



# **Brand Performance Check**

## **Marc O'Polo AG**

**Publication date: November 2021**

This report covers the evaluation period 01-06-2020 to 31-05-2021

## About the Brand Performance Check

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

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

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

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

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

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

*This 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

## Marc O'Polo AG

Evaluation Period: 01-06-2020 to 31-05-2021

Member company information	
Headquarters:	Stephanskirchen , Germany
Member since:	2020-09-01
Product types:	Garments, clothing, fashion apparel, accessories, footwear
Production in countries where Fair Wear is active:	Bangladesh, Bulgaria, China, India, North Macedonia, Romania, Tunisia, Turkey, Vietnam
Production in other countries:	Albania, Bosnia and Herzegovina, Italy, Madagascar, Mauritius, Portugal, Spain, Taiwan
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	90%
Benchmarking score	49
Category	Good

## Summary:

Marc O'Polo has shown progress and met most of Fair Wears' performance requirements. With a score of 49 points, the brand meets the benchmark for first-year members and is placed in the 'Good' category. With a monitoring percentage of 90%, the brand has shown exceptional progress in monitoring suppliers despite the challenges during the COVID-19 pandemic.

## Corona Addendum:

Please note that this Brand Performance Check report covers the period September 2020 - May 2021, which means that the first lockdown period in March 2020 does not fall within the scope of this performance check.

From September 2020 onwards, the brand has known a stable business despite several temporary closures of its shops during lockdowns. Online sales compensated partially for the loss in stationary retail sales. Where HQ and retail staff were partially on furlough, CSR staff continued to work at 100% capacity. Marc O'Polo did not significantly change its orders due to the COVID-19 pandemic.

In its first year of membership, the brand made good steps in setting up its human rights due diligence system. Marc O'Polo conducted a human rights risks analysis and had insight into the situation of its suppliers by initiating and collecting BSCI-audit reports. During the COVID-19, the member entered into a dialogue about the effects of the pandemic on the suppliers. Issues that suppliers flagged were followed up. Particular focus was given to preventing excessive overtime due to shifts in production planning. The brand took several measures, such as air freight and leniency in lead times.

However, the brand should take steps to monitor COVID-19 risks more in-depth. Marc O'Polo needs to keep track of lockdowns, factory closures and/or governmental measures and go beyond dialogue to ensure that at least legal minimum wages are paid to workers. Furthermore, Fair Wear recommends that Marc O'Polo strengthens its monitoring system by collecting specific and actual human rights risks for all the countries it sources from and actively linking them to suppliers. The brand has taken active steps to build a structure for human rights due diligence. Fair Wear encourages Marc O'Polo to continue on the same path.

## 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.	74%	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:** Marc O'Polo sources its garments from 149 factories. The brand mainly sources from small and medium enterprises who can meet the high quality standards from the brand. The majority of its production volume is sourced through agents and intermediaries, while a smaller part is sourced directly from suppliers. At around 75 of its suppliers, representing 74% of its total production volume, Marc o'Polo places significant production volumes resulting in a leverage of more than 10%.

**Recommendation:** Fair Wear recommends Marc O'Polo to consolidate its supplier base where possible, and increase leverage at main production locations to effectively work on improvements of working conditions. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management and sourcing staff.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	63%	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.	0	4	0

**Comment:** Marc O'Polo has a broad range of products. According to the brand, the member needs specific suppliers in order to produce in line with its high and specific requirements for garments. Furthermore, the brand has suppliers in different countries for the same product to spread the risk of lockdowns, factory closures and late delivery.

**Recommendation:** Fair Wear recommends Marc O'Polo to consolidate its supply base by limiting the number of production locations in its 'tail end'. To achieve this, Marc O'Polo should determine whether production locations where they buy less than 2% of their FOB are of strategic relevance. Furthermore, Fair Wear recommends Marc O'Polo to conduct a product risk analysis to assess how its broad range of products relates to supply chain specific risks and its choice of suppliers.

Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	63%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	3	4	0

**Comment:** With most of its suppliers, Marc O'Polo maintains stable relationships. In 2019, the brand had a significant increase in the number of suppliers (38), but this number steadily declined in 2020 and 2021. The CSR-department is more involved when the purchasing department is selecting new suppliers.

