



## BRAND PERFORMANCE CHECK

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Suit Supply B.V.

this report covers the evaluation period 01-01-2018 to 31-12-2018

## 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

Suit Supply B.V.

Evaluation Period: 01-01-2018 to 31-12-2018

MEMBER COMPANY INFORMATION	
Headquarters:	Amsterdam, Netherlands
Member since:	07-05-2007
Product types:	Fashion
Production in countries where FWF is active:	Bulgaria, China, Indonesia, North Macedonia, Myanmar, Romania, Turkey, Viet Nam
Production in other countries:	Italy, Malaysia, Mauritius, Netherlands, Peru, Poland, Portugal
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	98%
Benchmarking score	83
Category	Leader

## Summary:

This brand performance check report is for both Suitsupply B.V. and Suistudio. Suistudio is a brand owned by Suitsupply B.V. and shares the CSR department. Suitsupply's production locations include all of Suistudio's production locations.

Suitsupply B.V. (hereafter: Suitsupply) has shown advanced results on performance indicators and has made exceptional progress. In the past financial year (2018), Suitsupply has monitored 98% of its total FOB. It has gone beyond the FWF required monitoring threshold of 80% for being a member for more than 3 years. Suitsupply scored 83 in this brand performance check, which means that the company is again ranked in the leader category.

Suitsupply has increased the number of its production locations due to business expansion. It managed to maintain high leverage in most of its suppliers and continue to work with existing suppliers. Suitsupply could demonstrate the link between its prices and the wages paid to workers, which helps to ensure minimum wage. Suitsupply has conducted various projects in partnership with its suppliers to increase worker wages towards living wages. In most factories, Suitsupply used FWF local audit team to identify issues and continuously made efforts to remediate. All 3 complaints received from workers in 2018 had been resolved. In order to involve workers in the process of improving working conditions, Suitsupply has started to conduct a worker wellbeing survey. In addition, Suitsupply worked with a trade union in Myanmar to provide training on freedom of association to the workers.

FWF encourages Suitsupply to continue its path in improving working conditions with the engagement of workers and their representatives. Suitsupply could take an advanced step in demonstrating its progress and impact in increasing wages and facilitating social dialogue.

## 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.	91%	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.	4	4	0

Comment: Suitsupply has gradually increased its production volume due to the expansion of the company. Although the company has a higher number of production locations compared to the past few years, it has maintained its influence at individual production locations by taking up at least 10% of total production capacity at the suppliers. This is considered a good practice.

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.	16%	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.	2	4	0

Comment: Suitsupply still has a notable tail-end production, but it is gradually reduced and stabilised in the past few years. Due to the expansion of the company, new suppliers were identified. Production volume is usually low at new suppliers until all conditions are satisfied.

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.	54%	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:** Due to expansion, Suitsupply has started to work with new production locations. About half of the production volume is from factories that have a business relationship for at least five years. Suitsupply is working on stabilising the supplier base.

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

**Comment:** Suitsupply has 9 new production locations in 2018. The production locations had signed and returned the questionnaires with the Code of Labour Practices.

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:** To conduct due diligence on human rights at production locations, Suitsupply assesses the risks at three levels: country level, industry level and factory level. At country level and industry level, Suitsupply conducts desk research to analyse situations in various countries based on the 8 labour standards of the FWF Code of Labour Practices.

At the factory level, Suitsupply collects existing audit reports and follow up on the CAPs. When audit reports are not available, Suitsupply commissions FWF audit teams or third-party auditing facilities to assess working conditions. Suitsupply makes sure that all production locations have been audited and an audit report is available for follow-up.

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: Suitsupply has a system to evaluate production locations based on their compliance level, the progress and the commitment to make further improvement. The evaluation is communicated to production locations. If improvement is not made according to agreements, Suitsupply would lift the order, reduce the quantities of production or even discontinue production. In most cases, Suitsupply gives sufficient time for suppliers to work on the CAP.

