



Brand Performance Check

Nudie Jeans Co.

Publication date: July 2023

This report covers the evaluation period 01-01-2022 to 31-12-2022

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.

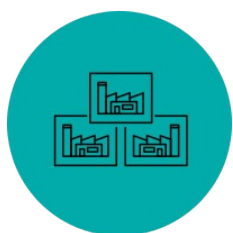
Scoring overview

Total score: 122

Possible score: 204

Benchmarking Score: 60

Performance Benchmarking Category: Good



Sourcing strategy

59%



Identifying continuous
human rights risks

53%



Responsible purchasing
practices

77%



Quality and coherence
of prevention and
remediation system

47%



Improvement and
prevention

58%



Communication,
transparency and
evaluation

78%

Summary:

Nudie Jeans has met most of Fair Wears' performance requirements. With a total benchmarking score of 60, the member is placed in the Good category.

Nudie Jeans' sourcing strategy focuses on increasing influence through active cooperation with other clients and long-term relations.

Nudie Jeans conducts risk scoping for all sourcing countries except Sweden. The member has yet to include product level in its risk scoping. In its risk scoping and assessment, the member has assessed the impact and prevalence of the risks correctly. Nudie Jeans does not have a factory risk assessment for all its suppliers in place, nor do the factory risk assessments include all risks identified through monitoring outcomes.

Nudie Jeans worked on redefining its business strategy last year, where a holistic approach to sustainability was leading. As part of this, they focussed on better planning, forecasting, and consolidating their overall styles.

Nudie Jeans focused on responsible purchasing practices by redefining its business strategy. They maintained working on their living wage programmes, specifically focusing on one supplier in Türkiye but did not increase the scope of these programmes in 2022. Nudie Jeans aims to expand their living wage programme to one of their suppliers in Tunisia and organised training on social dialogue in 2022 to prepare the factory for this. In India, Nudie Jeans addressed gender discrimination and health and safety for female workers by organising four violence and anti-harassment training programmes.

Fair Wear advises Nudie Jeans to improve its supplier risk assessment and to integrate outcomes of human rights risk identification into prioritisation and follow-up programmes according to the risk profile. The brand is strongly advised to start prioritising actions for improvement based on its risk identification and to create a time-bound action plan, including improvement and preventive actions, which goes beyond auditing.

In 2023, Fair Wear implemented a new performance check methodology aligned with the OECD guidelines on HRDD. This new methodology raises the bar and includes some new indicators, which may result in a lower score for members. Because this is a transition year, Fair Wear lowered the scoring threshold for this year only.

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.

Company Profile Nudie Jeans Co.

Member company information

Member since: 1 Jan 2009

Product types: Garments, clothing, fashion apparel

Percentage of CMT production versus support processes 33%

Percentage of FOB purchased through own or joint venture production 0%

Percentage of FOB purchased directly 64%

Percentage of FOB purchased through agents or intermediaries 23%

Percentage of turnover of external brands resold 0%

FLA Member No

Number of complaints received last financial year 1

Basic requirements

Definitive production location data has been submitted for the financial year under review? Yes

Work Plan and projected production location data have been submitted for the current financial year? Yes

Membership fee has been paid? Yes

Production countries, including number of production locations and total production volume.

| Production Country | Number of production locations | Percentage of production volume |
|--------------------|--------------------------------|---------------------------------|
| Tunisia | 3 | 57 |
| Italy | 5 | 20 |
| Portugal | 14 | 9 |
| India | 10 | 5 |
| Türkiye | 2 | 5 |
| Poland | 2 | 3 |
| Sweden | 1 | 1 |
| Lithuania | 1 | 0 |

Layer 1 Foundational system's criteria

1.1 Member company has a Responsible Business Conduct policy adopted by top management.: Yes

Comment: Nudie Jeans has a solid Responsible Business Conduct Policy in place.

1.2 All member company staff are made aware of Fair Wear's membership requirements.: Yes

1.3 All staff who have direct contact with suppliers are trained to support the implementation of Fair Wear requirements.: Yes

1.4 A specific staff person(s) is designated to follow up on problems identified by the monitoring system, including complaints handling. The staff person(s) must have the necessary competence, knowledge, experience, and resources.: Yes

1.5 Member company has a system in place to identify all production locations, including a policy for unauthorised subcontracting.: Yes

1.6 Member company discloses internally through Fair Wear's information management system, in line with Fair Wear's Transparency Policy.: Yes

Comment: Nudie Jeans discloses 100% of production locations internally through Fair Wear's information management system.

1.7 Member company discloses externally on Fair Wear's transparency portal, in line with Fair Wear's Transparency Policy.: Yes

Comment: Nudie Jeans discloses 100% of production locations externally on Fair Wear's transparency portal.

1.8 Member complies with the basic requirements of Fair Wear's communication policy.: Yes

Layer 2 Human rights due diligence, including sourcing strategy and responsible purchasing practices.

Possible Points: 90

Earned Points: 56

Indicators on Sourcing strategy

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 2.1 Member company's sourcing strategy is focused on increasing influence to meaningfully and effectively improve working conditions. | Intermediate | Fair Wear expects members to adjust their sourcing strategy to increase their influence over working conditions. Members should aim to keep the number of production locations at a level that allows for the effective implementation of responsible business practices. | Strategy document; consolidation plans, examples of implementation. | 4 | 6 | 0 |

Comment: The member has 38 active suppliers. 74% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. 17.92% of the production volume comes from suppliers where Nudie Jeans buys less than 2% of its total FOB. This is comparable to the previous year. Nudie Jeans has not yet included a consolidation plan in its sourcing strategy. Nudie Jeans's sourcing strategy focuses on increasing influence through active cooperation with other clients, but this is not explicitly written down.

