



Brand Performance Check

W.A.R.D. GmbH (Iriedaily)

Publication date: June 2021

This report covers the evaluation period 01-01-2020 to 31-12-2020

About the Brand Performance Check

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

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

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

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

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

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

This years' 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 outbreak of 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

W.A.R.D. GmbH (Iriedaily)

Evaluation Period: 01-01-2020 to 31-12-2020

Member company information	
Headquarters:	Berlin , Germany
Member since:	2015-12-31
Product types:	Garments, clothing, fashion apparel;Sports & activewear;Bags;Accessories
Production in countries where Fair Wear is active:	China
Production in other countries:	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	95%
Benchmarking score	81
Category	Leader

Summary:

Iriedaily has shown good progress and met most of Fair Wear's performance requirements. The benchmarking score of 81 means that Fair Wear has again awarded Iriedaily the 'Leader status'. Although the monitoring threshold does not determine the category this year, Iriedaily has fulfilled the monitoring requirements at suppliers responsible for 95 % of its production volume.

Corona Addendum:

Despite the negative consequences of the spread of the coronavirus globally and in Europe, Iriedaily has maintained a strong brand position. In response to stock surpluses of last season at retailers due to lockdown periods, the brand adapted its collection and kept part of it the same so that retailers could sell it again in the upcoming season. At the same time, this practice eased the production process for the factories involved as it knew the designs already.

From the start of the corona pandemic, Iriedaily sought collaboration with another FW member. With the guidance of Fair Wear, the brands decided to send out a supplier survey to learn about the situation at the factories. The survey contained questions on wages and health & safety. The survey formed the foundation for Iriedaily's approach to mitigation and remediation of issues. Furthermore, the brand consulted webinars and guidance created by Fair Wear. Iriedaily remained in regular contact with all its suppliers via email or video call, and in Portugal, the agent visited its suppliers to monitor working conditions.

Iriedaily did not cancel any of its planned orders and kept to its payment terms. It only postponed 10% of one order by a couple of months due to the insolvency of one of its retailers. It was able to remediate most issues that arose because of the pandemic. For example, the brand increased its contribution towards payment of living wage at its main factory for February and March to compensate the workers for a loss in income they experienced due to factory closure.

Overall, the brand's response to the corona pandemic shows it has a solid system in place to act responsibly and support its factories in times of crisis.

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.	85%	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: Iriedaily sources in Portugal (seven suppliers, 14 subcontractors) and in China (three suppliers, five subcontractors). At 11 suppliers, leverage of the brand exceeds 10%. This allows Iriedaily to influence working conditions more effectively. As part of its consolidation strategy, Iriedaily has stopped with two suppliers in 2020 and with one supplier the relationship was ended because the factory shut down.

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: Iriedaily sources from seven production locations (one in China and six in Portugal) where it buys less than 2 % of its total FOB. In total, these locations account for 3 % of the FOB over 2020. Compared to last year, Iriedaily has been able to reduce its tail-end by 4 %.

In China, the brand's tail-end suppliers are sub-contractors who make small quantities of accessories and knitwear. In Portugal, the tail-end suppliers make either one particular style, socks or new a product line or have been working with the brand over the last 15 years.

Recommendation: Fair Wear recommends the member to continue its strategy to further consolidate its supply chain. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way.

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.	79%	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: Maintaining long-term and stable relationships with suppliers is an important aspect of Iriedaily's approach to business. With suppliers contributing to 79% of its FOB, Iriedaily has a business relationship for more than five years. With key suppliers where the brand buys close to 50% of its total production volume, the relationship exists for over 10 years.

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 2020, two new production locations were added (two in Portugal and one in China). All locations signed and returned the questionnaire with the Fair Wear Code of Labour practises. The new locations in Portugal have also been visited by the brands agent.