Suitsupply influences production locations through regular visits and discussions on how it can support suppliers to improve working conditions. For example, Suitsupply gave smaller production to a factory in Myanmar when the audit revealed that the working condition was not satisfactory. Suitsupply carried out a research project to understand the local context and encouraged the management to make a change. When the factory made the improvements, Suitsupply increased the order.

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: Suitsupply forecasts production one year ahead. Final orders are confirmed half a year in advance.

In production locations where Suitsupply takes up 80% of the total production volume, minimum order quantity is guaranteed. This means that Suitsupply will have to fill the capacity of the factory by confirming orders and making fabric available on time. Suitsupply has its high fabric standards and orders fabric in advance. If there is a delay in fabric delivery, CMT suppliers will be informed in advance on when the fabric will be delivered exactly.



Delivery dates for never-out-of-stock products are flexible. This enables factories to plan production throughout the year.

Suitsupply communicates with factories frequently to update on production and capacity. The capacity of the factories is influenced by product complexity. If the products are complex, the capacity of the factory will reduce. Thus both the factory and Suitsupply need to react timely to prevent delays and overtime.

**Recommendation:** FWF recommends Suitsupply to take steps further to learn more about the standard minute per style and how the production of its products impacts the total production capacity of the factory. In order to prevent excessive overtime, the factory's real capacity should base on the legal regular working hour per week - 40 to 48 hours per week in most production countries.

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:** In order to find out the actual situation of excessive overtime work at factories, Suitsupply uses FWF audit team to identify working hours at many of its suppliers.

In China, FWF has audited 11 production locations of Suitsupply. In general, the factories are transparent on their book-keeping. At 6 out of the 11 factories, OT records were accurate and shown to the auditors. At the other 5 factories, OT records were not available because the factory used the piece-rate system for remuneration. Overtime work ranged from 30 to 40 hours per week. At 9 factories, workers did not have one day off per 7 days of work. In Myanmar, one factory was audited and excessive overtime was found. One factory was audited in Romania. Overtime work was within the legal limit.

Suitsupply has observed a gradual decrease in overtime due to the stabilisation of orders and guaranteeing minimum orders in the past several years. In addition, Suitsupply discussed with all factories individually on the root causes of excessive overtime and supports the factories to make improvements. For example, at one factory Suitsupply found that occasional excessive OT was due to new product development while the factories lack machinery and the workers lack skills. After several attempts to support the factory, it was still not possible to meet the requirements. Workers also had a lot of complaints about the stressful production process. Suitsupply switched production to another factory, which effectively reduced overtime.

Excessive overtime work is an industry-wide issue. In Suitsupply's own root-cause analysis, the factories informed that not many brands announce production planning early as Suitsupply does. Although Suitsupply has demonstrated efforts in addressing excessive overtime, many difficulties and challenges still remain.

**Recommendation:** FWF encourages Suitsupply to continue its discussion with factory management on the causes of excessive overtime and provide support to manage overtime. If necessary, Suitsupply could hire local experts to analyse root-cause of excessive overtime in cooperation with the supplier. FWF could recommend qualified persons upon request.

FWF recommends cooperating with other customers at the factory to increase leverage, when trying to mitigate excessive overtime hours.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations.	Advanced	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages – and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts.	4	4	0

**Comment:** Suitsupply uses a method similar to the labour minute costing system to identify its share in workers' wages. The brand purchases fabrics and accessories itself, thus the price paying to factories is the CM or CMT cost depending on the supplier. The pricing system calculates labour cost not only per product but also per elements of a product. If the design is changed, the price is also adjusted immediately. This allows for more accurate production labour minute estimation and efficient price determination. The pricing system of Suitsupply can identify if its own price covers at least minimum wage to workers.