Recommendation: Fair Wear recommends Nudie Jeans to consolidate its supply base by limiting the number of production locations in its tail end. To achieve this, Nudie Jeans should determine whether suppliers where it buys less than 2% of its FOB are strategically relevant. Shortening the tail will allow the member to improve working conditions more efficiently and effectively. It is advised to describe the consolidation process in a sourcing strategy agreed upon with top management/sourcing staff.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------------|--|---|-------|-----|-----|
| 2.2 Member company's sourcing strategy is focused on building long-term relationships. | Intermediate | Stable business relationships underpin the implementation of the Code of Labour Practices and give factories a reason to invest in improving working conditions. | Strategy documents; % of FOB from suppliers where a business relationship has existed for more than five years; Examples of contracts outlining a commitment to long-term relationship; Evidence of shared forecasting. | 4 | 6 | 0 |

Comment: Nudie Jeans has a sourcing strategy that focuses on maintaining long-term relationships. 92% of the member's total FOB volume comes from suppliers with whom Nudie Jeans has had a business relationship for at least five years. The member commits to long-term contracts with its main suppliers. These contracts are ongoing, and have a notice period of six months for both parties.

Recommendation: Fair Wear recommends Nudie Jeans to broaden its commitment to long-term contracts to subcontractors as well, by including this in its contracts with main suppliers.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------|---|---|-------|-----|-----|
| 2.3 Member company conducts a risk scoping exercise as part of its sourcing strategy. | Basic | Human rights due diligence, according to the OECD guidelines, requires companies to undertake a scoping exercise to identify and mitigate potential human rights risks in supply chains of potential business partners. | HRDD policy; Sourcing strategy linked to results of scoping exercise; HRDD processes, including specific responsibilities of different departments; Use of country studies; Analysis of business and sourcing model risks; Use of licensees and/or design collaborations. | 2 | 6 | -2 |

Comment: Nudie Jeans conducts risk scoping for all sourcing countries except Sweden and includes the following risk factors: Country, sector, business model and sourcing model. The member has yet to include product level in its risk scoping.

In its risk scoping, the member has assessed the impact and prevalence of the risks correctly. However, some high risks are known by Nudie Jeans but not explicitly included in the risk scoping, like gender-based violence.

The risk scoping includes a gender lens for some risks. The member particularly looks at discrimination against women and the gender pay gap.

Input from suppliers and stakeholders is included in the risk scoping. Nudie Jeans has yet to include input from workers. The member adjusts its sourcing strategy based on the risk scoping, as outcomes of the scoping are included in decision-making regarding production countries. Nudie Jeans does not source from countries in which social dialogue and freedom of association is a high risk.

Nudie Jeans' sourcing strategy explicitly mentions suppliers in high-risk countries have to demonstrate a "democratic environment in the workplace, such as workers' committees", but does not mention a preference for countries where workers can freely form or join a trade union and/or bargain collectively.

Recommendation: Fair Wear recommends Nudie Jeans to include all risk factors in its risk scoping, and to improve the gender lens.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|----------|--|---|-------|-----|-----|
| 2.4 Member company engages in dialogue with factory management about Fair Wear membership requirements before finalising the first purchase order. | Advanced | Sourcing dialogues aim to increase transparency between the member and the potential supplier, which can benefit improvements efforts going forward. | Process outline to select new factories; Material used in sourcing dialogue; Documents for sharing commitment towards social compliance; Meeting reports; On-site visits; Reviews of suppliers' policies. | 4 | 4 | 0 |

Comment: It is the standard process for Nudie Jeans to inform new suppliers about Fair Wear membership by sharing the Fair Wear questionnaire and Worker Information Sheet. This process has been followed for the new supplier added last year. Additionally, it is standard practice in the onboarding process to have a dialogue about CSR/human rights and how the supplier and Nudie Jeans can cooperate on this topic.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|--|---|-------|-----|-----|
| 2.5 Member company collects the necessary human rights information to inform sourcing decisions before finalising the first purchase order. | Intermediate | Human rights due diligence processes are necessary to identify and mitigate potential human rights risks in supply chains. Specific risks per factory need to be considered as part of the decision to start cooperation and/or place purchasing orders. | Questionnaire with CoLP, reviewing and collecting existing external information, evidence of investigating operational-level grievance system, union and independent worker committee presence, collective bargaining agreements, engaging in conversations with other customers and other stakeholders, including workers. | 4 | 6 | 0 |

Comment: Nudie Jeans collects human rights information of potential new suppliers by collecting self-assessments and existing audit reports for suppliers in countries with a low-risk profile, and by organising Fair Wear audits in countries with high-risk profiles. Nudie Jeans also checks whether new suppliers have an internal grievance mechanism and whether there are active working committees present. The company does not collect information from workers or stakeholders to inform the sourcing decision. The company has adjusted its sourcing decisions based on the collected information. Nudie Jeans followed this process for the new supplier added in the last previous year, and collected external audit reports.

Recommendation: Fair Wear encourages the member to collect worker and stakeholder input before placing the first order.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------|---|--|-------|-----|-----|
| 2.6 Member actively ensures awareness of the Fair Wear CoLP, the complaints helpline, and social dialogue mechanisms within the first year of starting business. | Basic | This indicator focuses on the preliminary mitigation of risks by actively raising awareness about the Fair Wear Code of Labour Practices and complaints helpline. Discussing Fair Wear's CoLP with management and workers is a key step towards ensuring sustainable improvements in working conditions and developing social dialogue at the supplier level. | Evidence of social dialogue awareness raised through earlier training/onboarding programmes, onboarding materials, information sessions on the factory grievance system and complaints helpline, use of Fair Wear factory guide, awareness-raising videos, and the CoLP. | 2 | 6 | 0 |

Comment: Nudie Jeans has added one new supplier. Nudie Jeans has shared information about Fair Wear's CoLP and the complaints helpline within the first year of doing business. The Worker Information Sheet has been posted. Nudie Jeans asks new suppliers to inform workers about Nudie Jeans' Fair Wear membership, but it has not organised onboarding sessions for workers and management at the new supplier yet.

Recommendation: Nudie Jeans is recommended to organise onboarding sessions specifically focusing on the CoLP and the complaints mechanism within the first year of doing business.

Fair Wear also recommends Nudie Jeans to ensure onboarding includes introductory training for management about social dialogue and a discussion with workers on how they would like to provide feedback and report grievances to the management regarding their working conditions.