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: It is the companies' strategy and philosophy to keep its supply chain as compact as possible and not to enter new sourcing countries. The brand currently works in two production countries, China and Portugal. For China, the brand has identified excessive overtime, forced labour, lack of freedom of association and subcontracting as risks. For Portugal, the main risks identified are stagnation in wage levels and subcontracting.

To mitigate the risk of excessive overtime in China, Iriedaily always requests audit reports prior to starting a business relation. In 2020, the results of an audit report at a potential new factory in China included findings on excessive overtime. As a consequence, Iriedaily decided not to start business with this factory. To mitigate the risks of subcontracting, the brand has mapped its entire supply chain per season and has included a paragraph on subcontracting in its supplier agreements..

As mentioned, the brand added two subcontractors in Portugal in 2020, the two factories have taken over the process of embroidery from different suppliers. As visits by the CSR manager were not possible, the subcontractors were visited by the local agent and informed about the FW guidelines.

From the start of the pandemic, Iriedaily contacted its agents and entered in regular contact with all factories. To learn more about the situation at the factories, Iriedaily decided to send out a supplier survey. Later in the year, the survey was repeated. The survey was created based on Fair Wear's guidance and followed the four guidance areas as prescribed by Fair Wear. From the results of the survey, Iriedaily learned that some of its supplier worried about decreased order volumes and the future impact of COVID-19. Iriedaily tried to remediate those concerns by maintaining a steady order flow and not reducing or cancelling planned orders. In terms of Health & Safety (H&S) measures, the survey revealed that all suppliers were able to implement the correct measures once they were able to open up again. In both China and Portugal, factories were closed for a short period at the start of the pandemic.

For both China and Portugal, further risks caused by COVID-19 identified by Iriedaily were material delays and the risk of the spread of the virus in the factory. In addition, for China the brand identified a loss of wages during factory lockdown as risk.

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: Iriedaily has a database system which provides the brand an overview of the supply chain, each product is linked to the respective production location (both suppliers and subcontractors). This is regularly updated to ensure all subcontractors are also included. After all purchase orders for a collection are placed, the CSR manager creates an overview of the supply chain used for that season.

All suppliers and subcontractors are evaluated based on their compliance on each labour standard of the CoLP, which is based on the information captured in the audit reports. In the case of Portugal where audit reports are not available, factory visit reports and checks by the brand's / agents staff and general risk levels in the country are used for supplier evaluation. The evaluation also includes several other points like transparency, years of cooperation, leverage and environmental certifications such as GOTS. The computation of scores for each of the categories is mostly perception based except for wages and working hours where the brand has defined indexes to guide the scoring for those categories.

Iriedaily actively uses the results of the evaluation to inform business decisions. The brand consciously moves more orders to suppliers with better ratings, especially when a style at the supplier has reduced due to lower sales demand. Moreover, the evaluation of the suppliers are displayed in the office so that all staff is aware of it. In Portugal, the agent is aware of the ratings as well and gives advice to the brand when deciding whether to continue or not with a supplier. In China, the evaluations are shared with the main suppliers.

The company has remained in close contact with its agents and suppliers during the pandemic. In Portugal, the agent played an important role to know the situation at the factories as the agent was able to make visits. From the discussions, the brand learned that some factories experienced capacity issues. To give support, the brand was lenient with delivery terms and allowed for multiple delivery drops. In China, contact was mainly through email but also through video calls. From dialogue with its suppliers in China, the brand learned that many faced a significant drop in orders. To support its factories, Iriedaily did not cancel or reduce its orders. Due to insolvency of one of its retailers, Iriedaily did have to postpone the production of 10% from one order with three months. This was done in consultation with the factory and the brand kept its promise to buy the remaining part later in the year.

Recommendation: As an additional step on top of the supplier evaluation, Iriedaily could consider giving suppliers the tools to conduct a self-evaluation. Furthermore, it could ask its suppliers to evaluate and offer feedback on the purchasing practices of Iriedaily.

