



BRAND PERFORMANCE CHECK

Sportsman's Delight GmbH (PYUA)

PUBLICATION DATE: APRIL 2016

this report covers the evaluation period 01-01-2015 to 31-12-2015

ABOUT THE BRAND PERFORMANCE CHECK

Fair Wear Foundation believes that improving conditions for apparel factory workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the factory. FWF, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on factory conditions.

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's affiliate members. The Checks examine how affiliate management systems support FWF's Code of Labour Practices. They evaluate the parts of affiliate 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 factories, and most factories work for many different brands. This means that in most cases FWF affiliates have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of affiliates. Outcomes at the factory level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF affiliates cannot guarantee results.

Even if outcomes at the factory level cannot be guaranteed, the importance of good management practices by affiliates cannot be understated. Even one concerned customer at a factory 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 factory 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 FWF'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 affiliate employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at www.fairwear.org. The online [Brand Performance Check Guide](#) provides more information about the indicators.

BRAND PERFORMANCE CHECK OVERVIEW

Sportsman's Delight GmbH (PYUA)

Evaluation Period: 01-01-2015 to 31-12-2015

AFFILIATE INFORMATION	
Headquarters:	Kiel, Germany
Member since:	01-07-2014
Product types:	Outdoor, Sportswear
Production in countries where FWF is active:	None
Production in other countries:	Estonia, Portugal
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
All suppliers have been notified of FWF membership?	Yes
SCORING OVERVIEW	
% of own production under monitoring	45%
Benchmarking score	46
Category	Good

Summary:

PYUA meets most of FWFs management system requirements. At 45%, PYUA's monitoring percentage meets the 40% monitoring threshold required for first-year members.

PYUA has a small, long-term supplier base and visits all production locations frequently. Production is planned in close cooperation with suppliers to allow a smooth production process. All staff is aware of FWF membership requirements and information about working conditions at suppliers is shared frequently. Currently, all orders are placed in countries that FWF considers low-risk countries; Estonia and Portugal. For its Portuguese production locations, accounting for 55% of PYUA's production, PYUA failed to fulfill FWF's monitoring requirements for low-risk countries in 2015. In addition, its agent and main production locations in Portugal are not transparent about subcontracting sites.

PYUA is working towards more transparency and a stronger commitment of its agent to support implementation of the FWF Code of Labour Practices.

PERFORMANCE CATEGORY OVERVIEW

Leader: This category is for affiliates 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 FWF's belief that affiliates who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF affiliates—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 affiliates will receive a 'Good' rating.

Needs Improvement: Affiliates 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. Affiliates 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: Affiliates 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. Affiliates 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
1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity	0%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier information provided by affiliate.	0	4	0

Recommendation: FWF recommends PYUA to consolidate its supplier base where possible, and increase leverage at main supplier(s) to effectively request improvements of working conditions.

Comment: PYUA currently sources from three production locations in Portugal and one production location in Estonia. Leverage at all sites is below ten percent. Each production site produces a different, specialized product group of PYUA's collection. In 2016, PYUA estimates that their leverage at two production sites will exceed ten percent.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	24%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier information provided by affiliate.	1	4	0
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Recommendation: FWF recommends PYUA 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.

Comment: PYUA has been placing orders at one production site accounting for 24% of their overall production volume for more than five years. Business relations with other production locations have started more recently. Generally, PYUA follows a strategy of long term relationships. The company intends to maintain a business relationship with all current suppliers in the coming year.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	No	The CoLP is the foundation of all work between factories and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	0	2	0
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Requirement: PYUA needs to ensure that new suppliers sign and return the questionnaire before first orders are placed.

Comment: PYUA started placing orders at one new production location in Portugal and stabilized business relations with one production location in Estonia, that had received smaller sample orders in previous years. The Estonian supplier signed the Code of Labour Practices before regular orders were placed. In Portugal, PYUA sources through an intermediary that selects production sites for PYUA. While PYUA is aware of the address of those sites and has visited the producers, the intermediary requires the FWF member to channel all communication through them. Initially, the intermediary also declined to let the individual production locations sign the FWF Code of Labour Practices (as required by FWF), despite orders being placed there. In early 2016, PYUA was able to convince the intermediary that all production sites that produce for PYUA need to sign the Code of Labour Practices.

