



BRAND PERFORMANCE CHECK

PYUA Protection GmbH

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this report covers the evaluation period 01-01-2018 to 31-12-2018

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. The online [Brand Performance Check Guide](#) provides more information about the indicators.

BRAND PERFORMANCE CHECK OVERVIEW

PYUA Protection GmbH

Evaluation Period: 01-01-2018 to 31-12-2018

MEMBER COMPANY INFORMATION	
Headquarters:	Kiel, Germany
Member since:	01-07-2014
Product types:	Outdoor, Sportswear
Production in countries where FWF is active:	Viet Nam
Production in other countries:	Estonia, Germany, Lithuania, Poland, Portugal
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
SCORING OVERVIEW	
% of own production under monitoring	100%
Benchmarking score	62
Category	Good

Summary:

PYUA has shown progress and met most of FWFs' performance requirements. In 2018, PYUA monitored 100% of its supply chain and achieved an overall performance benchmarking score of 61 points, resulting in the category 'Good'.

PYUA works with a small supplier base and maintains a short tail-end. One of the major supply chain related changes for 2018 has been that the brand started sourcing in a non-low risk country, with the addition of two new suppliers in Vietnam. To identify new suppliers, the brand worked in close cooperation with its buying office which has a local presence in Vietnam, offering them guidelines to ensure labour standards are reviewed and incorporated in the supplier selection process. Apart from that, the brand strengthened its monitoring systems and introduced a standardised annual factory check for all existing production locations in low-risk countries where the brand has over 60% of its production. This check includes:

1. Updating factory information: A document based on the FWF questionnaire is filled together with factory management and CSR management on-site, in the factory. Basic information such as the number of workers, capacity, leverage etc. is updated, additional important aspects such as changes to minimum wages in the certain country, general wage level in the factory, improvements on working conditions, and working hours, sub-contracting and worker representation are specifically discussed and documented.
2. Health & Safety: The brand conducts a factory tour through all sections of the production and checks for health and safety issues using the FWF checklist. This documentation is also shared with the suppliers.

This is the first year PYUA is sourcing from a non-low risk country. A FWF audit at one production location indicates that wages are above the living wage estimates defined using the Anker methodology. PYUA must assess wages levels of other production locations and the brand is expected to take an active role in discussing living wages with its suppliers.

Furthermore, for external audit reports collected to qualify for the monitoring threshold, the brand is advised to review and ensure corrective actions are implemented.

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.	69%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	3	4	0

Comment: In 2018, PYUA worked with seven production locations in Viet Nam, Lithuania, Estonia, Portugal, Poland, Germany. At their production locations in Estonia and Vietnam, where they source over 20% of their production volume, they source over 10% of the factory's total production capacity. At the remaining production locations, they source less than 10% of the factory's capacity.

Recommendation: FWF recommends the member to consolidate its supplier base where possible, and increase leverage at main production locations to effectively request improvements of working conditions. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	0.9%	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.	4	4	0

Comment: PYUA wants to offer its suppliers reasonable order amounts. Due to the brand's limited production, they do not see the need to split orders across many different locations. Moreover, this helps the brand stay relevant for each factory and increase their leverage to work effectively on improving working conditions. This also reduces the efforts needed to manage suppliers. Despite that the brand rarely has suppliers making the same product types, with each supplier specializing in specific products.

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.	32%	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.	2	4	0

Comment: In 2018, PYUA had to find new suppliers for reasons pertaining to capacity and quality requirements. However, PYUA still maintained a business relationship for more than 5 years for 32% of their production volume. Due to the increased volume and technical needs, PYUA decided to move a part of the production to Vietnam.