The brand aims to have a stronger base with its current supplier by focussing on long-term suppliers that can grow with Marc O'Polo.

**Recommendation:** Fair Wear recommends Marc O'Polo to maintain stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions. It is advised to describe policies regarding maintaining long term business relationships in a sourcing strategy that is agreed upon with top management and sourcing staff.

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:** Marc O'Polo sent out the questionnaire to its 149 suppliers. A total number of 135 questionnaires were returned and signed by the suppliers. In twelve cases, the brand had already stopped production with the suppliers, hence the supplier did not return the questionnaire. The brand did not yet receive the questionnaire back from a Portuguese and Mauritanian supplier. The brand is discussing this with the two suppliers.

**Requirement:** Marc O'Polo needs to ensure that the two production locations sign and return the questionnaire before next orders are 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.	Intermediate	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.	2	4	0

**Comment:** Marc O'Polo has taken steps in implementing human rights due diligence in a systematic way. The brand has an Ethical Sourcing Standard in place which describes adherence to the Code of Conduct and specific human rights, environmental and animal welfare standards. The member also started to develop a Responsible Buying Guideline to outline its responsibilities and standard towards responsible purchasing.

Marc O'Polo also conducted a human rights risks assessment together with an external consultancy. The assessment analysed the scale, scope, and irremediable character of human rights risks per tier in its supply chain. Furthermore, the extent to which the brand was connected to these risks was also analysed. The brand currently learns about country-specific risks through its agents and audit reports. The member is generally aware of country-specific risks, especially from its main sourcing countries, but Marc O'Polo is not yet actively and systematically linking country-specific risks to suppliers. Marc O'Polo aims to start collecting country-specific risks in a systematic manner and connect these to the risk analysis. When the brand had to make a decision on entering Pakistan or not, the member decided against this on the basis of its country analysis that included human rights risks.

When selecting new suppliers, the brand discusses human rights and Fair Wear requirements with the supplier. Marc O'Polo also asks for existing audit reports and includes the outcome of these reports in its decision-making.

During the COVID-19 pandemic, the brand entered into a dialogue with its suppliers. When suppliers flagged issues, the brand followed up on this. However, the brand did not yet keep track of these issues and followed up in a systematic manner, for example by including it in the CAP. Furthermore, the brand monitored 61 suppliers by initiating or collecting the results of an audit. This was done when suppliers were up for a new audit as part of the regular audit cycle. Risks and issues related to legal minimum wages, loss of jobs, occupational health and safety and worker engagement were identified through these audit reports and supplier feedback.

**Recommendation:** Fair Wear recommends Marc O'Polo to implement a system that collects and tracks country-specific risks for all its sourcing countries. Fair Wear advises to use information from Fair Wear country studies, COVID-19 country pages and wage ladders and use the Fair Wear Health and Safety guidelines. Marc O'Polo can use the CSR Risk Checker (<https://www.mvorisicochecker.nl/en/risk-check>) to further assess the risks in (potential new) sourcing countries. For gender risk assessments, Marc O'Polo can use the gender-toolkit that has fact-sheets per country, supplier checklists and a model policy on Sexual Harassment. The brand should start linking these risks to new and existing suppliers. Furthermore, we strongly recommend the brand to ensure that audits and other monitoring tools can identify COVID-19 specific risks and issues, such as non-payment of legal minimum wages during factory closures. The brand should prioritize monitoring suppliers with the highest risk and where its production volume and leverage is high.

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:** The brand evaluates supplier performance on price, quality, delivery and CSR. The CSR component is currently based on the rating of the audit report. The brand does not yet have a system in place to incentivize and reward suppliers on progress on remediation of CAPs. However, during the COVID-19 pandemic, the brand supported suppliers that were faced with a significant decline in the total number of their orders by prioritizing them in order placement.

The brand stopped relationships with 12 suppliers. In all cases, the brand had low leverage and the impact on wages and jobs will be negligible.