**Recommendation:** Suitsupply is encouraged to take a step forward to provide suppliers, which have not yet used open costing, training on product costing and how to quote prices including labour costs.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	Yes	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, FWF member companies are expected to hold management of the supplier accountable for respecting local labour law. Payment below minimum wage must be remediated urgently.	Complaint reports, CAPs, additional emails, FWF Audit Reports or additional monitoring visits by a FWF auditor, or other documents that show minimum wage issue is reported/resolved.	0	0	-2

**Comment:** Suitsupply is actively monitoring its supply chain on the payment of legal minimum wages. Many factories have been audited by FWF local teams. In 2018, FWF has audited 13 factories supplying Suitsupply. All had paid minimum wages, except for one factory in Myanmar. 5 out of 11 factories audited in China had paid minimum wages, but the piece-rate system could not guarantee minimum wages.

In Myanmar, the factory paid 75% of the minimum wage to workers in the probation period, which is in line with the local labour law in Myanmar and is common practice in the country. Suitsupply had taken immediate action to remediate the issue. It had conducted a project in Myanmar to understand local context including desk research, consulting key stakeholders such as unions and visiting factories. The project yielded good results. Suitsupply was able to convince the factory management not only to pay full minimum wages to workers, but also to take other remediation actions, such as allowing a local union representative to provide training to workers.

In China, Suitsupply is working with FWF local team to set up systems at their production locations to guarantee minimum wages when the piece-rate payment system is used.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.11 Degree to which member company assesses and responds to root causes for wages that are lower than living wages in production locations.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach	Evidence of how payment below living wage was addressed, such as: Internal policy and strategy documents, reports, correspondence with factories, etc	4	6	0

**Comment:** Suitsupply has demonstrated efforts towards the payment of living wages. It has contributed to a wage increase of 10% at a supplier in China, which has achieved the target wage set by Suitsupply as part of the FWF living wage incubator project. FWF audit has also found that another factory in China was paying most workers above target wage. Suitsupply is applying the following strategies to support all suppliers to gradually increase wages:

- Working with other organisation and brands to exchange knowledge

Suitsupply is participating in the FWF Wage Incubator project and working with FMO investment bank to exchange and learn more from other initiatives. Suitsupply also took extra time to discuss with other brands to learn from their experience.

- Exploring new approaches

Suitsupply carried out individual factory projects on energy-efficiency, production planning and business development, which enables suppliers to allocate extra funds to increase worker wages. For example, Suitsupply helped a supplier to save cost by reducing energy consumption. In another factory, Suitsupply suggested ways to improve productivity in the sampling line and support new production lines. Suitsupply also assisted another supplier to develop new products to acquire higher value business.

Although FWF has not yet verified the impact of these interventions on workers' wages, Suitsupply is expecting incremental wage increase and monitoring the situation.

- Involving workers

Suitsupply has conducted a wellbeing study based on survey data of workers to understand their perspectives and their needs. The study showed that many workers spent about 20% of their income on childcare, and workers found supporting their children as one of their highest priorities. Suitsupply worked with a local organisation in China to finance and provide good quality childcare and summer camp to the workers.

**Recommendation:** FWF encourages Suitsupply to continue its work in involving worker representatives and local organisations in assessing the root causes of wages lower than living wages. It is advised that the outcomes of the root cause analysis are discussed internally and with top management, to form a basis for an embedded strategy.

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.13 Member company determines and finances wage increases	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	2	4	0

**Comment:** About 70% of Suitsupply's production volume (FOB) comes from its production locations in China. Most production locations were already paying above minimum wages. Suitsupply started its work on living wages in China. In order to agree on a target wage, Suitsupply discussed the issue with all suppliers individually. It has decided to use the Anker benchmark for Shenzhen as its first target. The Anker benchmark is chosen because the methodology is transparent and understood by most suppliers. In addition, the cost of living in Shenzhen is among the highest in China, thus the Shenzhen Anker benchmark should be sufficient for other cities, where other Suitsupply suppliers are located.

Suitsupply has assessed the wage gaps between current wages (as verified by FWF audits) and target wages. The information has shared with suppliers to set goals for remediation.