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: Iriedaily releases two collections annually- Spring/Summer and Fall/Winter.

To factor in the lead times for procurement of the fabric and other materials that can play an important role, besides shipping times and the capacities of the suppliers, the purchasing manager and CSR Manager jointly analyse the pre-orders and then define a delivery schedule with the supplier. A complete timesheet is discussed with the supplier and fabrics are pre-booked before orders are placed. The production phase for each of the collection is roughly four months.

From its Portuguese suppliers, the brand knows what is the weekly maximum capacity per location. For its Chinese suppliers, the brand has less detailed information and mainly relies on the indication of the supplier itself. The brand cross-checks the capacities given with historic data, because Iriedaily finds that suppliers tend to provide an overestimate and then end up subcontracting or are overstretched. If the pre-order volume exceeds the capacity of the supplier, orders are passed on to other suppliers that still have the capacity needed.

The brand does not allow last-minute changes to a style in the production phase and provide suppliers with a “Recapitulation Sheet” for each ordered style. All relevant information and any changes are summarized in it. A pre-production sample is produced (when needed) to support a smooth production cycle.

To support its retailers with the surplus of items left over from last year's collection due to locks downs in Europe, Iriedaily decided to keep part of its collection for this year the same. At the same time, this decision eased the production process for part of its factories as the styles were already known. Furthermore, Iriedaily adapted its delivery planning according to production delays and did not penalize late deliveries.

Recommendation: Once root causes of excessive overtime are known, the brand can use the Fair Wear guidance on addressing excessive overtime and check what solutions, processes and tools are linked to a particular root cause. The member can then discuss with suppliers what solutions need to be implemented.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.7 Degree to which member company mitigates root causes of excessive overtime.	Advanced 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.	6	6	0

Comment: Excessive overtime is a well-known issue in China. In 2020, Iriedaily conducted audits at two of its Chinese suppliers and both had findings related to overtime. To tackle the issue of overtime in China, Iriedaily did a root cause analyses with two of its main suppliers by means of a survey. The results of the analysis were used to discuss possible solutions with the factory management. One of the measures that the brand took as a result of these discussions is that it now places its pre-orders two weeks earlier. When starting a new business relation in China, Iriedaily always requests available audit reports. In 2020, audits findings on excessive overtime at a potentially new supplier led the brand to decide not to start business with the supplier, considering that the brand's leverage would be minimal and it would be difficult to change the situation.

In Portugal where the brand produces mainly at smaller, family owned factories that have difficulties with delivering larger orders on one or more dates, it allows these locations to do weekly deliveries. From the attendance records of last year, the brand could conclude there was some overtime at its Portugese suppliers during peak season, but not excessive.

Recommendation: Now that Iriedaily is aware of the existence of excessive overtime at some of its Chinese suppliers, it is encouraged to further investigate the situation at its other supplier in China. Furthermore, Iriedaily is encouraged to apply the root cause analysis to other locations where excessive overtime exists and to continue engaging with the factory management and worker representation on possible solutions.

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: Iriedaily has worked closely with its main supplier in China and key suppliers in Portugal to understand the Labour Minutes for the styles made at those locations.

For China, while the brand has discussed the importance of open costing and transparency with all suppliers, the suppliers are not yet willing to share open costing with the brand. Hence, Iriedaily uses the open costing knowledge of its main supplier as a reference (where workers generally have higher wages in comparison to other locations) when working on price development with other suppliers. That apart, the brand currently adds 2% above the price developed as a factor to contribute to increasing wage levels. The sourcing team is informed that they cannot discuss price reductions unless it is linked to reduction pertaining to process/ fabric etc. The brand is aware of minimum wages for its supplier locations and uses audit reports to ensure minimum wages are paid to workers at all production locations.

For locations in Portugal, the member discussed increasing prices with the suppliers based on Labour Minute Value calculation. Wage levels in Portugal have improved over recent year and Iriedaily welcomes this development. The brand actively checks with its suppliers whether the increase of wages is also included in its purchasing prices.

