



## BRAND PERFORMANCE CHECK

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Swiss Post

this report covers the evaluation period 01-01-2017 to 31-12-2017

## ABOUT THE BRAND PERFORMANCE CHECK

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

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

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

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

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

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

# BRAND PERFORMANCE CHECK OVERVIEW

Swiss Post

Evaluation Period: 01-01-2017 to 31-12-2017

MEMBER COMPANY INFORMATION	
Headquarters:	Bern, Switzerland
Member since:	13-06-2012
Product types:	Workwear
Production in countries where FWF is active:	Bulgaria, China
Production in other countries:	Czech Republic, Germany, Hungary, Italy, Jordan, Poland, Portugal, Slovakia, Switzerland
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
SCORING OVERVIEW	
% of own production under monitoring	92%
Benchmarking score	75
Category	Leader; 75 points

## Summary:

Swiss Post has shown advanced results on performance indicators. With a monitoring percentage of 92%, Swiss Post goes beyond the required threshold for members after three years of membership. With a score of 75 points, Swiss Post has been awarded the 'leader' category.

The supply base of Swiss Post is mainly located in low-risk countries. Six suppliers are located in China, Bulgaria and Jordan, which are considered high-risk countries. Swiss Post has strong processes in place to conduct human rights due diligence and to implement the FWF Code of Labour Practices at its suppliers. The member company has continued to work together with the ILO to implement labour standards at its supplier in Jordan.

Several of its suppliers are at a high level of progress on Corrective Actions, where only a few issues remain. Swiss Post could still improve by focusing on issues like social dialogue, living wages and excessive overtime. It could provide more specific support to factories to improve on these issues. Although Swiss Post remains regularly updated of the situation at suppliers, it can take more active measures to support suppliers in resolving issues.

FWF would like to encourage Swiss Post to actively share its process of human rights due diligence at new suppliers with other FWF members as this is an outstanding practice.

## PERFORMANCE CATEGORY OVERVIEW

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

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

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

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

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

## 1. PURCHASING PRACTICES

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	65%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	3	4	0

**Comment:** Swiss Post sources mostly from low-risk countries. In 2017, the member had production at 19 suppliers. At most of them, it had significant leverage.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	7%	FWF provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to FWF.	3	4	0

**Comment:** In 2017, Swiss Post bought several specific items at suppliers in China and in low-risk countries such as Portugal, Italy and Hungary. Production of Swiss Post only amounted to a small part of production of the supplier.

**Recommendation:** FWF recommends Swiss Post to analyze leverage it has over suppliers and develop a strategy to increase leverage at existing suppliers. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way.

It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	72%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	3	4	0

**Comment:** Swiss Post has a stable supplier base. The brand maintains long term relationships with its suppliers and actively works on labour issues that need improvements.

**Recommendation:** FWF encourages Swiss Post to further maintaining stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.3 All new production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	No new production locations added in past financial year	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	N/A	2	0

**Comment:** In 2017, Swiss Post continued cooperation with the same suppliers and did not start relationships with a new supplier.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders.	Advanced	Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0

**Comment:** Although no new cooperation with suppliers was started in 2017, Swiss Post has strong systems in place to conduct thorough human rights due diligence when selecting new suppliers. All potential suppliers are either audited or visited and explicitly checked on compliance with regard to social standards at the beginning of cooperation before even sample orders are placed. For this, Swiss Post uses the FWF Health and Safety checklist, the FWF country reports and other stakeholders and assesses the wage level and working hours at the factory.

In 2017, Swiss Post revised the questionnaire for new suppliers. Suppliers have to fill out a wage DNA sheet, provide clarity on working hours and include the latest audit report. Suppliers that do not provide all information that is required are excluded from business relationships. Social compliance weighs heavily when selecting a new supplier.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes, and leads to production decisions	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	2	2	0

**Comment:** Swiss Post's top management evaluates supplier compliance with Code of Labour Practices twice a year, based on an analyzed list prepared by the CSR staff. Suppliers are ranked according to audit results, wages at the production site, risk analysis with regard to non-compliance on social standards, and costs to be incurred in case the risk is considered to be high and if production needs to be reallocated to another production site.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.6 The member company's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	4	4	0



**Comment:** Swiss Post plans its production cycles on a long-term basis. Swiss Post anticipates a purchasing period of eight months from Asia. For Europe the period is one and a half months depending on the availability of the material. In June, the brand communicates the planned order quantities for the coming year, so that the suppliers have sufficient time to plan the production and purchasing of material and to meet the delivery dates. In Asia, there is one delivery at the end of the year. In Europe, there are three to five deliveries per year. Swiss Post has a large stock, what gives the brand flexibility to accept late deliveries.

