



# **Brand Performance Check**

## **The Woody Group**

This report covers the evaluation period 01-01-2021 to 31-12-2021

## About the Brand Performance Check

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

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

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

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

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

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

*This year's report covers the response of our members and the impact on their supply chain due to the COVID-19 pandemic which started in 2020. The COVID-19 pandemic limited the brands' ability to visit and audit factories. To ensure the monitoring of working conditions throughout the pandemic, Fair Wear and its member brands made use of additional monitoring tools, such as complaints reports, surveys, and the consultation of local stakeholders. These sources may not provide as detailed insights as audit reports. To assess outcomes at production location level, we have included all available types of evidence to provide an accurate overview of the brands' management systems and their efforts to improve working conditions. Nevertheless, brands should resume verifying working conditions through audits when the situation allows for.*

# Brand Performance Check Overview

## The Woody Group

Evaluation Period: 01-01-2021 to 31-12-2021

Member company information	
Headquarters:	Gent , Belgium
Member since:	2019-06-01
Product types:	Garments, clothing, fashion apparel
Production in countries where Fair Wear is active:	China, India, Turkey
Production in other countries:	
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	91%
Benchmarking score	87
Category	Leader

## Summary:

The Woody Group (TWG) has shown advanced results on performance indicators and has made exceptional progress. The benchmarking score of 87 means that Fair Wear has awarded TWG the 'Leader' status. Although the monitoring threshold does not determine the category this year, TWG has fulfilled the monitoring requirements at suppliers responsible for 91% of its production volume.

## Corona Addendum:

The Woody Group (TWG) experienced steady growth in business during the second COVID-19 year. At most of its suppliers, the company increased its production volume compared to last year. The main challenges for TWG in COVID-19 were material shortages, price increases, capacity issues at factories and transportation delays.

TWG remained in regular contact with all its suppliers during COVID-19. It enquired about the situation at the factories and whether they needed support. In Turkey and China, the suppliers did not experience major lockdown periods, but there were material shortages. TWG's Indian supplier experienced major capacity issues because of a lockdown period. Together the factory and TWG decided to add a subcontractor to avoid further delays. The Indian factory has also arranged COVID-19 vaccination for all workers in the factory. The brand also checked whether wages continued to be paid.

To support its factories by ensuring the correct Health and Safety (H&S) measures were implemented, TWG supplied its factories with H&S checklists regularly. Moreover, the brand was flexible with delivery times and used conventional cotton to deal with the shortages of organic cotton.

In 2021, TWG continued its living wage project with its main factory in Turkey. In 2021, it selected a target wage. The brand conducted a worker survey, and the first increase in wages took place in December 2021. In addition, the brand opened a creche on the premises of the factory to support its women workers with young children.

To conclude, Fair Wear would like to commend TWG for its progress in 2021 despite the challenges of COVID-19.

## Performance Category Overview

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

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

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

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

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

# 1. Purchasing Practices

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	97%	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:** The Woody Group (TWG) sources from production sites in Turkey, India, and China. The company sources mainly from its own factory in Turkey (85 % of its production), TWG fills up 100 % of the production capacity of this facility. The CEO of this facility is also the CEO of TWG. In addition, TWG sources from three other suppliers where it uses more than 10% of the production capacity.

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.	3%	Fair Wear 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 Fair Wear.	3	4	0

**Comment:** Three per cent of TWG's production is produced at factories where the company buys less than two per cent of the total production volume. In total, it concerns six of its ten suppliers. These suppliers produce specific articles for TWG that are part of the brand identity, such as toys.

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.	91%	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.	4	4	0



**Comment:** TWG values long-term business relationships with its suppliers, it has a business relationship of over five years with most of its production partners representing 91 % of the total production volume. The member's main partner is the production facility in Turkey. Since 2017, TWG is owned by the factory's CEO. TWG considers it in its own best interest to have a long-term relationship with its suppliers and has a policy on long-term business relationships within its sourcing strategy.

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:** In 2021, TWG initiated a new partnership with a Chinese supplier through a Belgium agent. TWG started the collaboration because of an issue related to fraud at one of its other Chinese suppliers. While TWG later discontinued the partnership because of quality issues, the related production location did sign and return the Code of Labour Practises.

