



BRAND PERFORMANCE CHECK

Triaz GmbH

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

ABOUT THE BRAND PERFORMANCE CHECK

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

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

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

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

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

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

BRAND PERFORMANCE CHECK OVERVIEW

Triaz GmbH

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

MEMBER COMPANY INFORMATION	
Headquarters:	Freiburg im Breisgau, Germany
Member since:	01-09-2011
Product types:	Fashion
Production in countries where FWF is active:	China, India, Macedonia, Republic of, Tunisia, Turkey
Production in other countries:	Albania, Bosnia and Herzegovina, Germany, Lithuania, Poland, Spain, Ukraine
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
SCORING OVERVIEW	
% of own production under monitoring	98%
Benchmarking score	78
Category	Leader

Summary:

In 2017 Triaz has shown advanced results on performance indicators and has made exceptional progress. Triaz has monitored 98% of its own production and with a benchmarking score of 78 has been awarded the 'Leader' category again.

In the past year Triaz has made strong progress in its due diligence efforts and supplier evaluation system. Due to the creation of a Supplier Management Project team, a documented process for due diligence in sourcing, including a consistent on-boarding process for new suppliers, has been developed. This system evaluates suppliers across various categories, but the sustainability components are extremely thorough and have veto over all other departments. Additionally, Triaz has developed and conducts an annual Supplier Evaluation of all suppliers, with which it rates the suppliers' progress on social compliance issues as a key element. This is communicated openly with the suppliers and a joint action plan is developed on how to improve.

Additionally Triaz has continued its root cause analysis of excessive overtime in its supply chain, and has changed some of its practices and sourcing based on this analysis. For example, through this analysis it was discovered that one of Triaz's main supplier could not manage the small quantities that Triaz was ordering per style due to the extra time it took to convert machines. This was leading to overtime as well as lower profitability for factory. Triaz worked to increase its orders of some styles and move production of other styles to other suppliers who could accommodate. In this way the supplier was able to become more efficient. Continued analysis of excessive overtime is needed at other suppliers in Triaz's supply chain and an evaluation of the long-term impact of the changes Triaz has made should be conducted.

Triaz has also started working with suppliers on living wages by doing a wage analysis at some of its key suppliers. The initial analyses showed that, at those suppliers prices were in theory high enough to pay a living wage. However Triaz is still lacking enough detailed information on the labour minutes per style and production capacity of many suppliers to know if this is true at other suppliers and also to ensure that workers are in fact receiving a living wage. Triaz should further work with suppliers to gather more information on wages and create plans on how to take steps towards living wages.

Currently Triaz has quite a long 'tail-end' of suppliers, where they produce small quantities. FWF recommends Triaz to consolidate its supply base by determining whether suppliers where they buy less than 2% of their FOB are of strategic relevance. 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 CATEGORY OVERVIEW

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

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

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

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

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

1. PURCHASING PRACTICES

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	71%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	3	4	0

Comment: At four of its main suppliers, and a number of smaller suppliers, Triaz buys at least 10% of the production capacity, and at two of these suppliers, it makes up over 50% of the location's 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.	11%	FWF provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to FWF.	2	4	0

Comment: 11% of Triaz's FOB production comes from locations where it buys less than 2% of its FOB, spread over 18 locations.

Recommendation: FWF recommends Triaz to consolidate its supply base by limiting the number of suppliers in its 'tail end'. To achieve this, Triaz should determine whether suppliers where they buy less than 2% of their FOB are of strategic relevance. 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.	87%	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: Triaz values long-term relationships with suppliers, and has had a relationship of over five years with suppliers making up 87% of its total FOB.

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: Eight new suppliers were added to Triaz's supply chain in 2017, and all signed and returned the questionnaire before orders were placed.