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

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

Comment: PYUA started placing orders at a production location in Vietnam in 2018. The required questionnaires with the Code of Labour Practices were both signed and returned before first 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.	Intermediate	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.	2	4	0

Comment: In 2018, PYUA added one new production country, Vietnam to their supply chain. To identify new suppliers, the brand worked in close cooperation with their buying office Delta Sport who have a local presence in Vietnam. The brand reviewed the FWF country study and provided guidelines on supplier selection to Delta, which included requirements pertaining to labour conditions – such as collecting and reviewing existing audit reports and checking the presence of other FWF members to collaborate. Delta sports provided some supplier options to PYUA and the final selection was done after CEO visit to the production locations.

Recommendation: As PYUA expands its production to new locations/ countries, it is advised to describe the process of evaluating new countries and assessing working conditions at potential new suppliers in a sourcing strategy that is agreed upon with sourcing staff/ buying house.

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: In 2018 PYUA introduced a standardized annual factory check for all existing production locations in low-risk countries where the brand has over 60% of its production. This check includes:

1. updating factory information: A document based on the FWF questionnaire is filled together with factory management and CSR management on-site in the factory. Basic information such as number of workers, capacity, leverage etc. are updated; additional important aspects such as changes to minimum wages in the certain country, general wage level in the factory, improvements on working conditions, and working hours, sub-contracting and worker representation are specifically discussed and documented
2. Health & Safety: The brand does a factory tour through all sections of the production and checks for health and safety issues using the FWF checklist.

This documentation is also shared with the suppliers.

PYUA started production in Vietnam in 2018 and collected BSCI audit reports and conducted a FWF audit at the location where the brand intends to continue production.

The brand does not believe in exiting suppliers, as considerable time (close to a year) and effort is already invested in working on samples with the supplier. At the maximum, the brand might pause production and restart when there is a demand for the product type made by the supplier.

Recommendation: FWF encourages PYUA to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement/ discussions with the supplier. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions. Such a system can show whether and what information is missing per supplier and can include outcomes of audits, trainings and/or complaints.

As it is not always possible to reward suppliers with more volumes, the member could look into other incentives that reward supplier's commitment towards the CoLP. An example would be to offer training for skill building/capacity development, placing more NOS styles.

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: PYUA designs and develops two collections per year, and since 2016, introduced a small summer collection. The brand asks for lead times even at fabric and trims suppliers. Based on the information and the brand's required delivery dates for samples and production, a timeline is drafted for every season. The brand plans additional time for unexpected situations and delays as well as local events like Chinese New Year and summer holidays in Portugal and Estonia, where the factories are closed for several weeks.

PYUA starts working on a new winter collection two years before the products are delivered to the stores, so every supplier has adequate time to prepare and work on their relevant processes without the pressure of harsh deadlines. The brand hopes that this will reduce the risk of excessive overtime as well as seasonal short-term contracts at peak seasons and ensure higher standards of working conditions during production.

Due to strict material requirements, PYUA usually books fabric as early as possible and plans its production with long lead times in close cooperation with its suppliers. The brand additionally shares priority lists for every order. This helps suppliers to have clarity on the styles that have stricter delivery dates and plan accordingly.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.7 Degree to which member company mitigates root causes of excessive overtime.	No production problems /delays have been documented.	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.	N/A	6	0

Comment: In 2018, PYUA sourced around 40% of its FOB from one production location Vietnam, where the BSCI report collected by the brand does not indicate the occurrence of excessive overtime.

In preparation to source at a different production location in Vietnam in 2019, the brand conducted a FWF audit which indicated the presence of excessive overtime beyond legal limits. As the brand was not sourcing at this location during the time of the audit, the overtime cannot be attributed to the brand.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations.	Intermediate	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages – and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts.	2	4	0

Comment: For suppliers in the EU the brand is generally aware of the labour minutes per style and also collects wage information, additionally tracking the wages of the lowest-paid worker.

In general, the brand is aware of the material prices and does its price estimation based on the technical specifications and proposes a target price to the supplier. When there is a huge gap in the prices shared by the supplier vs the brand's own estimate the cost split up is discussed.