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:** In 2021, TWG added one new supplier to its supplier base. Following the companies' new supplier procedure, the CSR manager has requested an external audit before starting the business relationship and ensured the CoLP was signed, and the WIS posted.

Furthermore, TWG has started to create a Responsible Business Conduct (RBC) policy in 2021. The RBC policy contains information on TWG's commitment to responsible purchasing practices, a risk assessment, mitigation and prevention activities, and the company's principles on trust and cooperation. The RBC policy is planned to be signed by management in 2022.

TWG remained in regular contact with all its suppliers during COVID-19 through calls and by email. The brand asked about the situation at the factories and whether they needed support. The CSR manager regularly checked upon the situation in the production countries and got in touch with the suppliers whenever there was a lock-down period. The suppliers did not experience regional or national lockdown periods in Turkey and China, but there were material shortages. TWG dealt with the scarcity by choosing different materials and accepting delivery delays. TWG's Indian supplier experienced major capacity issues because of a lockdown period. Together, the factory and TWG decided to add a subcontractor to avoid further delays. The subcontractor was already known to TWG, it had been visited in 2019. the CoLP was signed and the WIS posted at the subcontractor but the brand did not conduct or commission an audit. The Indian factory has also arranged COVID-19 vaccination for all workers in the factory.

TWG did not conduct audits in 2021 or use alternative ways to monitor the situation at suppliers.

**Recommendation:** Fair Wear recommends resuming auditing as soon as the situation allows. In case audits are not possible, members could use alternative monitoring options such as virtual factory tours.

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.	No	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.	0	2	0

**Comment:** TWG has a basic supplier evaluation overview that includes information about the relationship with the factory. In the evaluation overview, the last audit is mentioned but it does not include an evaluation of the suppliers' performance in relation to the CoLP. In 2021, the supplier evaluation has not led to production decisions. Suppliers are not informed about the evaluation. Generally, it is difficult for TWG to reward well-performing suppliers as the strategy of TWG is to produce as much as possible at its own factory in Turkey.

In 2021, TWG had temporarily stopped its business relationship with one of its Chinese suppliers because of an issue related to fraud. TWG tried to find an alternative supplier through a Belgium agent but that did not work out (see 1.3). Therefore, it later restarted the communication with the other Chinese supplier again, and as trust could be restored TWG started production there again.

TWG did not experience a sales drop in 2021 because of COVID-19, the company has not canceled or reduced any of its orders with suppliers.

**Requirement:** A systematic approach is required to integrate social compliance into normal business processes and supports good decision-making. The approach needs to ensure that The Woody Group consistently evaluates the entire supplier base and includes information in decision-making procedures.

**Recommendation:** Fair Wear encourages The Woody Group to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions. Such a system can show whether and what information is missing per supplier and can include outcomes of audits, training, and/or complaints.

As it is not always possible to reward suppliers with more volumes, The Woody Group could look into other incentives that reward suppliers' commitment to the CoLP. An example would be to offer training for skill building/capacity development.

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:** TWG works with two collections per year, autumn/winter and spring/summer. One month before the end of the sales period, all production locations receive a forecast order allowing them to plan ahead for these orders. The repetition of similar styles throughout the year adds to efficient working processes. Additionally, Never Out of Stock (NOS) styles such as underwear are spread over the low season. Samples are always made in all colours because coloured fabrics can react differently when sewing. This makes it less likely for problems to come up during the actual production. TWG's customers are primarily B2B, and they place orders based on these samples. Thanks to this setup, the product design changes rarely, and technical changes are usually not needed during bulk production. Furthermore, TWG works with a forecasting system that looks at data from previous sales. Based on these statistics, it can accurately foresee and communicate significant changes in seasonal production orders with its suppliers upfront.

TWG and its main production facility in Turkey, where it produces 85% of its FOB, have a joint system in which they do the planning based on the sales forecasts. In this system, TWG has direct insight into the factory's production capacity. All these elements contribute to TWG's system supporting regular hours of work. TWG has less insight into the production capacity at the other facilities, but its orders there are relatively small. TWG considers that production capacity for its orders is less of an issue at the other production locations.

In 2021, TWG has worked on making its collection more functional and focused on its core collection to have fewer different materials and make production easier for its partners. TWG also started to send out its final forecast earlier so that its supplier could already purchase raw materials.

