



Brand Performance Check

Stanley and Stella S.A.

Publication date: June 2020

This report covers the evaluation period 01-01-2019 to 31-12-2019

About the Brand Performance Check

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

Fair Wear's Brand Performance Check is a tool to evaluate and report on the activities of Fair Wear's member companies. The Checks examine how member company management systems support Fair Wear's Code of Labour Practices. They evaluate the parts of member company supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

In most apparel supply chains, clothing brands do not own product locations, and most product locations work for many different brands. This means that in most cases Fair Wear member companies have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of member companies. Outcomes at the product location level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of Fair Wear member companies cannot guarantee results.

Even if outcomes at the product location level cannot be guaranteed, the importance of good management practices by member companies cannot be understated. Even one concerned customer at a product location can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a product location can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of Fair Wear's work.

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with member company employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at www.fairwear.org. The online [Brand Performance Check Guide](#) provides more information about the indicators.

Brand Performance Check Overview

Stanley and Stella S.A.

Evaluation Period: 01-01-2019 to 31-12-2019

Member company information	
Headquarters:	Brussels , Belgium
Member since:	2013-07-18
Product types:	Garments, clothing, fashion apparel;Promotional wear and accessories;Bags;Accessories
Production in countries where Fair Wear is active:	Bangladesh, China
Production in other countries:	None.
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	94%
Benchmarking score	80
Category	Leader

Disclaimer

This performance check was conducted amidst the COVID-19 outbreak in 2020. Due to travel restrictions in 2020, the assessment methodology for this check was modified to adapt to an online version.

While the performance check does cover all indicators, Fair Wear was not able to cross-check information with the member company's other departments to the extent it would normally do. This may have led to shorter descriptions/comments in the report. We have taken additional measures to ensure the scores are still inclusive and representative of the performance/progress made: more documentation was requested from the member during the preparation phase and other staff members were interviewed to score a specific indicator, where necessary. Furthermore, due to our improved data management system, Fair Wear was able to better track and document progress, mitigating much of the disadvantage of a remote performance check.

This modified version was applied consistently to all members' performance checks evaluating the year 2019 in order to maintain fair and comparable data.

Fair Wear's performance checks review the progress that was made in the previous financial year. In this case, the 2019 financial year. Thus, this report does not cover the member's response to COVID-19, which will be monitored during the year and evaluated in the next performance check.

Summary:

Stanley and Stella S.A. (hereafter Stanley/Stella) has shown advanced results on performance indicators and has made exceptional progress. The brand monitored over 94% of its production volume and with a benchmarking score of 80 points, Stanley/Stella is awarded the 'Leader' category.

With a vision to be able to work closely with its suppliers, the brand sources from a limited number of countries and a select number of suppliers. Stanley/Stella has a 22-member local team based in Bangladesh, including a country manager and a sustainability officer. The brand's monitoring system includes a systematic check that is performed during every production cycle.

In 2019, the brand did not conduct any audits but followed up on findings from 2018 audits. To address excessive overtime, the brand has set up a check system at factory level, where the brand's Quality Control team stationed at the factories reports on overtime from the previous day to the Sustainability Officer. Any overtime over 2 hours/day is flagged. The country manager then reaches out to the factory to understand the root causes, given that the member works with pre-defined lead times.

The code of conduct of Stanley/Stella requires suppliers to pay wages over 50% of the required legal minimum wage. The brand strives to achieve this but has not yet been successful across the majority of workers at the supplier locations. The brand acknowledges that direct wage increase efforts in the context of 2018-19 were not feasible due to unrest caused by minimum wage changes in the region. Nevertheless, Stanley/Stella wanted to implement initiatives to deliver benefits to workers (through savings on expenses) and in 2019, the brand worked on facilitating the establishment of Fair-priced Grocery Shop (to be implemented in 2020), offering workers access to discounted groceries.