From September 2020 - May 2021, the brand did not cancel or postpone any order due to the COVID-19 pandemic. After the first lockdown (March), sales started to improve significantly again, allowing Marc O'Polo to place additional orders at suppliers. During the pandemic, the member remained in dialogue with its suppliers about order placement, factory closures, reduced production capacity and delivery.

**Recommendation:** Fair Wear encourages Marc O'Polo to further develop its evaluation system for suppliers where the CSR component goes beyond the score of an audit report, for example by including progress resolving specific (corrective) actions that were agreed upon between the brand and supplier. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions.

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:** Marc O'Polo is a fashion brand with four main collections per year, where products are delivered three times per season, meaning deliveries take place every month. The brand plans its production process by developing a critical path per product. Together with the supplier, the brand plans back from the moment of delivery to production, to delivery of material and the last date for order placement. For specific products, the brand nominates the material supplier. Forecasts are provided 3-4 months prior to order placement. The brand knows the total and available production capacity per supplier (in pieces) and compares this to the required capacity and its lead times. In case the comparison shows that production could lead to overtime, discussions with the supplier take place. The brand plans per piece and not yet per standard minute.

During the COVID-19 pandemic, delivery of the members' products was disrupted due to lockdowns, factory closures, lower productivity and late delivery of material. The brand took several measures to adapt its production planning to prevent excessive overtime and ensure on-time delivery. In case suppliers flagged that delivery dates could not be met, the brand accepted late deliveries without penalties. In several instances, the brand split orders and/or moved from boat shipment to air freight. Furthermore, for the additional orders the brand placed, no fixed delivery dates were given but the brand discussed with the supplier what the earliest available delivery date could be.

**Recommendation:** Fair Wear recommends Marc O'Polo to learn more about the standard minute per style in understanding how the production of its products impacts the total production capacity of the factory. Furthermore, Fair Wear strongly recommends Marc O'Polo to remove penalties for late delivery from its contracts, or at least ensure there is 'proof of fault by the supplier', and to standardize assessing root causes of late delivery and take measures to prevent future delays.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.7 Degree to which member company mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	3	6	0

**Comment:** Through initiating and collecting audit reports, the brand is aware of excessive overtime taking place at suppliers. The brand discussed the outcome of these reports with the suppliers. However, the brand did not yet conduct root cause analysis at specific suppliers yet.

During the COVID-19 pandemic, the brand was aware of the risk of excessive overtime taking place at suppliers due to factory closures, late material deliveries and additional order placement by customers after the first lockdown period in Europe. To mitigate the risk of excessive overtime and to support suppliers, the brand took several measures. In dialogue with suppliers, the brand assessed available production capacity, sent orders without a fixed delivery date, split orders over different factories and subcontractors, was lenient with delivery dates and used air freight where needed.

**Recommendation:** Marc O'Polo could discuss with factory management the causes of excessive overtime and provide support to manage overtime. If necessary, the member could hire local experts to analyse the root cause of excessive overtime in cooperation with the supplier. Fair Wear can recommend qualified persons upon request. Fair Wear recommends cooperating with other customers at the factory to increase leverage when trying to mitigate excessive overtime hours.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations.	Insufficient	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.	0	4	0

**Comment:** Together with its suppliers, Marc O'Polo breaks down the costs of a garment and negotiates these elements. The brand can break down the cost of a price up to the CMT-level of a garment. This means that overhead, direct and indirect wages are still one component of the price and not separate components. Therefore, the brand is not yet able to link its prices to wages to ensure that its prices cover the wage levels in the factory. The brand does not yet estimate minimum prices based on (minimum) wage levels at factories. COVID-19 specific costs that had to be made by suppliers were not yet identified and incorporated in the negotiated prices.

**Requirement:** Marc O'Polo needs to demonstrate an understanding of the link between buying prices and wage levels, to ensure their pricing allows for the payment of the legal minimum wage.

**Recommendation:** Fair Wear recommends Marc O'Polo to expand its knowledge of cost breakdowns of all product groups. A next step would be to calculate the labour minute costs of its products to be able to calculate the exact costs of labour and link this to their own buying prices. Fair Wear's labour minute value and product costing calculator also enables suppliers to include any COVID-19 related costs. Priority would be to make sure this level of transparency can be achieved with their suppliers.