TWG had a production delay with one of its Chinese suppliers when the region was affected by a major flood. TWG responded by choosing airfreight shipment. There were also fabric delays and shortages of organic cotton. TWG responded to the delays by being flexible with its delivery terms and using non-organic fabrics.

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 its main production facility in Turkey where TWG produces 85 % of its production volume, there is no excessive overtime.

In China, excessive overtime is a common finding and this was also found at suppliers producing for TWG. In 2021, TWG has tried to improve working hours at these factories by placing its orders earlier on in the season and by making its collection more focused and functional. The brand has not verified whether its activities have led to less overtime in the factories.

**Recommendation:** Fair Wear recommends TWG to discuss root causes for overtime together with suppliers and to evaluate with suppliers whether the implemented changes have led to more lead time / less overtime needed.

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.	Intermediate	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages – and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts.	2	4	0

**Comment:** With direct information from the factory, the CSR manager has used the Fair Price app to calculate how its buying prices link to prices in its main factory where it buys 85 % of its production volume. TWG is planning to extend the use of the Fair Price app in 2022. Furthermore, a new PMEL system is intended to be set up for TWG and the main factory to create more transparency in the cost breakdown of prices. TWG has not started to use this information to calculate the link between buying prices and wages at its other factories.

It is the company's policy not to negotiate on prices with its suppliers, it usually accepts the price given by the supplier and trusts that the supplier will request a price that can cover the wages. TWG's factory in India did raise prices by 10 % to compensate for the rise in material prices and TWG accepted that.

**Recommendation:** Fair Wear would like to recommend that TWG continues its work with the FairPrice app for different product groups. TWG is encouraged to provide buyers (or other employees involved in price negotiations with suppliers) training on cost breakdown.

Moreover, TWG is encouraged to calculate the link between its buying prices and wages at other production locations.

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, Fair Wear 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, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show minimum wage issue is reported/resolved.	0	0	-2

**Comment:** There were no cases found where suppliers did not pay legal minimum wages.

TWG actively followed up by mail with its suppliers to know whether they experienced difficulties with paying wages during lockdown periods. In Turkey and China, there were no significant national/regional lockdown periods in 2021. In India, the factory confirmed it continued to pay for workers' wages. TWG did not request supporting evidence.

**Recommendation:** Fair Wear strongly recommends TWG to always verify (possible) legal minimum wage issues with evidential proof.

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

**Comment:** During COVID-19, TWG changed its payment terms to accommodate its suppliers. Previously it would pay 30 % in advance and 70 % upon delivery. That has changed to 30 % in advance and 70 % upon departure.

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.	Advanced	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	6	6	0

**Comment:** In 2021, TWG and its main factory actively worked together on the topic of living wages. Increasing wages has become part of the factory's strategy to keep workers loyal to the factory. The company is planning to finance the wage increases by increasing the prices of its products.

Workers were involved through a worker survey that was handed out to all workers by the CSR manager. Later, the survey results were analysed by an external consultant that TWG is working with. The survey contained general questions on the overall opinion of workers about working in the factory and it also contained questions about wages and living wages. Before the survey, workers received information about living wages through a Fair Wear Workplace Education Program - Basic. One of the outcomes of the survey was that most workers are satisfied with the working conditions at the factory and that most feel safe at the workplace. 55 % of the workers felt they receive a living wage.

With its other production locations, TWG has not started on the topic of living wages yet.

In 2021, Turkey experienced a high inflation rate. To compensate for the loss of income of its workers, the management of the main factory and TWG decided to increase workers' wages. The first increment took place in December 2021 and more wage increases followed in 2022. The raising of wages was done together with creating a strategy to implement wages and setting a target wage (see 1.13).

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).	85%	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.	2	2	0

**Comment:** TWG and its main factory are both owned by the CEO of the factory, Mehmet Batur. TWG sources as much as possible from this location (85% in 2021).

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	Advanced	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.	6	6	0

**Comment:** In 2021, TWG has further implemented its strategy to increase wages at its main supplier. There is a strong commitment of the owner to increase wages to keep workers satisfied and to keep attracting new employees.

To define the target wages for the region where the factory is located, TWG has consulted Fair Wear, Clean Clothes Campaign Turkey and a local Turkish consultant. In discussion with management, it was decided to use the benchmark of trade union TURK-IS - cost of living for a single worker - as the target wage.

To finance the labor cost increase, TWG is planning to increase the price of its end-consumer goods.