In this regard, Fair Wear advises companies to avoid the concept of a charitable contribution and recommends the brand to integrate the financing of wage increases in its own systems, thereby committing to a long-term process that leads to sustainable implementation of living wages.

Fair Wear strongly recommends that Stanley/Stella involve workers and seek their feedback when deciding the next steps pertaining to Fair-priced Grocery Shop to ensure the initiative delivers maximum benefit to workers and addresses their needs.

Performance Category Overview

Leader: This category is for member companies who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

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

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

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

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

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.	61%	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: Stanley/Stella is aware of its leverage at its supplier locations, especially in Bangladesh where the brand's country manager verifies this by calculating the leverage at each supplier by knowing the total volume of production at the factory and comparing that with the brand's overall FOB for the period.

Stanley/Stella's main products, t-shirts, polo's, knitted tops, sweatshirts are produced at eight active production locations in Bangladesh. Being a relatively small brand but working with big factories (shared with other brands) for their core product line, over 60% of their production volume comes from production locations where the brand buys at least 10% of production capacity. This is a significant increase compared to 2018 (20%), because of increased orders related to restocking of inventory of NOS items and increased sale volumes. But at the same time, the brand has a policy of not having more than 33% FOB is one supplier location.

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.	0.6%	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: One supplier each in Portugal and China makes special category products of the brand (with a FOB of less than 1%). In 2019, the brand did not have any orders placed at the supplier in Portugal.

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.	60%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	3	4	0

Comment: Stanley/Stella works towards maintaining a long-term business relationship with suppliers and has been working with three of its three core suppliers for more than five years.

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.	2nd years + member and no new production locations selected	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.	N/A	2	0

Comment: While Stanley/Stella had no new supplier in 2019 the brand worked on the requirement of 2018 to ensure all suppliers had signed and returned questionnaires in the format required by Fair Wear.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders.	Advanced	Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0

Comment: While Stanley/Stella had no new supplier in 2019 the brand worked on further improving their due diligence process and assessment tool, in discussion with relevant teams. New supplier scoping for Bangladesh is done by the country manager who is based locally and has extensive knowledge of the sector and factories. When selecting a new factory, the brand uses an assessment tool which evaluates and scores the supplier based on information regarding production capacity & operation, forecasted importance for Stanley/Stella, financial stability & compliance, production quality and sustainability (certifications, existing audit reports, minimum wages paid, social initiatives and environmental efforts). The concerned department managers score the relevant sections in the tool and approve the factory. If all sections receive at least a score of 4/ 5 then the CEO conducts a final evaluation and approves the supplier. The sustainability manager has also been provided the necessary authority and veto power to have a final say in the selection of the supplier. This tool was used in 2019 to evaluate the brand’s new supplier in Bangladesh for 2020.

Recommendation: Fair Wear recommends that the brand define clear scoring criteria in the assessment tool so that each department can score suppliers consistently and the performance can also be evaluated over time. That apart, the collected information and existing audit reports of the supplier can also be used to agree on a corrective action plan (where applicable).

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, and leads to production decisions	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.	2	2	0

Comment: For core suppliers in Bangladesh, Stanley/Stella has three ways to evaluate supplier performance on Code of Labour Practices,

1. Stanley/Stella's monitoring system includes a systematic check that is performed during every production cycle. The brand has a 22 member local team, the quality controllers apart from checking product quality, planning also check working conditions, the results of which are documented in a monthly CSR report that is shared with the country manager. The CSR report includes evaluation information pertaining to working conditions, subcontracting risks, building and fire safety, health & environment risks.
2. The country manager visits all suppliers at least once a month and interacts with CSR/ compliance staff and a few workers at the factory.
3. The country manager also has a meeting with the factory management every month and where applicable, issues pertaining to COLP are discussed and reviewed in this meeting.

The brand uses the insights gained from these reports to review suppliers where they can increase leverage and invest further in the relationship.

