses.	4	6	0

**Comment:** Continental has mapped the risks to freedom of association(FoA) in all its sourcing countries and can explain the main risks per country, including the risks to women workers. Examples of the risks identified are 'workers cannot freely form or join the union of their choice', 'worker/union representatives are not chosen by workers or not democratically elected' and 'existing trade unions or worker representatives are not involved in improving working conditions'. Continental uses this information to understand what the risks at its suppliers are and inform itself how to engage with its suppliers on this topic. Continental can demonstrate enhanced knowledge and understanding of FoA in all countries where it sources. The member has supplier-level monitoring in place to assess and understand the risk at suppliers. Continental uses supplier questionnaires, worker committee meeting minutes and full audits to ensure supplier-level monitoring of the risk of violations to FoA.

**Recommendation:** Fair Wear recommends Continental to maintain regular communication with factory management, worker representatives and/or local unions and other local stakeholders.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.9 Member company includes a gender analysis throughout their continuous monitoring of human rights risks, to foster a better understanding of gendered implications.	Intermediate	Investing in gender equality creates a ripple effect of positive societal outcomes. Members must apply gender analyses to their supply chain to better address inequalities, violence, and harassment.	Evidence of use of the gender mapping tools and knowledge of country-specific fact sheets.	4	6	0

**Comment:** Continental has included gender in its risk scoping. The member could show it understands the basic gender risks for its sourcing countries, and for instance, identified 'discrimination in hiring practices, compensation and opportunities' and 'sexual harassment' as important risks prevalent in India, Bangladesh and Türkiye. Additionally, Continental actively collects gender data per factory. Data that it collects are gender-aggregated data on the factory's workforce, worker committee representatives and workers in supervisory positions at its supplier in Bangladesh. This information is collected through factory information sheets.

Continental has started to analyse the collected gender-disaggregated data at the factory and country levels. The main conclusions (so far) are that menstruating women and mothers require extra provisions to meet their right to safe and healthy working conditions (for example menstrual products and breastfeeding rooms) and that women are proportionally represented in social dialogue structures. The member has not yet analysed / specifically looked into how its business practices affect gender at its suppliers.

**Recommendation:** Fair Wear recommends Continental to deepen its analysis of the gender data collected at country and factory levels and to connect them, also including the topics living wages, to assess the gender pay gap, and purchasing practices, to analyse the impact of its business practices on gender. Fair Wear's gender instruments can be helpful.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.10 Member company considers a production location's human rights performance in its purchasing decisions.	Intermediate	Systematic evaluation is part of continuous human rights monitoring. A systematic approach to evaluating production location performance is necessary to integrate social compliance into normal business processes and to support good decision-making.	Supplier evaluation format, meeting notes on supplier evaluation shared with the factory, processes outlining purchasing decisions, link to responsible exit strategy.	2	4	0

**Comment:** Continental has started formalising the process of evaluating suppliers' human rights performance. It has identified nine performance criteria, including 'Compliance with CoLP' and 'Corrective Action Plan Responsiveness'. The brand assesses these criteria continuously in an ad-hoc way, addressing issues with their suppliers as soon as they arise. Issues with these criteria affect the brand's purchasing decisions, and in the most recent financial year Continental has decided to discontinue sourcing from China as the factory did not improve on the criteria 'Compliance with CoLP'. Continental does not yet have a supplier evaluation form which it can share with its suppliers or with worker representatives.

**Recommendation:** Fair Wear encourages Continental to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions. Continental is encouraged to clarify how human rights performance is weighted in its supplier evaluation system. Fair Wear recommends Continental to share and discuss the outcome of the supplier evaluation with all its suppliers and their worker representatives.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.11 Member company prevents and responds to unauthorised or unknown production and/or subcontracting.	Advanced	Subcontracting can decrease transparency in the supply chain and has been demonstrated to increase the risk of human rights violations. Therefore, when operating in higher-risk contexts where it is likely subcontracting occurs, the member company should increase due diligence measures to mitigate these risks.	Production location data provided to Fair Wear, financial records from the previous financial year, evidence of member systems and efforts to identify all production locations (e.g., interviews with factory managers, factory audit data, web shop and catalogue products, etc.), licensee contracts and agreements with design collaborators.	4	4	0

