



## BRAND PERFORMANCE CHECK

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workfashion.com ag

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this report covers the evaluation period 01-01-2017 to 31-12-2017

## ABOUT THE BRAND PERFORMANCE CHECK

Fair Wear Foundation 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. FWF, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's member companies. The Checks examine how member company management systems support FWF'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 FWF 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 FWF 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 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 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.

## BRAND PERFORMANCE CHECK OVERVIEW

workfashion.com ag

Evaluation Period: 01-01-2017 to 31-12-2017

MEMBER COMPANY INFORMATION	
Headquarters:	Hagendorn, Switzerland
Member since:	01-02-2015
Product types:	Workwear
Production in countries where FWF is active:	China, Macedonia, Republic of, Turkey
Production in other countries:	Switzerland
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
SCORING OVERVIEW	
% of own production under monitoring	97%
Benchmarking score	78
Category	Leader

## Summary:

Workfashion.com has shown advanced results on performance indicators and has made exceptional progress. With a monitoring percentage of 97%, workfashion.com goes beyond the required threshold for members after three years of membership. With a score of 78 points, workfashion.com has been awarded the "Leader" category.

Workfashion.com sources about 90% of its production volume from five suppliers in Macedonia. For some specific products it sources from several Chinese and Turkish factories. The brand has strong systems in place when it comes to human rights due diligence at new suppliers and country risk management. In 2017, workfashion.com was an active participant in the FWF living wage incubator, which aims to raise wages to a living wage level at suppliers. The brand achieved to create more transparency in costing at suppliers. The next step will be to start increasing wages. Workfashion.com deserves praise for the fact that the brand is transparent about its production locations and the issues the brand encounters at its suppliers.

FWF recommends workfashion.com to take active measures when it comes to excessive overtime and the non-payment of legal minimum wages at suppliers. Furthermore, the brand can set up a supplier evaluation system with clear indicators, including rewards for suppliers in case they perform well on social and environmental indicators.

The brand managed to obtain leader status within three years' time. FWF would like to encourage workfashion.com to keep the same level of ambition and tackle complex issues such as living wages and social dialogue at their suppliers.

## 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 FWF's belief that member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF member companies—are 'doing good' and deserve to be recognized as such. They are also doing more than the average clothing company, and have allowed their internal processes to be examined and publicly reported on by an independent NGO. The majority of member companies will receive a 'Good' rating.

**Needs Improvement:** Member companies are most likely to find themselves in this category when major unexpected problems have arisen, or if they are unable or unwilling to seriously work towards CoLP implementation. Member companies may be in this category for one year only after which they should either move up to Good, or will be moved to suspended.

**Suspended:** Member companies who either fail to meet one of the Basic Requirements, have had major internal changes which means membership must be put on hold for a maximum of one year, or have been in Needs Improvement for more than one year. Member companies may remain in this category for one year maximum, after which termination proceedings will come into force.

Categories are calculated based on a combination of benchmarking score and the percentage of own production under monitoring. The specific requirements for each category are outlined in the Brand Performance Check Guide.

## 1. PURCHASING PRACTICES

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	84%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	4	4	0

**Comment:** Workfashion.com has three main suppliers in Macedonia. The brand sources about 70% of its total production volume from these suppliers. Due to increasing demand, workfashion.com started relationships with two new suppliers in Macedonia.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	2%	FWF provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to FWF.	3	4	0

**Comment:** For some specific products that cannot be produced by its Macedonian partners, workfashion.com places orders at 4 Chinese suppliers and 3 Turkish suppliers, amounting to a very small percentage of its FOB. workfashion.com is working towards reducing its tail end suppliers.

**Recommendation:** FWF encourages workfashion.com to reduce the number of tail end suppliers and to continue its strategy of moving orders to its main suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	57%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	3	4	0

**Comment:** Workfashion.com has stable business relationships with most of its suppliers. Due to increasing demand, workfashion.com had to look for new suppliers where it placed about 20% of its production. While one supplier was asked to help absorb a production peak, workfashion.com intends to work for a longer period of time with the other supplier.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.3 All new production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	Yes	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	2	2	0

**Comment:** Workfashion.com started relationships with two new suppliers which had signed the FWF questionnaire before orders were placed.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders.	Advanced	Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0

**Comment:** Workfashion.com has made a human rights risk-analysis of all the countries where its production locations are based. The analysis is based on human rights reports of international human rights organisations. When selecting a new supplier, workfashion.com visits the supplier and discusses labour standards with them, also based on the country risk assessment. Interviews are not only done with factory management, but also with several workers to get a sense of wage levels and working hours. The brand asks for existing audit reports and includes outcomes of the audit in its decision-making process. Although labour conditions are an important aspect of the decision-making process, it is not yet done with clear indicators and in a structural manner.