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.	No	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.	-2	0	-2

**Comment:** In its first year of membership, Marc O'Polo initiated two Fair Wear audits. One audit took place at a tier-two supplier and therefore falls outside the scope of this Brand Performance Check (please see additional comment in Chapter 2). The other audit report did not identify legal minimum wage issues.

During the COVID-19 pandemic, Marc O'Polo learned about legal minimum wage issues through its audit reports. Furthermore, the brand asked its agents whether suppliers were able to pay legal minimum wages. However, the brand did not systematically assess the risk of non-payment of legal minimum wages by keeping track of lockdowns, factory closures and governmental measures and support.

Marc O'Polo started production with two Bangladeshi factories in 2020. At one supplier, first orders were placed in February, while at the other supplier, first orders were placed in November. In Bangladesh, the government allowed for payment of 65% of the legal minimum wage during the first lockdown in March-April 2020. The member collected two audit reports from these factories. One audit took place after the lockdown. This report mentioned that workers received 65% of the legal minimum wage during the first lockdown period, although it was not flagged as an issue by the auditors. In following up on this audit report, Marc O'Polo did not emphasize the importance of payment of 100% of LMW, as mentioned in the Fair Wear guidance on loss of jobs and wages and did not give active follow up on the payment below legal minimum wage. Another Fair Wear member is active at this factory.

**Requirement:** Marc O'Polo needs to identify and track country-specific risks that can result in the non-payment of legal minimum wages. In order to do so, the member needs to monitor lockdowns, factory closures, governmental measures and other risks that can lead to non-payment of legal minimum wages. Furthermore, in countries where the government allows for payment below the legal minimum wage for a specific period of time, the brand needs to map and identify whether its suppliers lower wages in line with the governmental measures but below the minimum wage. When the brand's system finds non-payment of legal minimum wage, the brand needs to ensure it actively follows up. At its Bangladeshi supplier, the brand should engage with the other Fair Wear member and the supplier to follow up on the non-payment of legal minimum wages during the lockdown period.

Please note that following Fair Wear's policy for repeated non-compliance in Fair Wear's Brand Performance Checks, members that receive an insufficient or -2 score on this indicator for the second year in a row, will be placed in the 'Needs Improvement' category.

**Recommendation:** When non-payment of legal minimum wages are identified, Fair Wear recommends Marc O'Polo to enter into dialogue with the factory to look for solutions, and where possible offer financial support, for example by offering pre-payment of orders. At the same time, the member could plan audits, hire a local consultant or plan a monitoring visit of one of Fair Wear's auditors to check whether the legal minimum wages are paid at a specific supplier.

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:** Marc O'Polo has a payment term of 30-60 days which differs per supplier. Its suppliers are paid directly or through the agent or intermediary. The brand does not have a system in place to check when suppliers are paid by the agent or intermediary.

During the COVID-19 pandemic, the member asked suppliers to extend the payment term with 30 days as the member's customers were closed during lockdowns, resulting in payment terms of 60-90 days for suppliers. Almost all its suppliers agreed to this. When suppliers did not agree, payment terms were left unchanged. In April 2021, the brand went back to its regular payment terms.

The brand did not ask for any discounts or use the momentum to discuss any price reductions related to the COVID-19 situation at the supplier.

**Recommendation:** Fair Wear recommends Marc O'Polo not to use extending payment terms as a measure. Furthermore, the brand is encouraged to look into the payment dates of its agents and intermediaries to its suppliers.

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.	Insufficient	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	0	6	0

**Comment:** Marc O'Polo informed suppliers of its commitment to living wages and responded to questions from several suppliers about living wages. The member is learning about the wage levels in the factories through audit reports. Before Fair Wear membership, the brand had already initiated wage comparisons in Bulgaria and North Macedonia to gain a better understanding of the wage levels. The brand has not yet assessed root causes for wages lower than living wages. Furthermore, the brand has not yet collected information about reduced wages due to the COVID-19 pandemic.

**Recommendation:** Fair Wear recommends Marc O'Polo to discuss with suppliers about different strategies to work towards higher wages. It is advised to start with suppliers where the member is responsible for a large percentage of production and long term business relationships. In addition, the brand could start collecting living wage benchmarks for its suppliers.