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: The brand mainly has Never Out of Stock items. The brand currently uses both historic data and current stock situation to forecast and to place orders, monthly. The brand shares a six-month outlook with suppliers both in units and raw materials required, to allow suppliers to estimate the business they can expect from the brand and plan accordingly. The brand agrees on lead times with suppliers through discussion and negotiation based on an understanding of the supplier's capacity, expertise, availability of raw materials, public holidays at the factory, etc. If raw materials are available the lead times are short (7 weeks), this increases to 11 weeks if raw materials are locally available, and 16 weeks if the supplier needs to import raw materials. In order to deal with demand fluctuations, the brand tries to maintain sufficient stock. In scenarios when the suppliers inform that the order requested cannot be delivered in the required time, the orders are shuffled based on priority and capacity available at the supplier. That apart, the brand also ensures multiple suppliers can make their products.

These efforts of the brand are impacted/ limited due to the below reasons.

1. The suppliers they work with are shared with mostly fashion brands with short lead times and high demand fluctuations.
2. Delays pertaining to raw materials, beyond the control of the supplier and the brand.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.7 Degree to which member company mitigates root causes of excessive overtime.	Advanced 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.	6	6	0

Comment: Fair Wear audits in Bangladesh indicate that excessive overtime remains a common issue in the region. The brand did a root cause analysis of excessive overtime at its supplier locations, and concluded the below:

1. Its suppliers are shared with mostly fashion brands with short lead times and high demand fluctuations. This pushes the factory to make last-minute changes to adjust production schedules and unplanned overtime,
2. Sometimes suppliers want to reach their targets to release production by a specific date
3. Workers demand overtime to earn additional income.

To address this the brand has set-up an overtime check at a factory level, where the brand's Quality Control team stationed at the factories report on overtime from the previous days to the Sustainability Officer. Any overtime over 2 hours/day is flagged. The country manager then reaches out to the factory to discuss the root causes, given that the brand works with pre-defined lead times (hence ideally overtime should not be occurring). In 2019, some suppliers indicated defects related to quality and fabric as issues leading to overtime. The country manager uses this moment to discuss solutions/ adjustments to avoid overtime. With the changes to minimum wages in 2018, the costs associated with overtime have increased which the supplier is reminded to consider to further discourage supplier from going for overtime. That apart, the brand also checks and takes efforts to ensure that there is no forced overtime.

As there have been no audits in 2019, Fair Wear is yet to verify the impact of these efforts in addressing excessive overtime.

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.	Advanced	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.	4	4	0

Comment: Over 90% of Stanley/Stella's FOB is from suppliers where the brand has a direct relationship.

The brand's relationship with suppliers is built on trust and is consciously working towards mapping out the 'real' costs of their products. For each product, the brand is aware of the cost of raw material, labour minutes and in general, has an understanding of the costs of every department at the factory. Since the factory on its own does not share an open costing, the brand shares its estimates with the factory to seek their feedback. The labour costs indicated by the factory where found logical are not discussed or negotiated. The brand uses an excel based price simulator to evaluate and arrive at price changes. For example, when the minimum wage went up in Bangladesh the brand already discussed and agreed on a new increased price with their suppliers.

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: No audits in 2019.

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.	Intermediate	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	4	6	0

Comment: The code of conduct of Stanley/Stella requires suppliers to pay wages over 50% of the required legal minimum wage and the top management is committed to addressing living wage gaps. The brand strives to achieve this but has not yet been successful across the majority of workers at the supplier locations. To promote better wages the brand reviews the wage levels at the factory, specifically worker grades to ensure that workers are not intentionally kept at lower grades with lower pay.

In 2019, the brand discussed the topic pertaining to the need for wages increases with most of its suppliers and started using the labour minute value calculator tool to have a more detailed conversation with one key supplier. While the brand has started collecting the data, trying to arrive at realistic figures has been a challenge due to low leverage and composite factories running several processes beyond CMT. The brand continues to work closely with Fair Wear teams to make progress on this topic.