An increase of 5 to 10 RMB per product has been made to the suppliers in 2018. The increase was negotiated with suppliers based on the cost of labour (worker wages), expected inflation, and cost of living.

**Recommendation:** FWF encourage Suitsupply to gradually cover more suppliers and increase wages using the methodologies it had applied in China.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.14 Percentage of production volume where the member company pays its share of the target wage	19%	FWF member companies are challenged to adopt approaches that absorb the extra costs of increasing wages.	Member company's own documentation, evidence of target wage implementation, such as wage reports, factory documentation, communication with factories, etc.	1	3	0

**Comment:** Suitsupply could demonstrate its support in making wage increases towards the target wage (Anker benchmark Shenzhen) at two suppliers. According to FWF audit reports, the majority of workers at these two factories have received wages that are higher than the target wage.

At one factory Suitsupply had made an indirect investment on improving efficiency via reducing electricity consumption. The savings were paid to the workers, which resulted in a 9-10 percentage point increase in wages. At another factory in China, Suitsupply has paid a higher price to the factory when an agreement was reached between the union and the factory. This resulted in a wage increase of 10 to 15 percentage points. Suitsupply also pre-finance the building of the dormitory of the factory.

**Recommendation:** Suitsupply is encouraged to continue its work in increasing wages towards the target wage. It should show the results and impact of paying its share in achieving the target wages at more suppliers.

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## PURCHASING PRACTICES

Possible Points: 47

Earned Points: 35



## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	91%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	7%	To be counted towards the monitoring threshold. FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Meets monitoring requirements for tail-end production locations.	Yes	
Requirement(s) for next performance check	NA	
Total of own production under monitoring	98%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

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

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

Comment: In countries where FWF is active, Suitsupply mainly commissions FWF audits. When FWF is not available, Suitsupply works with other auditing initiatives. FWF had randomly checked several audit reports conducted by other auditing organisations for Suitsupply, it was found that the reports had met FWF's requirements.

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: Suitsupply has a system to share audit reports to factory management timely, as well as worker representatives when applicable. In 2018, one of the factories audited in Romania has a union. Suitsupply contacted the union and shared the audit report.

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:** Suitsupply has worked intensively on following up of CAPs. There is a system to regularly visit individual factories after audits, discuss with management to remediate and track progress. Suitsupply also analyses findings and adjusts company policies to make remediation work more effective and to prevent issues from re-occurring. The efforts had yielded successful results and addressed complex challenges in many instances. Most issues found in audits have been remediated and verified by FWF, while excessive overtime remains to be a challenge and more needs to be done.

The following examples demonstrate the remediation work of Suitsupply.

- In a factory in China, the audit found several juvenile workers working without official registration, which is a common finding in China. Suitsupply had taken immediate action to convince the factory to register the workers with the local authority, conduct health checkup, provide health & safety training and purchase full accident insurance. Suitsupply updated the child and juvenile labour policy after the issue was remediated.

- In another factory in China, statutory holidays were not paid. This was also a widespread violation in the workplace. Since most factories in China remunerate their workers based on a piece-rate system, workers do not get paid if they do not work. This means that most workers do not get paid leaves although it is required by law. With the support of FWF, Suitsupply was able to calculate the amount due to workers and convinced the factory to pay according to legal requirements.

- A significant challenge was faced at a factory in Myanmar, where the factory did not pay minimum wage to probation workers. The issue was remediated as mentioned earlier in this report. In addition, Suitsupply worked with a local trade union to provide a training session to workers on freedom of association and how to strike legally. As a follow-up of the training, the factory management allowed workers to set up a committee. The worker committee is currently exploring the space of negotiation.

**Recommendation:** FWF encouraged Suitsupply to continue its work in involving workers and local stakeholders especially unions in the process of remediation. With regard to excessive overtime, Suitsupply is recommended to identify root causes together with suppliers. Actions could be taken both at brand level and factory level.