1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	Yes	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0
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Recommendation: FWF strongly recommends PYUA to conduct thorough human rights due diligence in case it considers sourcing in European production countries that are defined as high-risk countries by FWF. A risk analysis as part of the decision-making process of selecting new suppliers is an important step to mitigate risk and prevent potential problems. FWF recommends PYUA to assess the risks associated with operating in specific production areas. This evaluation should influence the decision on whether to place orders, how to prevent and mitigate risks, and what remediation steps may be necessary. FWF advises to use information from FWF country studies and wage ladders. PYUA can cooperate with local stakeholders to further investigate the situation in a specific country

Comment: As part of its sourcing strategy, PYUA generally only considers production locations in Europe. While this might include Turkey, Bulgaria and Romania, which FWF considers as high-risk countries, all current orders are placed in countries that FWF defines as low-risk. In addition, PYUA visits all potential production locations before orders are placed and takes information by FWF or other stakeholders into account. PYUA is aware that production in certain areas of Portugal poses a risk of subcontracting to North Africa. The company therefore avoids producing in such areas. PYUA is currently selecting additional suppliers for production in 2016 and is especially considering production locations that are shared by other FWF members.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	No	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.	0	2	0
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Recommendation: PYUA is encouraged 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.

Comment: Due to its small supplier base, PYUA currently does not systematically evaluate the social compliance of its production locations.

1.6 The affiliate's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.	4	4	0
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Comment: Due to material requirements, PYUA does not follow common order schedules. Fabrics usually have to be booked long in advance, which allows PYUA to plan its production with long lead times in close cooperation with its suppliers. As PYUA usually only uses a small portion of a factory's capacity, the FWF member has to rely on the supplier to make room for the order. Subsequently, PYUA orders are often produced during low season. Short term changes to the order are uncommon. Customers have to order according to PYUA's schedule or are supplied by PYUA's online stock.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	No production problems documented.	Some production delays are outside of the control of affiliates; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Documentation of root cause analysis and positive steps taken to manage production delays or improve factory processes.	N/A	6	0
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Recommendation: FWF recommends PYUA to further investigate overtime hours at their production locations to ensure that overtime does not exceed 60 hours a week, is compensated and a weekly day off is given.

Comment: As no audits were conducted in PYUA's last financial year, no production problems leading to excessive overtime were recorded.

During frequent visits, PYUA's impression was that overtime occurs, but does not exceed 60 hours per week. Factories appear to be closed during the weekend.

In infrequent cases, when a manufacturer reports difficulties to reach an agreed date, PYUA looks for solutions to avoid excessive overtime, such as prioritizing and splitting orders.

1.8 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.	Country-level policy	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.	2	4	0
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Recommendation: Increased transparency in costing and productivity gives insight in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages. FWF recommends PYUA to further investigate costing calculations.

Comment: PYUA negotiates prices based on quotations given by the supplier for a ready-made garment. For some suppliers, PYUA has estimates how much labour costs contribute to the minute price, but no systematic calculations on labour costs are done. PYUA is aware of minimum wage levels in Portugal.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	No data available	If a supplier fails to pay minimum wage, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.	N/A	2	-2
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1.10 Evidence of late payments to suppliers by affiliate.	No	Late payments to suppliers can have a negative impact on factories 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 factory and affiliate financial documents.	0	0	-1
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Comment: PYUA is aware that punctual payment of workers is a crucial issue. The FWF member has made efforts in the past to support suppliers with their cash flow, e.g. through advance payments.

1.11 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Basic approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	2	8	0
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Recommendation: FWF encourages the PYUA to investigate wage levels and to assess the hypothetical cost effects of increasing wages towards higher benchmarks. To support companies in this process FWF has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models.

Comment: PYUA has no in-depth knowledge about the wage levels at its suppliers. As all production locations are based in countries where FWF is not active, no wage ladder data is available.

PYUA estimates that wage levels are above average as workers are skilled (complex products) and worker turnover is low.

1.12 Affiliate sources from an FWF factory member.	No	When possible, FWF encourages affiliates to source from FWF factory members. On account of the small number of factories this is a 'bonus' indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	N/A	1	0
1.13 Percentage of production volume from factories owned by the affiliate.	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 affiliate's score.	Supplier information provided by affiliate.	N/A	2	0

PURCHASING PRACTICES

Possible Points: 32

Earned Points: 13

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	0%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	45%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Total of own production under monitoring	45%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 90% Measured as a percentage of turnover.