Indicators on Identifying continuous human rights risks

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------|--|---|-------|-----|-----|
| 2.7 Member company has a system to continuously monitor human rights risks in its supply chain. | Basic | Members are expected to regularly evaluate risk in a systematic manner. The system used to identify human rights risks determines the accuracy of the risks identified and, as such, the possibilities for mitigation and remediation. | Use of risk policies, country studies, audit reports, other sources used, how often information is updated. | 2 | 6 | 0 |

Comment: Nudie Jeans has a systematic approach to identifying human rights risks in its supply chain. The company still heavily relies on full audits, although it has also identified the need for regular on-site visits to address specific issues. Nudie Jeans has country teams in Portugal, India, Italy, Türkiye and Tunisia which regularly visit the production locations. Next to that, the company tries to visit production locations at least once a year, but this has been difficult with COVID-19. Nudie Jeans has the goal of auditing suppliers each 2-3 years if the follow-up of remediation work is running smoothly. They plan Fair Wear audits, as well as collect external audits for this. Based on a factory's risk level, they can choose to audit a factory sooner. Nudie Jeans extracts the information from audit reports to update factory risk assessments, but they do not have a factory risk assessment for all their suppliers. Nudie Jeans also collects external audits to cross-check their risk profile of a factory. Not all monitoring tools explicitly include worker and stakeholder input.

There is a discrepancy between the monitoring outcomes and the common risks as identified in Nudie Jeans's risk scoping /external sources such as Fair Wear country studies. For instance, while reasonable working hours and payment of a living wage are common risks in Poland, the monitoring tools Nudie Jeans uses do not identify non-compliances on this issue. The member has not adapted its monitoring approach to ensure thorough identification of potential non-compliances.

Recommendation: Fair Wear strongly recommends that Nudie Jeans changes its monitoring tool when it does not identify risks that are common in the production country. Fair Wear recommends Nudie Jeans to approach monitoring systematically, identifying the appropriate monitoring tool and frequency depending on the outcome of the risk scoping and risk assessment for all suppliers. Nudie Jeans could integrate worker, supplier, and stakeholder input in its monitoring tools.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------------|---|---|-------|-----|-----|
| 2.8 Member company's continuous monitoring of human rights risks includes an assessment of freedom of association (FoA). | Intermediate | Freedom of association and collective bargaining are 'enabling rights.' When these rights are respected, they pave the way for garment workers and their employers to address and implement the other standards in Fair Wear's Code of Labour Practices - often without brand intervention. | Use of supplier questionnaire to inform decision-making, collected country information, and analyses. | 4 | 6 | 0 |

Comment: Nudie Jeans has mapped the risks to Freedom of Association in all its sourcing countries except for Sweden, and can explain the main risks per country including the risks to women workers. For example, some risks are 'worker representatives are not democratically elected' and 'no Collective Bargaining Agreement (CBA)'. Nudie Jeans uses a Supplier Questionnaire on Freedom of Association and Social Dialogue to collect supplier-level data. However, this information is not reflected in each existing risk assessment. Nudie Jeans could also not show the risks to Freedom of Association for all its suppliers as it does not yet have a risk assessment for each supplier. The member does know which suppliers have trade unions and CBAs in place.

Recommendation: Nudie Jeans should include risks specific to FoA in its risk assessment for all its suppliers.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------|--|--|-------|-----|-----|
| 2.9 Member company includes a gender analysis throughout their continuous monitoring of human rights risks, to foster a better understanding of gendered implications. | Basic | Investing in gender equality creates a ripple effect of positive societal outcomes. Members must apply gender analyses to their supply chain to better address inequalities, violence, and harassment. | Evidence of use of the gender mapping tools and knowledge of country-specific fact sheets. | 2 | 6 | 0 |

Comment: Nudie Jeans can show it understands the basic gender risks for its sourcing countries, and for instance, identified insecure employment for women, the lack of representation of women in Trade Unions, and sexual harassment as important risks prevalent in Turkey. They can also show an awareness of the risk of gender-based violence in India, but this risk has not been written down in the risk assessment. Additionally, Nudie Jeans collects gender data for a few factories. They look at gender-specific data related to factory wage levels. This information is collected through Fair Wear audits. The member has yet to analyse the collected gender-disaggregated data at the factory and country levels.

Recommendation: Nudie Jeans is recommended to collect gender data per factory related to every Code of Labour Practices.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|--|--|-------|-----|-----|
| 2.10 Member company considers a production location's human rights performance in its purchasing decisions. | Intermediate | Systematic evaluation is part of continuous human rights monitoring. A systematic approach to evaluating production location performance is necessary to integrate social compliance into normal business processes and to support good decision-making. | Supplier evaluation format, meeting notes on supplier evaluation shared with the factory, processes outlining purchasing decisions, link to responsible exit strategy. | 2 | 4 | 0 |

Comment: Suppliers' human rights performance is evaluated systematically every year. Twice a year, Nudie Jeans scores its main suppliers on transparency and the timely follow-up on audit findings. In this evaluation, subcontractors are evaluated as part of the main suppliers. If a supplier scores below their benchmark twice in a row, Nudie Jeans will consider phasing out. In that case, Nudie Jeans follows a responsible exit strategy. This has happened before, but not in 2022. Nudie Jeans has not yet shared the outcome of the evaluation with its suppliers and their worker representatives.

Recommendation: Fair Wear recommends Nudie Jeans to evaluate all suppliers separate, and to share and discuss the outcome of the supplier evaluation with all its suppliers and their worker representatives.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|----------|--|---|-------|-----|-----|
| 2.11 Member company prevents and responds to unauthorised or unknown production and/or subcontracting. | Advanced | Subcontracting can decrease transparency in the supply chain and has been demonstrated to increase the risk of human rights violations. Therefore, when operating in higher-risk contexts where it is likely subcontracting occurs, the member company should increase due diligence measures to mitigate these risks. | Production location data provided to Fair Wear, financial records from the previous financial year, evidence of member systems and efforts to identify all production locations (e.g., interviews with factory managers, factory audit data, web shop and catalogue products, etc.), licensee contracts and agreements with design collaborators. | 4 | 4 | 0 |