**Comment:** Continental uses the outcomes of its human rights monitoring to respond to unauthorised subcontracting. There is no evidence of missing first-tier locations in the database. Agreements guarantee suppliers that Continental fills the capacity of a certain number of production lines, so the brand is well aware of the supplier's capabilities, machinery and capacity. Continental knows fairly accurately which production lines focus on the brand's production. Additionally, the member actively prevents unauthorised subcontracting by discussing with its suppliers that subcontracting cannot happen without informing the brand (this requirement is addressed in the Supplier Manual, the Supplier Agreement, and verbally communicated). Moreover, the brand is certified under the Global Organic Textile Standard (GOTS) meaning all its products require transaction certificates when they move from one production location to the next. Continental inspects these transaction certificates with random traceability checks, which it compares to its own supply chain data. Moreover, the member carries out multi-point quality control, where it receives quality control factsheets from its suppliers two to three times a week throughout production, which it compares to its own quality control which they do on arrival of the goods. No subcontractors were missing in the database.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.12 Member company extends its due diligence approach to homeworkers.	Advanced	Homeworkers should be viewed as an intrinsic part of the workforce, entitled to receive equal treatment and have equal access to the same labour rights, and therefore should be formalised to achieve good employment terms and conditions.	Supplier policies, evidence of supplier and/or intermediaries' terms of employment, wage-slips from homeworkers.	4	4	0

**Comment:** Continental has not identified whether homework is prevalent in its sourcing countries. According to the member there is a very low risk of homeworkers being used by its suppliers because they do not have products or supporting processes in their product range which cause a higher risk of homeworkers. Continental's products are all reliant on machinery and likewise sorting is automated. Sticking does not happen at its Tier one production locations and its products are not individually bagged. Continental produces products that do not require manual processes like embroidery or beading.

Since audits have not identified homeworkers, Continental assumes that homeworkers are not used for its orders. The member discusses homeworkers with its suppliers, and generally analyses the capacity of its suppliers to identify potential risks including the risk of homework.

## Indicators on Responsible purchasing practices

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.13 Member company's written contracts with suppliers support the implementation of Fair Wear's Code of Labour Practices and human rights due diligence, emphasising fair payment terms.	Insufficient	Written, binding agreements between brands and suppliers, which support the Fair Wears CoLP and human rights due diligence, are crucial to ensuring fairness in implementing decent work across the supply chain.	Suppliers' codes of conduct, contracts, agreements, purchasing terms and conditions, or supplier manuals.	0	4	0

**Comment:** Continental did not yet use contracts with its suppliers during the previous financial year. The member started working on agreements in the form of Supplier Agreements in 2023, and already had a Supplier Manual in place which together stipulate terms of payment, liability and penalties. The Supplier Agreements were not yet implemented during the previous financial year.

Payment terms differ per supplier and outline the currency, way of payment (for example by bank transfer) and time of payment. Regarding liability and penalties, the Supplier Agreement states that 'any penalties must be reasonable, mutually agreed upon, based on an analysis of root causes and supported by evidence'. Grounds for any claims by the member brand are specified in the Supplier Manual and 'force majeure can only be invoked on mutually agreed upon and legally valid grounds'.

Moreover, the agreements include the Code of Labour Practices (CoLP). For example, living wages are explicitly mentioned in the Supplier Agreement, which states that labour costs should be ringfenced and that price negotiations must never negatively affect the payment of wages. It also stipulates that the supplier must commit to open costing processes to work towards living wages. Moreover, it explicitly addresses the need for reasonable lead times, which are to be determined by the supplier at the time of ordering and agreed to by the member brand. The lead time should not lead to the need for irregular working hours, excessive or involuntary overtime, or subcontracting. The member also commits to supporting its suppliers' production planning by ensuring stable and predictable business for the supplier. However, the agreements do not specify which living wage estimate the member is working towards, or which minimum product order it commits to for a certain amount of time.

The agreements also discuss shared responsibilities of CoLP implementation, but it does not discuss who is financially responsible for covering costs related to CoLP implementation (for example training, audits or corrective action plan remediation).

**Recommendation:** Continental is advised to review its contracts with suppliers against the principles mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP).