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.	99%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0

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: FWF randomly checked several audit reports collected by Suitsupply. It has verified that Suitsupply had evaluated the sample reports correctly and had followed up on those audits.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	Advanced result on all relevant policies	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.	6	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Advanced			6	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	Advanced			6	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Advanced			6	6	-2

**Comment: Myanmar:**

Suitsupply had conducted a project to assess the risk in factories in Myanmar. It has decided not to expend production, while to continue to work with the existing supplier. Suitsupply had contributed to strengthening social dialogue by providing space for local unions to approach and train workers at their supplier. More information is provided in indicator 1.9 and 2.4.

**Turkey:**

Suitsupply has a policy on Syrian refugees in Turkey. During its own risk assessment, Suitsupply realised that the risk of exploitation of undocumented refugees is high all over Europe, thus it planned to update its policy. Suitsupply had visited and audited the supplier in Turkey, even though the production volume is much lower than 1%. Due to the high risk of violations of labour rights, Suitsupply decided to stop expanding in Turkey and continue to work with the only supplier there.

**Other risks:**

Suitsupply has a procedure to determine country-specific risks. A risk assessment sheet is developed per country where it has production. In countries where the risk is high, Suitsupply would stop expansion. In other countries, Suitsupply monitors its suppliers closely. For example, Suitsupply has about 10 suppliers in Italy. It formed a working group with other brands involving local consultancy to conduct audits. The CSR manager visited all factories in Italy personally to prevent the risk of unauthorised subcontracting.

Suitsupply has also conducted a study on gender in the supply chain. It analysed data based on gender indicators available in reports of the World Bank and the ILO. The gender analysis provided the context for Suitsupply to work towards gender equality.

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: Suitsupply worked with other member companies in auditing factories, following up and forming discussion groups to make improvement together.

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% AND member undertakes additional activities to monitor suppliers	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. FWF has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	3	3	0

Comment: All suppliers located in low-risk countries have been visited. The worker information sheets have been posted. In addition, Suitsupply audited all suppliers located in Italy.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.10 Extra bonus indicator: in case FWF member company conducts full audits at tail-end production locations (when the minimum required monitoring threshold is met).	Yes	FWF encourages its members to monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to FWF and recent Audit Reports.	2	2	0

Comment: Suitsupply had audited 98% of its total production volume.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	No external brands resold	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	N/A	2	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	No external brands resold	FWF believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0

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

## MONITORING AND REMEDIATION

Possible Points: 32

Earned Points: 30



### 3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	3	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		
Number of worker complaints resolved since last check	3	

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.2 Member company has informed factory management and workers about the FWF CoLP and complaints hotline.	Yes	Informing both management and workers about the FWF Code of Labour Practices and complaints hotline is a first step in alerting workers to their rights. The Worker Information Sheet is a tool to do this and should be visibly posted at all production locations.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	-2

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline.	65%	After informing workers and management of the FWF CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, FWF's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	4	6	0

**Comment:** Suitsupply had enrolled suppliers to receive the Workplace Education Programme at 65% of its suppliers in countries where the low-risk policy does not apply. In addition to the WEP, Suitsupply conducted its own training to raise workers' awareness of the CoLP and complaints helpline at 8 factories additionally by showing the FWF introduction video and distribution of the worker information card.

**Recommendation:** Suitsupply is encouraged to cover more factories to raise awareness of the FWF CoLP and complaints helpline.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure	Yes + Preventive steps taken	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	6	6	-2

**Comment:** FWF helpline system had received three complaints in 2018 regarding factories working for Suitsupply. At one factory, the case could not be followed up since Suitsupply had stopped working with the factory before the complaint was received.

At another factory, workers reported that fines were deducted from workers' wages for being late at work, which was not in line with legal requirements. Suitsupply reached out to the factory and paid back the fine to the complainant. FWF could not verify the result because the complainant stopped contact with the complaints handler. Suitsupply had helped the factory to set up an appropriate HR process to manage workers without giving a fine.