The brand did not identify additional wage costs resulting from the impact of COVID-19 but noticed other elements became more expensive, such as material/fabric and transportation costs.

Recommendation: Iriedaily could provide suppliers who don't use open costing, training on product costing and how to quote prices including (direct and indirect) 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, 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: From an audit in 2019 Iriedaily learned that temporary workers were paid by piece rate, and they were not entitled to paid annual leaves or paid statutory holiday leaves. With support of the local team of Fair Wear in China, the brand could verify this was solved in 2020.

In 2020, the brand received three audit reports that contained findings related to payment of wages. Two audits were conducted at a factory that merged together with another factory. The brand initiated one audit right after the merge and the second by the end of the year to learn whether improvements had been made. Both audits indicated non-compliances related to paid annual leave, statutory holiday leaves and incomplete wage records. The brand has actively followed up with the factory and came up with a seven step approach to continuously monitor the progress of the factory in addressing this issue. Following the seven step approach, Iriedaily is planning to conduct another audit in the beginning of 2022 to evaluate the outcome and progress made.

The other audit was conducted at a main production location in China; there, also violations related to paid annual leave, statutory holiday leaves and incorrect compensation for overtime were found. Iriedaily is producing at this factory together with another Fair Wear member and the other member has taken the lead to follow up on the CAPs. In addition, the brands learned that workers at this factory received reduced wages during factory closure in February 2020. Together, the brands made an effort to ensure the workers were compensated for their loss of income.

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: There was no evidence of late payments.

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: Iriedaily has focused its efforts in regards to living wage on its production locations in China. The brand has discussed the topic with all its suppliers.

With its main supplier, Iriedaily has been able to create a sufficient level of transparency to determine the real wages of each worker for every production phase, this is based on wage slips and attendance lists. Iriedaily produces 46 % of its production in China at this supplier, has a considerable leverage and there is another FW member sourcing there. As such this location was chosen to implement living wages (see also 1.13 & 1.14). From payslips received from the same supplier, the brand learned that workers experienced a loss in wages during February - March 2020 due to factory closure. Consequently, Iriedaily decided to increase its share of living wage contribution to compensate the workers for that period.

From talks with other suppliers, it could be concluded that some still have a limited understanding about the concept of living wage or a weak wage management system. At others, the brand only has a small leverage. Nevertheless it is the brands' aim to implement living wages at all its suppliers and subcontractors in China in the upcoming years.

Recommendation: Fair Wear recommends Iriedaily to support its other suppliers that have a limited understanding about the concept of living wage or a weak wage management system. With the aim to prepare them for living wage projects. At suppliers where the brand only has a small leverage, collaboration can be sought with other Fair Wear brands or non Fair Wear brands that source at the factory.

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	6	0

Comment: Iriedaily has started to finance wage increases at its main supplier in China. As there is no living wage benchmark for the region where the supplier is located, the brand send out a survey to workers to learn about their costs of living. It was rather difficult to define a target wage based on the survey results. Therefore, Iriedaily has chosen the Asian Floor wage benchmark as target wage. For its own share of the production, Iriedaily now finances the wage gap for all workers at the factory. To trace its contribution back, Iriedaily's CSR manager does the calculation at the end of each season and then the share is paid out to the workers. To finance the wage increase, Iriedaily has worked out a three year strategy to raise its consumer prices.

Recommendation: In case Fair Wear members are interested to develop a joint approach to improve wages at a shared supplier, Fair Wear can give advice on measures that need to be taken by Iriedaily to ensure compliance with anti-trust/anti-competition legislation in relevant jurisdictions.

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.	46%	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.	4	6	0

Comment: As mentioned under 1.13, Iriedaily is paying its share of contribution towards living wage at its main supplier in China, which represents 46 % of its FOB in China. To ensure that each worker receives the calculated share, Iriedaily requests signatures from the workers.