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.14 Member company has formally integrated responsible business practices and possible impacts on human rights violations in their decision-making processes.	Intermediate	Corporate Social Responsibility (CSR), purchasing, and other staff that interact with suppliers must be able to share information to establish a coherent and effective strategy for improvements. This indicator examines how this policy and Fair Wear membership requirements are embedded within the member company.	Internal information systems, status Corrective Action Plans, sourcing score- cards, KPIs listed for different departments that support CSR efforts, reports from meetings from purchasing and/or CSR staff, and a systematic manner of storing information.	4	6	0

**Comment:** Continental shares relevant CSR information with other departments. There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices. The member has not hired new staff in the past six years except for a CSR co-ordinator for which responsible business practices were included in the job role competencies, and the brand does not work with KPIs.

**Recommendation:** Continental could adopt KPIs that support good sourcing and pricing strategies within its sourcing, purchasing and design departments. Continental could include responsible business practices in its job role competencies of sourcing and purchasing staff.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.15 Member company's purchasing practices support reasonable working hours.	Advanced	Members' purchasing practices can significantly impact the levels of excessive overtime at factories.	Proof that planning systems have been shared with production locations, examples of production capacity knowledge that is integrated into planning, timely approval of samples, and proof that management oversight is in place to prevent late production changes.	6	6	0

**Comment:** Continental has specific production capacity at all of its suppliers which it agrees on in collaboration with its suppliers prior to starting production. The brand plans according to the known production capacity. Continental does not work with standard lead times, but a standard production cycle is either six or eight weeks, depending on whether dyeing is part of the process. The delivery date is suggested by its suppliers, as Continental does not work with deadlines. The brand aims to maintain a steady production at the factories with dedicated lines producing continuously for Continental throughout the year.

The brand keeps fabric stock on hand for all its suppliers except its Chinese supplier to avoid putting pressure on the factory in case of delays. Moreover, it does not place or change orders at short notice, nor ask for quicker deliveries than pre-planned. When Continental wants to increase production capacity, the brand discusses this with its factory and collaboratively plans the setting up of extra production lines which they then commit to filling over time. The brand does not push its suppliers when they cannot meet the production deadline, does not impose penalties, and does not impose pressure to do overtime.



Continental found out that its Bangladeshi supplier plans its production based on overtime. It discussed this with the supplier and made it clear that Continental does not want any overtime in its production process. The supplier communicated that it would lose workers if it did not give its workers the option to work overtime. Continental prioritised ensuring that overtime is voluntary and does not exceed the legal limits, which it verified with an audit. The dialogue is ongoing.

**Recommendation:** Fair Wear recommends Continental to collect input from workers and local stakeholders on recurring overtime issues for a root-cause analysis. The brand is also recommended to systematically evaluate the production process together with its suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.16 Member company can demonstrate the link between its buying prices and wage levels at 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, cost sheets including labour minutes.	4	6	0

**Comment:** Continental has a strong understanding of the wage levels at its suppliers and connects this understanding to its own buying prices. It conducts Fair Wear audits and requests monthly payrolls to generate a clear oversight of wage levels within its Tier 1 supply chain.

With most of its suppliers, Continental works with open costing. Continental's suppliers in India, Bangladesh and Türkiye know the labour component of its prices, and these are fixed in price setting as per the Supplier Agreements. The brand has basic insight into the labour component of the prices as well, as it does a plausibility check to cross-check prices suggested by the supplier. However, the brand makes these calculations using gross wages and does not exclude benefits or premiums from the calculation, thereby not following the Fair Wear methodology.

Continental knows the number of actual sewing minutes needed for a style. The brand includes changes in legal minimum wage or inflation in its buying prices. Continental trained three of its five suppliers on Fairprice, but no suppliers are actively using the Fairprice app yet.