Nevertheless, the brand wanted to implement initiatives to deliver benefits to workers (through savings on expenses) and in 2019, the brand worked on facilitating the establishment of Fair-priced Grocery Shop (to be implemented in 2020), offering workers access to discounted groceries.

The brand acknowledges that direct wage increase efforts in the context of 2018-19 were not feasible due to unrests caused by minimum wage changes in the region.

Recommendation: While performing wage analysis, Fair Wear recommends that Stanley/Stella take into account that wages of high-skilled workers may more likely to be above 50% of the minimum wage and the other worker categories like 'helpers' more likely around the minimum wage, and define action points accordingly.

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.	Intermediate	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.	2	6	0

Comment: In 2019, the Stanley/Stella focused on designing and allocating finance for the establishment of a Fair-priced Grocery Shop (to be implemented in 2020) to deliver benefits to workers (through savings on expenses) by facilitating access to discounted groceries. The brand discussed this with suppliers and offered to finance either of the below options.

- 1) 50% discount on rice/ specific goods (commodity consumed by most workers)
- 2) 10% discount on products purchased by the workers

Stanley/Stella has also encouraged the supplier to have this discussion with other customers to facilitate higher discounts. The brand plans to review this in 2020 to design a scheme that is beneficial for all workers.

Recommendation: Fair Wear advises companies to avoid the concept of a charitable contribution and recommends members to integrate the financing of wage increases in its own systems, thereby committing to a long term process that leads to sustainable implementation of living wages.

Furthermore, Fair Wear strongly recommends that Stanley/Stella involve workers and seek their feedback when deciding the next steps pertaining to Fair-priced Grocery Shop to ensure the initiative aligns with worker needs and delivers maximum benefit to workers.

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.	0%	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.	0	6	0

Comment: The brand is yet to define target wages for its supplier locations.

Requirement: Stanley/Stella is expected to begin setting a target wage for its production locations.

Recommendation: Fair Wear recommends that Stanley/Stella do a detailed worker benefit analysis with reference to the Fair-priced Grocery Shop (FGS). This includes the understanding of consumption patterns/ expenses and associated cost savings (quantified) the worker achieves by purchasing from the Fair-priced Grocery Shop (FGS).

Purchasing Practices

Possible Points: 50

Earned Points: 36

Additional comments on Purchasing Practices :

The implementation of the fair-priced Grocery Shop (FGS) will be reviewed in 2020.

2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where approved member own audit(s) took place.	0%	
% of production volume where approved external audits took place.	0%	
% of production volume where Fair Wear audits took place.	94%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	0%	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.)
% of production volume where an audit took place.		
Member meets monitoring requirements for tail-end production locations.	Yes	
Total monitoring threshold:	94%	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: The Sustainability & PR Manager of the brand is designated to follow up on problems identified by the 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: No audits were conducted in 2019.

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: In 2019, the member followed up on CAP findings of the audits conducted in the end of 2018.

Recommendation: Fair Wear recommends that the brand involves worker representatives where applicable and further document efforts in a manner to track good practices to facilitate resolving similar problems in the rest of the supply chain.

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: The brand visited all production locations in 2019.

In Bangladesh, all production locations are regularly visited by the Bangladesh office management team and quality inspectors during production. During these visits topics related to monitoring, overtime related updates, CAP remediation, and special projects such as the Fair-priced Grocery Shops are discussed with the supplier and factory management.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	No existing reports/all audits by FWF or FWF member company	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	N/A	3	0

Comment: The member mainly uses Fair Wear audits but took efforts to collect external audit reports for 2 production locations in Bangladesh, where Fair Wear audits were not conducted. The member used these reports to stay informed of the situation at the factory.

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 Fair Wear 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	Intermediate			3	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

Comment: Bangladesh: The brand is not a signatory of the Bangladesh Accord on Fire and Building Safety, but in principle only works with factories who are covered by the Accord. Despite this, one supplier of the brand, with around 3% FOB, is not covered under the Accord programme. The brand shared that the factory falls under cottage industries (not covered in the BGMEA) and hence do not qualify to be covered under the Accord. While the monthly assessment of the brand includes a visual inspection of the building and availability of fire extinguishers this is not sufficient to replace the monitoring of the Accord.