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: Triaz has developed and documented the due diligence process that must be undertaken prior to starting production at any new locations. In 2017 they further formalised this on-boarding process and created a checklist system on their internal wiki page for each new potential supplier. This step-by-step process outlines what each department involved in sourcing and production must do in detail. The CSR department is the first point of check (after the buyers identify a potential location), and their due diligence includes identifying country-specific risks, checking for and collecting previous audits, sending and explaining the Code of Labour Practice, and receiving a completed questionnaire. Additionally, a potential new production location is always visited by a Triaz staff member prior to starting production. In addition to human rights due diligence, Triaz has a stringent due diligence process for checking ecological requirements.

In this process, the CSR team has ultimate veto power on supplier selection. Regardless of if the other departments want to proceed with a supplier, if the CSR team has reason to believe that the supplier is not committed to the Code of Labour Practices or unable to fulfill Triaz's requirements, they will not start working there.

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: In 2017 Triaz further refined its Supplier Rating System to support its annual evaluation of all suppliers. In this system, every department who works with suppliers fills out a series of indicators developed based on criteria relevant to them for each supplier. The CSR department's criteria on social compliance include progress on remediation of CAPs, responsiveness of the supplier, and willingness to improve. These weighted scores result in a rating for each supplier which are discussed by the Supplier Management Project team who develop comments and areas of improvement for the supplier. This is then shared with each supplier with concrete actions and timelines, and one staff member of Triaz is responsible for working with the supplier on these. Again, the CSR department has ultimate veto power - if a supplier is failing to improve on social compliance issues or is unwilling to cooperate, the CSR department can initiate an exit strategy with that supplier.

Although there is not yet written criteria for rewards based on these ratings, suppliers with higher ratings are generally given more orders, or Triaz works with them more closely on how to further support their work. There has not yet been a case where this rating system leads to less orders or an exit from a supplier, as Triaz emphasizes jointly working with suppliers on gradual improvements.

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: Triaz works very closely with its suppliers on the production planning for all its garments. Although the process differs slightly per supplier (depending on their way of working), the process is consultative and involves open dialogue. Triaz works with each supplier individually to determine deadlines and does not generally penalise suppliers for late deliveries. The exception to this is its supplier in Bosnia, where after working extensively with the supplier on production planning, Triaz still felt it needed a way to reinforce the deadlines. There is now a clause in the contract with this supplier giving the supplier two chances to revise the deadline before which there may be a financial penalty imposed. Triaz has not yet enforced this clause. At its main supplier in China, responsible for 11% of its total FOB, Triaz creates an annual plan of orders per month based on its knowledge of the maximum production capacity per month, trying to spread the orders out evenly throughout the year. This plan is then discussed with the supplier, who gives feedback and adjustments are made when necessary. When the supplier is unable to deliver (in 2017 for example due to staff changes), Triaz adjusts its deadlines and does not put pressure on its supplier, often to the detriment of not having styles in stock when its season starts.

At its main supplier in Bosnia where 27% of Triaz's FOB is produced, Triaz has worked extremely closely on production planning, both by adjusting its own timelines, but also by providing training to the supplier on how to do proper planning. To further help, Triaz tries to ensure that the materials needed for the entire year are at the supplier at the beginning of the year so that there are no delays caused by waiting for materials. Triaz knows the production capacity of this supplier via an extensive root cause analysis.

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: Despite Triaz's efforts, excessive overtime was found during the past audits at three of its suppliers.

At its supplier in Turkey, Triaz did a root cause analysis of why excessive overtime was occurring following the last audit. Through discussions with and visits to the factory it was discovered that the factory lacked enough knitting machines to produce Triaz's orders within regular working hours. Because Triaz knows the labour minutes of all styles produced here, it calculated what the gap was between what was possible with the current machines and what was needed to fill orders. Based on this it was clear that two new five gauge machines were needed and Triaz supported the supplier in purchasing a second-hand machine and converting a different existing machine. When checking a few months later, the factory confirmed that it could now fill orders and even take on more orders in these styles.

