



## BRAND PERFORMANCE CHECK

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### Tailor and Stitch

PUBLICATION DATE: AUGUST 2017

this report covers the evaluation period 01-01-2016 to 31-12-2016

## 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

Tailor and Stitch

Evaluation Period: 01-01-2016 to 31-12-2016

MEMBER COMPANY INFORMATION	
Headquarters:	Sneek, Netherlands
Member since:	28-01-2013
Product types:	Fashion, Workwear
Production in countries where FWF is active:	China, India, Turkey
Production in other countries:	
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	59%
Benchmarking score	50
Category	Suspended

## Summary:

Tailor & Stitch has shown insufficient progress in performance indicators. With a monitoring percentage of 62%, Tailor & Stitch is not meeting the required threshold for the third year of membership. Therefore, Tailor & Stitch's FWF membership is being suspended.

In 2016, Tailor & Stitch saw a large change in its supplier base, moving more than 60% of its production to new suppliers in China, India and Turkey. At the same time, it also ended relationships with all its Chinese and Portuguese suppliers, transferring production to India and Turkey.

Tailor & Stitch has shown improvements by ensuring that all new suppliers signed the FWF Code of Labour Practices, that existing audit reports were acquired and that the FWF Audit Quality Assessment Tool was filled out, where applicable. It actively followed up on the CAP at its main Indian supplier.

A 2016 FWF follow-up audit at Tailor & Stitch's main Indian supplier showed serious issues concerning licenses, false documentation, wages, overtime hours, home workers and discrimination. The supplier had made little progress in improving working conditions since the previous audit in 2013. Tailor & Stitch and the supplier hired a consultant to assist the supplier in setting up a proper documentation system. This could provide better insight into wage payments and overtime hours.

FWF requires Tailor & Stitch to actively follow up on audit reports and to ensure that corrective actions are in place. Furthermore, FWF strongly recommends Tailor & Stitch to set up a plan to reach the monitoring percentage in 2017. It should also invest in long-term relationships, as such relationships form the basis for actively following up on audit results.

## 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.	74%	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:** Tailor & Stitch sourced from seven suppliers in India, China and Turkey. At five of these suppliers, it has a leverage of more 10%.

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

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%	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:** Tailor & Stitch does not source from suppliers where it spends less than 2% of its FOB.

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.	34%	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:** Tailor & Stitch has worked with one supplier for more than 5 years. In 2016, it started sourcing from three new suppliers in India and Turkey. Tailor & Stitch wishes to focus more on sourcing from India. Therefore, it stopped its production in China and Portugal.

**Recommendation:** FWF recommends Tailor & Stitch 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.

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

**Comment:** In 2016, all production locations filled out and returned the questionnaire.

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 new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	2	4	0

**Comment:** Tailor & Stitch has a long history of sourcing in India. Before placing orders, Tailor & Stitch visits the new factories and discusses FWF and the FWF CoLP. It works together with an Indian agent that is involved in this process. The agent also fills out the FWF Health and Safety Check.

In China and Turkey, Tailor & Stitch does not always visit the supplier. It makes efforts to collect information on labour standards from the supplier. Tailor & Stitch collected one BSCI-audit report from the Turkish supplier, a SA8000 report from an Indian supplier and a FWF CAP (2014) from a Chinese supplier.

**Recommendation:** A risk analysis as part of the decision-making process of selecting new suppliers is an important step to mitigate risk and prevent potential problems. FWF recommends Tailor & Stitch to assess the risks associated with operating in specific production areas, especially in India. FWF advises to use information from FWF country studies and wage ladders. Tailor & Stitch can cooperate with local stakeholders to further investigate the situation in a specific area, particularly with regards to legal minimum wages, discrimination and excessive overtime. FWF can offer information on local stakeholders.

Furthermore, FWF recommends Tailor & Stitch to ensure that such kind of risk-assessments become part of its decision-making process. As a small enterprise, Tailor & Stitch should avoid being exposed to high risks as much as possible as it usually has little leverage at factories to change working conditions. Tailor & Stitch should consider how its strategic sourcing decisions influences its exposure to high-risk issues, its ability to have a positive effect on working conditions and its impact on workers.