**Recommendation:** Continental is encouraged to keep up the good work and increase its knowledge about the labour minute value by following the Fair Wear methodology.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.17 All sourcing intermediaries play an active role in upholding Fair Wear's Code of Labour Practices and ensure transparency about where production takes place.	Advanced	Intermediaries have the potential to either support or disrupt CoLP implementation. It is members' responsibility to ensure production relation intermediaries actively support the implementation of the CoLP.	Correspondence with intermediaries, trainings for intermediaries, communication on Fair Wear audit findings, etc.	4	4	0

**Comment:** Continental's sourcing model purposely excludes the use of sourcing intermediaries.

## Layer 3 Remediation and impact

**Possible Points: 86**

**Earned Points: 62**

### Indicators on Quality and coherence of prevention and remediation system

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.1 Member company integrates outcomes of human rights risk identification (layer 2) into prioritisation and follow-up programmes according to the risk profile.	Intermediate	Based on the risk assessment outcomes, a factory risk profile can be determined with accompanying intervention strategies, including improvement and prevention programmes.	Overview of supplier base with accompanying risk profile and follow-up programmes.	4	6	0

**Comment:** Based on the risk identification as described in chapter two, Continental has linked factory risks to appropriate follow-up for factories covering 100% of FOB. The member uses the Fair Wear platform to connect its risk assessments and audit findings to actions per factory and prioritised countries in which it has a high leverage. For instance, in Bangladesh, Continental concentrates its efforts on addressing issues like excessive overtime, living wages and discrimination. Furthermore, Continental goes beyond addressing Corrective Action Plans (CAPs) for all factories based on the risk analysis. However, it did not correctly link factory risks to appropriate follow-up, nor prioritised follow-up adequately for its Chinese supplier responsible for less than 1% of FOB, even though China falls under the enhanced monitoring programmes.

Continental sources from one production location in Bangladesh. The member has not signed the International Accord. Continental only sources from factories that are covered under the RMG Sustainability Council (RSC). The brand monitors the corrective action plans stemming from the RSCs reports, but does not collaborate on remediation with other buyers.

**Requirement:** Continental is required to ensure that prioritisation in follow-up matches the factory's risk profile.

**Recommendation:** Fair Wear strongly recommends Continental to become a signatory of the International Accord.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.2 Member company's improvement and prevention programmes include a gender lens.	Intermediate	The prevention and improvement programmes should ensure equitable outcomes. Thus, a gender lens should be incorporated in all programmes regardless of whether or not the programme is specifically about gender.	Proof of incorporation of the gender lens in follow up programmes, including stakeholder input.	4	6	0

**Comment:** Continental has included a gender lens in its improvement and prevention steps. The brand has conducted one Workplace Education Programme to prevent gender-based violence and harassment in India. The brand always ensures that male workers, especially from middle management, also receive training on gender-based violence and harassment so it does not become a 'women's issue'. Continental monitors whether the representation of women in social dialogue structures and higher-paid positions is balanced. In Türkiye the brand has been working on providing facilities for mothers at work, like breastfeeding rooms. Moreover, the brand has been running a period dignity project at one of its Indian suppliers for five years.

**Recommendation:** The member is encouraged to include a gender lens in all its improvement and prevention actions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.3 Member company's improvement and prevention programmes include steps to encourage freedom of association and effective social dialogue.	Basic	Freedom of Association and Collective Bargaining are enabling rights. Therefore, ensuring they are prioritised in improvement and prevention programmes can help support improvements in all other areas.	Available prevention and improvement programmes, including stakeholder input.	2	6	0

**Comment:** Continental included some steps to encourage freedom of association (FoA) and effective social dialogue in its improvement or prevention actions. These steps are discussing policies on social dialogue mechanisms with factory management, and ensuring that worker committees are included in audit and complaints follow-up by monitoring the meeting minutes.

**Recommendation:** Fair Wear recommends Continental to be more comprehensive and include more steps to promote FoA and effective social dialogue in its improvement and prevention actions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.4 Member company actively supports operational-level internal grievance mechanism.	Intermediate	Fair Wear’s complaints helpline is a safety net in case local grievance mechanisms do not provide access to remedy. Members are expected to actively support and monitor the effectiveness of operational-level grievance mechanisms as part of regular contact with their suppliers.	Communication with suppliers, responses to grievances, minutes of internal worker committees, evidence of democratically elected worker representation, evidence of handled grievance, review of factory policies, and proof of effective social dialogue.	4	6	0

**Comment:** Suppliers’ internal grievance mechanisms are assessed at the start of the business relationship and are monitored systematically through audits. In the previous financial year, Continental also ran a supplier survey on internal grievance mechanisms through which the brand monitored the complaints which were entered. Continental follows up on issues related to factory-level grievance mechanisms when they come up in CAPs. For example, after an audit finding that a complaints box was broken, the brand requested photo proof of the box being made. Continental does not yet monitor or support the internal grievance mechanism for its Chinese supplier.