TWG has no strategy yet to implement living wages at its other factories in India and China.

**Recommendation:** Fair Wear would like to commend TWG for its efforts to increase wages at its main production facility. Fair Wear recommends that TWG periodically re-evaluates the target wage based on the most recent estimates.

In addition, Fair Wear recommends that TWG explores how it can contribute to higher wages at its other production locations.

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.	85%	Fair Wear 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.	6	6	0

**Comment:** As described in indicators 1.11 and 1.13, TWG has implemented a target wage in 2021 and has also started increasing wages to reach the target wage at its factory in Turkey. TWG made good progress by setting a target wage and starting to increment wages.

In January 2021, the lowest page wage was 9 % above the target wage. In December 2021, the lowest page wage was 83 % of the target wage. The lowest page wage in December decreased in relation to the target wage because of the high inflation rates and the fact that TWG adapted its target wage according to the inflation. Since the target wage was reached in January 2021 and TWG continues to reevaluate the target wage, and increases wages, the FOB of this factory is counted towards this indicator.



**Recommendation:** Fair Wear would like to commend TWG on the progress made and encourages TWG to continue its path to increase wages to reach the target wage.

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## **Purchasing Practices**

**Possible Points: 52**

**Earned Points: 46**

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## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	91%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	0%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Member meets monitoring requirements for tail-end production locations.	Yes	
Total monitoring threshold:	91%	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 Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

**Comment:** The CSR manager is responsible for CAP follow-up at all suppliers. In 2021, the CSR manager started to involve the collection manager more actively in follow-up. For CAP follow-up at its main supplier in Turkey, the CSR manager works with the Marketing and Communication Manager in Turkey. For the CAP Follow up at other suppliers, the CSR manager is supported by an external CSR consultant.

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 Fair Wear teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for Fair Wear to approve the auditing system.	Information on audit methodology.	N/A	0	-1

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	No Corrective Action Plans were active during the previous year	2 part indicator: Fair Wear audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	N/A	2	-1

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	Fair Wear 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:** In 2021, TWG did not conduct any Fair Wear audits but continued working on findings of the audits from previous years.

The improvement of findings at its main factory is done in close cooperation between the brand and factory. There is regular contact between the CSR manager and the marketing and communication manager in Turkey and at times the production manager is also involved. One of the open findings from previous years concerned the air quality in the factory. To further investigate the quality of the air a specialised audit was conducted and it was concluded that the air quality was sufficient. The factory will continue to do the air quality audit on an interval basis.

Moreover, several machines had to be replaced in 2021. Factory management decided to choose the new machines in close cooperation with the workers. They let the workers try several machines and used their input for selecting which machines to purchase.

TWG also worked on improvements with the factory based on the results of the worker survey (see indicator 1.11). For example, a new cook was hired because many of the workers were not satisfied with the food served in the canteen.

TWG finds it more difficult to work on improvement with its factories in China because it generally has low leverage over these factories and there is less direct contact. The company focused on regularly following up on H&S measures. For India, the other Fair Wear member sourcing at the same factory is in the lead for CAP follow-up.

**Recommendation:** Fair Wear recommends TWG to be more actively involved in working on improvements with its Chinese factories where it has a leverage of 10 % or higher, for example, by conducting full audits.

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.	85%	Due to the Covid-19 pandemic, brands could often not visit their suppliers from March - December 2020. For consistency purposes, we therefore decided to score all our member brands N/A on visiting suppliers over the year 2020.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0

**Comment:** In 2021, TWGs main supplier has been visited several times counting for 85 % of the company's FOB.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	Yes and quality assessed	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.	2	3	0

**Comment:** TWG asks for existing audit reports from other sources at its suppliers and assesses the quality of the audits.

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 Fair Wear membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. Fair Wear requires member companies to be aware of those risks and implement policy requirements as prescribed by Fair Wear.	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.	5	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	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	Advanced			6	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

**Comment:** Turkey

TWG's factory is in Turkey, and TWG is well aware of the risks related to textile production in this country. TWG and the factory have a policy on refugees, and the factory management knows how to support such workers in obtaining a working permit. Furthermore, the factory has a system to do a thorough document check for new employees. TWG's supplier checklist includes questions regarding migrant workers as well. The factory did not make use of subcontractors in 2021. Factory management has set up a creche for ten children to support female workers with young children on the factory premises. The creche is well-received by workers, and there are plans to expand in the next year.