In most cases, Swiss Post also chooses the materials. Suppliers are requested to order the materials and Swiss Post ensures to cover the cost for the materials. At a later stage, the supplier is informed on how many pieces to produce in what size. Swiss Post seldom has style changes. Usually production for one article goes on for several seasons of production.

For one of its Chinese suppliers, Swiss Post is aware of the production capacity per line per month, whereas with other Chinese suppliers a general idea of the factory production capacity is known. This allows them to plan production accordingly together with the factory management.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.7 Degree to which member company mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	3	6	0

**Comment:** At three Chinese suppliers, excessive overtime has been a long-standing issue. A 2017 FWF-audit report showed that one supplier had reduced working hours to 60 hours per week. At another supplier, the number of consecutive working days was limited to 7 days. Still, workers worked more than 60 hours per week during peak season. At another supplier that was audited in 2017, overtime was still very much an issue.

Swiss Post followed up by asking for the average working hours in 2017. The brand then moved its production to the low season, even further preventing excessive overtime. Due to less production in 2018, Swiss Post does not plan anymore orders with those suppliers.

**Recommendation:** If Swiss Post will plan orders at the Chinese suppliers, FWF strongly recommends Swiss Post to further look into possibilities to reduce working hours. Together with other FWF members and/or brands, Swiss Post could hire a consultant to assess production planning or organize a meeting with the most important customers to discuss the issue of excessive overtime hours.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company's pricing policy allows for payment of at least the legal minimum wages in production countries.	Style-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.	4	4	0

**Comment:** Swiss Post knows the wage levels at its suppliers. It has conducted thorough wage calculations at its production sites by using DNA costing sheets that besides the working minute per piece and the price per minute also gives insight into direct labour costs, indirect labour costs and overhead. The brand compared this information to the legal minimum wage levels in the countries. However, in some cases the supplier would not disclose the amount of working minutes it needs or Swiss Post has to rely on the intermediary to receive information.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if suppliers fail to pay legal minimum wages.	No minimum wage problems reported	If a supplier fails to pay minimum wage, FWF member companies are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.	2	2	-2

Comment: Three FWF-audits were performed of Swiss Post suppliers. All suppliers paid above the legal minimum wage.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.11 Degree to which member company assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Production location level approach	Sustained progress towards living wages requires adjustments to member companies' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	4	8	0

Comment: Swiss Post annually conducts a detailed analysis of wages and uses wage indicators to assess living wages per country. They have conducted a thorough wage calculations at production sites by using DNA costing sheets that besides the working minute per piece and the price per minute also gives insight into the wages paid by the supplier. It has compared this to the living wage ladders and wage levels of wageindicator.org. Swiss Post discusses living wages with suppliers.

Swiss Post did not take any further action to increase wages at suppliers.

**Recommendation:** FWF recommends Swiss Post to take active steps to increase wages at suppliers. Swiss Post could use information from FWF country studies, the FWF wage ladder or other benchmarks to discuss with suppliers and worker representatives what a reasonable target wage could be. In case worker representation is not present, Swiss Post could work with the supplier to create a functioning worker committee.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	N/A	2	0

## PURCHASING PRACTICES

Possible Points: 42

**Earned Points: 32**

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	23%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	58%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Meets monitoring requirements for tail-end production locations.	Yes	
Total of own production under monitoring	92%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100% Measured as a percentage of turnover.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

Comment: Swiss Post has two people responsible for social compliance and the monitoring system. A third person is responsible for the purchasing of shoes from external brands.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case FWF teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for FWF to approve the auditing system.	Information on audit methodology.	N/A	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	Yes	2 part indicator: FWF audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1

**Comment:** At three suppliers a FWF-audit was conducted. Findings were shared with the factories and timelines were created. At one factory, there was worker representation but they were not informed by Swiss Post about the audit findings.

**Recommendation:** FWF strongly recommends Swiss Post to always check whether independent and freely elected worker representatives are chosen and include them in following up on audit results.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	6	8	-2

**Comment:** Swiss Post sources at 6 suppliers from Bulgaria, Jordan and China. Two suppliers have obtained a high level of progress, where only living wages and functioning worker representation remains.