After conducting a root cause analysis of overtime at its supplier in Bosnia in 2016, in 2017 Triaz hired a consultant to deliver a training on production planning, as one of the reasons for overtime appeared to be a lack of forecasting and proper planning by the supplier. This training helped uncover more challenges that the supplier was having, such as not being equipped to produce using certain materials and that Triaz's orders were too low per style which cost them extra time, as the machines needed to be converted depending on the style of garment. This impacted the factory's ability to be profitable, as the efficiency was lower. In 2017 Triaz worked closely with the supplier and the buying department on this and ultimately increased the number of garments ordered per style so that the factory needed to convert the machines less often, freeing up more time for production. For styles where this was not possible, Triaz either discontinued the style from its collection or moved it to other locations where possible. Through this process it was discovered that it didn't make sense for this supplier to produce using certain types of materials, so this production was moved elsewhere. By working with its supplier on this process and adjusting its own planning Triaz was able to help the supplier reduce pressure on workers by improving efficiencies. It has not yet been verified whether these efforts have led to reduced overtime.

At its own factory in China (50% ownership), Triaz has also worked closely with the supplier on its own internal planning as well and spread the orders out more evenly throughout the year. At this supplier they are now receiving overtime reports every three months to ensure that no excessive overtime is ongoing.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company's pricing policy allows for payment of at least the legal minimum wages in production countries.	Country-level policy	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.	2	4	0

Comment: Triaz has a pricing policy in place which states that price cannot be the main reason for working with a supplier, that price pressure should never be put on a supplier and that none of Triaz's buyers wages or bonuses should be linked to margins. Additionally, pricing is not part of the supplier rating system which Triaz uses to evaluate supplier performance annually. Triaz accepts prices set by its suppliers.

Triaz is aware of minimum wages in the countries it produces and the CSR department provides this information to the purchasing department for them to know if the prices will cover the minimum wages based on the prices per garment. The direct labour costs are known per style for some suppliers, but not all. Where they are not known direct labour costs cannot be compared against minimum wage levels to ensure payment is sufficient.

In 2017 Triaz discovered that the holiday pay for workers had not been paid out at one of its suppliers. Triaz dedicated a significant amount of time to working with both the agent and factory on how to ensure these wages would be paid. In the end Triaz and its agent paid the holiday pay for all workers for 2017 and supported the supplier in analysing his own systems to ensure that moving forward the factory was able to pay these wages. It was verified during the first quarter of 2018 that the first portion of holiday wages due had been paid by the factory.

Recommendation: As an advanced step, Triaz should continue working to have increased transparency in costing and productivity in order to gain insight in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages.

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

Comment: During an audit at one of Triaz's suppliers in India, the supplier was unwilling to be transparent about wages and therefore the information could not be checked and verified. Due to this, there is not enough data available to score this indicator.

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

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

Comment: Triaz has done a wage analysis at four of its key suppliers, which includes comparing the current prices paid per style to the Asia Floor Wage estimates. Triaz has rough estimates of the composition and percentages of wages, but not detailed information, except at its supplier in China where it is part owner. At this supplier, the analysis showed that the prices being paid were more than enough to pay living wages, however a price increase was still needed in order to ensure that the factory could operate and continue its work. The factory is currently engaging in a project on organic silk which requires large capacity and resources.

Triaz does regularly talk to its suppliers about wages and how to take steps towards a living wage.

Recommendation: Triaz should take steps towards gather more detailed information on the composition of wages and use it to analyse the impact its pricing policy has on these wages. It should also ensure that, if the analysis shows that prices are enough to pay a living wage, that the money is actually being paid to the workers, not just covering administrative costs or profit margins for the supplier. The information gathered from the wage analyses at its main suppliers should be disseminated to other suppliers and used as a basis to take further steps towards payment of a living wage across its supply chain.

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).	11%	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.	1	2	0

Comment: Triaz owns 50% of one production location in China, which makes up 11% of its supply chain.

PURCHASING PRACTICES

Possible Points: 44

Earned Points: 34

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	50%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	20%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Meets monitoring requirements for tail-end production locations.	Yes	
Total of own production under monitoring	98%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100% Measured as a percentage of turnover.