As the brand places orders through a buying house, delta sports, it is more complex for the brand to access detailed cost breakdowns. For non-EU countries, the brand uses audit reports to ensure legal minimum wages are paid.

At the same time, the brand believes that working on premium segment products also requires factories of a higher standard, skilled and experienced workers who naturally receive higher wages.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	No problems reported/no audits	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, FWF member companies are expected to hold management of the supplier accountable for respecting local labour law. Payment below minimum wage must be remediated urgently.	Complaint reports, CAPs, additional emails, FWF Audit Reports or additional monitoring visits by a FWF auditor, or other documents that show minimum wage issue is reported/resolved.	N/A	0	-2

Comment: In preparation to source at a different production location in Vietnam in 2019, the brand conducted a FWF audit which indicated bonus cuts as disciplinary measures (unlawful) and the union fee deducted from workers' salaries without their consent. As the brand was not sourcing at this location during the time of the audit, these practices cannot be directly attributed to the brand.

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

Comment: This is the first year PYUA is sourcing from a non-low risk country. A FWF audit at one production location indicates that wages are above the living wage estimates defined using the Anker methodology. For another location where the brand collected the BSCI audit report, the brand has not assessed wage levels in relation to Living Wage estimates of stakeholders.

Requirement: PYUA must assess the root causes of wages that are lower than living wages, taking into account its leverage and effect of its own pricing policy. The brand is expected to take an active role in discussing living wages with its suppliers. The FWF wage ladder can be used as a tool to implement living wages, to document, monitor, negotiate and evaluate the improvements at its 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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.13 Member company determines and finances wage increases	None	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	0	4	0

Comment: PYUA is yet to work on developing an understanding of wage gaps and set a target wage for its suppliers in Vietnam.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.14 Percentage of production volume where the member company pays its share of the target wage	1%	FWF member companies are challenged to adopt approaches that absorb the extra costs of increasing wages.	Member company's own documentation, evidence of target wage implementation, such as wage reports, factory documentation, communication with factories, etc.	1	3	0

Comment: A FWF audit at one production location indicates that wages are above the living wage estimates defined using the Anker methodology.

Recommendation: The member is expected to begin setting a target wage for its production locations in Vietnam where the wages paid are below living wage estimates.

PURCHASING PRACTICES

Possible Points: 41

Earned Points: 21

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	1%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	60%	To be counted towards the monitoring threshold. FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Meets monitoring requirements for tail-end production locations.	Yes	
Requirement(s) for next performance check		
Total of own production under monitoring	100%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of 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: In 2018, PYUA's Head of Product took on the CSR role. She regularly visited production locations and follows up on problems identified by 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.	No Corrective Action Plans were active during the previous year	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

Comment: While one FWF audit was conducted at a production location in Vietnam end of 2018, the report was shared with the brand in 2019, hence will be checked in the next performance check.

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

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.	No Caps Active	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.	N/A	8	-2

Comment: While one FWF audit was conducted at a production location in Vietnam end of 2018, the report was shared with the brand in 2019, hence the follow-up will be evaluated in the next performance check. That apart, the brand collected an external audit report for another location in Vietnam which has been accounted for the monitoring threshold, but the brand has not followed up on CAPs. The audit was done at the end of 2018 and the brand also moved to another production location, hence as an exception, the brand is being qualified for N/A.

Requirement: Resolving and remediating non-compliances is one of the most important criteria member companies can do towards improving working conditions. FWF expects members to examine and support the remediation of audit findings. Coordinated efforts between different departments are required to ensure sustained responses to CAPs.

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.	100%	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: In 2018, PYUA visited all their production locations at least once.

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: The brand collected an external audit report and assessed the quality of the report for one production location in Vietnam, but the brand has not followed up on CAPs.

Recommendation: Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces double work. Existing audits can be counted towards the monitoring threshold if the quality of the report is assessed using the FWF audit quality tool and corrective actions are implemented.