Other risks:

**India**  
TWG identified gender-based violence and harassment in the workplace as risks for India. In 2021, the brand organised a WEP violence and harassment prevention at its factory and the other Fair Wear member sourcing.

**China**  
TWG has identified the risk of forced labour and followed webinars on the topic but thinks this risk is negligible for them, as their factories are not located in areas where that risk is highest. Moreover, it has communicated about the risk with its suppliers by email.

**COVID-19**  
In 2021, TWG continued the implementation of mitigation of risks related to COVID-19 in its supply chain. For example, the CSR manager regularly checked upon the H&S measures, and delivery delays were accepted. To overcome capacity issues at its Indian factory, TWG and the factory jointly decided to add a subcontractor.

**Recommendation:** We advise The Woody Group to continue to re-evaluate the risk of forced labour in its risk assessments by keeping itself informed of the latest information and acting upon risks.

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:** TWG has one shared supplier with another Fair Wear member. The other FW member has taken the lead in CAP follow-up because it has more leverage. TWG is informed about the status of the CAPs.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	No production in low-risk countries	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. Fair Wear has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of Fair Wear membership; posting of worker information sheets, completed questionnaires.	N/A	2	0

**Member undertakes additional activities to monitor suppliers.:** N/A (N/A)

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.10 Extra bonus indicator: in case FWF member company conducts full audits at tail-end production locations (when the minimum required monitoring threshold is met).	No	Fair Wear 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 Fair Wear and recent Audit Reports.	N/A	2	0

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	Fair Wear believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of Fair Wear 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	Fair Wear 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 Fair Wear's information management system. Documentation of sales volumes of products made by Fair Wear 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	Fair Wear 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: 25**

**Earned Points: 21**



### 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 Fair Wear 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:** TWG's CSR manager is responsible for addressing worker complaints. In Turkey, the Marketing and Communication manager supports the CSR manager.

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 Fair Wear Code of Labour Practices and complaints hotline is a first step in alerting workers to their rights. The Worker Information Sheet is a tool to do this and should be visibly posted at all production locations.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	-2

**Comment:** TWG has ensured that the Worker Information Sheet is posted in all its factories. Moreover, Worker Information Cards were distributed during a Workplace Education Program (WEP) training at its main supplier in Turkey and an Indian supplier in 2021.

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.	90%	After informing workers and management of the Fair Wear CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, Fair Wear's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	6	6	0

**Comment:** In 2021, TWG initiated a WEP Basic training at the main production facility in Turkey. The training was well-received by workers and management. As a follow-up on the training, TWG initiated a worker survey (see 1.8), and the factory manager requested another training to work more on social dialogue in the factory. TWG requested the WEP factory dialogue that has taken place in 2022 and will be evaluated next year.

**Recommendation:** The Woody Group could consider implementing additional activities to raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint helpline next to providing good quality training. This could include making use of Fair Wear Factory Guide, stimulating peer-to-peer learning among workers, and ensuring factory management regularly informs workers, in particular new workers, about their rights and available grievance mechanisms.

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 Fair Wear 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

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## Complaints Handling

**Possible Points: 9**

**Earned Points: 9**

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## 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 Fair Wear membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	0

**Comment:** Internally, CSR and the Fair Wear membership are often discussed at TWG. It is also often part of management meetings, and the different managers bring the information from the meetings back to their teams.

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 Fair Wear requirements and advocate for change within their organisations.	Fair Wear Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

**Comment:** Staff that is in direct contact with the production facilities are all involved in the Fair Wear membership and fully aware of all requirements. In addition, the CSR manager is supported by an external CSR consultant. In 2021, the production manager of the main production facility in Turkey has also become more involved.

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, Fair Wear audit findings.	2	2	0

**Comment:** TWG works with two agents for two different factories. The agents both have an active role in supporting the CSR manager with implementing the CoLP at the factories.

TWG also has a contact in China that does the quality control at one of its production locations. During that visit, a Health and Safety check is done, and the posting of the WIS is checked.