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

Comment: Two members of the Sustainability Team are jointly responsible for following up on problems identified by the monitoring system.

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

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

Comment: Once receiving an audit report, Triaz shares the report and Corrective Action Plan with the factory via email, and often follows up with a phone call or meeting to discuss. Discussion is had with the production location regarding the timelines and prioritisation.

Until now, Triaz has not been able to ensure that worker representation is involved in this process.

Recommendation: Triaz should make efforts to ensure that worker representation, where applicable, also receives the audit report and are involved in the establishment of improvement timelines.

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

Comment: Triaz could show substantial progress made on various Corrective Action Plans of its suppliers. Triaz has worked closely with its main supplier in Bosnia to remediate almost all of the issues identified in the most recent CAP. The supplier has shown energetic commitment to making improvements. Issues on living wages and overtime are still open, such as but continue to be worked on with factory management.

At a supplier in Turkey, it was identified in the latest audit that one of the subcontractors did not have proper documentation for payments to workers. In the process of trying to remediate this, the subcontractor refused to cooperate and ultimately decided not to work with the main supplier any longer. At the other subcontractor and at the main location, progress has been seen on improved documentation and company policies and health and safety improvements, such as the addition of standing mats.

Overall Triaz ensures that the Corrective Action Plans are updated regularly and key information is shared with other departments in touch with the suppliers. Before any staff member visits a supplier, the CSR department updates them on key issues and asks them to follow up and gather more information. Key issues are regularly discussed in the Supplier Management Project Team, which is a cross-department group of staff who meet weekly to improve relationships and work with suppliers.

Triaz follows the same procedures for FWF audited factories, factories audited by other initiatives as well as with all its external producers.

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.	84%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0

Comment: Triaz staff visited production locations making up 84% of its FOB in 2017. Prior to these visits staff are informed of key social and ecological compliance issues and asked to discuss and follow up on these.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes, quality assessed and corrective actions implemented	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	3	3	0

Comment: Triaz has gathered existing audit reports from other sources where possible. Prior to starting working at a new location, gathering external audits is one of the key due diligence steps. Triaz analyses these reports and identifies the key issues to be discussed with the supplier. In the case where there is a FWF audit and also another existing audit report, Triaz compares the findings and combines the information into one Corrective Action Plan.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	Aside from regular monitoring and remediation requirements under FWF membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. FWF requires member companies to be aware of those risks and implement policy requirements as prescribed by FWF.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	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	Advanced			6	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Intermediate			3	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Advanced			6	6	-2

Comment: Triaz has a policy requiring suppliers to ensure they are not using sand-blasting in their processes, which suppliers must sign prior to starting production. This is also reiterated in the 'Article Pass' documents, which a supplier must fill out per style with information on materials and processes used.

Triaz sources in Turkey and is aware of the risks associated with employing Syrian refugees. Triaz has provided both its suppliers in Turkey with written information on FWF's policy on this and has been told there are currently no Syrian refugees working at their factories. Triaz visits these factories regularly to more closely monitor the situation and to try to mitigate risk. In 2018 Triaz will look to hold a Workplace Education Programme at one of its suppliers.

Triaz has invested a considerable amount of time working on the risk of homeworkers in the rug-producing industry in India. By partnering with a local NGO in India, Triaz is trying to create a new approach to this work, trying to improve the working conditions for these workers, while still respecting the cultural traditions and needs of the workers.

Recommendation: In Turkey, Triaz could further strengthen its work on mitigating risk by ensuring that its suppliers don't discriminate against hiring Syrian refugees and have a policy in place for registering Syrian refugee employees. Triaz could encourage their Turkish suppliers that if a position opens up they can consider employing a Syrian refugee worker. They can discuss with their suppliers to cooperate with United Work, a NGO that collects the CVs of Syrian refugees in Turkey. Triaz could discuss what support they can offer support when Syrian workers are employed. This support could consist of covering the costs of work permits and supporting HR where needed. Further, Triaz could create a policy specific to these high risks and ask suppliers to sign this policy further committing to it.