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.	No	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	0	2	0

**Comment:** The supplier base of Tailor & Stitch changed significantly in 2016. It stopped at three suppliers in China and Portugal. It placed a large portion of its FOB at a new Chinese supplier, but ended the relationship within the same year due to quality issues. It also started sourcing from two Indian suppliers and a Turkish supplier.

Tailor & Stitch stopped evaluating supplier compliance with its Chinese suppliers, because it ended the relationship. From three new suppliers, Tailor & Stitch did obtain audit reports, but it did not set up a CAP yet. This severely limits its ability to evaluate compliance with the CoLP. It does systematically evaluate the FWF CoLP at its main Indian supplier, with whom it has been working for a long time.

Currently, Tailor & Stitch does not have a systemic approach to evaluate supplier compliance on the FWF CoLP at all of its suppliers.



**Requirement:** A systematic approach is required to integrate social compliance into normal business processes, and supports good decision-making. The approach needs to ensure that the member consistently evaluates the entire supplier base and includes information into decision-making procedures.

**Recommendation:** Members are encouraged to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions. 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.	General or ad-hoc system.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	2	4	0

**Comment:** Most of Tailor & Stitch's production is not season driven, but based on clients demands. Most of its products have a lead time of 16 weeks, which includes 1-2 weeks extra time for delays. After the final order placement of bathroom textiles and work wear collection, there are no style changes. If needed, Tailor & Stitch uses air freight to ensure deliveries are on time.

In India, it has a fabric storage and usually has enough material on stock to produce the order. In some cases, the factories still buy the fabric when there is no specific material in stock. At several of its Indian suppliers, Tailor & Stitch knows the production capacity. The agents in India monitor the production process closely and in case there are any problems during production Tailor & Stitch can try to come to solutions at an early stage.

Tailor & Stitch discusses lead times and production planning with suppliers in China and Turkey. During the production process, progress is also discussed.

**Recommendation:** FWF recommends Tailor & Stitch to learn more about the production capacity for regular working hours of all its suppliers and how that relates to the production of its products. Furthermore, with several of its suppliers it could agree on reserving specific lines for production of Tailor & Stitch to prevent and limit excessive overtime taking place. It could take further steps to integrate planning with its suppliers.

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 two Chinese suppliers, excessive overtime was found during a FWF audit. Tailor & Stitch stopped sourcing at both suppliers, and therefore did not investigate root causes of excessive overtime.

At its main Indian supplier, a FWF audit concluded that working hour records were not kept. Worker interviews learnt that workers regularly worked 12 hours per day, 2 hours more than legally allowed. Tailor & Stitch and factory management have been working on proper documentation and ensuring that workers do not work more than 12 hours per day.

**Recommendation:** Tailor & Stitch could discuss with factory management on the causes of excessive overtime and provide support to manage overtime. If necessary, Tailor & Stitch could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier. FWF could recommend qualified persons upon request.

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:** At its main Indian supplier, Tailor & Stitch knows the price of each part of the garment (fabrics, trimmings, zippers etc), including the time it takes to make its products. It did not compare this to wage levels, like legal minimum wage or living wages. It compares prices of other Indian suppliers to its main Indian supplier.

In general, Tailor & Stitch is aware of the legal minimum wage in India, Turkey and China although it has not yet related this to its prices. Due to low leverage and low order quantity, Tailor & Stitch usually has little margin to negotiate the prices given by the factory.

**Recommendation:** FWF suggests to have a further dialogue with factories to gain more insight into the share of the CMT price that goes to workers' wages. 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 the legal minimum wage and for making steps towards living wages.

Furthermore, FWF strongly recommends Tailor & Stitch to develop a pricing policy for all its suppliers where it estimates the costs of fabrics, direct labour costs, indirect labour costs and overhead to ensure that its minimum price guarantees at least the legal minimum wage.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if suppliers fail to pay legal minimum wages.	No data available	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.	N/A	2	-2

**Comment:** At its main Indian supplier and a Chinese supplier, a FWF audit concluded that there were no wage records available. Worker interviews showed that workers possibly earned less than the legal minimum wage. At its Chinese supplier, Tailor & Stitch did not follow through, because it ended the relationship. With its main Indian supplier, it worked to improve documentation of wage records but yet has to verify whether all workers are paid the legal minimum wage.

**Requirement:** If a supplier fails to pay minimum wages, FWF Member companies are expected to hold management of the supplier accountable for respecting local labour law and require a time bound action plan to ensure adequate payment. Tailor & Stitch should continue working on transparency of wage records and check documentation or do additional verification. FWF can assist to verify remediation.

