

# Brand Performance Check Nudie Jeans Co.

This report covers the evaluation period 01-01-2023 to 31-12-2023

#### **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 <a href="https://www.fairwear.org">www.fairwear.org</a>. The online <a href="https://www.fairwear.org">Brand Performance Check Guide</a> provides more information about the indicators.

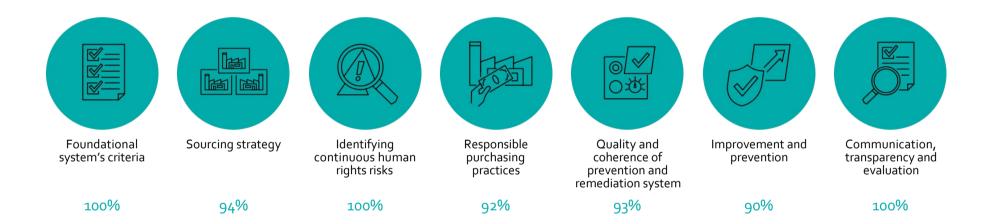


#### **Scoring overview**

Total score: 192
Possible score: 204

Benchmarking Score: 94

Performance Benchmarking Category: Leader



#### **Summary:**

Nudie Jeans has shown advanced results on performance indicators and has made exceptional progress. With a total benchmarking score of 94, the member is placed in Leader category.

Nudie Jeans' sourcing strategy focuses on increasing influence through consolidation, active cooperation with other clients and long-term relations.

Nudie Jeans has a comprehensive approach to conducting risk scoping on all risk factors (country, sector, business model, sourcing model and product level risks) and conducting risk assessments for all its suppliers. The factory risk assessments include all risks identified through monitoring outcomes. Nudie Jeans has mapped the risks to freedom of association (FoA) in all its sourcing countries and can explain the main risks per country, including the risks to women workers. The member has supplier-level monitoring in place to assess and understand the risk at suppliers. Additionally, Nudie Jeans actively collects gender data per factory. In its risk scoping and assessment, the member has assessed the impact and prevalence of the risks correctly.

Nudie Jeans' has a collaborative approach to production planning. In the last financial year, the brand focused even more on pre-planning production and placing its orders earlier, resulting in even longer lead times. The brand collaborated even closer with its suppliers, including with its fabric suppliers.

Moreover, Nudie Jeans has expanded its work on living wages. The brand has an advanced insight into the labour component of its prices at most of its suppliers in India, Türkiye and Tunisia, and has started increasing its understanding of the labour component of its prices at its Italian and Portuguese suppliers. Nudie Jeans has created a strategy to finance wage increases which includes plans on financing its contribution to higher wages. This has been agreed upon by relevant management staff, including the CEO. Nudie Jeans uses fact-based costing and factory onsite assessment reports to ensure its prices support the payment of a living wage estimate or CBA at suppliers responsible for 94% of Nudie Jeans's FOB.

In 2023, Fair Wear implemented a new performance check methodology aligned with the OECD guidelines on HRDD. This new methodology raises the bar and includes some new indicators, which may result in a lower score for member brands. Because of this transition, Fair Wear temporarily lowered the scoring threshold.

#### **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.

#### **Company Profile Nudie Jeans Co.**

#### **Member company information**

Member since: 1 Jan 2009

Product types: Garments, clothing, fashion apparel Percentage of turnover of external brands resold o%

FLA Member No

Number of complaints received last financial year o

#### **Basic requirements**

Definitive production location data has been submitted for the financial year under review? Yes Work Plan and projected production location data have been submitted for the current financial year? Yes Membership fee has been paid? Yes

### Production countries, including number of production locations and total production volume.

Production Country	Number of production locations	Percentage of production volume
Tunisia	4	56.08%
Italy	5	23.19%
India	7	7.19%
Portugal	13	5.54%
Türkiye	2	4.21%
Poland	2	2.63%
Sweden	1	o.88%
Australia	1	0.15%
Lithuania	1	0.13%

#### **Layer 1 Foundational system's criteria**

Possible Points: 8
Earned Points: 8

1.1 Member company has a publicly shared Human Rights Due Diligence policy that has been adopted by top management.: Yes

**Comment:** Nudie Jeans has a solid Human Rights Due Diligence policy in place.

- 1.2 All member company staff are made aware of Fair Wear's membership requirements, in particular the Fair Wear's HRDD policy and Fair Wear's Code of Labour Practices.: Yes
- 1.3 All staff who have direct contact with suppliers are trained to support the implementation of Fair Wear requirements, in particular the Fair Wear's HRDD policy and Fair Wear's Code of Labour Practices.: Yes
- 1.4 A specific staff person(s) is designated to follow up on problems identified by the monitoring system, including complaints handling. The staff person(s) must have the necessary competence, knowledge, experience, and resources.:
- 1.5 Member company has a system in place to identify all production locations, including a policy for unauthorised subcontracting.: Yes
- 1.6 Member company discloses internally through Fair Wear's information management system, in line with Fair Wear's Transparency Policy.: Yes

**Comment:** Nudie Jeans discloses 100% of production locations internally through Fair Wear's information management system.