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

Purchasing Practices

Possible Points: 52

Earned Points: 43

2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	46%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	49%	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	
Requirement(s) for next performance check		
Total monitoring threshold:	95%	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 designated to follow up on problems identified by the monitoring system and works closely together with the CEO. CAP follow-up is supported by other staff members, including the production, distribution and design departments. In Portugal, the brand works closely with its agent to monitor the situation at its Portugese production locations.

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.	Yes	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.	2	2	-1

Comment: In 2020, Iriedaily conducted three Fair Wear audits at production locations in China. In general, when the brand receives an audit report, it is promptly reviewed and then shared with the supplier or in case of indirect relation with the agent. Audit findings and timelines for remediation are agreed together with the factory, Iriedaily requires immediate action from its factories in case there are violations regarding occupational health & safety. Follow up of CAPs is mostly done by email but also discussed by the CEO or CSR manager with factory management during factory visits. Worker representatives are not actively involved in audit findings or remediation discussions.

Recommendation: Before an audit takes place, Iriedaily is recommended to check with the supplier whether worker representatives are active. In this way, they can be involved from the start of an audit and be invited for the audit opening and exit meeting. Including workers when following up on audit reports gives them the opportunity to be informed of issues in the factory and have a voice in the prioritization of issues.

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: Iriedaily had four Fair Wear audits at three production locations in China in 2020. One location was audited twice, once in August and once in December, the follow up of the December audit is not considered for this years brand performance check. The main audits findings were related to Health & Safety, overtime and wages. During the Brand Performance Check, Iriedaily could show that corrective actions had been implemented in a systematic way to address CAP findings and that the brand requested proof of solved CAP issues.

Related to COVID-19, Iriedaily was informed through an audit that workers at one of the production locations in China were not paid during the first lockdown period in February - March 2020. The brand actively followed up with factory management to solve the issue. However, the factory was merged with another location and the audit was done after the merge, the current factory management has so far not been willing to compensate for the workers that worked in the factory before the merge.

As also mentioned under 1.9, Iriedaily learned from payslips of its main factory in China that workers had a loss in wages during February - March 2020. Consequently, the brand decided to increase its contribution towards payment of living wage for those months to compensate the workers.

In Portugal, the brand monitored the situation in the factory by means of the supplier survey, regular email contact and visits from its agent. Through these measures Iriedaily could conclude that the factories had taken the correct H&S measures and that they were able to pay for worker's wages despite of decreased capacity and factory lockdowns. The brand responded to capacity issues at suppliers by being flexible with delivery terms.

Recommendation: Fair Wear recommends Iriedaily to gradually ensure factories establish independent worker representation and involve these representatives in monitoring and remediation of findings.

Iriedaily could consider organizing joint training for their suppliers in China on excessive overtime and social dialogue, to ensure more commitment from the suppliers to remediate these more structural issues and facilitate peer to peer learning.

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.	not applicable	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.	N/A	4	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	No existing reports/all audits by FWF or FWF member company	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	N/A	3	0

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.	3	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
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

Comment: As mentioned before, Iriedaily produces in two production countries, Portugal and China.

For Portugal, Iriedaily has identified stagnating wage levels as a main risk. To remediate, the brand proactively follows up on annual wage increases in Portugal and incorporates it in its buying prices. Another risk identified for Portugal is that of unauthorised subcontracting. By mapping its supply chain per season and with support of regular visits by its Portuguese agent (see 5.1) Iriedaily remediates this risk.