Furthermore, the brand should start identifying whether suppliers reduced wages due to the impact of the COVID-19 pandemic. If suppliers reduced wages, the member could use the Fair Wear/ETI brand-conversation framework. In such cases, the member could link suppliers to governmental support, provide pre-payments or loans.

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

**Comment:** Marc o'Polo does not own any factories.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	None	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.	0	6	0

**Comment:** Marc O'Polo does not yet have a strategy in place to determine and finance wage increases.

**Recommendation:** To support companies in analysing the wage gap, Fair Wear has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models. Fair Wear recommends Marc O'Polo to use this.

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.	0%	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.	0	6	0

**Comment:** Marc O'Polo has not yet set target wages with suppliers yet.

**Recommendation:** Fair Wear recommends Marc O'Polo to start setting target wages with its suppliers.

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## Purchasing Practices

**Possible Points: 52**

**Earned Points: 17**

## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	82%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	8%	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.	First or second year member and tail-end monitoring requirements do not apply	1st or 2nd year member and tail-end monitoring requirements do not apply.
Requirement(s) for next performance check		
Total monitoring threshold:	90%	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:** Marc O'Polo had one CSR manager during the last financial year who follow up on problems identified by the monitoring system.

At the time of the Brand Performance Check, the CSR team had grown into two CSR managers and one project assistant.

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:** Two Fair Wear audits were done in Marc O'Polo's first year of membership. The audit reports were shared with the factory and timelines were established in a timely manner. The brand did not yet check for active worker representatives with whom it could share the audit reports.

**Recommendation:** Before an audit takes place, Marc O'Polo 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.	Basic	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.	4	8	-2

**Comment:** Marc O'Polo initiates and collects audit reports, which it follows up. The brand keeps track of the progress of suppliers through the CAPs. However, the progress of suppliers is not yet captured in a system that provides for an easily accessible overview. The brand prioritizes issues based on critical findings on the one hand, while also focusing on its most important suppliers. In its first year of membership, the brand focused on bringing on board agents to support with CAP follow up, following up on individual audits and specific risks such as forced labour. (see the additional comment at the end of Chapter 2).

During the COVID-19 pandemic, the brand did not yet actively check and monitor whether workers and their representatives were structurally included in factory-level discussions on COVID-19 measures.

**Recommendation:** To keep track of almost 150 suppliers, Fair Wear recommends Marc O'Polo to implement a system which allows staff in direct contact with suppliers to easily access, monitor, update and share CAPs. The member could also expand this to its agents.

Furthermore, Fair Wear recommends Marc O'Polo to start tackling more structural issues such as excessive overtime and living wages. We encourage the brand to identify democratically-elected worker representatives at its suppliers and to engage with them when following up on audit findings.

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.	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:** Marc O'Polo mainly makes use of BSCI-reports to monitor suppliers. The brand checks the quality of the reports. For several country-specific risks, the brand also checks whether audit reports include those risks sufficiently and correctly. The member follows up on Corrective Actions.

**Recommendation:** Fair Wear recommends Marc O'Polo to assess the quality of the external audit report and immediately discuss with the supplier what information is missing and how to collect that information.

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	Intermediate			3	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Intermediate			3	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

**Comment:** Bangladesh:

Marc O'Polo places production at two Bangladeshi factories. Although the brand is not a member of the Bangladesh Accord, production for Marc O'Polo can only take place at factories that fall under the Accord. Recent reports from the Accord show that very few issues remain at the two Bangladeshi suppliers (completed status at 100%). Furthermore, the factories are BSCI-audited. The brand has not yet implemented steps to identify and prevent Gender-Based Violence in these two factories.

Turkey:

Marc O'Polo has 19 Turkish suppliers. The brand has a Syrian refugee policy in place and shared this with suppliers. At one supplier, a Syrian daily worker was found during an audit. The brand engaged with the supplier to solve the issue. In the end, the worker declined to become a legal employee, after which the worker ended the working relationship. Before the COVID-19 pandemic, Marc O'Polo also initiated BSCI-audits with off-site stakeholder interviews. The brand ensures that the main production locations and subcontractors are audited and follow up is provided. The member also checks and compares available production capacity.