Comment: Nudie Jeans uses the outcomes of its human rights monitoring to respond to unauthorised subcontracting. There is no evidence of missing first-tier locations in the database. Additionally, the member actively prevents unauthorised subcontracting by visiting suppliers before and during production to check whether the right machinery is available.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------------|--|--|-------|-----|-----|
| 2.12 Member company extends its due diligence approach to homeworkers. | Intermediate | Homeworkers should be viewed as an intrinsic part of the workforce, entitled to receive equal treatment and have equal access to the same labour rights, and therefore should be formalised to achieve good employment terms and conditions. | Supplier policies, evidence of supplier and/or intermediaries' terms of employment, wage-slips from homeworkers. | 2 | 4 | 0 |

Comment: Nudie Jeans has identified whether homework is prevalent in its sourcing countries. According to the member there is a very low risk of homeworkers being used by its suppliers because they aim to only produce products with a very low risk for homework. With one supplier, Nudie Jeans did develop a garment with a high risk for homework (handmade embroidery), but they asked the supplier to give the worker a place in the factory so their working conditions could be monitored. The member determined that its supplier took measures to source responsibly from homeworkers, by confirming with the factory that the worker had a contract with the factory. Nudie Jeans did not yet verify payment information or terms of employment for this contract.

Recommendation: Nudie Jeans is recommended to add a policy on homeworkers to its due diligence approach, and to ensure suppliers that work with homeworkers do so in a responsible way.

Indicators on Responsible purchasing practices

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 2.13 Member company's written contracts with suppliers support the implementation of Fair Wear's Code of Labour Practices and human rights due diligence, emphasising fair payment terms. | Intermediate | Written, binding agreements between brands and suppliers, which support the Fair Wears CoLP and human rights due diligence, are crucial to ensuring fairness in implementing decent work across the supply chain. | Suppliers' codes of conduct, contracts, agreements, purchasing terms and conditions, or supplier manuals. | 2 | 4 | 0 |

Comment: Nudie Jeans uses contracts with its main suppliers. The contracts stipulate terms of payment, liability, transparency and the terms of agreement and termination. Nudie Jeans pays its suppliers within thirty days of receiving the invoice, and partially pays suppliers in advance for certain styles. Suppliers may charge Nudie Jeans interest on late payments in accordance with the Swedish Interest Act on Debt. In case of damages or late deliveries the contract stipulates that both parties will assess who is responsible. In the event of a Force Majeure, both Nudie Jeans and its suppliers are exempted from the consequences of not fulfilling the obligations laid down in the contract. The contracts are ongoing and can be terminated by both parties with six months' notice. Nudie Jeans is not aware of the contracts of its suppliers that are paid via an intermediary.

Recommendation: Nudie Jeans is advised to review its contracts with suppliers against the principles mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP).

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------------|--|--|-------|-----|-----|
| 2.14 Member company has formally integrated responsible business practices and possible impacts on human rights violations in their decision-making processes. | Intermediate | Corporate Social Responsibility (CSR), purchasing, and other staff that interact with suppliers must be able to share information to establish a coherent and effective strategy for improvements. This indicator examines how this policy and Fair Wear membership requirements are embedded within the member company. | Internal information systems, status Corrective Action Plans, sourcing score- cards, KPIs listed for different departments that support CSR efforts, reports from meetings from purchasing and/or CSR staff, and a systematic manner of storing information. | 4 | 6 | 0 |

Comment: There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices.

Nudie Jeans focuses heavily on onboarding and training its employees on responsible business practices. This is an important job role competency for Nudie Jeans, although there currently are no vacancies which can make this explicit.

Nudie Jeans worked on redefining its business strategy last year, where a holistic approach on sustainability was leading. Nudie Jeans' goal is to do responsible business, and as part of that they focus on better planning and forecasting. The member does not yet work with explicit KPIs supporting good sourcing and pricing strategies.

Recommendation: Nudie Jeans could adopt KPIs that support good sourcing and pricing strategies within its sourcing, purchasing and design departments.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|----------|---|---|-------|-----|-----|
| 2.15 Member company's purchasing practices support reasonable working hours. | Advanced | Members' purchasing practices can significantly impact the levels of excessive overtime at factories. | Proof that planning systems have been shared with production locations, examples of production capacity knowledge that is integrated into planning, timely approval of samples, and proof that management oversight is in place to prevent late production changes. | 6 | 6 | 0 |

Comment: As part of Nudie Jeans' new business strategy, the company reworked its production cycle. The company lengthened its production periods to alleviate pressure on production and decreased its overall styles.

Nudie Jeans' has a collaborative approach to production planning. Within the company, orders are grouped by product style for the different departments, so that suppliers can group production. Nudie Jeans' also engages in open dialogue with their suppliers regarding their peak and low seasons, where they try to match their production planning to their supplier's workload throughout the year. Per style, Nudie Jeans decides how often an order needs to be placed per year. Nudie Jeans' discusses with its main suppliers when and how long in advance they want to receive these orders. Nudie Jeans' uses long lead times, which they also discuss with suppliers. Lead times are dependent on product and fabric type.

Nudie Jeans' prepurchases fabric when needed, to enable steady production. Nudie Jeans does not make late changes to design or quantity. Unforeseeable delays in production are accepted.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|--|-------|-----|-----|
| 2.16 Member company can demonstrate the link between its buying prices and wage levels at production locations. | Intermediate | Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages - and towards the implementation of living wages. | Interviews with production staff, documents related to member's pricing policy and system, buying contracts, cost sheets including labour minutes. | 4 | 6 | 0 |

Comment: Nudie Jeans has a strong understanding of the wage levels at selected suppliers and connects this understanding to its own buying prices. 2022 was a challenging year with high inflation globally and hyperinflation in Türkiye. Nevertheless, Nudie Jeans continued its work on living wages with its main suppliers in India and one supplier in Türkiye. Nudie Jeans started to use the Fair Price App with the supplier in Türkiye. These selected suppliers also work with product style costing.

Nudie Jeans knows the labour minute value at some of its suppliers. Nudie Jeans expanded its living wage work by applying transparent costing for different styles at its largest supplier in Tunisia, and by conducting a survey which will serve as the base for a site-specific living wage benchmark. The company has not yet looked at subcontractors or suppliers with which they do not have a direct relationship.