**Recommendation:** Fair Wear recommends Continental to ensure that the evaluation of internal grievance mechanisms of its suppliers is systematically considered in purchasing decisions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.5 Member company collaborates with other Fair Wear members or customers of the production location.	Intermediate	Cooperation between Fair Wear members increases leverage and the chances of successful outcomes. Cooperation also reduces the chances of a factory needing to conduct multiple improvement programmes about the same issue with multiple customers.	Communication between different companies.	4	6	0

**Comment:** Continental cooperates with other Fair Wear members at its shared suppliers, responding to CAPs and complaints. Continental has not yet cooperated with customers that are not Fair Wear members. Next to that, the member also cooperates in taking more preventive measures, such as organising training and working on a period dignity project.

Regarding the Enhanced Human Rights Due Diligence Policy for fire, structural and electrical safety in Bangladesh, Continental has access to the reports of the Ready-made garments Sustainability Council (RSC), but the brand does not yet collaborate on follow-up with other brands.

**Recommendation:** Even though Continental already works together with other Fair Wear members, Fair Wear recommends to also collaborate with other customers.

Moreover, Fair Wear highly recommends Continental to work together on the follow up of the reports of the Ready-made garments Sustainability Council (RSC).

## Indicators on Improvement and prevention

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.6 Degree of progress towards implementation of improvement programme per relevant factory.	46%	Fair Wear expects members to show progress towards the implementation of improvement programmes. Members are expected to be actively involved in the examination and remediation of any factory-specific problem.	Progress reports on improvement programmes.	4	6	-2

**Comment:** In the past financial year, Continental has received three audit reports. During the performance check, the member could demonstrate with a sample that up to two-thirds of the CAP issues requiring improvement actions have been followed up. Examples of improvement actions that were taken include the establishment of an appropriate breastfeeding room and the removal of a camera which was positioned across a complaints box. Continental has shown that it also followed up on more structural and complex issues, such as working with a factory to ensure that all workers receive at least legal minimum wages. The brand did not follow up on findings from an external audit report of its Chinese supplier, even though the audit contained findings on excessive overtime and health and safety.

**Recommendation:** Fair Wear strongly recommends ensuring that the size of the supply chain and the available resources of Continental to actively follow up on CAP issues are coinciding. Possible solutions could be to decrease the number of suppliers or increase the resources needed to be able to work on improvement actions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.7 Degree of progress towards implementation of prevention programme.	Intermediate progress	Fair Wear expects members to show progress towards the implementation of prevention programmes. With this indicator, Fair Wear assesses the degree of progress based on the percentage of actions addressed within the set timeframe.	Update on prevention programmes.	4	6	-2

**Comment:** Continental has identified some root causes of the CAP issues and discussed these with its suppliers. The member has implemented some preventive steps, for instance it convinced one of its suppliers to apply a different calculation method for its severance pay calculations to include all material benefits.

Continental did not work on preventive actions at its Chinese supplier, even though there are several high risks prevalent in China which would require preventive and mitigative actions such as excessive overtime and freedom of association.

**Recommendation:** Fair Wear strongly recommends that the size of the supply chain and the available resources of Continental to follow up on CAP issues actively coincide. Possible solutions could be to decrease the number of suppliers or increase the resources needed to work on preventive actions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.8 Member company validates risk profile and maintains regular dialogue with factories where no improvement or prevention programme is needed.	No factories in the respective risk profile	When no improvement or prevention programme is needed, Fair Wear expect its member companies to actively monitor the risk profile and continue to mitigate risks and prevent human rights abuses.	Use of Fair Wear workers awareness digital tool to promote access to remedy. Evidence of data collected, worker interviews, monitoring documentation tracking status quo.	N/A	6	0