At the three suppliers, Swiss Post continues to work towards improvements. Follow up often remained limited to asking for updates and information. At the Jordanian supplier, ILO Better Work assists the factory in bringing improvements.

**Recommendation:** FWF strongly recommends Swiss Post to work actively with its suppliers to improve working conditions, including taking measures such as hiring consultants or providing training. Especially at its Jordanian supplier, Swiss Post should have a more pro-active attitude as a buyer and assist the factory and ILO Better Work in offering support in improving working conditions.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	9%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	1	4	0

**Comment:** Swiss Post only visited two suppliers in 2017, in Slovakia and Hungary.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes, quality assessed and corrective actions implemented	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.	3	3	0

**Comment:** For its Jordanian supplier, Swiss Post collected the audit and progress reports from ILO Better Work, assessed its quality and followed up on the CAP.

Recommendation: FWF recommends Swiss Post to ask for other existing audit reports, especially at its Chinese suppliers.



PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	Aside from regular monitoring and remediation requirements under FWF membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. FWF requires member companies to be aware of those risks and implement policy requirements as prescribed by FWF.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	3	6	0
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Policies are not relevant to the company's supply chain			N/A	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

**Comment:** Swiss Post regularly analyzes human rights risks with help of FWF country studies, and reports of the Clean Clothes Campaign, the OECD, the World Bank and other organisations. The responsible CSR-person is well aware of risks in countries where Swiss Post sources from, such as excessive overtime in China or the position of trade unions in Bulgaria. It also relates such risks to the performance of suppliers.

Swiss Post has a department involved in risk assessments, but the two are not strongly integrated yet. Furthermore, the system is not formalized and documented in an easily accessible manner.

**Recommendation:** To safeguard knowledge about human rights risks, FWF recommends to document human rights risk analyses. Creating a document in which it keeps track of the most important risks in the countries it sources from will help Swiss Post to easily share such knowledge with other colleagues.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

**Comment:** Swiss Post actively cooperated with one other FWF member at one of their shared suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	50-100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	1	2	0

**Comment:** In 2017, Swiss Post visited two factories in low-risk factories. When Swiss Posts visits the factories, Swiss Post checks health and safety issues, documentation and speaks to workers. Staff of Swiss Post gives presentations to factory management and workers on the importance of the Code of Labour Practice. Furthermore, Swiss Post regularly received updates on wage levels in those factories and compared them to living wage estimates.

Several factories in low-risk countries have been visited prior to 2014 for the last time. Despite the above-mentioned efforts, full points can therefore not be awarded.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.10 Extra bonus indicator: in case FWF member company conducts full audits above the minimum required monitoring threshold.	90%+	FWF encourages all of its members to audit/monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to FWF and recent Audit Reports.	3	3	0

**Comment:** Swiss Post audits all its suppliers in high-risk countries whether part of the tail-end or not.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	Yes, and member has collected necessary information	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	2	2	0

**Comment:** Swiss Post buys from two external producers, with whom it has been working for a long time. The questionnaire was filled out.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	0%	FWF believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	0	3	0

Comment: The two external brands are not member of FWF or FLA.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	FWF believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

## MONITORING AND REMEDIATION

Possible Points: 37

Earned Points: 25

### 3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	0	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved	0	
Number of worker complaints resolved since last check	0	

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

Comment: The person responsible for sustainable purchasing is responsible to address worker complaints.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.2 System is in place to check that the Worker Information Sheet is posted in factories.	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	0

Comment: Swiss Post requires every supplier to confirm in writing that the CoLP is posted as well as send pictures of the posted CoLP as evidence. This is then checked by Swiss Post staff during factory visits. During these visits, the staff equally give a presentation to factory management and workers on the importance of posting the Code of Labour Practices.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Percentage of FWF-audited production locations where at least half of workers are aware of the FWF worker helpline.	60%	The FWF complaints procedure is a crucial element of verification. If production location based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Production location participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited production locations where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of production locations in WEP programme.	3	4	0

**Comment:** Swiss Posts trained most of its suppliers, either through FWF WEP-training or by training workers in low-risk countries by Swiss Post. In 2017, no FWF WEP-training was performed.