Nudie Jeans includes changes in legal minimum wage or inflation in its buying prices. Living wage benchmarks are revised annually to match the rising costs of living.

Recommendation: Nudie Jeans is encouraged to keep up the good work and increase its knowledge about the labour minute value for even more suppliers.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|----------|---|---|-------|-----|-----|
| 2.17 All sourcing intermediaries play an active role in upholding Fair Wear's Code of Labour Practices and ensure transparency about where production takes place. | Advanced | Intermediaries have the potential to either support or disrupt CoLP implementation. It is members' responsibility to ensure production relation intermediaries actively support the implementation of the CoLP. | Correspondence with intermediaries, trainings for intermediaries, communication on Fair Wear audit findings, etc. | 4 | 4 | 0 |

Comment: Nudie Jeans has informed its sourcing intermediaries of Fair Wear requirements and could show they informed production locations. Next to that, the intermediaries actively support the implementation of the CoLP by signing the transparency contract and by being involved in the continued communication on prevention and remediation. The member is yet to require from its intermediaries that they uphold the purchasing practices as mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP).

Recommendation: The member is recommended to check if the intermediary's purchasing practices are fair and if the intermediary has adequate systems to ensure payments are made on time.

Layer 3 Remediation and impact

Possible Points: 96

Earned Points: 52

Indicators on Quality and coherence of prevention and remediation system

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------------|---|--|-------|-----|-----|
| 3.1 Member company integrates outcomes of human rights risk identification (layer 2) into prioritisation and follow-up programmes according to the risk profile. | Insufficient | Based on the risk assessment outcomes, a factory risk profile can be determined with accompanying intervention strategies, including improvement and prevention programmes. | Overview of supplier base with accompanying risk profile and follow-up programmes. | 0 | 6 | 0 |

Comment: Nudie Jeans has created follow-up plans for factories covering 72% of FOB. These are Nudie Jeans' main suppliers, the brand does not yet treat (CMT) subcontractors as separate suppliers in its due diligence work. As Nudie Jeans has not included all code of labour practices in its supplier risk assessments the follow-up plans are not comprehensive.

Requirement: Nudie Jeans is required to create risk profiles and follow-up plans per supplier, including subcontractors and/ or suppliers with which Nudie Jeans does not have a direct relationship. Moreover, Nudie Jeans is required to ensure that prioritisation in follow-up matches the factory's risk profile.

Recommendation: Fair Wear recommends Nudie Jeans to incorporate findings of external audits in the follow-up plans of its suppliers.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 3.2 Member company's improvement and prevention programmes include a gender lens. | Intermediate | The prevention and improvement programmes should ensure equitable outcomes. Thus, a gender lens should be incorporated in all programmes regardless of whether or not the programme is specifically about gender. | Proof of incorporation of the gender lens in follow up programmes, including stakeholder input. | 4 | 6 | 0 |

Comment: Nudie Jeans has partly included a gender lens in its improvement and prevention steps. The brand has conducted four Workplace Education Programmes to prevent gender-based violence and one female supervisor training in India. The company also discussed gender-disaggregated wage data with some of its suppliers to encourage them to investigate the wage structure and to hire more women for higher-paid job positions. Moreover, Nudie Jeans supports female workers to be part of worker committees to improve women's representation in social dialogue.

Recommendation: The member is encouraged to include a gender lens in all its improvement and prevention actions.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------|---|---|-------|-----|-----|
| 3.3 Member company's improvement and prevention programmes include steps to encourage freedom of association and effective social dialogue. | Basic | Freedom of Association and Collective Bargaining are enabling rights. Therefore, ensuring they are prioritised in improvement and prevention programmes can help support improvements in all other areas. | Available prevention and improvement programmes, including stakeholder input. | 2 | 6 | 0 |

Comment: Nudie Jeans included some steps to encourage FoA and effective social dialogue in its improvement or prevention actions. These steps are including worker representatives in the starting and ending meetings of audits and proposing and financing training on social dialogue at some factories where social dialogue is identified as a risk, for example in Tunisia. Furthermore, Nudie Jeans does not source from countries where freedom of association is not possible, and they prioritise factories with an existing Collective Bargaining Agreement (CBA) in its sourcing strategy.

Recommendation: Fair Wear recommends Nudie Jeans to be more comprehensive and include more steps to promote FoA and effective social dialogue in its improvement and prevention actions.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------|---|--|-------|-----|-----|
| 3.4 Member company actively supports operational-level internal grievance mechanism. | Basic | Fair Wear's complaints helpline is a safety net in case local grievance mechanisms do not provide access to remedy. Members are expected to actively support and monitor the effectiveness of operational-level grievance mechanisms as part of regular contact with their suppliers. | Communication with suppliers, responses to grievances, minutes of internal worker committees, evidence of democratically elected worker representation, evidence of handled grievance, review of factory policies, and proof of effective social dialogue. | 2 | 6 | 0 |

Comment: Nudie Jeans monitors but does not support the effectiveness of internal grievance mechanisms. When starting with a new supplier, Nudie Jeans checks that the supplier has an internal grievance mechanism. When visiting existing suppliers, Nudie Jeans asks about the complaints received, and they cross-check this information with the meeting minutes from the worker committee meetings.

Recommendation: Fair Wear recommends Nudie Jeans to support the internal grievance mechanisms at supplier. Fair Wear recommends Nudie Jeans to always involve suppliers and worker representatives in the assessment of the internal grievance mechanism, and to share and discuss the outcome of the assessment with the above stakeholders, who should be encouraged to lead a discussion on how the mechanisms can be improved.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|----------|---|--|-------|-----|-----|
| 3.5 Member company collaborates with other Fair Wear members or customers of the production location. | Advanced | Cooperation between Fair Wear members increases leverage and the chances of successful outcomes. Cooperation also reduces the chances of a factory needing to conduct multiple improvement programmes about the same issue with multiple customers. | Communication between different companies. | 6 | 6 | 0 |

Comment: Nudie Jeans cooperates with other Fair Wear members at its shared suppliers, responding to CAPs and complaints. Nudie Jeans has not yet cooperated with customers that are not Fair Wear members on CAPs and complaints. Next to that, the company also cooperates in taking more preventive measures with both Fair Wear and non-Fair Wear members through a joint Living Wage programme.