Other:

In its first year of membership, Marc O'Polo mainly focused on setting up its internal systems and monitoring suppliers. The brand engaged with suppliers to discuss COVID-19 related issues, while more in-depth efforts on the loss of jobs and wages, Occupational Health and Safety and worker engagement still need to follow. Concerning other risks, the brand identified homeworkers at one supplier. Marc O'Polo then asked the supplier to stop making use of homework and ensure that homeworkers have a formal agreement and work takes place within factory walls. The supplier declined the request and subsequently stopped relationships with Marc O'Polo.

**Recommendation:** Fair Wear recommends Marc O'Polo to ensure that external audit teams possess the necessary expertise to properly assess the country-specific risks related to safety and gender-based violence in Bangladesh. Furthermore, we recommend starting supplier training on gender-based violence. As for its Turkish suppliers, the brand could make use of Fair Wear audits to improve identifying subcontractors and Syrian refugees. Lastly, Fair Wear strongly recommends Marc O'Polo to make use of adapted audits or other monitoring tools to identify COVID-19 specific risks and actively track and remediate issues that come up through its 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:** At several factories, Marc O'Polo actively works with other members. However, as the brand disclosed 40% of its production volume to other Fair Wear members in our internal system, the brand could learn more about other active members at its suppliers by disclosing more suppliers.

**Recommendation:** Fair Wear strongly recommends Marc O'Polo to disclose all its suppliers in our system to other members who are active at the same supplier to facilitate easier follow up with these members.

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.	94%	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:** Marc O'Polo sourced from 30 suppliers in Italy, Portugal and Spain. The brand fulfilled the monitoring requirements for low-risk countries. However, one supplier refused to sign the Fair Wear CoLP and post the Worker Information Sheet. The brand is discussing this with the supplier. Another supplier with whom business relationships were ended did not post the WIS.

**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:

- 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;
- Be informed of Fair Wear membership and return the completed CoLP questionnaire before production orders are placed;
- Be aware of specific risks identified by FAIR WEAR;
- Have the Fair Wear 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 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

**Comment:** Marc o'Polo has 59 tail-end suppliers equalling 15% of its total production volume. The brand is working towards fulfilling all tail-end monitoring requirements and has made significant steps in doing so, which is required by Fair Wear only in its third year of membership. Although the brand has made good progress, the bonus indicator cannot be awarded yet.

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.	Yes, and member has information of production locations	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.	1	1	0

**Comment:** Marc O'Polo has four licensees. Three of them completed the questionnaire and Marc O'Polo collected additional information on production locations. However, the brand also has a Chinese licensee for its business in China. Despite efforts from the brand, the licensee was not willing to sign the questionnaire. The brand is in dialogue with the licensee to learn more about where production takes place and its commitment to decent working conditions.

**Requirement:** Marc O'Polo must ensure to collect the necessary information from its Chinese licensee, including details of the production locations used by the licensee.

**Recommendation:** Fair Wear suggests Marc O'Polo to include a commitment to the 8 labour standards in the contract with the licensees. Furthermore, Fair Wear recommends Marc O'Polo to discuss with its licensees how they can ensure all suppliers are under monitoring and the licensees provide active follow up through remediation plans.

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## Monitoring and Remediation

**Possible Points: 27**

**Earned Points: 19**

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### Additional comments on Monitoring and Remediation :

Marc O'Polo was also informed by SOMO of potential forced labour at an Indian spinning mill. Although this falls outside the scope of the Brand Performance Check as it concerns a second-tier supplier, it is worthy to report that Marc O'Polo immediately followed up on the matter and checked whether the spinning mill was used by one of its suppliers. The SOMO report had reported on a different production location from the spinning mill than the supplier of Marc O'Polo was sourcing from. Nevertheless, the brand initiated a Fair Wear audit at this production location which did not find any signs of forced labour.

### 3. Complaints Handling

Basic measurements	Result	Comments
Number of worker complaints received since last check.	2	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.	1	
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 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 of Marc O'Polo has been designated for following up on 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:** Marc O'Polo has a system in place to check whether the Fair Wear Code of Labour Practices is posted. The member asked for photographic evidence of its suppliers to show that the sheet was posted at 132 suppliers.