**Recommendation:** FWF recommends Swiss Post to regularly train its suppliers on the FWF worker helpline. In addition to sending the worker information sheet, Swiss Post can use the worker information cards available for download on FWF's website.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the FWF member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	0

## COMPLAINTS HANDLING

Possible Points: 7

Earned Points: 6

## 4. TRAINING AND CAPACITY BUILDING

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

**Comment:** Swiss Post uses various communication tools to inform staff about FWF membership. Information about FWF is shared internally through its intranet. It also made a video on FWF for internal and external use and regularly mentions FWF in its employee magazine. Distribution workers and directors who do not have access to the intranet or do not use it frequently are trained by CSR staff separately.

FWF membership and fair purchasing is furthermore mentioned in the welcome package for new employees, in master presentations on sustainability and it is a topic in the annual sustainability Board meeting.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

**Comment:** The two staff members who purchase garments keep track of FWF requirements. Furthermore, the purchasing department of Swiss Post is closely involved as they are setting up similar systems as those developed by the purchasers of clothing.



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

Comment: As part of their sourcing strategy, Swiss Post works with five intermediaries who are responsible for 11 factories, mostly in low-risk countries. Swiss Post closely involved these intermediaries in implementing the FWF Code of Labour Practices. Intermediaries are involved in discussions on labour standards, CAP follow-up and training.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Production location participation in Workplace Education Programme (where WEP is offered; by production volume)	47%	Lack of knowledge and skills on best practices related to labour standards is a common issue in production locations. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	4	6	0

Comment: Between 2015 and 2017, three of its suppliers in China and Bulgaria were trained. No new trainings were initiated in 2017.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Production location participation in trainings (where WEP is not offered; by production volume)	100%	In areas where the Workplace Education Programme is not yet offered, member companies may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	4	4	0

Comment: ILO Better Work regularly trains the Jordanian supplier.

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## TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 13

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## 5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Intermediate	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	3	6	-2

**Comment:** In general, Swiss Post is well aware of its production locations. The brand knows which subcontractors are used for production in Slovakia. Several factories send quality inspection reports that include pictures with Swiss Post garments being made in the factory.

Furthermore, due to the long lead times, Swiss Post expects that orders will not be quickly outsourced.

**Recommendation:** FWF recommends Swiss Post to take additional measures to check that production takes place at its suppliers. Working together with other brands to check whether production takes place at the supplier could be a measure that can be used by Swiss Post.

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

**Comment:** Staff of Swiss Post had access to all FWF related information, including audits, trainings and CAPs. The two purchasers actively shared information with CSR staff to further integrate CSR at the entire purchasing department.

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## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

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## 6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	FWF's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about FWF are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	FWF membership is communicated on member's website; other communications in line with FWF communications policy.	2	2	-3

Comment: Swiss Post communication about FWF on its website as well as use of on-garment communication is in line with the FWF communication policy.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Published Performance Checks, Audits, and other efforts lead to increased transparency	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	1	2	0

Comment: Swiss Post published the Brand Performance Check report online.

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

Comment: Swiss Post published a complete social report on its website.

## TRANSPARENCY

Possible Points: 6

Earned Points: 5

## 7. EVALUATION

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

Comment: Swiss Post evaluates FWF membership annually. The results and progress since previous Brand Performance Check are also annually discussed with top management.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	No requirements were included in previous Check	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	N/A	4	-2

## EVALUATION

Possible Points: 2

Earned Points: 2

## RECOMMENDATIONS TO FWF

Swiss Post recommends FWF to:

- Improve the quality of audit reports, especially concerning incorrect information.
- Improve soft skills of auditors, especially in Eastern Europe.



## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	32	42
Monitoring and Remediation	25	37
Complaints Handling	6	7
Training and Capacity Building	13	15
Information Management	4	7
Transparency	5	6
Evaluation	2	2
Totals:	87	116

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

75

### PERFORMANCE BENCHMARKING CATEGORY

Leader; 75 points

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

12-04-2018

Conducted by:

Wilco van Bokhorst

Interviews with:

Secil Helg - Compliance, responsible procurement

Marina Agostinis - Project buyer clothing

Kilian Bärswyl - Head of Compliance

Jan-Patrick Willmes - Head of services corporate procurement

Marion Jülke - Team Leader publications, promotion articles, garments and also purchaser of shoes

Rolf Mainz - Financial Controllor