Indicators on Improvement and prevention

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------|---|---|-------|-----|-----|
| 3.6 Degree of progress towards implementation of improvement programme per relevant factory. | 50% | Fair Wear expects members to show progress towards the implementation of improvement programmes. Members are expected to be actively involved in the examination and remediation of any factory-specific problem. | Progress reports on improvement programmes. | 4 | 6 | -2 |

Comment: During the performance check, Nudie Jeans could demonstrate with a sample that less than two-thirds of the CAP issues requiring improvement actions have been addressed. This is mainly due to the fact that Nudie Jeans collects, but does not follow up on external audits. For audits that Nudie Jeans organises itself, it follows up and also collaborates on follow-up with other brands.

Nudie Jeans prioritises follow-up based on the urgency of the finding and on remediability, starting with high risks and 'low hanging fruit'. In addressing CAP findings, Nudie Jeans first collects factory feedback and then makes a plan for follow-up. For example, after a finding related to living wages at one of their Turkish suppliers, Nudie Jeans collaborated with other sourcing brands to increase leverage, and committed to setting up and maintaining a living wage programme with the supplier. Health and safety findings were addressed, but Nudie Jeans could not show proof of remediation. Nudie Jeans aims to verify outstanding issues during factory visits.

Recommendation: Fair Wear urges Nudie Jeans to follow-up on external audits.

Fair Wear strongly recommends ensuring that the size of the supply chain and the available resources of Nudie Jeans to actively follow up on CAP issues are coinciding. Possible solutions could be to decrease the number of suppliers or increase the resources needed to be able to work on improvement actions.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|-----------------------|---|----------------------------------|-------|-----|-----|
| 3.7 Degree of progress towards implementation of prevention programme. | Insufficient progress | Fair Wear expects members to show progress towards the implementation of prevention programmes. With this indicator, Fair Wear assesses the degree of progress based on the percentage of actions addressed within the set timeframe. | Update on prevention programmes. | -2 | 6 | -2 |

Comment: Nudie Jeans has not yet identified root causes of the CAP findings (other than excessive overtime assessed under indicator 3.9 or living wage assessed under indicator 3.11). For example, one audit included two findings on factory communication: factory's policies and procedures are not communicated to workers, and internal grievance mechanisms are not functional. However, these findings are not reflected in the factory's risk assessment, nor have preventive actions like training workers on the CoLP been added to the factory's prevention plan. The member has not discussed with the supplier why there is low worker awareness.

Recommendation: Fair Wear recommends Nudie Jeans to identify root causes of CAP issues together with its suppliers.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 3.8 Member company validates risk profile and maintains regular dialogue with factories where no improvement or prevention programme is needed. | Intermediate | When no improvement or prevention programme is needed, Fair Wear expect its member companies to actively monitor the risk profile and continue to mitigate risks and prevent human rights abuses. | Use of Fair Wear workers awareness digital tool to promote access to remedy. Evidence of data collected, worker interviews, monitoring documentation tracking status quo. | 4 | 6 | 0 |

Comment: Nudie Jeans has some suppliers where improvement or prevention steps are not deemed necessary. These cover 31% of the member's total FOB. The member has a system to ensure possible human rights risks are regularly discussed with these suppliers. The member has yet to include worker representatives or local unions in discussions with factory management on possible human rights risks.

Recommendation: Nudie Jeans is recommended to ensure worker representation/local unions (when appropriate) are included in discussions with factory management on possible human rights risks.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 3.9 Degree to which member company mitigates root causes of excessive overtime. | Intermediate | Member companies should identify excessive overtime caused by the internal processes and take preventive measures. In addition, members should assess ways to reduce the risk of external delays. | This indicator rewards self-identification of efforts to prevent excessive overtime. Therefore, member companies may present a wide range of evidence of production delays and how the risk of excessive overtime was addressed, such as: reports, correspondence with factories, collaboration with other customers of the factory, use of Fair Wear tools, etc. | 4 | 6 | 0 |

Comment: In the previous year, one audit report mentioned excessive overtime. Nudie Jeans analysed the root cause of this finding. According to the member, its order planning was not at the root of the overtime. The member has taken action to address the root causes of excessive overtime.

Nudie Jeans verified with the supplier that overtime payment was made under legal requirements, and that Nudie Jeans' order planning was not at the root of the overtime. Nudie Jeans addressed the issue by engaging in dialogue with the supplier and another client of the supplier.

Even though the finding was not linked to the brand's purchasing practices, the company reworked its production cycle as part of Nudie Jeans' new business strategy in 2022. It also lengthened its production periods while decreasing its overall styles, in order to alleviate pressure on production. Production planning is done in collaboration with suppliers. Nudie Jeans could not yet show that its efforts resulted in reduced excessive overtime at the supplier.

Recommendation: If audits are not possible, Nudie Jeans could use alternative monitoring tools such as worker surveys to investigate working hours.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 3.10 Member company adequately responds if production locations fail to pay legal wage requirements and/or fail to provide wage data to verify that legal wage requirements are paid. | Intermediate | Fair Wear members are expected to actively verify that all workers receive legal minimum wage. If a supplier does not meet the legal wage requirements or is unable to show they do, Fair Wear member companies are expected to hold the management at the production location accountable for respecting local labour law. | Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show the legal wage issue is reported/resolved. | 2 | 4 | -2 |

Comment: In the previous year, one out of three Fair Wear audits included findings regarding non-payment of legal minimum wage/legally required wage elements. At one supplier in Tunisia, there is no monthly productivity bonus. At the same supplier, statutory leaves were not paid to workers as legally required, but the audit verified that this issue has been remediated. Nudie Jeans responds to such findings by engaging in dialogue with the factory management, or the factory management of the main supplier. Some of these findings (also from audits conducted in the previous financial years) have been solved.

Recommendation: Fair Wear recommends Nudie Jeans to verify remediation in between social audits.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------------|---|---|-------|-----|-----|
| 3.11 Degree to which member company assesses and responds to root causes of wages 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. | Member companies may present a wide range of evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, wage data/wage ladders, gap analysis, correspondence with factories, etc. | 4 | 6 | 0 |

Comment: Nudie Jeans has a comprehensive overview of the wage levels at suppliers with which it has a living wage programme, and basic overview of the wage levels at all of its suppliers. The company keeps track of wage levels and the gap towards the estimated living wage in their supply chain on a country level.