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 FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2
2.2 Degree of progress towards resolution of existing Corrective Action Plans	No Caps Active	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate.	N/A	8	-2

Comment: No audits were conducted in the last financial year. PYUA staff usually assesses health and safety issues and follows up on improvements with the FWF checklist.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	100%	Formal audits should be augmented by annual visits by affiliate staff or local representatives. They reinforce to factory managers that affiliates are serious about implementing the Code of Labour Practices.	Affiliates should document all factory visits with at least the date and name of the visitor.	4	4	0
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Comment: All production locations are visited several times a year by PYUA staff, e.g. the designer or product developer.

2.4 Existing audit reports from other sources are collected.	No existing reports/all audits by FWF or FWF affiliate	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	N/A	3	0
2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	No Corrective Action Plans active	2 part indicator: FWF 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.	N/A	2	-1
2.6 High risk issues specific to the affiliate's supply chain are identified and addressed by the monitoring system.	No high-risk issues	Different countries and products have different risks associated with them; monitoring systems should be adapted to allow appropriate human rights due diligence for the specific risks in each affiliates' supply chain.	Documentation may take many forms; additional research, specific FWF project participation; extra monitoring activities, extra mitigation activities, etc.	N/A	6	0

Comment: PYUA currently sources entirely from countries that FWF considers as low-risk countries.

2.6a High risk issues specific to Bangladesh are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Bangladesh	Affiliates sourcing in Bangladesh should take additional action to address both building and fire safety and the prevention of violence against women.	Building, electrical and fire safety inspection reports, evidence of cooperation with other customers sourcing at the same factories (Accord signatories and/or FWF affiliates), etc.	N/A	3	0
2.6b High risk issues specific to Myanmar are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Myanmar	Myanmar is still in the process of establishing the legal and civil society infrastructure needed to ensure compliance with labour rights. Extra care must be taken when doing business in Myanmar.	Shared CAPs, Wage Ladders per factory.	N/A	3	0
2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	No CAPs active or no shared suppliers.	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the changes of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	N/A	2	-1
2.8 Monitoring requirements are fulfilled for production in low-risk countries	No	Low risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with basic standards.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	0	2	0

Requirement: Monitoring requirements need to be fulfilled for production in low-risk countries in order for it to be counted towards the monitoring threshold. All production sites in low-risk countries must:

- Be visited annually by FWF member representatives;
- Be informed of FWF membership and return the completed CoLP questionnaire before production orders are placed;
- Be aware of specific risks identified by FWF;
- Have the FWF Worker Information Sheet posted in local languages.

Comment: PYUA visited all production locations during its last financial year. The Worker Information Sheet has been posted at all sites. However, only the Estonian production site, accounting for 45 % of PYUA's overall production volume, signed the Code of Labour Practices. The three production locations in Portugal did not sign the CoLP in 2015. The intermediary insisted that it would be sufficient for them to sign the CoLP. In early 2016, PYUA was able to convince the intermediary that all individual production locations must sign the FWF questionnaire. However, for 2015, PYUA failed to fulfill FWF's monitoring requirements for low-risk countries (see also indicator 1.3). As a consequence, only the Estonian production site is considered as monitored.

2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	No external brands resold	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	N/A	3	0
2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	No external brands resold	FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0

MONITORING AND REMEDIATION

Possible Points: 8

Earned Points: 6

3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	0	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved	0	
Number of worker complaints resolved since last check	0	

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1
3.2 System exists to check that the Worker Information Sheet is posted in factories	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.	2	2	0

Comment: All PYUA representatives check during visits whether the Worker Information Sheet has been posted. PYUA was able to show pictures of the posted Code of Labour Practices.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	No audits done or no FWF helpline available	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Factory participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of factories in WEP programme.	N/A	4	-2
3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Affiliate involvement is often essential to resolving issues.	Documentation that affiliate has completed all required steps in the complaints handling process.	N/A	6	-2
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary.	Because most factories supply several customers with products, involvement of other customers by the FWF affiliate can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	-2

COMPLAINTS HANDLING

Possible Points: 3

Earned Points: 3

4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff is made aware of FWF membership requirements	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	-1

Comment: All staff interviewed during the Brand Performance Check was aware of FWF.

4.2 Ongoing training in support of FWF requirements is provided to staff in direct contact with suppliers.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	0
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Recommendation: FWF recommends other staff members that regularly visit production sites to actively take part in training opportunities FWF offers such as: FWF seminars, the FWF annual conference and webinars.

