



BRAND PERFORMANCE CHECK

Continental Clothing Company Ltd

PUBLICATION DATE: JULY 2014

this report covers the evaluation period 01-01-2013 to 31-12-2013

ABOUT THE BRAND PERFORMANCE CHECK

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

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's affiliate members. The Checks examine how affiliate management systems support FWF's Code of Labour Practices.

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

Even if outcomes at the factory level cannot be guaranteed, the importance of good management practices by affiliates cannot be understated. Even one concerned customer at a factory 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 factory can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of FWF's work.

Improvement of supply chains is a step-by-step process, through which affiliates must address many different issues. FWF affiliates vary greatly in management structures, and have different strengths. The Performance Benchmarking system is designed to reflect these differences, and the many different ways that a company can support better working conditions.

During the Brand Performance Check, FWF staff speak to various employees at the affiliate who have important roles to play in the management of supply chains. FWF verifies the actions of affiliates based on several sources including documentation of activities, financial records, the affiliate's supplier register and staff interviews. Following the Brand Performance Check, FWF summarizes findings in this report, which is made public via www.fairwear.org. The [Brand Performance Check Guide](#) provides more information about the indicators and is available for download.

BRAND PERFORMANCE CHECK OVERVIEW

Continental Clothing Company Ltd

Evaluation Period: 01-01-2013 to 31-12-2013

AFFILIATE INFORMATION	
Headquarters:	London, United Kingdom
Member since:	02-10-2006
Product types:	Fashion, Promotional, Private label, Bags & Accessories
Production in countries where FWF is active:	Bangladesh, China, India, Turkey
Production in other countries:	N/A
BASIC REQUIREMENTS	
Workplan for this evaluation period was submitted?	Yes
Actual supplier register for this evaluation period has been submitted?	Yes
Membership fee has been paid?	Yes
All suppliers have been notified of FWF membership?	Yes
SCORING OVERVIEW	
% of own production under monitoring	91%
Benchmarking score	79
Category	Leader

Summary:

Continental Clothing Company (hereafter Continental) meets most of FWF's management system requirements. It has monitored 91% of its total purchasing volume, meeting FWF's threshold of 90% for being a member of over 3 years.

Continental has a relatively small number of suppliers. It has frequent contact with suppliers to discuss social compliance issues, and actively involves them in FWF's activities. Three out of five suppliers have participated in the Workplace Education Programme, a set of factory trainings offered by FWF to improve social compliance and communication between employers and employees.

In 2014, Continental is encouraged to conduct root cause analyses of excessive overtime at its suppliers. It is also expected to take steps to support living wages at its suppliers.

PERFORMANCE CATEGORY OVERVIEW

Leader: This category is for affiliates who are doing exceptionally well, and are operating at an advanced level.

Good: It is FWF's belief that affiliates who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF affiliates—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 affiliates will receive a 'Good' rating.

Needs Improvement: Affiliates 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. Affiliates 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: Affiliates 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. Affiliates 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
1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity	81%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier information provided by affiliate.	4	4	0
1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	68%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier information provided by affiliate.	3	4	0
1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	Yes	The CoLP is the foundation of all work between factories and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	2	2	0

Comment: Continental has very stable relationships with its suppliers. It has one new supplier in 2013. The new supplier has signed the Code of Labour Practices.

1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	Yes	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0
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Comment: Continental commissioned FWF local audit team to conduct an audit at its new supplier.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	1	2	0
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Recommendation: A systematic approach is required to integrate social compliance into normal business processes, and supports good decision-making. The approach needs to ensure that the affiliate consistently evaluates the entire supplier base and includes information into decision-making procedures. A formal evaluation for suppliers will continuously encourage suppliers to make improvements in social compliance.

Comment: Continental has five suppliers in different countries. Each of the suppliers has its own specialty in production. It is difficult to reward the suppliers with more orders. Continental follows up on corrective action plans and discuss with suppliers frequently to make improvements. It does not have a formal system to evaluate suppliers' performance.

1.6 The affiliate's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.	4	4	0
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Comment: Continental has made adjustment in 2013 to support suppliers in reducing overtime. Due to stabilising the sources of cotton, cotton supply forecasting has been improved. Suppliers know in the beginning of the year when the materials will be ready to plan production.