For China, the brand has identified as main risks: low wages, over-time, Freedom of Association and forced labour. With the implementation of living wages at its main production location in China (see 1.13 & 1.14), Iriedaily has started to work on the remediation of low wages in China. Through a root-cause analysis at its factories, regular audits and systematic CAP follow up, the brand aims to decrease excessive overtime at its factories. In 2020, the brand decided not to start a new business relation with a factory where excessive overtime was a major issue (see 1.4). To remediate the risk of forced labour in China, Iriedaily has executed a risk analysis to check the likelihood of forced labour to be present in its supply chain. It has also made a clear statement to its suppliers that labour should be freely chosen. At the same time, Iriedaily realises the topic of forced labour is very sensitive in China, hence discussing it via email is not the best option. Once internal travel is possible again the brand would like to discuss it in persona. Freedom of Association continues to be a difficult issue in China to address for Iriedaily, especially as this issue is government driven.

As mentioned under 1.4, the main risks related to COVID-19 identified by Iriedaily were for both China and Portugal, material delays and the risk of the spread of the virus in the factory. In addition, for China the brand identified a significant drop in purchase orders and a loss of wages as risks.

The brand has been lenient to its suppliers when it comes to production delays. That way, the brand could support its factories with overcoming the negative impact of COVID-19 on production. By means of a supplier survey which was executed twice in 2020, Iriedaily learned more about the impact of COVID-19 on its suppliers including the Health & Safety measures taken by its suppliers. It has also monitored the Health & Safety measures taken by asking for proof of measures taken and through audits and visits of agents. The brand has increased its share of contribution to living wage at its main factory in China during the months of February - March to remediate the loss of income that workers had during that period (see also 1.11).

Recommendation: The member is encouraged to apply a gender lens to its general risk remediation and the COVID-19 risk assessment.

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: Iriedaily has several shared suppliers with other Fair Wear members. The brand actively collaborates with the other members in resolving corrective actions at shared suppliers. Moreover, the company implemented a living wage project at one supplier together with one Fair Wear member (see living wage indicators of chapter 1).

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.	100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. 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.	2	2	0

Member undertakes additional activities to monitor suppliers.: No (o)

Comment: Iriedaily sources in Portugal and ensures:

1. Up to date information on the labour conditions in the location by regular visits (including subcontractors);
2. All production locations are informed of Fair Wear membership and return the completed CoLP questionnaire before production orders are placed;
3. Awareness on specific risks identified by Fair Wear;
4. That Fair Wear Worker Information Sheet posted at all production locations.

In addition, the brand has collected wage information and is in the process of organising a training at its Portuguese suppliers together with its agent.

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: 23

Earned Points: 17

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: The CSR manager is responsible for Fair Wear membership and works closely with the CEO to address worker complaints.

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: Iriedaily ensures that the Worker Information Sheet, including contact information of the local complaints handler of Fair Wear, is posted in factories in a location that is accessible to all workers. The brand checks this during factory visits, takes photos of the same, and documents them in the visit report and the supplier folder. Additionally, the member also hands out worker information cards during visits and places them in break rooms and next to the time punching machine at production locations.

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.	92%	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

Requirement: Iriedaily conducted Fair Wear WEP basic training at five production locations in China in the last three years, of which two WEP trainings we conducted in 2020.

Recommendation: Iriedaily 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

Complaints Handling

Possible Points: 9

Earned Points: 9

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: Iriedaily has weekly team meetings during which the topic of CSR is always discussed. On top of that, in 2020 the CSR manager gave a video presentation to all staff to educate them about CSR and what the Fair Wear membership means to Iriedaily. It is felt that CSR has become more integrated in the organization and that each department is involved.

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: Iriedaily organises a yearly presentation about CSR, Fair Wear membership, and information about production sites is also shared with all staff members. That apart, meetings with specific teams in direct contact with suppliers are organised to discuss supplier evaluations (every season) and other important issues, for example, lead times.

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: The brand works with three agents in China and one in Portugal and invested time and effort in discussions and training these agents on Fair Wear requirements and COLP. Information about FW guidance to mitigate the impact of COVID-19 was also shared with the agents. Moreover, at its Portuguese agent, a CSR person was hired that supports the CSR manager at Iriedaily with monitoring working conditions at the Portuguese production locations.