**Recommendation:** FWF recommends workfashion.com to further strengthen its human rights due diligence and decision-making process by setting clear indicators. Furthermore, FWF recommends workfashion.com to further integrate it into its organisation and document the process to ensure that knowledge about human rights due diligence is secured in its systems.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	1	2	0

**Comment:** Workfashion.com monitors its suppliers towards the fulfillment of labour standards. The brand receives regular updates from factory management and keeps track of the progress in the CAPs. In Macedonia, its local quality manager assists in monitoring progress in the factories. Management of workfashion.com visits its Macedonian suppliers frequently to discuss progress on the CAPs.

The tail end suppliers of workfashion.com are located in China and Turkey. The brand asks its Chinese suppliers for updates of BSCI audit reports and discusses supplier compliance when visiting the suppliers. In Turkey, workfashion.com had difficulties to monitor and evaluate supplier compliance due to the political situation and unwillingness of suppliers.



The brand does not have a performance based system in place. Furthermore, workfashion.com did not place orders at two suppliers that it had used in 2016. Due to the fact that workfashion.com had little leverage at those suppliers, it expects that it had no effect on job security at the factory. The brand already communicated in advance that at one Macedonian supplier, the member would only place orders for several months.

**Recommendation:** FWF encourages workfashion.com 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. Part of the system can show whether and what information is missing per supplier and can include outcomes of audits, trainings and/or complaints.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.6 The member company's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	4	4	0

**Comment:** Workfashion.com has lead times of 10-20 weeks for European production partners and 14-26 weeks for Asian suppliers. The delivery time depends on the type of product and the available production capacity of suppliers. In case of delays, workfashion.com considers air freight or splitting orders.

In Macedonia, workfashion.com works closely together with its suppliers in planning production. The brand knows the total production capacity of the factories and the standard minutes per style required for production. It plans production capacity with its suppliers on a bi-weekly basis. The brand delivers the fabric to the factories and regularly monitors production planning through its quality manager. By shifting production of its never out of stock-items, it can prevent overproduction or production gaps.

In China and Turkey, workfashion.com produces ready-made garments and discusses planning, lead-times and possible delays with the factories. The total production volume of workfashion.com at its suppliers in China and Turkey does not amount to more than 4% of its FOB and usually exists of placing small orders at those suppliers.

**Recommendation:** FWF recommends workfashion.com to learn more about production planning at its tail-end suppliers, especially concerning total production capacity and peak seasons.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.7 Degree to which member company mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	3	6	0

**Comment:** At one supplier in Macedonia, the FWF-audit team could not establish whether workers worked every Saturday, which would amount to excessive overtime. Workfashion.com discussed the issue with its Macedonian supplier and assessed the root cause. Taking more orders than available production capacity and inadequate production planning led to (possible) excessive overtime, although this could not be verified.

During a FWF-audit, excessive overtime was found at one supplier in Turkey. Workfashion.com asked for a response from factory management, which was not provided. The factory is a tail-end supplier where the member only places a very small amount of production. Workfashion.com will discuss the matter during a next visit in 2018.

**Recommendation:** Besides discussing it with the supplier and assessing root causes, FWF strongly recommends workfashion.com to actively take measures when excessive overtime is found. Taking measures to ensure that the brands knows and shows whether excessive overtime takes place at a supplier is key in resolving the issue. Measures such as regular checks by the local technician, documents checking and interviewing workers help assess whether excessive overtime takes place.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company'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

**Comment:** For production in Macedonia, workfashion.com works with standard minutes per style. It regularly discusses the costs per minute with its suppliers.

In 2017, workfashion.com achieved more transparency at three suppliers, enabling them to relate wages to their prices. The brand used that information to negotiate prices at two other Macedonian suppliers.

In Turkey and China, workfashion.com is aware of minimum wage levels of the countries. Through BSCI-audits, it is also aware of wage levels in the factories. Part of its pricing policy is to calculate prices based on an estimation of wages and productivity, which offers a range to accept a price offer from a supplier. In general, the brand does not push prices, but it works with suppliers to agree on reasonable prices.

**Recommendation:** FWF encourages workfashion.com to continue working on transparency in wages and prices with all its suppliers, especially concerning its new partner in Macedonia. Increased transparency in costing and productivity gives insight in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if suppliers fail to pay legal minimum wages.	Yes	If a supplier fails to pay minimum wage, FWF member companies 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.	1	2	-2

**Comment:** At one supplier in Macedonia, the FWF-audit team found that several workers involved in thread cutting and cleaning were not paid the legal minimum wage. When the factory was visited, the COO of workfashion.com checked documentation on wages with assistance of its local engineers. At that time, no wage payments below the legal minimum wage were found.