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.	3	6	-2
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	Policies are not relevant to the company's supply chain			N/A	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

Comment: For Vietnam, the brand identified excessive overtime as a main risk. The brand reviewed the country study and defined basic criteria for new supplier selection. Besides that, when deciding to move production to a new supplier location the brand conducted a FWF audit as a step to identify risks before placing orders.

For Portugal, in 2017, the brand stopped production to rework its supply chain, identify and work with suppliers who offered all processes needed in-house to mitigate subcontracting risks. That apart, the brand has taken efforts at the sampling stage itself to map out processes which require subcontracting.

Recommendation: The brand is encouraged to review and work on other risks in Vietnam pertaining to the limitation on freedom of association, violence, and harassment in the workplace and living wage.

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

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% AND member undertakes additional activities to monitor suppliers	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. FWF has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	3	3	0

Comment: The brand visits all suppliers every year.

In 2018 the brand introduced a standardized annual factory check for all existing production locations in low-risk countries where the brand has over 60% of its production. This check includes:

1. Updating factory information: A document based on the FWF questionnaire is filled together with factory management and CSR management on-site in the factory. Basic information such as number of workers, capacity, leverage etc. are updated; additional important aspects such as changes to minimum wages in the certain country, general wage level in the factory, improvements on working conditions, and working hours, sub-contracting and worker representation are specifically discussed and documented

2. Health & Safety: The brand does a factory tour through all sections of the production and checks for health and safety issues using the FWF checklist.

This documentation is also shared with 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 at tail-end production locations (when the minimum required monitoring threshold is met).	No	FWF encourages its members to monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to FWF and recent Audit Reports.	N/A	2	0

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	No external brands resold	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.	N/A	3	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	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: 18

Earned Points: 14

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: In 2018, PYUA's Head of Product took on the CSR role and was designated to address worker complaints.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.2 Member company has informed factory management and workers about the FWF CoLP and complaints hotline.	Yes	Informing both management and workers about the FWF Code of Labour Practices and complaints hotline is a first step in alerting workers to their rights. The Worker Information Sheet is a tool to do this and should be visibly posted at all production locations.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	-2

Comment: PYUA uses its representatives both from headquarters and from the delta sports team based in Vietnam, to check during visits whether the Worker Information Sheet has been posted. PYUA was able to show pictures of the posted Code of Labour Practices.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline.	0%	After informing workers and management of the FWF CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, FWF's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	0	6	0

Comment: PYUA's production locations in Vietnam have not undergone any training programmes pertaining to FWF CoLP and complaints hotline.

Requirement: FWF requires members to actively raise awareness about the FWF Code of Labour Practices and FWF complaint hotline. The member should ensure good quality systematic training of workers and management on these topics. To this end, members can either use FWF's Workplace Education Programme (WEP) basic module, or implement training related to the FWF CoLP and complaint hotline through service providers or brand staff. FWF's guidance on training quality standards is available on the Member Hub.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the 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: 9

Earned Points: 3

4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff at member company are made aware of FWF membership.	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	0

Comment: PYUA is a small company where information is easily shared among relevant staff, therefore, all staff are aware of FWF membership.

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: PYUA is has a small close-knit team that is in direct contact with suppliers, therefore it is easy to share information about FWF requirements.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes + actively support COLP	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	2	2	0

Comment: PYUA works with intermediaries in Vietnam and Portugal.

For Vietnam, besides their function as a buying company, the brand involves the intermediary on product development and communication with suppliers. The intermediary has a dedicated CSR team based in Hamburg, local teams based in Vietnam and actively engages with suppliers on compliance aspects and FWF requirements.

The intermediary in Portugal is well informed and is enthusiastic to be involved on aspects pertaining to FWF membership and requirements.