**Comment:** Continental does not have suppliers where improvement or prevention steps are not needed.



Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.9 Degree to which member company mitigates root causes of excessive overtime.	Insufficient	Member companies should identify excessive overtime caused by the internal processes and take preventive measures. In addition, members should assess ways to reduce the risk of external delays.	This indicator rewards self-identification of efforts to prevent excessive overtime. Therefore, member companies may present a wide range of evidence of production delays and how the risk of excessive overtime was addressed, such as: reports, correspondence with factories, collaboration with other customers of the factory, use of Fair Wear tools, etc.	0	6	0

**Comment:** In the previous year, one audit report of the total three audits mentioned excessive overtime. Continental analysed the root causes of these findings. According to the member, cultural practices and attitudes regarding working overtime is a significant cause for the issue.

The member has not addressed the finding sufficiently yet, nor has it taken action to address the root cause as Continental did not prioritise its Chinese supplier in its follow-up actions due to low leverage.

**Requirement:** Continental should investigate to what extent its current buying practices affect the working hours at the supplier level. A root cause analysis of excessive overtime should be done to investigate the most effective steps to reduce overtime. The Fair Working Hours Guide can be used as a resource.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.10 Member company adequately responds if production locations fail to pay legal wage requirements and/or fail to provide wage data to verify that legal wage requirements are paid.	Advanced	Fair Wear members are expected to actively verify that all workers receive legal minimum wage. If a supplier does not meet the legal wage requirements or is unable to show they do, Fair Wear member companies are expected to hold the management at the production location accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show the legal wage issue is reported/resolved.	4	4	-2

**Comment:** In the previous year, one out of three audits included findings regarding non-payment of legally required wage elements. The audit mentioned earlier established issues with late payments of Employee Provident Fund (EPF) contributions, which the audit verified as resolved. The member has addressed this and promotes transparency about wages by discussing open costing and living wages with its suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.11 Degree to which member company assesses and responds to root causes of wages lower than living wages in production locations.	Advanced	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Member companies may present a wide range of evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, wage data/wage ladders, gap analysis, correspondence with factories, etc.	6	6	0

**Comment:** Continental discusses the topic of wages with 100% of its suppliers. Continental understands which suppliers pay wages below living wage estimates as a consequence of the member’s policies. Continental followed up on this and reviewed internally how the member’s practices could be altered and ensured this was done by discussing living wages with its suppliers and solidifying these discussions through adding a clause on fair prices and living wages in its Supplier Agreements which it implemented in 2023, committing to collaboratively achieving living wage targets and ringfencing labour costs.

Continental has done a thorough root-cause analysis to find out why wages at suppliers are below the living wage. Based on the root-cause analysis, Continental has developed a time-bound plan to enable the systemic increase of wages at one of its suppliers. The member has started developing a systemic and time-bound approach to get wages increased towards a living wage at two of its other suppliers.

**Recommendation:** Fair Wear encourages Continental to follow up on the implementation of the living wage clause in its Supplier Agreements, to ensure labour costs are indeed ringfenced in its price.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.12 Member company determines and finances wage increases.	Advanced	Member companies should have strategies in place to contribute to and finance wage increases in their production locations.	Analysis of wage gap, strategy on paper, demonstrated roll out process.	6	6	0

**Comment:** Continental has started to address the topic of living wage internally by working on creating a systematic approach to living wages which has been agreed upon by relevant management staff and educating itself on calculating the cost of labour that goes into the making of every product. The brand has an overview of wages paid in production locations and has discussed wage increases with some of its factories.

Continental has a strategy on how to finance wage increases at its suppliers and has started analysing the costs of financing wage increases across its supply chain. Continental has collaborated with one supplier on setting a target wage, which it indexes every year.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.13 Percentage of production volume where the member company pays its share of the living wage estimate.	56%	Fair Wear requires its member companies to act to ensure a living wage is paid in their production locations to each worker.	Member company's own documentation such as reports, factory documentation, evidence of Collective Bargaining Agreement (CBA) payment, communication with factories, etc.	4	6	0

**Comment:** Continental uses fact-based costing to ensure its prices support the payment of a living wage estimate at suppliers responsible for 57% of Continental's FOB.