**Recommendation:** FWF recommends to specifically check whether the above-mentioned workers earn a legal minimum wage. The brand could do this by interviewing these workers and asking for their payslips over the course of several months or by doing a re-audit.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.11 Degree to which member company assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Production location level approach	Sustained progress towards living wages requires adjustments to member companies' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	4	8	0

**Comment:** In 2017, workfashion.com participated in the FWF Living Wage incubator. Workfashion.com focused on one Macedonian supplier with whom it has a strong integrated partnership. Part of that partnership was to build up the supplier to a level of independence. Over the course of four years where workfashion.com paid all the costs of the supplier, the manager of the factory gradually started to raise wages, in total raising wages with about 30% in three years' time. Factory management used the average wage in the region as a benchmark. In 2017, the Macedonian government raised the legal minimum wages by 30%. Almost all of the workers already earned a wage above that legal minimum wage. Workfashion.com is actively discussing living wages with the supplier and is looking for ways to include workers in the project.

At other Macedonian suppliers, workfashion.com achieved more transparency in costing, enabling it to relate it to its pricing. It also discussed living wages with those suppliers.

**Recommendation:** FWF recommends workfashion.com to continue its efforts and actively include worker representatives in the discussions about living wages. Furthermore, FWF recommends to consult workers and local stakeholders in setting a living wage benchmark. FWF encourages workfashion.com to apply its lessons learned at other suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	N/A	2	0

## PURCHASING PRACTICES

Possible Points: 44

**Earned Points: 31**

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	94%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	3%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Meets monitoring requirements for tail-end production locations.	No	FWF members must meet tail-end monitoring requirements. Implementation will be assessed during next Brand Performance check.
Total of own production under monitoring	97%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100% 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

Comment: The COO and sustainability manager of workfashion.com are responsible for following up on issues deriving from its monitoring system.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case FWF teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for FWF to approve the auditing system.	Information on audit methodology.	N/A	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	Yes	2 part indicator: 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.	2	2	-1

**Comment:** In 2017, FWF performed four audits at suppliers of workfashion.com. At two suppliers, workfashion.com managed to send the report and agree on timelines. At one small tail-end supplier where an audit was done, factory management did not respond to the audit results. At one new supplier to whom the brand had already communicated that it would stop sourcing from the factory at the beginning of the relationship, the brand still planned an audit although it did not set up timelines for improvements. At only one of the four factories a worker committee was present. The brand did not actively share the report with the worker representatives.

**Recommendation:** FWF recommends workfashion.com to always check whether worker representatives are present and to include them in following up on audit results.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	6	8	-2

**Comment:** Workfashion.com actively follows up on CAPs at all its suppliers. At its three main suppliers, the brand is involved in working on more complex issues such as (living) wages and excessive overtime. The member also provided training to several of its suppliers.

Audit reports of its suppliers show that suppliers are steadily progressing, with the exception of complex issues such as living wages and social dialogue.

Due to the fact that workfashion.com places less orders at its Chinese and Turkish partners, it gives them less leverage to work with suppliers on solving CAPs. Workfashion.com does regularly visit these tail-end suppliers and discusses the CAPs with them.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	97%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0

**Comment:** Workfashion.com visited all its suppliers except one.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes and quality assessed	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.	2	3	0

**Comment:** Workfashion.com collected audit reports from its Chinese suppliers. Furthermore, it collected BSCI-audit reports before starting at a Macedonian supplier. It analyzed the report through the Audit Quality Assessment Tool. The report showed that there were no issues left. Therefore, workfashion.com is planning a FWF-audit to obtain more detailed information on living wages and social dialogue as those issues were not clearly reflected in the audit reports.



Recommendation: FWF recommends workfashion.com to use the Audit Quality Assessment Tool and immediately discuss with the supplier what information is missing and how to collect that information.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	Aside from regular monitoring and remediation requirements under FWF membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. FWF requires member companies to be aware of those risks and implement policy requirements as prescribed by FWF.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	5	6	0
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Intermediate			3	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Advanced			6	6	-2

**Comment:** workfashion.com made a country risk-assessment in which it has scored the severity of the risk of violation of the eight standards of the Code of Labour Practices. It has used FWF country studies, information from BSCI and other human rights reports to make an assessment. The brand is well informed of the actual human rights situation in Macedonia.