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.	Basic approach	Sustained progress towards living wages requires adjustments to member companies' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	2	8	0

**Comment:** Tailor & Stitch has entered into a discussion on living wages with its main Indian supplier, but they differ of opinion on how the wages should be raised and how that relates to price calculation. Costs of CMT and materials are shared, but there is no transparency concerning the direct and indirect labour costs and overhead. Tailor & Stitch has not discussed living wages with its other suppliers.

**Requirement:** Tailor & Stitch 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. The wage ladder is included in FWF's audit reports. It demonstrates the gaps between workers' wages at a factory and living wages demanded by major stakeholders. The wage ladder can be used to document, monitor, negotiate and evaluate the improvements at its suppliers. At its main Indian supplier, Tailor & Stitch should learn more about the direct and indirect labour costs and overhead.

**Recommendation:** FWF encourages Tailor & Stitch to assess the hypothetical cost effects of increasing wages towards benchmarks that are included in the wage ladder. To support companies in this process FWF has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models.

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: 42

**Earned Points: 22**

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	59%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	N/A	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.	N/A	Monitoring threshold below 80%.
Total of own production under monitoring	59%	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 general manager of Tailor & Stitch is responsible for monitoring and follow up of the Code of Labour Practices. In India, it does this in cooperation with its Indian agents.

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 October 2016, FWF audited the main Indian supplier of Tailor & Stitch. It was shared and discussed with the factory. There is no worker representation active in the factory. No other FWF audits were conducted at its suppliers.

**Recommendation:** FWF recommends Tailor & Stitch to prioritize critical labour issues and immediately follow up on those. Furthermore, FWF recommends Tailor & Stitch to involve workers in CAP remediation.

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.	Insufficient	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.	-2	8	-2

**Comment:** A FWF audit in October 2016 at its main Indian supplier showed that there were more labour standard issues compared to the last FWF audit in 2013. Among the findings were false documentation, excessive overtime, absence of licenses, home-workers and non-payment of legal minimum wages. In addition, the factory did the factory hire any women for fear of Gender-Based Violence. Together with the supplier, Tailor & Stitch had worked to improve documentation. In 2016, the supplier had already hired a consultant to assist with the documentation, but this proved to be insufficient. Tailor & Stitch continued to discuss improvements with its main Indian supplier, including the possibility to move the factory. It has also provided investments in machinery to increase productivity.

At another Indian supplier, Tailor & Stitch placed only one order last year. The brand did receive updates of the BSCI-audit reports.

Tailor & Stitch stopped sourcing at two Chinese suppliers. Therefore, it no longer followed up on issues with its Chinese supplier with whom it had a long-term relationship. One of the reasons was that the supplier was not willing to discuss working conditions. At its new Chinese supplier with whom relations stopped in the same year, it did receive a CAP from 2014 but did not discuss it with the supplier.

From two new suppliers in India and Turkey, Tailor & Stitch did obtain audit reports, but it did not set up a CAP yet. Its other new Indian supplier was founded in 2016 and was not audited in that same year.

**Requirement:** Resolving and remediating non-compliances is one of the most important criteria FWF Member companies can do towards improving working conditions. FWF expects Tailor & Stitch to examine and support remediation of any problem that they encounter. Tailor & Stitch should start working on the improvement of labour standards once it starts sourcing from a new supplier. Furthermore, Tailor & Stitch should prioritize severe violations and address those as quickly as possible, especially in relation to discrimination, excessive overtime and non-payment of legal minimum wages.



**Recommendation:** FWF recommends Tailor & Stitch to collect audit reports before placing orders and to ensure dialogue and follow up takes place after sourcing has started. Together with its suppliers, it should enter into a dialogue about labour standards and set up a Corrective Action Plan as soon as possible.

To facilitate remediation, Tailor & Stitch could consider:

- Hire a local consultant to assist factory in developing an action plan and to assist factory management in investigating root causes.
- Organise supplier seminars.
- Provide factory training.
- Share knowledge/material.
- Provide financial support to the supplier for implementing improvements.