A supplier in Turkey has decreased its overtime work in 2013, according to FWF audit in the factory. Continental focuses the work on a factory in India, which produces a significant amount for Continental. Continental had invested in building the factory and purchasing new machines for production. It helped the factory to rearrange and increase the space in the warehouse for cotton storage. As a result, the factory in India is able to plan at least six months ahead to produce Continental's order.

In general, Continental is flexible with delivery time because most orders are produced for stock. Continental announced production plan in the beginning of the year and communicated with suppliers weekly to update.

According to Continental, the challenge is that the factories are not always open to them regarding the delay or difficulties. But it believes that the situation will change over time, as suppliers with a long standing relationship are often more open to ask for help.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of affiliates; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Documentation of root cause analysis and positive steps taken to manage production delays or improve factory processes.	3	6	0
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Recommendation: Continental has demonstrated sufficient effort to support suppliers to reduce overtime. It was found during FWF audits that two suppliers in India and Bangladesh were still working excessive overtime. FWF recommends Continental to conduct root causes analysis with suppliers to find out most effective solutions.

Comment: The factory in Turkey had decreased overtime significantly in 2013. Continental had discussions with the supplier and believed that the root causes were created by excessive workload of other customers, according to the factory. Continental decided to support the factory by tolerating the delay, knowing that it was a temporary situation.

Continental is still in the process of identifying the root causes of excessive overtime in its suppliers in Bangladesh and India. Both suppliers were not transparent to FWF audit team about their working hours. Continental plans to make more efforts in communicating with the suppliers and increase their working hour record system.

1.8 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.	Country-level policy	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.	2	4	0
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Recommendation: Continental needs to develop a method to assess the labour cost of garments and to judge whether its own prices allow the payment of at least legal minimum wages in its production countries.

Continental should assess their prices in relation to costs of minimum wage per country.

Comment: Continental and its suppliers use open costing to negotiate prices. They all believed that mutual interests are important for sustainable business. When minimum wages increase, suppliers update Continental and Continental adjust the prices accordingly.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	No minimum wage problems reported	If a supplier fails to pay minimum wage, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.	2	2	-2
1.10 Evidence of late payments to suppliers by affiliate.	No	Late payments to suppliers can have a negative impact on factories 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 factory and affiliate financial documents.	0	0	-1
1.11 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Factory-level approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	4	8	0

Recommendation: Affiliate is expected to take an active role in discussing living wages with its suppliers. The FWF wage ladder can be used as a tool to implement living wages. Most relevant wage estimates, such as local minimum wage, Asia Floor Wage, collective bargaining wage and industrial best practice wages are provided in the wage ladder. The wage ladder is included in FWF's audit reports. It demonstrates the gaps between workers' wages at a factory and living wages demanded by major stakeholders. The wage ladder can be used to document, monitor, negotiate and evaluate the improvements at its suppliers.

Comment: Continental approaches wage issues through saving costs for suppliers and building long term relationships.

Continental is able to purchase the main raw material - cotton - in big quantity in advance. It reduces suppliers' risks due to the fluctuation of cotton price.

Continental also invested in building the factory in India. It helps the factory to purchase building materials to construct a sustainable building. As a result, the factory has received the platinum award from the Indian Green Building Council.

Continental tries to maintain a small number of suppliers and source big quantity. It believes that this business model saves factories' time and effort in searching for new customers. It helps factories to focus on developing itself, which includes social compliance and quality.

In India, Continental has made initial steps to participate in a pilot to pay its share of living wages at its supplier together with three other FWF members.

1.12 Affiliate sources from an FWF factory member.	No	When possible, FWF encourages affiliates to source from FWF factory members. On account of the small number of factories this is a 'bonus' indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	N/A	1	0
1.13 Percentage of production volume from factories owned by the affiliate.	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 affiliate's score.	Supplier information provided by affiliate.	N/A	2	0

PURCHASING PRACTICES

Possible Points: 40

Earned Points: 29

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	91%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	0%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Total of own production under monitoring	91%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 90% Measured as a percentage of turnover.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2
2.2 Degree of progress towards resolution of existing Corrective Action Plans	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate.	4	8	-2

Recommendation: Besides communicating with factories to improve, Continental could consider to provide the followings to factories to facilitate their work on implementing the corrective action plans.