In Turkey, workfashion.com discussed with its suppliers whether they had policies in place in case they would like to hire Syrian refugees. Subcontracting was also discussed. Two out of three Turkish suppliers were audited by a FWF-team in 2017. No Syrian refugees were found. Although one supplier was previously suspected of hiring homeworkers, the latest audit confirmed that homeworkers were no longer hired. The factories did not participate in the FWF Workplace Education Programme.

**Recommendation:** FWF recommends workfashion.com to enroll its suppliers in the WEP-training programme on Syrian refugees. Although workfashion.com considers that the risk of subcontracting is very low due to the limited amount of orders and the fact that it concerns specific products that are difficult to outsource, FWF recommends workfashion.com to take additional measures to ensure that its production is not subcontracted. Such measures could include working with other brands to check whether production takes place in the factory.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	No CAPs active, no shared production locations or refusal of other company to cooperate	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	N/A	2	-1

**Comment:** At one supplier, another FWF member is active. Due to a change of staff at the other FWF member, active cooperation ceased for 2017, but started again in 2018.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	50-100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	1	2	0

Comment: Workfashion.com had production at two Swiss suppliers. The brand could show that the questionnaire was signed, the FWF Code of Labour Practices was posted. It regularly visits the suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.10 Extra bonus indicator: in case FWF member company conducts full audits above the minimum required monitoring threshold.	Not applicable	FWF encourages all of its members to audit/monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to FWF and recent Audit Reports.	N/A	3	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	Yes	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.	1	2	0

Comment: Workfashion.com has a significant amount of external producers. It sent the questionnaire to all the external brands. About two thirds of the external brands have returned a questionnaire.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	31%	FWF believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	2	3	0

Comment: Almost a third of the external brands is a member of FLA or FWF.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	FWF believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

## MONITORING AND REMEDIATION

Possible Points: 32

Earned Points: 25

### 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

Comment: The COO and the sustainability manager are involved when a complaint is filed through the FWF worker helpline.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.2 System is in place 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 production location visits, etc.	2	2	0

Comment: During visits, workfashion.com checks whether the Worker Information Sheet is posted. Factories that are not regularly visited are asked to provide pictures from a posted Worker Information Sheet.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Percentage of FWF-audited production locations where at least half of workers are aware of the FWF worker helpline.	71%	The FWF complaints procedure is a crucial element of verification. If production location 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. Production location participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited production locations where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of production locations in WEP programme.	3	4	0

**Comment:** Workers at its Macedonian suppliers are generally well aware of the FWF-worker helpline due to the training that workfashion.com provided to its suppliers.

**Recommendation:** FWF recommends workfashion.com to continuously train its suppliers and ensure that an increasing amount of workers at a supplier are aware of the FWF worker helpline. Besides FWF-training, workfashion.com could also take other measures to promote the FWF-worker helpline. Such measures can be showing the FWF-formula to all workers, providing the FWF worker information cards to workers when handing out the pay slips and using the Factory Guide to inform management.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	N/A	6	-2

**Comment:** A complaint was received in December 2017. Due to the fact that FWF had to verify the genuineness and admissibility of the complaint, workfashion.com was only informed of the complaint in January 2018. Therefore, assessment of compliance with the FWF Complaints Procedure will be done in the Brand Performance Check of 2018.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the FWF member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	0

## COMPLAINTS HANDLING

Possible Points: 7

Earned Points: 6



## 4. TRAINING AND CAPACITY BUILDING

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

**Comment:** The Sustainability Manager is responsible to ensure all staff of workfashion.com is aware of FWF membership requirements. Workfashion.com is committed to sustainability and takes efforts to make all staff aware of this topic. Therefore, the brand organizes a sustainability week once a year where it organizes activities about this topic. In 2017, workfashion.com organized an exchange between a staff member of the head quarters of workfashion.com and a worker from a Macedonian factory.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

**Comment:** All staff that is in direct contact with suppliers receives briefings of the Sustainability Manager when needed. An internal wiki page was created, providing easy access to sustainability related issues. Staff of workfashion.com attended the FWF annual seminar and participated in webinars.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Member does not use agents/contractors	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	N/A	2	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Production location participation in Workplace Education Programme (where WEP is offered; by production volume)	75%	Lack of knowledge and skills on best practices related to labour standards is a common issue in production locations. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	6	6	0

**Comment:** In 2017, workfashion.com organized two WEP-basic trainings at two of its suppliers. In total, five of its fourteen suppliers in Macedonia, Turkey and China have been trained, representing 75% of its total production volume in those countries.