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.	72%	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.	3	4	0

**Comment:** Tailor & Stitch visited all of its suppliers in India. It did not visit its suppliers in China and Turkey.

**Recommendation:** Annual visits should be made for production sites (including subcontractors and production locations in low-risk countries). Regular visits provide the opportunities to discuss problems and corrective actions in the time period between formal audits.

Furthermore, FWF recommends to document the outcome of visits. Keeping track of progress with the supplier will help towards setting up an integrated system for improving working conditions.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes	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.	1	3	0

**Comment:** Tailor & Stitch collected existing audit reports from three suppliers. With one supplier, it discussed the audit report using the FWF Audit Quality Assessment Tool. From another supplier it received a new BSCI-audit report in 2016. At none of these suppliers did Tailor & Stitch set up a CAP and actively followed up.

**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. Since Tailor & Stitch has only limited possibilities to perform own audits, it should ensure that it collects existing audit reports and follows up on them.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	None of the specific risk policies apply	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.	N/A	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

**Comment:** In India, Turkey and China, Tailor & Stitch took efforts to collect existing audit reports. In India, the factories are visited often by company staff and the agent. Despite the visits, Tailor & Stitch did not take sufficient steps to identify and address high risk issues, like excessive overtime, the non-payment of legal minimum wage, the Sumangali system and gender-based violence at its Indian suppliers. It has limited such risk-assessments in its monitoring systems to collecting existing audit reports, but it did not take additional steps to assess such risks.

In China and Turkey, it did not visit the factories and did not actively assess high-risks, like on exploitation of Syrian refugees and subcontracting.

**Requirement:** Tailor & Stitch' monitoring system should identify and address high risk issues that are specific to Tailor & Stitch' sourcing practices. FWF provides policies and country-specific requirements to Member companies.

**Recommendation:** Knowing the country specific risks facilitates the starting point for discussing this with suppliers. Member companies can agree on additional commitments that are required to mitigate risks. Tailor & Stitch can provide additional measures for support and integrate that in the monitoring system.

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:** A FWF member had recommended one Chinese supplier. Tailor & Stitch started sourcing from that Chinese supplier, but quickly ended that relationship again after quality issues. Therefore, the cooperation between the FWF member company and Tailor & Stitch was limited to sharing contact details.

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.	No production in low-risk countries	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.	N/A	2	0

Comment: Tailor & Stitch stopped sourcing from its Portuguese suppliers. Therefore, there was no longer production in low-risk countries.

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.	None	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, and member has collected necessary information	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.	2	2	0

Comment: Tailor & Stitch had three external producers. It has collected two questionnaires. It did not send the questionnaire to a third external producer, which is a FWF member.

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).	13%	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.	1	3	0

Comment: One of its external producers is also a FWF member company.

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: 24

Earned Points: 9

### 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 general manager of Tailor & Stitch is responsible for complaints handling.

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: Tailor & Stitch regularly checks whether the CoLP is posted in the factories. Especially in India it regularly checks whether the WIS is posted through visits of its agent. Tailor & Stitch could provide pictures of most CoLPs that were posted.

Recommendation: FWF recommends Tailor & Stitch to ensure that all old versions of CoLPs are replaced with the latest versions.

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.	33%	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.	2	4	0

**Comment:** One of the new suppliers of Tailor & Stitch had already received a WEP-basic training from another FWF member to create awareness among workers.

**Requirement:** Tailor & Stitch should inform management and workers more actively about the existence of the FWF worker helpline. Besides posting the FWF CoLP, it has to take additional efforts to create more awareness among workers.

**Recommendation:** Tailor & Stitch can stimulate its suppliers to participate in WEP trainings, to raise awareness about the existence and the functioning of FWF's worker hotline. In addition to sending the worker information sheet, Member companies can use the worker information cards available for download on FWF's website.

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: 7

Earned Points: 5

## 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: Tailor & Stitch is a small organisation where information is easily shared through meetings. All staff are involved in tasks concerning 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.	No	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.	-1	2	-1

Comment: Staff of Tailor & Stitch is not fully aware of all FWF requirements, for example on the monitoring threshold, due diligence requirements and remediation of high-risks like severe discrimination. They did not visit FWF member seminars, the annual conference or a session of Dutch workwear brands.

Requirement: Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement 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:** Tailor & Stitch works with three agents in India. They all visit the factories in India. One of them is specifically designated to follow up on labour standard issues. She is highly involved in due diligence at new suppliers and following up improvements of working conditions at suppliers.