The third complaint was raised by one worker, who was worried that the factory would pay their Chinese New Year bonus late. The factory was audited by FWF previously. Suitsupply was aware that the payment of wages was often late and was working on remediation. The issue persisted for several months and was finally remediated, although the worker again stopped being in contact with the complaints handler.

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

## COMPLAINTS HANDLING

Possible Points: 15

Earned Points: 13

## 4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff at member company are made aware of FWF membership.	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	0

Comment: All employees in Suitsupply has received basic training about FWF's requirement and are aware of FWF membership.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	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: Staff in the production department actively working on follow up on CAPs and take part in evaluation of suppliers.

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: One agent in Italy had received training on international labour standards and is working on follow up of CAPs.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Factory participation in training programmes that support transformative processes related to human rights.	6%	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. FWF has developed several modules, however, other (member-led) programmes may also count.	Training reports, FWF's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	1	6	0

**Comment:** Suitsupply had worked with a local union in Myanmar and provided training to workers at one factory on freedom of association, collective bargaining and how to strike legally.

**Recommendation:** FWF encouraged Suitsupply to use its learnings to cover more suppliers and facilitate social dialogue in the supply chain.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Degree to which member company follows up after a training programme.	Active follow-up	After factory-level training programmes, complementary activities such as remediation and changes on brand level will achieve a lasting impact.	Documentation of discussions with factory management and worker representatives, minutes of regular worker-management dialogue meetings or anti-harassment committees.	2	2	0

**Comment:** Suitsupply actively followed up after the WEP training. Besides sending reports to the supplies, Suitsupply asked feedback from factory management and inform FWF. In case there is a specific comment in the WEP report, Suitsupply follows up with the factory. For example, workers at a factory in China informed the trainers that the food was not for their taste. Suitsupply talked with the factory and persuaded them to provide more choices of dishes. In Myanmar, Suitsupply is also in contact with the trade unionist to discuss further actions after the training.

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## TRAINING AND CAPACITY BUILDING

Possible Points: 13

**Earned Points: 8**

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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	Advanced	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	6	6	-2

Comment: Suitsupply had audited 98% of its FOB. Most audits were conducted by FWF audit team. The audits have not identified any unauthorised subcontractor so far. The production staff of Suitsupply also visit factories at least annually. Estimating risk and finding out subcontracting is part of the visit. All known production locations have been registered in the database in this financial year.

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: CSR and the production department have frequent contact and discussions about working conditions at suppliers.

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## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 7

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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

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

**Comment:** The list of suppliers is published in the social report of SuitSupply and Suistudio. The following information is provided for each supplier: location, product type, gender composition of the workforce, current work in social compliance and the progress on worker representation and unionisation.

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

## TRANSPARENCY

Possible Points: 6

Earned Points: 6

## 7. EVALUATION

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

Comment: The top management of the company, including the CEO, evaluate FWF membership bi-annually, in consultation with the CSR manager. The discussion focuses on reviewing the progress so far and the development of new projects.

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

Suitsupply noticed that audit report delivery time has been improved, yet it still took more than one month. Suitsupply would like FWF to delivery audit reports in a timely manner.

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	35	47
Monitoring and Remediation	30	32
Complaints Handling	13	15
Training and Capacity Building	8	13
Information Management	7	7
Transparency	6	6
Evaluation	2	2
Totals:	101	122

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

83

PERFORMANCE BENCHMARKING CATEGORY

Leader

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

24-06-2019

Conducted by:

Juliette Li; Jesse Bloemendaal; Karen Diaz

Interviews with:

Joy Roeterdink, Corporate Social Responsibility Manager

Benthe Sondag, Corporate Social Responsibility Coordinator

Jonne Kuipers, Buyer Suits

Kirsty Benson, QC Manager Shirts/ Knits

Michel van Lingen, Finance Director