Nudie Jeans discusses the topic of wages with 95% of its suppliers (all suppliers except for two in Sweden and Lithuania).

Recommendation: Fair Wear encourages Nudie Jeans to discuss about different strategies to work towards higher wages and develop a systemic and time-bound approach with its suppliers.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 3.12 Member company determines and finances wage increases. | Intermediate | Member companies should have strategies in place to contribute to and finance wage increases in their production locations. | Analysis of wage gap, strategy on paper, demonstrated roll out process. | 4 | 6 | 0 |

Comment: As part of the Living Wage program, Nudie Jeans continued to work with selected suppliers on paying its share of the living wage. This work includes a time-bound plan to revise wages annually to match the rising costs of living. Nudie Jeans has ongoing discussions on how to finance wage increases for the rest of its supply chain.

Recommendation: Fair Wear strongly encourages Nudie Jeans to increase the scope of its living wage programmes. It is advised that the strategy for how to finance wage increases is agreed upon by top management.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------|--|--|-------|-----|-----|
| 3.13 Percentage of production volume where the member company pays its share of the living wage estimate. | 7% | Fair Wear requires its member companies to act to ensure a living wage is paid in their production locations to each worker. | Member company's own documentation such as reports, factory documentation, evidence of Collective Bargaining Agreement (CBA) payment, communication with factories, etc. | 2 | 6 | 0 |

Comment: None of Nudie Jeans' suppliers are currently paying living wages, but Nudie Jeans uses fact-based costing to ensure its prices support the payment of its share of a living wage estimate at nine suppliers responsible for 7% of Nudie Jeans's FOB.

Recommendation: Nudie Jeans is encouraged to roll out its approach to other suppliers.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|----------|---|--|-------|-----|-----|
| 3.14 Member addresses grievances received through Fair Wear's helpline in accordance with the Fair Wear Complaints Procedure. | Advanced | Members are expected to actively support the operational-level grievance mechanisms as part of regular contact with their suppliers. The complaints procedure provides a framework for member brands, emphasising the responsibility towards workers within their supply chain. | Overview of supporting activities, overview of grievances received and addressed, etc. | 4 | 4 | -2 |

Comment: Nudie Jeans received one complaint in the past financial year, about safe & healthy working conditions at its suppliers in India. The complainants stated that more than thousand women were employed in the factory and worked three shifts. The complainants claimed that there was an inadequate water supply in the washrooms, leading to health issues as the workers often get infections. The complainants added that even though they had taken this issue to the management's attention, their grievance was not addressed.

Nudie Jeans discussed the finding with factory management, and the complaint was discussed in a worker committee meeting. Both confirmed that the water supply was not a problem. Moreover, Nudie Jeans visited the supplier and verified the water supply in the washrooms was uninterrupted. The complainant also confirmed that the complaint had been resolved. To prevent similar complaints from occurring, Nudie Jeans decided with factory management that the water supply would be discussed in every worker committee meeting in the future, with the factory monitoring the discussion carefully and taking appropriate steps if needed.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|--|---|-------|-----|-----|
| 3.15 Degree to which member company implements training appropriate to the improvement or prevention programme. | Intermediate | Training programmes can play an important role in improving working conditions, especially for more complex issues, such as freedom of association or gender-based violence, where factory-level transformation is needed. | Links between the risk profile and training programme, documentation from discussions with management and workers on training needs, etc. | 4 | 6 | 0 |

Comment: The member has enrolled some of its suppliers with risk profiles on discrimination, freedom of association, living wages and low awareness about workers' rights in the following training modules: four violence and anti-harassment training in India, one FairPrice training and one Factory dialogue training in Türkiye, and one training on social dialogue in Tunisia. These training modules all appropriately addressed risks from the corresponding risk assessment.

Recommendation: Nudie Jeans is recommended to implement training for all factories where this is part of its improvement and/or prevention programme.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------------|---|---|-------|-----|-----|
| 3.16 Degree to which member company follows up after a training programme. | Intermediate | Training is a crucial tool to support transformative processes but complementary activities such as remediation and changes at the brand level are needed to achieve lasting impact | Evidence of engagement with factory management regarding training outcomes, documentation on follow-up activities, and proof of integration into further monitoring and risk profiling efforts. | 4 | 6 | 0 |

Comment: Nudie Jeans followed up on all training results by reading the training report and addressing topics that came up during the training. The social dialogue training report was shared and followed up in 2023 and will be assessed during the next performance check.

Recommendation: Fair Wear recommends Nudie Jeans to use the training results as input for Nudie Jeans's human rights risk monitoring.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|--|-------|-----|-----|
| 3.17 The member company's human rights risk monitoring system includes a responsible exit strategy. | Intermediate | Withdrawing from a non-compliant supplier should only be the last resort when no more impact can be gained from other strategies. Fair Wear members must follow the steps as laid out in the responsible exit strategy. | Exit strategy policy, examples of supplier communications. | 2 | 4 | 0 |

Comment: Nudie Jeans's human rights risk monitoring includes a responsible exit strategy, but it only applies this to its main suppliers. In the past financial year, the member stopped with one supplier. The exit had been communicated well in advance, as Nudie Jeans started discussing a possible exit with the supplier in case existing issues could not be remediated over two years ago already. Nudie Jeans has discussed the responsible exit strategy with its suppliers.

Recommendation: Nudie Jeans could include the responsible exit strategy as part of its suppliers' agreement or contract.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------|--|---|-------|-----|-----|
| 3.18 Member company's measures, business practices and/or improvement programmes go beyond the indicators or scope. | Basic | Fair Wear would like to reward and encourage members who go beyond the Fair Wear policy or scope requirements. For example, innovative projects that result in advanced remediation strategies, pilot participation, and/or going beyond tier 2. | Overview of Human Right risk monitoring, remediation and prevention activities and processes. | 2 | 6 | 0 |

Comment: Nudie Jeans undertakes activities related to human rights that go beyond Fair Wear's scope, namely the implementation of a grievance mechanism for Tiers 2-5 of their supply chain. The company joined the Sağ Salim initiative in 2020 to gain insight into the less visible part of its supply chain. The Sağ Salim program offers a grievance mechanism for workers in all tiers of the supply chain and thereby supports the most vulnerable workers in the garment industry. The programme also actively seeks out grievances. Next to the grievance mechanism, the initiative provides capacity building for cotton farmers and casual workers in the seasonal agricultural sector.