In total, 16 suppliers did not provide evidence that the Worker Information Sheet was posted. As business relationships had ended with 12 suppliers, the brand did not further follow up on requesting evidence. For two suppliers, the WIS was not available in their local language. Another two suppliers refused to post the WIS what the brand is discussing with the suppliers.

**Requirement:** Marc O'Polo must ensure that the Worker Information Sheet, including contact information of the local complaints handler of Fair Wear, is posted in all its factories in a location that is accessible to all workers.

Please note that following Fair Wear's policy for repeated non-compliance in Fair Wear's Brand Performance Checks, members that receive an insufficient or -2 score on this indicator for the second year in a row, will be placed in the 'Needs Improvement' category.

**Recommendation:** When visiting production locations, quality and control staff and/or agents could check whether the WIS is posted.

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.	0%	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.	0	6	0

**Comment:** Marc o'Polo did not organize any training sessions to raise awareness of the Fair Wear Code of Labour Practices and complaints hotline in its first year.

**Requirement:** Fair Wear requires members to actively raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint hotline. Marc O'Polo AG should ensure good quality systematic training of workers and management on these topics. To this end members can either use Fair Wear's Workplace Education Programme (WEP) basic module, or implement training related to the Fair Wear CoLP and complaint hotline through service providers or brand staff. Fair Wear's guidance on training quality standards is available on the Member Hub.

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:** In its first year of membership, Marc O'Polo received two complaints. One complaint concerned unclarity on how wage increments were provided by a supplier. The brand engaged with the factory, after which factory management explained the system of wage increments to the workers, which led to a satisfactory outcome for the worker. The brand did not yet take preventive steps at this supplier or other suppliers.

The second complaint concerned a forced mass lay-off of workers where the dismissed workers were not provided with their legally entitled benefits. This complaint is still under remediation and not yet resolved.

During the handling of both complaints, the member acted in accordance with the FWF Complaints Procedure.

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

**Comment:** The two production locations where a complaint was filed was not a shared production location with other Fair Wear members.

## Complaints Handling

**Possible Points: 15**

**Earned Points: 6**

## 4. Training and Capacity Building

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.1 All staff at member company are made aware of FWF membership.	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of Fair Wear membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	0

**Comment:** Marc O'Polo informed all its staff members of Fair Wear membership through an internal communique. Furthermore, CSR staff provided a training session to different departments, such as the buying department. Staff of stores are not yet actively informed and trained yet.

**Recommendation:** Fair Wear recommends Marc O'Polo to inform and train its staff in stores to ensure that its staff can inform customers of Marc O'Polo's efforts to improve working conditions.

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:** The CSR staff actively informs staff in direct contact with suppliers of Fair Wear requirements. They also held an internal training on responsible exit requirements. The CSR team regularly meets with the buying and production teams to discuss labour issues.

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:** Marc O'Polo works with 14 agents in China, India, Turkey, Vietnam, Bangladesh and the low-risk countries it sources from. The agents were informed of Fair Wear membership and requirements. In several instances, the agents are also actively involved in monitoring and following up on labour violations at suppliers.

**Recommendation:** Fair Wear recommends Marc O'Polo to actively train all its sourcing contractors/agents on monitoring and remediating labour rights issues and enable them to support the implementation of the CoLP.

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:** In its first year of membership, Marc o'Polo did not organize any advanced training sessions.

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

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## **Training and Capacity Building**

**Possible Points: 11**

**Earned Points: 5**

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## 5. Information Management

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.1 Level of effort to identify all production locations.	Intermediate	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	3	6	-2

**Comment:** Marc O'Polo has long-term relationships with its 14 agents. The agents are transparent about their production locations. In case production is shifted to another factory, the brand is informed beforehand. Contractually, subcontracting is not allowed without prior approval. The brand requests suppliers to fill in the Fair Wear questionnaire which also asks to list the subcontractors.