**Recommendation:** Continental is encouraged to roll out its approach to other suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.14 Member addresses grievances received through Fair Wear's helpline in accordance with the Fair Wear Complaints Procedure.	No complaints received	Members are expected to actively support the operational-level grievance mechanisms as part of regular contact with their suppliers. The complaints procedure provides a framework for member brands, emphasising the responsibility towards workers within their supply chain.	Overview of supporting activities, overview of grievances received and addressed, etc.	N/A	4	-2

**Comment:** Continental received no complaints in the past financial year.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.15 Degree to which member company implements training appropriate to the improvement or prevention programme.	Advanced	Training programmes can play an important role in improving working conditions, especially for more complex issues, such as freedom of association or gender-based violence, where factory-level transformation is needed.	Links between the risk profile and training programme, documentation from discussions with management and workers on training needs, etc.	6	6	0

**Comment:** Even though it is not part of a CAP, Continental has implemented a Violence and Harassment Prevention Programme at one supplier in India in the previous financial year. Moreover, Continental worked with its supplier in Bangladesh on setting up training processes using the factory's internal training system to have a larger reach when conducting training in the future than they would have when using an external service provider. The brand also did a 'needs assessment' with this supplier to understand which topics it needs to develop modules on.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.16 Degree to which member company follows up after a training programme.	Advanced	Training is a crucial tool to support transformative processes but complementary activities such as remediation and changes at the brand level are needed to achieve lasting impact	Evidence of engagement with factory management regarding training outcomes, documentation on follow-up activities, and proof of integration into further monitoring and risk profiling efforts.	6	6	0

**Comment:** Continental followed up on all training results by discussing the report with factory management and monitoring the meeting minutes of the worker committees. Additionally, the member used the results of the training as input for its human rights risk monitoring, by incorporating the results in its risk assessments.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.17 The member company's human rights risk monitoring system includes a responsible exit strategy.	Advanced	Withdrawing from a non-compliant supplier should only be the last resort when no more impact can be gained from other strategies. Fair Wear members must follow the steps as laid out in the responsible exit strategy.	Exit strategy policy, examples of supplier communications.	4	4	0

**Comment:** Continental's human rights risk monitoring includes a responsible exit strategy. In the past financial year, the member stopped with one supplier. The member followed the steps in the responsible exit strategy. Continental communicated its desire to end the relationship four years in advance, and decided on a one-year phase-out period which the supplier agreed to in 2021. Continental has shared the responsible exit strategy with all of its suppliers, and has actively discussed it with one of its suppliers.

**Recommendation:** Continental could discuss the responsible exit strategy with all of its suppliers, for instance as part of its supplier evaluation.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.18 Member company's measures, business practices and/or improvement programmes go beyond the indicators or scope.	Member company's activities do not go beyond the indicators or scope.	Fair Wear would like to reward and encourage members who go beyond the Fair Wear policy or scope requirements. For example, innovative projects that result in advanced remediation strategies, pilot participation, and/or going beyond tier 2.	Overview of Human Right risk monitoring, remediation and prevention activities and processes.	N/A	6	0

**Comment:** Continental does not undertake activities related to human rights that go beyond Fair Wear's scope.

## Layer 4 External communication, outreach, learning, and evaluation

**Possible Points: 22**

**Earned Points: 16**

### Indicators on Communication, transparency and evaluation

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.1 Member company actively communicates about Fair Wear membership and its human rights due diligence efforts.	Advanced	Fair Wear membership includes the need for a brand to show its efforts, progress, and results. Fair Wear members have the tools and targeted content to showcase accountability and inform customers, consumers, and retailers. The more brands communicate about their sustainability work, the greater the overall impact of the work of the Fair Wear member community.	Member website, sales brochures, and other communication materials.	4	4	0

**Comment:** Continental communicates accurately about Fair Wear membership on its website. The member also uses other channels to inform customers and stakeholders about Fair Wear membership. For example, by joining the #PeopleFriendlyFashion campaign on social media Continental Clothing Company Ltd actively spreads the Fair Wear message. Moreover, Continental provides adequate communication materials available to its customers to communicate about Fair Wear, and they proactively monitor communication about Fair Wear by resellers to correct erroneous communication when applicable.



Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.2 Member company sells external brands with a Human Rights Due Diligence system (if applicable).	No reselling of external brands	Some member companies resell other brands, which Fair Wear refers to as 'external production'. These members are expected to investigate the Human Rights Due Diligence system of these other brands, including production locations and the availability of monitoring information.	External production data in Fair Wear's information management system, collected information about other brands' human rights due diligence systems, and evidence of external brands being part of other multi-stakeholder initiatives that verify their responsible business conduct.	N/A	4	0

**Comment:** Continental does not sell external brands.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.3 Social report is submitted to Fair Wear and is published on the member company's website.	Advanced	The social report is an important tool for member companies to share their efforts with stakeholders transparently. The social report explicitly refers to the workplan and the yearly progress related to the brands goals identified in the workplan.	Social report.	4	4	0

**Comment:** Continental has submitted its social report. Continental has also published the report on its website.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.4 Member company engages in advanced reporting activities.	Intermediate	Good reporting by members helps ensure the transparency of Fair Wear's work and helps share best practices within the industry. This indicator reviews transparency efforts reported beyond (or included in) the social report.	Brand Performance Check, audit reports, information about innovative projects, specific factory compliance data, disclosed production locations (list tier 2 and beyond), disclosure of production locations, alignment with the Transparency Pledge.	2	4	0

**Comment:** Continental reports on factory-level data and remediation results. Continental published its social report, which includes some factory-level data and remediation results, on its website. The factory level data Continental included are: Number of workers, number of female workers, how much leverage Continental has with the factory, audit dates (both last audit that took place and planned audits), location, and the number of other Fair Wear members sourcing from the factory. Continental has yet to disclose time-bound improvement plans.

**Recommendation:** Fair Wear recommends Continental to publish time-bound plans for its suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.5 Member company has a system to track implementation and validate results.	Intermediate	Progress must be checked against goals. Members are expected to have a system in place to track implementation and validate the progress made.	Documentation of top management involvement in systematic annual evaluation includes meeting minutes, verbal reporting, PowerPoint presentations, etc. Evidence of worker/supplier feedback.	4	6	0

**Comment:** Continental has a system to track progress and check if implemented measures have been effective in preventing and remediating human rights violations. The internal evaluation system involves top management. In its evaluation system, the member sometimes includes triangulated information from external sources, such as audit reports including worker interviews or information from local NGOs.

**Recommendation:** The member is advised to systematically include feedback from workers and suppliers in its evaluation system.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	Intermediate	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 should show documentation related to the specific requirements made in the previous Brand Performance Check.	2	4	-2

**Comment:** The previous performance check included the following requirements:

1. Any communication that implies that products, factories or brands are 'certified' or 'fair' must be avoided. Continental must inform all third-party resellers about Fair Wear's communication policy and ensure these are implemented correctly.
2. Fair Wear requires Continental to disclose production locations to other member brands in Fair Force and on the Fair Wear website.

Continental followed up on the first requirement. Together, half of the requirements were addressed.

**Recommendation:** Continental is strongly recommended to address the requirement that is still outstanding.

## 5 Appreciation chapter

5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: **Not applicable**

5.2 Member company actively participated in lobby and advocacy efforts to facilitate an enabling environment in production clusters.: **Yes**

**Comments:** Participated in a lobbying event at the European Parliament for the promotion of HRDD benefits both businesses and human rights in the run up to the upcoming EU legislation (invited by Alexander Kohnstamm. (Brussels)

Participated in The Circle's symposium entitled "Towards a legal framework for a living wage". (London)(<https://www.thecircle.ngo>)

5.3 Member company actively contributed to industry outreach, visibility, and learning in its main selling markets.: **Yes**

**Comments:** Became a founding member of Fashion Declares, an international grass-roots movement of people in the fashion industry who want to share best practice, learn, and take effective action in the climate, ecological and social crisis. (<https://fashion-declares.org>)

# Recommendations to Fair Wear

Continental recommends Fair Wear to improve and increase its communication regarding its member brands.

# Brand Performance Check details

Date of Brand Performance Check: **05-09-2023**

Conducted by: **Maaïke Rubenkamp**

Interviews with: **Mariusz Stochaj – Head of Product and Sustainability**

**Phil Gamett – Managing Director**

**Neil Jones – Financial Director**

**Adam Gilleece – CSR Co-ordinator**