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.	0%	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.	0	6	0

Comment: As Fair Wear does not offer advanced factory trainings in China, Iriedaily investigated alternative options to organize a training in China. So far, it has not been able to find a good party to organize such a training with. In line with Fair Wear requirements, Iriedaily is planning to develop its own training concept for its Portuguese suppliers. To get started, the company has compiled information about different providers of training services and followed a Fair Wear webinar related to trainings.

Recommendation: Fair Wear recommends Iriedaily to continue with its plans of organising a training in Portugal.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Degree to which member company follows up after a training programme.	No training programmes have been conducted or member produces solely in low-risk countries	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.	N/A	2	0

Training and Capacity Building

Possible Points: 11

Earned Points: 5

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: Every season after all purchasing orders are placed, the CSR manager collects detailed information about the main production location and subcontractors used per item. The information is registered in the factory database of Iriedaily and per season an overview of all main factories and subcontractors is made. This enables Iriedaily to have a good overview on its supply chain. To address the risk of subcontracting, the brand's local agent in Portugal visits the factories during the production cycle and verifies the location. With its Chinese suppliers, Iriedaily has included a paragraph on subcontracting in its business agreement.

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: All staff in direct contact with suppliers are actively involved in Fair Wear requirements, and social compliance. In normal circumstances, staff that visits factories would make use of the Fair Wear H&S safety checklist and reports of visits are made and shared. That apart, the CSR manager updates the supplier evaluation system after audits and shares that with all teams. The evaluations per supplier are also displayed in the office so that everyone concerned has the updated information to support decision making.

Information Management

Possible Points: 7

Earned Points: 7

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: Iriedaily communicates about Fair Wear on its website and social media pages, Instagram and Facebook. The Marketing Manager is aware of the Fair Wear communication policy and guidelines and all communication is compliant with Fair Wear's communication policy.

Its own brand stores have an information corner with material about Fair Wear membership, and staff is regularly trained to respond to questions. Iriedaily also provides in-store communication material about Fair Wear and CSR to its resellers and retailers and has created videos to explain Iriedaily's CSR work to consumers.

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: On its website, Iriedaily has a section dedicated to the topic of sustainability. There, information about Fair Wear membership, the brand's recent Brand Performance Check results and social reports can be found. Furthermore, the company is transparent about its production locations. On the webshop, consumers can see per product what location produced it. Through the Fair Wear transparency tool, Iriedaily has disclosed 100% of its factories, both on the Fair Wear website and with other Fair Wear members in FairForce.

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: Iriedaily publishes the Brand Performance Check report and Social Report on its website. Moreover, Iriedaily shares parts of its social reports through instagram posts.

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: The CEO is fully aware and works closely on a daily basis with the CSR manager on requirements pertaining to the Fair Wear membership. Through regular meetings where the topic of sustainability is also discussed, staff from other departments is also involved.

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, 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.	N/A	4	-2

Evaluation

Possible Points: 2

Earned Points: 2

Recommendations to Fair Wear

Iriedaily recommends Fair Wear to improve its member portal so that information becomes easier to find and to streamline the information so that there is no information overload. The brand would also like to receive more information about how this year will be assessed during next Brand Performance Check as the impact of COVID-19 is still apparent.

Scoring Overview

Category	Earned	Possible
Purchasing Practices	43	52
Monitoring and Remediation	17	23
Complaints Handling	9	9
Training and Capacity Building	5	11
Information Management	7	7
Transparency	6	6
Evaluation	2	2
Totals:	89	110

Benchmarking Score (earned points divided by possible points)

81

Performance Benchmarking Category

Leader

Brand Performance Check details

Date of Brand Performance Check:

25-05-2021

Conducted by:

Annemiek Smits

Interviews with:

Isaac Waldvogel, CSR manager

Daniel Luger, CEO

Denise Graff Brand Marketing manager