Layer 4 External communication, outreach, learning, and evaluation

Possible Points: 18

Earned Points: 14

Indicators on Communication, transparency and evaluation

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|----------|--|---|-------|-----|-----|
| 4.1 Member company actively communicates about Fair Wear membership and its human rights due diligence efforts. | Advanced | Fair Wear membership includes the need for a brand to show its efforts, progress, and results. Fair Wear members have the tools and targeted content to showcase accountability and inform customers, consumers, and retailers. The more brands communicate about their sustainability work, the greater the overall impact of the work of the Fair Wear member community. | Member website, sales brochures, and other communication materials. | 4 | 4 | 0 |

Comment: Nudie Jeans communicates accurately about Fair Wear membership on its website. The member also uses other channels to inform customers and stakeholders about their due diligence efforts, like social media, its newsletter and through public speeches and presentations. Nudie Jeans actively spreads the Fair Wear message.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|---------------------------------|--|--|-------|-----|-----|
| 4.2 Member company sells external brands with a Human Rights Due Diligence system (if applicable). | No reselling of external brands | Some member companies resell other brands, which Fair Wear refers to as 'external production'. These members are expected to investigate the Human Rights Due Diligence system of these other brands, including production locations and the availability of monitoring information. | External production data in Fair Wear's information management system, collected information about other brands' human rights due diligence systems, and evidence of external brands being part of other multi-stakeholder initiatives that verify their responsible business conduct. | N/A | 4 | 0 |

Comment: Nudie Jeans does not sell external brands.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|----------|---|----------------|-------|-----|-----|
| 4.3 Social report is submitted to Fair Wear and is published on the member company's website. | Advanced | The social report is an important tool for member companies to share their efforts with stakeholders transparently. The social report explicitly refers to the workplan and the yearly progress related to the brands goals identified in the workplan. | Social report. | 4 | 4 | 0 |

Comment: Nudie Jeans has submitted its social report, which Fair Wear approved. Nudie Jeans has also published the report on its website.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|--------------|---|---|-------|-----|-----|
| 4.4 Member company engages in advanced reporting activities. | Intermediate | Good reporting by members helps ensure the transparency of Fair Wear's work and helps share best practices within the industry. This indicator reviews transparency efforts reported beyond (or included in) the social report. | Brand Performance Check, audit reports, information about innovative projects, specific factory compliance data, disclosed production locations (list tier 2 and beyond), disclosure of production locations, alignment with the Transparency Pledge. | 2 | 4 | 0 |

Comment: Nudie Jeans published its social report, which includes some factory-level data and remediation results, on its website. Nudie Jeans also has a transparency tool on its website, showing supply chain data per product. During 2022, the member also shared Production guides with summaries of audit reports for audited factories on their website. Nudie Jeans has yet to disclose time-bound improvement plans for its full factory list.

Recommendation: Fair Wear recommends Nudie Jeans to publish time-bound plans for its suppliers.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|--|--|-------|-----|-----|
| 4.5 Member company has a system to track implementation and validate results. | Intermediate | Progress must be checked against goals. Members are expected to have a system in place to track implementation and validate the progress made. | Documentation of top management involvement in systematic annual evaluation includes meeting minutes, verbal reporting, PowerPoint presentations, etc. Evidence of worker/supplier feedback. | 4 | 6 | 0 |

Comment: Nudie Jeans has a system to track progress and check if implemented measures have been effective in preventing and remediating human rights violations. The internal evaluation system involves top management. In its evaluation system, the member does not yet include triangulated information from external sources.

Recommendation: Nudie Jeans is advised to include feedback from workers and suppliers in its evaluation system.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|---|---|---|-------|-----|-----|
| 4.6 Level of action/progress made on requirements from previous Brand Performance Check. | No requirements were included in the previous Brand Performance Check | In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach. | Member should show documentation related to the specific requirements made in the previous Brand Performance Check. | N/A | 4 | -2 |

Comment: In the previous performance check, no requirements were included.

5 Appreciation chapter

5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: Not applicable

5.2 Member company actively participated in lobby and advocacy efforts to facilitate an enabling environment in production clusters.: Yes

Comments: In 2022, Nudie Jeans worked on:

- Social Life Cycle Assessment on Turkish Denim Fabric
- Signatory of EU Living Wage income
- Signing of letter: Clarification on VDA applicability

Public Speeches:

- Smart Creation Podcast - Transparency
- Oslo Ethical Trade – Living Wages
- Sweden Ethical Trade (ETI) – Sustainable reporting and Communication (HRDD)
- Re:skills – Supply Chains and Social issues
- Gothenburg School of Economics – Sustainable Marketing and Business Ethics
- Höskolan i Väst - Social and Human Rights
- World Circular Economy Forum – Panel: how to reduce the footprint of the textile and garment industry.

5.3 Member company actively contributed to industry outreach, visibility, and learning in its main selling markets.: Not applicable

Recommendations to Fair Wear

Nudie Jeans recommends Fair Wear to embrace a holistic approach to human rights due diligence with an expanded scope, including environmental risks and all tiers of the supply chain. Moreover, Nudie Jeans recommends Fair Wear to provide more practical support regarding living wages, specifically by focusing more on providing living wage estimates.

Brand Performance Check details

Date of Brand Performance Check: **18-05-2023**

Conducted by: **Maaïke Rubenkamp**

Interviews with: **Ida Aguilar Johansson**, Human Rights and social impact specialist

Joakim Levin, CEO

Malte Ramberg, CFO

Sandya Lang, Chief Sustainability Officer

Jenny Henriksson, Head of product development and production

Richard Hunyadi, Head of Creative Operations