**Recommendation:** FWF encourages workfashion.com to continue organizing trainings at its suppliers and to ensure that all workers at the factory have received training.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Production location 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, member companies 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

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## TRAINING AND CAPACITY BUILDING

Possible Points: 9

Earned Points: 9

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## 5. INFORMATION MANAGEMENT

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

**Comment:** Workfashion.com has identified all direct suppliers and is in the process of identifying possible subcontractors in China and Turkey.

In Macedonia, it is aware of all suppliers and its subcontractors. It regularly discusses this with its suppliers and does on-site visits to check whether orders are not transferred to another factory. Printing and embroidery are usually done in-house or a specifically designated subcontractor is used.

In Turkey, a FWF-audit showed in 2015 that a factory made use of homeworkers. A 2017 FWF-audit showed that the factory was no longer making use of homeworkers. Workfashion.com discussed subcontracting with its Chinese and Turkish suppliers and expects that orders will not be subcontracted due to the small size of the orders and the long lead times. However, it cannot rule out the fact that orders are outsourced. The brand did not take additional measures to prevent subcontracting.

**Recommendation:** FWF recommends workfashion.com to take additional measures to ensure that orders are not outsourced. Part of such measures can be to place orders outside of peak season and work with other brands to check whether production takes place at the production site.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1

**Comment:** Workfashion.com has created an internal Wiki page, which lists relevant information related to workfashion.com suppliers. This wiki page is available to all staff of workfashion.com. Updates from suppliers are not always included in the wiki, what causes that information can be lost.

**Recommendation:** FWF recommends workfashion.com to clearly document outcomes of meetings with suppliers and share that with relevant staff.

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## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

## 6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	FWF's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about FWF are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	FWF membership is communicated on member's website; other communications in line with FWF communications policy.	2	2	-3

Comment: Workfashion.com communicates about FWF through the company website, social report, newsletter and various blogs, e.g. on supplier visits to participate in audits or WEPs. It also displays the Fair Wear Formula animated movie on its website. Workfashion.com is aware of the FWF communication policy and adheres to it.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Production locations are disclosed to the public	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	2	2	0

Comment: Workfashion.com publishes the Brand Performance Check reports and its production locations on-line.

Recommendation: FWF encourages workfashion.com to increase transparency about audit results and what efforts workfashion.com is taking to resolve non-compliances with the supplier.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.3 Social Report is submitted to FWF and is published on member company's website	Complete and accurate report published on member's website	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with FWF's communication policy.	Social report that is in line with FWF's communication policy.	2	2	-1

Comment: Workfashion.com submitted its social report and posted it on-line.

## TRANSPARENCY

Possible Points: 6

Earned Points: 6

## 7. EVALUATION

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management	Yes	An annual evaluation involving top management ensures that FWF policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

Comment: Workfashion.com has ample experience with different initiatives focusing on social compliance, such as BSCI and SA 8000. It has consciously taken the decision to become a FWF-member in 2015 in order to take the next step in increasing control of its supply chains. Workfashion.com annually evaluates all management processes, which includes FWF membership.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	100%	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.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

Comment: In the last Brand Performance Check, FWF required workfashion.com ensure that questionnaires were signed by new suppliers before first orders where placed. Furthermore, it was required to take additional measures to ensure that it knows whether its Turkish supplier outsources its production to homeworkers.

Two new suppliers were added to the supplier base. Both suppliers signed the questionnaire before first orders were placed.



A 2017 FWF-audit showed that homeworkers were no longer used by the Turkish supplier, not making it necessary for workfashion.com to take further measures.

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## EVALUATION

Possible Points: 6

Earned Points: 6

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## RECOMMENDATIONS TO FWF

Workfashion.com recommended FWF to:

Create a 'FWF in a nutshell' that briefly explains the why, how and what of FWF.

Have a logo with 'is a member of'

Create a graphic of the monitoring system that FWF implements.

Create more visibility and campaigns

To revise the logo use policy to ensure more visibility of FWF.

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	31	44
Monitoring and Remediation	25	32
Complaints Handling	6	7
Training and Capacity Building	9	9
Information Management	4	7
Transparency	6	6
Evaluation	6	6
Totals:	87	111

### BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

78

### PERFORMANCE BENCHMARKING CATEGORY

Leader

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

10-04-2018

Conducted by:

Wilco van Bokhorst

Interviews with:

dr. Alfred Beerli - CEO

Charlotte Huber - Coordinator purchasing and sustainability

Thomas Burkard - Financial Manager

Sonja Elsener - Head of Sales & Marketing

Marisa ConzINU - Communications Manager