The brand is aware of gender related risks for Bangladesh and has facilitated the participation of production locations in the violence prevention training and supervisor training modules of Fair Wear.

China: The supplier in China is a tail-end supplier for the brand making one type of product. The brand's part-time Sourcing Manager oversees this supplier's compliance with the brand's quality and sustainability policies. That apart, the supplier has been visited by the brand multiple times over the last three years.

Requirement: Fair Wear requires that members sourcing in Bangladesh ensure credible fire and building safety inspections at all of their suppliers. These inspections must be based on the standards agreed on by Bangladesh's National Tripartite Committee on Fire and Building Safety in the garment industry.

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.	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. 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.	N/A	3	0

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

Comment: The member has one tail end supplier in China but has not done any audits at that supplier.

Recommendation: Fair Wear encourages members to go beyond the minimum required monitoring threshold and rewards members who audit production locations in the tail end as well to mitigate potential social compliance risks.

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: 12

Earned Points: 9

3. Complaints Handling

Basic measurements	Result	Comments
Number of worker complaints received since last check	1	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	1	

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 sustainability team of the brand is designated to follow up on 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: Workers at production locations are informed about the Fair Wear COLP and complaints hotline through the Fair Wear worker information sheets posted in the factories on boards located at the sewing floors.

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.	13%	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.	4	6	0

Comment: Two production locations of Stanley/Stella underwent the Gender-Based Violence module of Fair Wear. As this module also covers the topics included in the basic 'workplace education programme' the FOB of these production locations count towards this indicator.

Furthermore, Stanley/Stella took additional efforts to discuss this topic with members of the worker participation committee, explaining to them the presence of internal grievance mechanisms, the purpose of the Fair Wear complaint hotline, and also when to use them.

Recommendation: Fair Wear recommends members to actively raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint hotline among a larger portion of its suppliers. Stanley/Stella should ensure good quality systematic training of workers and management on these topics. To this end members can either use Fair Wear's Workplace Education Programme (WEP) basic module, or implement training related to the Fair Wear CoLP and complaint hotline through service providers or brand staff. Fair Wear guidance on good quality training 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.	Yes + Preventive steps taken	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.	6	6	-2

Comment: One complaint was received from a worker on the Fair Wear complaints hotline pertaining to termination of employment and settlement, at one of the brand's production location. Stanley/Stella actively followed up on the complaint and went further to review and identify more workers that could have possibly been impacted by this issue and took necessary steps to facilitate remediation. Furthermore, the member reviewed the root causes and worked on prevention steps by engaging the factory management to review constructively the lessons learned and encouraging the management to further invest in improving worker-management communication.

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: 15

Earned Points: 13

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: All new staff are invited to attend an 'inspiration day' where the presentation also includes topics and updates pertaining to the brand's approach to CSR and social compliance.

Documentation on Fair Wear membership and other CSR topics is made available to all employees and in case of questions they can reach out to the Sustainability Manager.

In 2019, the brand implemented an employee programme to improve staff awareness of their supply chain, across departments, by facilitating factory visits for staff based in the headquarters.

Recommendation: Fair Wear recommends that Stanley/Stella facilitate the participation of the team based in Bangladesh in Fair Wear member learning programmes (webinars/ online meetings). Given that the team is deeply involved in the implementation of the membership requirements, participation in such programmes help the team stay updated, and offer context to important changes/ policies and new requirements.

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: Dedicated sourcing and CSR training is offered to staff (regardless of their position in the company) to understand key CSR concepts (which includes the Fair Wear COLP).

When the brand staff visits a factory, they also fill the basic 'Health & Safety' checklist.