- Hire local consultant to assist factory in developing an action plan and to assist factory management in investigating root causes
- Organise supplier seminars
- Provide factory training
- Share knowledge and experiences

Comment: Continental has in total five suppliers. It is easier for the company to keep track of all Corrective Action Plans. Continental discusses with suppliers regularly to update the implementation of the CAPs and communicates with FWF for feedback and support.

In a factory in India, Continental has actively involved with FWF and other members to handle the high risk issue of freedom of movement, which is a typical issue for migrant workers in Tirupur.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	100%	Formal audits should be augmented by annual visits by affiliate staff or local representatives. They reinforce to factory managers that affiliates are serious about implementing the Code of Labour Practices.	Affiliates should document all factory visits with at least the date and name of the visitor.	4	4	0
2.4 Existing audit reports from other sources are collected.	No existing reports/all audits by FWF or FWF affiliate	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
2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	Yes	FWF audit reports should be shared and discussed with suppliers within two months of audit receipt. Timely sharing of information and agreement on corrective actions is essential for improvement. A reasonable time frame should be specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1
2.6 High risk issues specific to the affiliate's supply chain are identified and addressed by the monitoring system.	Intermediate Capacity	Different countries and products have different risks associated with them; monitoring systems should be adapted to allow appropriate human rights due diligence for the specific risks in each affiliates' supply chain.	Documentation may take many forms; additional research, specific FWF project participation; extra monitoring activities, extra mitigation activities, etc.	3	6	0

Recommendation: According to Stakeholders of Fair Wear Foundation, high risk issues in China include excessive overtime, freedom of association and social security. Priority issues in Bangladesh to be addressed are harassment at work, occupational health and safety and freedom of association.

Continental is encouraged to work with local stakeholders to contribute to improvements. Continental is also recommended to motivate its supplier in China and Bangladesh to participate in the Workplace Education Programme.

Comment: In India, Continental’s two suppliers participated in FWF’s Workplace Education Programme to increase workers’ knowledge on their rights and communication skills with management. At one factory, where high risk of restriction of movement is found, Continental cooperates with FWF and other members to work on an improvement plan.

In Turkey, Continental’s supplier has completed a training by FWF on social dialogue. The workers in the factory have elected its representatives and are in the process of setting up a union.

In Bangladesh, the factory has participated in FWF’s workshop on safety principles. As it is a new supplier, it is not yet in the Workplace Education Programme.

In China, the factory suppliers less than 10% to Continental. It is also difficult to communicate on social compliance. Continental is in the process of phasing out the factory.

2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the changes 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.	2	2	-1
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Comment: Continental has shared its audit reports with other members sourcing from the same factory. In India, it communicates regularly with other members to cooperate and make improvements in their common supplier in Tirupur.

2.8 Monitoring requirements are fulfilled for production in low-risk countries	No production in lowrisk countries	Low risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with basic standards.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	N/A	2	0
2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	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	3	0
2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	No external brands resold	FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.	Supplier register; Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0

MONITORING AND REMEDIATION

Possible Points: 24

Earned Points: 17

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
3.2 System exists to check that the Worker Information Sheet is posted in factories	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.	2	2	0

Recommendation: Continental is suggested to ask suppliers to submit a photo of the posted Code of Labour Practices to show their work. Continental can also make sure own production staff to take photos and check if the documents are posted.

Comment: Continental has checked in most factories that the Code of Labour Practices is posted. Since Continental has only five suppliers, it does not have a formal process to ensure the posting of the Code.

Continental commissioned a FWF audit to check its new factory in Bangladesh. It was found that the factory did not post the Code although Continental has given the document and instructions.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	68%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Factory participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of factories in WEP programme.	3	4	-2
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Recommendation: Continental is recommended to provide awareness raising training to workers in the factory in Bangladesh and China.

Comment: Continental's supplier in Turkey has completed a training by FWF and workers had called the helpline in 2013. FWF local audit teams had audited three suppliers of Continental in 2013. Most workers in two factories in India were aware of FWF and the complaints mechanism. The factory in Bangladesh was a new supplier and the workers did not know about FWF.