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.	All production in low-risk countries/training not possible	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. Fair Wear has developed several modules, however, other (member-led) programmes may also count.	Training reports, Fair Wear's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	N/A	6	0

**Comment:** Because of travel restrictions in 2021 that limited the possibility of conducting training, this indicator is not applicable in 2021 for all members. TWG has conducted the WEP on Violence and Harassment in one factory in India, accounting for 4% of FOB.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Degree to which member company follows up after a training programme.	No 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.	0	2	0

**Comment:** TWG has not followed up on the WEP Violence and Harassment Prevention at its Indian factory.

**Recommendation:** Fair Wear recommends TWG to check whether its supplier conducts regular anti-harassment committee meetings, whether an external expert attends these meetings, and whether complaints are reported to the committee. TWG should also communicate to suppliers that reported incidents would not result in negative consequences (such as withdrawing orders) as long as the factory investigates and remediates them accordingly. TWG could also check whether committee members and management are organising awareness-raising activities about sexual harassment and whether re-elections of the committee and/or re-training are needed, e.g. due to worker turnover.

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## **Training and Capacity Building**

**Possible Points: 7**

**Earned Points: 5**

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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:** TWG has a relatively small supplier base, and the vast majority of the production volume (85 %) is produced at its own supplier in Turkey. As TWG and the factory belong to the same management, it is easy to keep track if subcontracting is taking place (which is not the case). TWG works through agents with two production locations, and with its other suppliers, it works directly. At the start of a business relationship. TWG requests full transparency from its suppliers about, among other topics, production locations. However, this could be made more explicit. TWG has included the topic of subcontracting in its RBC policy and is planning to share the policy with its factories as well.

In normal circumstances, TWG checks whether any of their orders are subcontracted during visits to the production locations. In 2021 a quality controller checked upon one factory in China. Generally, TWG considers the risk of subcontracting low at its production locations in China and India because of the relatively small order quantities from TWG.

**Recommendation:** Fair Wear recommends TWG to share its RBC policy with its suppliers.

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 other relevant staff, such as the collection manager and the Marketing and Communication Manager in Turkey, regularly share information about production locations. Whenever staff is visiting factories, relevant topics will be discussed upfront and evaluated after the visit. In 2021, CSR became a more important topic on the agenda during management meetings.

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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	Fair Wear's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about Fair Wear are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	Fair Wear membership is communicated on member's website; other communications in line with Fair Wear communications policy.	2	2	-3

**Comment:** TWG meets the Fair Wear communication requirements, is in line with the Fair Wear communication guideline, and uses the FW on-garment communication.

In 2021, TWG has participated in two campaigns about corporate social responsibility: Fashion Revolution 2021 and FairFriday 2021. It also communicated about sustainability through its newsletter.

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 Fair Wear'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:** TWG has published its Brand Performance Check of last year and the social report on its website. TWG has signed the Fair Wear transparency policy and has disclosed 100% of its FOB on the FW website and to other FW members through the FW portal.

In addition, on the webshop of lordsxlilies (a brand of TWG) consumers can find the name of the production location per product.

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 Fair Wear's communication policy.	Social report that is in line with Fair Wear's communication policy.	2	2	-1

**Comment:** TWG wrote a detailed social report about its challenges and achievements over 2021. The report is published on its corporate website.

## 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 Fair Wear policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

**Comment:** Yearly after the Brand Performance Check, FW membership is evaluated with top management from Belgium and Turkey. That way, supplier feedback is automatically included in the evaluation. Also, the brand performance check results are used to create future plans and are used as input for the next work plan.

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.	100%	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

**Comment:** TWG has followed up on all requirements from last year's performance check, in total the brand received four requirements.

## Evaluation

**Possible Points: 6**

**Earned Points: 6**

## Recommendations to Fair Wear

TWG misses the direct contact with Fair Wear and hopes that physical meetings will occur again soon. TWG recommends Fair Wear organise more physical meetings where brands can share experiences. Moreover, the brand suggests Fair Wear to look at ways to include the environmental side of sustainability in its membership. To end, TWG recommends Fair Wear improve the timelines for delivering audit and training reports.

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	46	52
Monitoring and Remediation	21	25
Complaints Handling	9	9
Training and Capacity Building	5	7
Information Management	4	7
Transparency	6	6
Evaluation	6	6
Totals:	97	112

### Benchmarking Score (earned points divided by possible points)

87

### Performance Benchmarking Category

Leader

## Brand Performance Check details

Date of Brand Performance Check:

02-05-2022

Conducted by:

Annemiek Smits