Its agents regularly visit the factories while production takes place. In China, the brand's own Quality Control staff checks production. Furthermore, the brand checks the total and available capacity of a supplier and compares this with the required capacity from Marc O'Polo. In that way, the brand can establish a risk of subcontracting. The brand also started to identify non-CMT subcontractors, such as subcontractors for printing and embroidery.

**Recommendation:** Fair Wear recommends Marc O'Polo to also make use of audit reports to find subcontractors. We encourage the brand to especially make use of our comprehensive Fair Wear audits in Turkey and China to detect subcontracting. Next to that, the brand could also do a product-risk assessment and compare these to in-house services to learn more about whether all production is taking place in the factory.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1

**Comment:** CSR staff and the buying department actively share information about suppliers with each other during regular meetings. Calls with suppliers about CAP follow up is done with the responsible buyer.

**Recommendation:** It is advised to make relevant staff aware of the available tools Fair Wear offers, such as the Health and Safety guides, monitoring CAP documents, access to Fair Wear's online information system. Purchasing staff are recommended to share reports from factory visits that include a status update of implementing the CoLP.

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## Information Management

**Possible Points: 7**

**Earned Points: 4**

## 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:** Marc O'Polo communicates online about Fair Wear membership which is in line with our Communications Policy. Public communication about Fair Wear and supplier performance on labour rights is still limited as the brand first wanted to await its first Brand Performance Check before setting its ambition level and designing its communication strategy towards these topics.

**Recommendation:** Fair Wear encourages Marc O'Polo to communicate more actively about Fair Wear membership, the issues it finds in its supply chain and which steps the brand is taking to mitigate and remediate these issues.

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:** As this is the first Brand Performance check report of Marc O'Polo, no prior reports could be published yet. The brand does not publish audit reports. The member disclosed 0% of its suppliers on the Fair Wear website, while it disclosed 40% of its suppliers to other Fair Wear members in our internal data management system FairForce.

**Recommendation:** Fair Wear recommends Marc O'Polo to disclose 100% of production locations to other Fair Wear members in FairForce and on the Fair Wear website.

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:** During its financial year 2020/2021, the brand handed in a sustainability report over the year 2019/2020 which also contained elements of social compliance and progress. As the report came out late in the year, the member also shifted its reporting over 2020/2021 as it would otherwise come too close to the other sustainability report, which was accepted by Fair Wear.

**Recommendation:** Marc O'Polo should align its public reporting to its financial year, ensuring that the reports are published within a reasonable timeframe after the closing of its financial year as the effects of public accountability are biggest when such reports are published shortly after closing the financial year. Stakeholders and customers then have access to recent and actual information about its last financial year and its efforts.

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## 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:** Top management of Marc O'Polo is highly involved in all CSR-related matters. There are weekly meetings between staff members of the CSR department, the Chief Product Officer, and management from the buying & production team where human rights matters and issues concerning suppliers are raised and discussed. As this is its first year of membership, the brand has not yet held an annual evaluation of the outcomes of the Brand Performance Check and its first year as a member.

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

**Comment:** As this is the first Performance Check for Marc O'Polo, no requirements were provided yet.

## Evaluation

**Possible Points: 2**

**Earned Points: 2**

## Recommendations to Fair Wear

Instead of a more detailed overview in the Member Monthly Update, the brand would like to receive a full but short overview of updates on the member hub.

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	17	52
Monitoring and Remediation	19	27
Complaints Handling	6	15
Training and Capacity Building	5	11
Information Management	4	7
Transparency	6	6
Evaluation	2	2
Totals:	59	120

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

49

### Performance Benchmarking Category

Good

## Brand Performance Check details

Date of Brand Performance Check:

25-10-2021

Conducted by:

Wilco van Bokhorst

Interviews with:

Maximilian Böck - CEO

Susanne Schwenger - CPO

Sara Strödel - CSR Manager

Dorothee Kinzinger - CSR Manager

Lissa Erlenkötter - Division Head Sustainable Sourcing, Buying & Production Knits

Marvin Beitzel - Group Manager Planning & Supply Chain

Geworg Ambarzumian - Director Buying & Production

Petra Reichl - Senior Accountant Creditor

Albert Fetsch - Senior Manager Corporate Communications