CAPs at all supplier locations are actively tracked, updated and a status summary is maintained in an excel spreadsheet which is shared internally between the brand team at headquarters and Bangladesh liaison office.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Member does not use agents/contractors	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	N/A	2	0

Comment: The member does not rely on agents especially when it comes to working with suppliers on the Code of Labour Practices (COLP). For Bangladesh, even though an agent is used to work with smaller supplier locations, the brand's local team directly engages with factories on COLP.

For China, the brand has a part-time sourcing manager, who scopes for potential new suppliers and ensures compliance with the brand's quality and sustainable policies.

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.	94%	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.	6	6	0

Comment: In 2019, two production locations of Stanley/Stella participated in the violence prevention training, and supervisor training conducted by Fair Wear and one location by an external local training organization. That apart, in 2018 at three production locations of the brand underwent follow-up training of the Fair Wear violence prevention module.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Degree to which member company follows up after a training programme.	Active follow-up	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.	2	2	0

Comment: Stanley/Stella continues to monitor the efficiency of the Anti-Harassment Committee (AHC) set-up at main supplier locations in Bangladesh and participates in the follow-up meetings.

Training and Capacity Building

Possible Points: 11

Earned Points: 11

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: The brand's policies do not allow subcontracting. The brand is aware of all its production locations, has a local team in Bangladesh who visits each supplier location regularly and monitors the production during the production cycle to mitigate any risks of unauthorized subcontracting.

For China, the brand has a part-time sourcing manager, who visits the supplier to ensure compliance with the brand's sustainability policies.

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: CAPs at all supplier locations are actively tracked, updated and a status summary is maintained in an excel spreadsheet which is shared internally between the brand team at headquarters and Bangladesh liaison office.

That apart, the brand has an online shared platform, to be able to consolidate and document all information pertaining to each supplier, in one place, accessible by both brand team at headquarters and Bangladesh liaison office.

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.	Significant problems found, but appropriately remediated	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.	0	2	-3

Comment: Fair Wear logo and membership were put in a section with the title 'certification' on the website. The brand has remediated this on being notified.

Requirement: Fair Wear membership should be communicated according to the Fair Wear communications policy. Any communication that implies that products, factories or brands are 'certified' implying certification and must be avoided.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Supplier list is disclosed to the public.	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	2	2	0

Comment: The brand publishes the social report on the company website which provides information about the suppliers used by the brand.

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

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: The concerned staff and management discuss and evaluate Fair Wear membership. This is currently done more on need/ issue basis. The performance check results were reviewed last year, and a plan of action was worked on.

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.	75%	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: The member had 9 requirements from the previous performance check and addressed 7 of them. The requirements pertaining to setting and payment of its share of target wage and conducting Building and Fire safety inspections at one supplier remains to be addressed.

Requirement: Further engagement needs to be taken with regard to the following requirements mentioned in the last Brand Performance Check - setting, and payment of the brand's share of target wage at supplier locations and conducting Building and Fire safety inspections at suppliers not covered under the Accord programme.

Evaluation

Possible Points: 6

Earned Points: 6

Recommendations to Fair Wear

- 1) Reduce delays in WEP and Audit reports
- 2) Streamline communication and information sharing with members
- 3) Offer more individualised member guidance and reminders of important updates.

Scoring Overview

Category	Earned	Possible
Purchasing Practices	36	50
Monitoring and Remediation	9	12
Complaints Handling	13	15
Training and Capacity Building	11	11
Information Management	7	7
Transparency	4	6
Evaluation	6	6
Totals:	86	107

Benchmarking Score (earned points divided by possible points)

80

Performance Benchmarking Category

Leader

Brand Performance Check details

Date of Brand Performance Check:

28-05-2020

Conducted by:

Supraja Suresh

Interviews with:

Bruno Van Sielegem - Sustainability & PR Manager

Abdulla Al Rumi - Country Manager (Bangladesh Liaison Office)

Veronika Szalai- Sustainability Officer

Nehal Sharif - Sustainability Officer.