In India, Triaz could encourage suppliers to enroll for the FWF Workplace Education Programme to reduce gender-based violence and establish legally required anti-harassment committees. Triaz could also encourage suppliers to enroll for the FWF Supervisor programme that aims to improve working relations between line supervisors and workers and trains female workers with skills to become supervisors.

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: Triaz works very actively with other FWF members on remediation at Corrective Action Plans at shared suppliers.

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

Comment: Triaz sources from 11 factories in Germany, Poland, Lithuania and Spain. Triaz has ensured that it has received the FWF questionnaire and that the Worker Information Sheet is posted in all locations, however has not visited a number of the smaller ones. Overall, Triaz has fulfilled the requirements for 91% of its low-risk suppliers.

A few of the suppliers in low-risk countries fall into the tail-end of Triaz's production due to Triaz purchasing more than 10% of the suppliers capacity. For these locations it is essential to ensure that the low-risk requirements for monitoring are fulfilled.

Requirement: Monitoring requirements need to be fulfilled for production in low-risk countries in order for it to be counted towards the monitoring threshold. All production sites in low-risk countries must:

- o Ensure up to date information on the labour conditions in the location either by a regular visit and/or a report by a third party;
- o Be informed of FWF membership and return the completed CoLP questionnaire before production orders are placed;
- o Be aware of specific risks identified by FWF;
- o Have the FWF Worker Information Sheet posted in local languages.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.10 Extra bonus indicator: in case FWF member company conducts full audits above the minimum required monitoring threshold.	Not applicable	FWF encourages all of its members to audit/monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to FWF and recent Audit Reports.	N/A	3	0

Comment: Although Triaz has monitored over 90% of its supply chain, it is still working on fulfilling all tail-end requirements in its low-risk countries, so is not eligible for bonus points.

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

Comment: Triaz monitors the production of external brands in the same way it monitors own production, and has sent and received all required information. It has also conducted audits at, or gathered existing audits for all of its external production and follows up on the Corrective Action Plans regularly.

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).	7%	FWF believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	1	3	0

Comment: 7% of Triaz's external production is from brands who are either members of Fair Wear Foundation or the Fair Labor Association.

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

MONITORING AND REMEDIATION

Possible Points: 34

Earned Points: 28

Additional comments on Monitoring and Remediation:

Due to limited time and resources in 2017, it was agreed with FWF that the monitoring of the low-risk locations which fall into Triaz's tail-end would be done in 2018, therefore no requirement is given to fulfill tail-end requirements in this Brand Performance Check. In 2018 Triaz will ensure these locations are properly monitored.

3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	1	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved	0	
Number of worker complaints resolved since last check	1	

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

Comment: Two members of the Sustainability Team are jointly responsible for addressing worker complaints when they arise.

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

Comment: Triaz receives a photo of the Worker Information Sheet posted from all suppliers at the start of production. Additionally, staff visiting the suppliers are asked to confirm that the Worker Information Sheet is still posted.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Percentage of FWF-audited production locations where at least half of workers are aware of the FWF worker helpline.	69%	The FWF complaints procedure is a crucial element of verification. If production location based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Production location participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited production locations where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of production locations in WEP programme.	3	4	0

Comment: According to audit reports at Triaz's FWF-audited suppliers, 69% of workers were aware of the FWF worker helpline.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure	Yes	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.	3	6	-2

Comment: Triaz received one complaint in December of 2017 at a supplier in India. Triaz contacted the supplier as per the FWF Complaints Procedure and actively tried to work with the supplier on remediation. However the supplier was unwilling to cooperate or have a further investigation done. Ultimately, in 2018, Triaz ended its relationship with this supplier for this reason.

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

Comment: There were no other FWF members sourcing at the location of the complaint in 2017. As part of the process of trying to remediate the complaint both Triaz and FWF tried to find other brands sourcing there to help in remediation, but with no avail.