Recommendation: FWF recommends the member to actively train their sourcing contractors/agents on monitoring and remediating gender-related problems and enable them to support the implementation of the CoLP.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Factory participation in training programmes that support transformative processes related to human rights.	0%	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. FWF has developed several modules, however, other (member-led) programmes may also count.	Training reports, FWF's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	0	6	0

Comment: Pyua's suppliers in Vietnam have not participated in any training programmes that support transformative processes related to human rights.

Recommendation: FWF recommends members to implement training programmes that support factory-level transformation such as establishing functional internal grievance mechanisms, improving worker-management dialogue and communication skills or addressing gender-based violence. Training assessed under this indicator should go beyond raising awareness and focus on behavioural change and long-term structures to improve working conditions. To this end, members can make use of FWF's Workplace Education Programme communication or violence prevention module or implement advanced training through service providers or brand staff. FWF guidance on good quality training is available on the Member Hub.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Degree to which member company follows up after a training programme.	No training programmes have been conducted or member produces solely in low-risk countries	After factory-level training programmes, complementary activities such as remediation and changes on brand level will achieve a lasting impact.	Documentation of discussions with factory management and worker representatives, minutes of regular worker-management dialogue meetings or anti-harassment committees.	N/A	2	0

TRAINING AND CAPACITY BUILDING

Possible Points: 11

Earned Points: 5

5. INFORMATION MANAGEMENT

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

Comment: PYUA maintains a small, manageable number of suppliers.

For EU, the brand has consciously selected suppliers who have all needed processes available in-house, except for Lithuania where the brand has sub-contractors. The brand visits and updates supplier information pertaining to processes, capacity, and others on an annual basis to track risks pertaining to unauthorized subcontracting.

For Vietnam, the brand has inline inspections (done by local staff of its intermediary) to ensure production is done only at known production locations.

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: Because PYUA works with a small team, all the relevant staff regularly share information with each other about working conditions at suppliers. The CSR manager works closely with the intermediaries and regularly update the team and prepares trip reports after a visit to a supplier.

INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 7

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: To a large extent, PYUA adheres to the FWF Communication Policy.

On logo use, as a leader brand PYUA is allowed to use the customised FWF Leader logo in on-garment communications and communication next to products in catalogues. But PYUA used the standard FWF logo in place of customised FWF Leader logo in technical sheets.

Requirement: As a 'Leader' brands PYUA is required to use the customised FWF Leader logo if communicating on-garment or next to products in catalogues or webshops.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Published Brand Performance Checks, audit reports, and/or other efforts lead to increased transparency.	Good reporting by members helps to ensure the transparency of 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.	1	2	0

Comment: PYUA published its Brand Performance Check online.

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

Comment: PYUA submitted and published an elaborate annual social report for 2018 on its website.

TRANSPARENCY

Possible Points: 6

Earned Points: 5

7. EVALUATION

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

Comment: PYUA discusses the results of the FWF performance check with top management, at which their FWF membership is also evaluated. For 2018, the discussions included efforts required to keep the leader status, budgets, and other resources.

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: PYUA had one requirement from the previous performance check concerning
- sourcing partners should be aware of FWF requirements and actively support the implementation of the CoLP.

The intermediary in Vietnam has been involved and briefed about FWF membership requirements especially in the context of selecting new suppliers in Vietnam. The brand intends to also further engage the agent in Portugal on FWF requirements.

EVALUATION

Possible Points: 6

Earned Points: 6

RECOMMENDATIONS TO FWF

- 1) Allow FWF logo usage for good category as well so that the membership can be more visible in the shops, and for consumers.
- 2) Would like greater support and information on EU production locations

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	21	41
Monitoring and Remediation	14	18
Complaints Handling	3	9
Training and Capacity Building	5	11
Information Management	7	7
Transparency	5	6
Evaluation	6	6
Totals:	61	98

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

62

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

23-07-2019

Conducted by:

Supraja Suresh

Interviews with:

Steffen Riese, Head of R&D

Carina Weh, Head of Product

Roxane Bree (Delta Sport - CSR)

Mats Mosel - Marketing