**Recommendation:** FWF strongly recommends Tailor & Stitch to actively train its agents on FWF requirements. FWF organizes specific training and seminars in India that agents can also attend. Therefore, FWF recommends to include agents of Tailor & Stitch in these activities.

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)	15%	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.	2	6	0

**Comment:** Another FWF member had organized a WEP-basic training at Tailor & Stitch' new Chinese supplier. Other suppliers of Tailor & Stitch did not participate in WEP training.

**Requirement:** Manufacturers and their workers should be systematically informed about FWF and the implementation of the Code of Labour Practices. All factory management and workers should be informed and aware about the relevant labour standards and grievance mechanisms. In order to ensure awareness and enhance understanding of the relevant labour standards, gender based violence and the importance of a good mechanism for communication between employers and workers in the workplace, FWF developed the Workplace Education Programme. Tailor & Stitch should motivate its main supplier(s) to join WEP trainings on Gender Based Violence in India

**Recommendation:** In order to ensure awareness and enhance understanding of the relevant labour standards, grievance mechanisms and the importance of a good mechanism for communication between management and workers in the workplace, FWF developed the Workplace Education Programme. FWF currently offers the following training modules for the WEP: Basic, Communication, Gender Based Violence, Supervisor and the Factory Guide. More info on availability in countries can be found on the FWF website. The member company should motivate its main supplier(s) to join WEP-trainings.

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

## TRAINING AND CAPACITY BUILDING

Possible Points: 11

Earned Points: 4

## 5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Intermediate	Any improvements to supply chains require 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:** Through frequent visits by company staff or agent, and the small number of suppliers, Tailor & Stitch is generally aware of its production locations. Several factories in India and China use subcontractors.

Tailor & Stitch discussed subcontracting with its Turkish supplier and explained to them that subcontracting is not allowed.

**Recommendation:** FWF recommends Tailor & Stitch to further investigate whether its Turkish supplier outsources specific processes like printing and embroidery. These subcontractors should then also be included in its monitoring system.

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

Comment: The small team at Tailor & Stitch allows for frequently sharing information regarding working conditions at suppliers; all staff at the company is fully aware of factory conditions.

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## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

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## 6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	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: Tailor & Stitch communicates FWF membership on the corporate website in correct wording. FWF logo is placed on the homepage. FWF membership is communicated to clients in newsletters and used for tenders to attract new clients.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Published Performance Checks, Audits, and 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: Tailor & Stitch has published previous Brand Performance Checks on its website. It has not published audit reports or a supplier list .

Recommendation: FWF recommends Tailor & Stitch to publish audit reports and its suppliers register. Good reporting by members helps to ensure the transparency of the member and work of FWF.

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	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.	1	2	-1

Comment: Tailor & Stitch has submitted its social report to FWF but did not post it on its website.

## TRANSPARENCY

Possible Points: 6

Earned Points: 4



## 7. EVALUATION

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

**Comment:** With the outcomes of this performance check, Tailor & Stitch evaluates FWF membership. Input from the agent in India in terms of supplier developments is included in the evaluation. Given the small team, process is informally evaluated on a regular basis.

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.	38%	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.	2	4	-2

**Comment:** Tailor & Stitch improved its system to obtain a questionnaire of new suppliers and to check whether the CoLP is posted. It stopped sourcing from low risk countries so it no longer had to follow up on the requirement for low risk countries.

It did not take sufficient steps to follow up on requirements concerning the payment of legal minimum wages, living wages, resolving and remediating CAPs, addressing high risks in its supply chain and training workers and factory management.

**Requirement:** It is required to work towards remediation of previous requirements from the last Brand Performance Check. Further engagement needs to be taken with regard to the following requirements mentioned in the last Brand Performance Check.

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## EVALUATION

Possible Points: 6

Earned Points: 4

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# RECOMMENDATIONS TO FWF

(still to be supplied)

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	22	42
Monitoring and Remediation	9	24
Complaints Handling	5	7
Training and Capacity Building	4	11
Information Management	4	7
Transparency	4	6
Evaluation	4	6
Totals:	52	103

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

50

### PERFORMANCE BENCHMARKING CATEGORY

Suspended

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

27-03-2017

Conducted by:

Wilco van Bokhorst, Tina Rogers

Interviews with:

Bart Ebink, Gea Kuipers