COMPLAINTS HANDLING

Possible Points: 13

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 FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	-1

Comment: Triaz has an onboarding procedure for new staff where they spend at least a week in each department, including CSR. As part of this new staff are educated on FWF membership. Additionally the CSR department holds multiple sessions per year on sustainability for new and interested staff, and regularly updates the company wiki with news related to FWF membership.

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

Comment: Staff who are in direct contact with suppliers are given additional training by the CSR department on FWF requirements and country specific information.

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

Comment: Triaz works primarily with agents who are informed and trained on FWF requirements and actively support the Code of Labour Practices. The agents support Triaz on following up on remediation and improvements.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Production location participation in Workplace Education Programme (where WEP is offered; by production volume)	50%	Lack of knowledge and skills on best practices related to labour standards is a common issue in production locations. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	6	6	0

Comment: Half of Triaz's production based in countries where the Workplace Education Programme is offered has participated in the training.

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

Comment: No trainings related to labour standards have been offered in countries where the Workplace Education Programme is not offered. Triaz has implemented training with a couple of its suppliers on production planning, in hopes to support improved systems that will lead to reduction in overtime and/or more funds being made available for increased wages.

Recommendation: All factory workers and management should be informed about FWF, labour standards and grievance mechanisms. In order to further communication between employers and workers in the workplace FWF recommends Triaz to ensure suppliers participate in trainings. Trainings must meet FWF quality standards to receive credit for this indicator: top management, supervisors and workers should be included in the trainings, separately. Workplace standards and dispute handling should be included in the training. At least 10-20% of the workforce must be trained, depending on the size of the factory. Worker participation should be balanced and representative.

TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 11

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: Triaz has a thorough due diligence and on-boarding process for new suppliers, which includes identifying all potential production locations. Additionally, twice per year Triaz asks all suppliers to confirm their production locations and update on any new subcontractors that are being used (who then would need to go through the on-boarding process).

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: Members of the CSR team are part of the Supplier Management Project group, who meet weekly to discuss suppliers. In these meetings staff actively share information about working conditions and other relevant issues.

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

Comment: Triaz adheres to the FWF Communications Policy and communicates about membership in catalogues, brochures and on its website.

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

Comment: Triaz publishes its Brand Performance Check on its brand and group websites. Currently it does not disclose production locations publicly but is looking into how increased transparency could support its efforts to improve working conditions.

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

Comment: Triaz has submitted its social report to FWF and has published its online.

TRANSPARENCY

Possible Points: 6

Earned Points: 5

7. EVALUATION

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

Comment: Evaluation of FWF membership is conducted with Triaz's CEO regularly, who is also kept up to date on key issues and highly values FWF membership to support Triaz's efforts on social compliance.

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.	49%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	2	4	-2

Comment: In its last Brand Performance Check Triaz had one requirement to fulfill monitoring requirements for suppliers in low-risk countries. In 2017 Triaz made steps towards fulfilling these requirements and has plans to complete this in 2018, in agreement with FWF. It has made steps on this requirement at about half of its low risk suppliers, and therefore is awarded half points for this indicator.

EVALUATION

Possible Points: 6

Earned Points: 4

RECOMMENDATIONS TO FWF

Triaz encourages FWF to see how they can better align with other multi-stakeholder organisations and initiatives to support the cooperation of brands on remediation of Corrective Action Plans and complaints. Additionally Triaz would like to see initiatives other than the Fair Labor Association recognised as credible initiatives in scoring of indicator 2.12 re: external production.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	34	44
Monitoring and Remediation	28	34
Complaints Handling	9	13
Training and Capacity Building	11	15
Information Management	7	7
Transparency	5	6
Evaluation	4	6
Totals:	98	125

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

78

PERFORMANCE BENCHMARKING CATEGORY

Leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

01-08-2018

Conducted by:

Tina Rogers, Sandra Gonza

Interviews with:

Hannah Leicht, Sustainability

Heike Gohres, Sustainability

Barbara Engel, Head of Sustainability

Martina Becker, Head of Planning and Supplier Management

Christian Lukas, Team leader Planning

Katharina Hupfer, CEO