Comment: The Head of Supply Chain participated in a FWF member training in January 2015 and shared learning with other staff. Regular updates and reminders concerning FWF and social compliance in general are shared with all staff members.

4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	1	2	-2
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Requirement: PYUA needs to ensure agents are aware of FWF requirements and actively support the implementation of the CoLP.

Comment: PYUA informed its Portuguese agent extensively about FWF's Code of Labour Practices. The agent as well as its Portuguese factories also participated in a FWF supplier seminar in Portugal in 2014. Nevertheless, the agent continues to have reservations regarding activities of PYUA related to FWF and is reluctant to be fully transparent.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	No production in WEP areas	Lack of knowledge and skills on best practices related to labour standards is a common issue in factories. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	N/A	6	0
4.5 Factory participation in trainings (where WEP is not offered; by production volume)	All production is in WEP areas.	In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	N/A	4	0

TRAINING AND CAPACITY BUILDING

Possible Points: 5

Earned Points: 4

5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Intermediate	Any improvements to supply chains require affiliates to first know all of their production locations.	Supplier information provided by affiliate. Financial records of previous financial year. Documented efforts by affiliate to update supplier information from its monitoring activities.	3	6	-2

Requirement: PYUA is advised to develop a systematic approach to complete the supplier list.

Part of the approach can be:

- 1) automatically include information from audit reports and complaints
- 2) Business relationships with agents include transparency of production locations.
- 3) Agreements with factories on the use of subcontractors stating clearly that when subcontractors are used, they are included in the monitoring system and information is shared on the subcontracted production process.

The supplier register of the previous financial year has to be complete and accurate; production locations of all suppliers must be listed, including subcontractors.

Correct FOB percentages should be given per supplier to show the relevance of each supplier in relation to the affiliate's total purchasing volume. These can be calculated on the basis of payments made during the previous financial year.

PYUA is asked to notify FWF as soon as possible in case unknown subcontractors are discovered.

Comment: PYUA knows the production locations of all main suppliers and has shared this information with FWF. Furthermore, PYUA is aware that especially in Portugal subcontracting is common. However, the details of subcontractors and home-based workers are not known to the FWF member as their partners are not yet willing to be fully transparent. PYUA is working towards greater transparency.

5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers	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
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Comment: The product manager, designer, supply chain manager and the CEO regularly share information with each other about working conditions at suppliers. After every visit, a report is sent to the CEO and the supply chain manager.

INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Communication about FWF membership adheres to the FWF communications policy	No	FWF membership should be communicated in a clear and accurate manner. FWF guidelines are designed to prevent misleading claims.	Logo is placed on website; other communications in line with policy. Affiliates may lose points if there is evidence that they did not comply with the communications policy.	-2	1	-2

Requirement: FWF membership should be communicated according to the FWF communications policy.

Comment: During 2015, PYUA's membership was suspended. However, PYUA continued to communicate its FWF membership on its website, which is a violation of the FWF communication policy.

6.2 Affiliate engages in advanced reporting activities	No	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Affiliate publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	0	1	0
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Recommendation: FWF recommends PYUA to publish one or more of the following reports on its website: brand performance check, audit reports, supplier information. Good reporting by members helps to ensure the transparency of the affiliate and FWF's work.

6.3 Social Report is submitted to FWF and is published on affiliate's website	Incomplete or not done	The Social Report is an important tool for affiliates to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.	-2	2	-2
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Requirement: FWF approach requires transparency on members work towards social standards. The social report needs to be submitted to FWF and published on PYUA 's website.

Comment: PYUA did not hand in the report to FWF and did not publish it on its website.

TRANSPARENCY

Possible Points: 4

Earned Points: -4

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 FWF policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0
7.2 Changes from previous Brand Performance Check implemented by affiliate	No requirements were included in previous Check	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Affiliate 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 FWF

NA

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	13	32
Monitoring and Remediation	6	8
Complaints Handling	3	3
Training and Capacity Building	4	5
Information Management	4	7
Transparency	-4	4
Evaluation	2	2
Totals:	28	61

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

46

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

09-02-2016

Conducted by:

Lisa Suess

Interviews with:

Steffen Riese, Head of Supply Chain

Timo Perschke, CEO

Carina Weh, product development

Diana Pfleger, design

Sandra Porath, communication

Audit Summary:

Publication of the audit summary section previously included in Brand Performance Checks has been suspended while Fair Wear Foundation develops a new information system to manage and summarize the data.