3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	Yes	Providing access to remedy when problems arise is a key element of responsible supply chain management. Affiliate involvement is often essential to resolving issues.	Documentation that affiliate has completed all required steps in the complaints handling process.	3	6	-2
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Recommendation: Continental could discuss with other FWF members sourcing from the same factory to find out possible strategies to help the factory prevent same issues.

Comment: Continental cooperates with other FWF members to solve the complaint in Turkey. The complaint was about a worker did not get his compensation after being fired. The complaint was solved in a short time after one member talked to the supplier.

Continental is in the process of finding out the root causes of the complaint.

3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	Active cooperation	Because most factories supply several customers with products, involvement of other customers by the FWF affiliate can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	2	2	-2
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Comment: Continental cooperates with two members on the complaint.

COMPLAINTS HANDLING

Possible Points: 15

Earned Points: 11

4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff is made aware of FWF membership requirements	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	-1
4.2 Ongoing training in support of FWF requirements is provided to staff in direct contact with suppliers.	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	0
<p>Comment: The head of products is in frequent contact with the suppliers. He is at the same time responsible for compliance. The production manager is also already familiar with FWF and its membership requirements.</p>						
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Affiliate does not use agents	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	N/A	2	-2
4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	58%	Lack of knowledge and skills on best practices related to labour standards is a common issue in factories. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	6	6	0

Recommendation: Continental is encouraged to involve its suppliers in Bangladesh and China to participate in the Workplace Education Programme.

Comment: Majority of Continental's suppliers are participating in the Workplace Education Programme.

4.5 Factory participation in trainings (where WEP is not offered; by production volume)	All production is in WEP areas.	In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	N/A	4	0
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TRAINING AND CAPACITY BUILDING

Possible Points: 9

Earned Points: 9

5. INFORMATION MANAGEMENT

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

Comment: Continental has five suppliers and visits them annually. FWF audits could verify that Continental's supplier information in 2013 is accurate.

5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers	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
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INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 7

6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Communication about FWF membership adheres to the FWF communications policy	Yes	FWF membership should be communicated in a clear and accurate manner. FWF guidelines are designed to prevent misleading claims.	Logo is placed on website; other communications in line with policy. Affiliates may lose points if there is evidence that they did not comply with the communications policy.	1	1	-2
6.2 Affiliate engages in advanced reporting activities	No	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Affiliate publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	0	1	0

Recommendation: Continental is suggested to publish its brand performance check report, names of suppliers or factory audit reports on its website.

6.3 Social Report is submitted to FWF and is published on affiliate's website	Published on affiliate's website	The Social Report is an important tool for brands to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.	2	2	-2
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Comment: The social report is published in this link:

TRANSPARENCY

Possible Points: 4

Earned Points: 3

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
7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate	75%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Adherence to these requirements is an important part of FWF membership.	Affiliate should show documentation related to the specific requirements made in the previous Brand Performance Check.	8	8	-4

Recommendation: Continental is expected to build a formal system to evaluate its suppliers, in order to support suppliers to make improvements towards full compliance.

Comment: Requirements during the last performance check are:

- Continental should systematically evaluate its suppliers
- Continental should conduct root causes analysis on excessive overtime in its suppliers

During this reporting period, Continental has made efforts to support factories to reduce excessive overtime. It has also started to evaluate its suppliers informally.

EVALUATION

Possible Points: 10

Earned Points: 10

RECOMMENDATIONS TO FWF

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	29	40
Monitoring and Remediation	17	24
Complaints Handling	11	15
Training and Capacity Building	9	9
Information Management	7	7
Transparency	3	4
Evaluation	10	10
Totals:	86	109

BENCHMARKING SCORE (EARNED POINTS ÷ POSSIBLE POINTS)

79

PERFORMANCE BENCHMARKING CATEGORY

Leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

12-05-2014

Conducted by:

Juliette Li

Interviews with:

Mariusz Sochaj, Head of Products
Mark Zeegan, Sourcing and production

Audit Summary:

Publication of the audit summary section previously included in Brand Performance Checks has been suspended while Fair Wear Foundation develops a new information system to manage and summarize the data. Future Brand Performance Checks will include improved usability and transparency for audit data.