1.7 Member company discloses externally on Fair Wear's transparency portal, in line with Fair Wear's Transparency Policy.: Yes

**Comment:** Nudie Jeans discloses 100% of production locations externally on Fair Wear's transparency portal.

1.8 Member complies with the basic requirements of Fair Wear's communication policy.: Yes

# Layer 2 Human rights due diligence, including sourcing strategy and responsible purchasing practices.

**Possible Points: 90** 

**Earned Points: 86** 

#### **Indicators on Sourcing strategy**

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.1 Member company's sourcing strategy is focused on increasing influence to meaningfully and effectively improve working conditions.	Advanced	Fair Wear expects members to adjust their sourcing strategy to increase their influence over working conditions. Members should aim to keep the number of production locations at a level that allows for the effective implementation of responsible business practices.	Strategy document; consolidation plans, examples of implementation.	6	6	0

**Comment:** Nudie Jeans has a sourcing strategy addressing influencing labour conditions. The member has 35 active suppliers. 74% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. 14% of the production volume comes from suppliers where Nudie Jeans buys less than 2% of its total FOB. This is comparable to the previous year. Nudie Jeans's sourcing strategy explicitly focuses on increasing influence through consolidation and active cooperation with other clients.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.2 Member company's sourcing strategy is focused on building long-term relationships.	Advanced	Stable business relationships underpin the implementation of the Code of Labour Practices and give factories a reason to invest in improving working conditions.	Strategy documents; % of FOB from suppliers where a business relationship has existed for more than five years; Examples of contracts outlining a commitment to long-term relationship; Evidence of shared forecasting.	6	6	O

**Comment:** Nudie Jeans' sourcing strategy focuses on maintaining long-term relationships. Ninety percent of the member's total FOB volume comes from suppliers with whom Nudie Jeans has had a business relationship for at least five years. The member commits to long-term contracts with its suppliers, which are ongoing and have a notice period of six months for both parties. The long-term contracts are embedded in Nudie Jeans's sourcing strategy, ensuring they are implemented across its supplier base.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.3 Member company conducts a risk scoping exercise as part of its sourcing strategy.	Advanced	Human rights due diligence, according to the OECD guidelines, requires companies to undertake a scoping exercise to identify and mitigate potential human rights risks in supply chains of potential business partners.	HRDD policy; Sourcing strategy linked to results of scoping exercise; HRDD processes, including specific responsibilities of different departments; Use of country studies; Analysis of business and sourcing model risks; Use of licensees and/or design collaborations.	6	6	-2

**Comment:** Nudie Jeans conducts risk scoping and includes all risk factors (country, sector, business model, sourcing model and product level risks). In its risk scoping, the member has assessed the impact and prevalence of the risks correctly.

The risk scoping includes a gender lens. The member particularly looks at discrimination, sexual harassment, gender-based violence, gender wage gap and restrictment of movement in factory hostels as gendered risk factors. Input from workers, suppliers, stakeholders is included in the risk scoping by using the Fair Wear risk scoping tool in which worker-, supplier- and stakeholder input is embedded, and by using stakeholder sources like human rights reports and indexes. The brand has included its cooperation with licensees/partners for design collaborations as a business model risk and is aware that this may increase its exposure to integrity risks. The member adjusts its sourcing strategy based on the risk scoping, as outcomes of the scoping are included in decision-making regarding starting new business relationships and/ or continuing existing business relationships as outlined in the brand's sourcing strategy. Additionally, Nudie Jeans' sourcing strategy privileges countries where workers can freely form or join a trade union and/or bargain collectively, as it explicitly mentions all new Tier 1 suppliers must demonstrate a "democratic environment in the workplace, such as workers' committees/ focus groups".

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.4 Member company engages in dialogue with factory management about Fair Wear membership requirements before finalising the first purchase order.	Advanced	Sourcing dialogues aim to increase transparency between the member and the potential supplier, which can benefit improvements efforts going forward.	Process outline to select new factories; Material used in sourcing dialogue; Documents for sharing commitment towards social compliance; Meeting reports; On-site visits; Reviews of suppliers' policies.	4	4	O

**Comment:** It is the standard process for Nudie Jeans to inform new suppliers about its HRDD policy and Fair Wear membership by sharing the Fair Wear questionnaire and Worker Information Sheet, as well as its Transparency and Chemical Policies and its Code of Conduct. This process has been followed for the new supplier added last year. Additionally, it is standard practice in the onboarding process to have a dialogue about CSR/human rights and how the supplier and Nudie Jeans can cooperate on this topic.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.5 Member company collects the necessary human rights information to inform sourcing decisions before finalising the first purchase order.	Advanced	Human rights due diligence processes are necessary to identify and mitigate potential human rights risks in supply chains. Specific risks per factory need to be considered as part of the decision to start cooperation and/or place purchasing orders.	Questionnaire with CoLP, reviewing and collecting existing external information, evidence of investigating operational-level grievance system, union and independent worker committee presence, collective bargaining agreements, engaging in conversations with other customers and other stakeholders, including workers.	6	6	0

Comment: Nudie Jeans collects human rights information of potential new suppliers by conducting a pre-order factory risk assessment, visiting the factory and discussing human rights risks with factory management, collecting existing audit reports and/or organising (Fair Wear) factory onsite assessments, collecting information on union membership, Collective Bargaining Agreements (CBAs) and worker committees if applicable, as well as collecting worker committee meeting minutes if applicable. So far, the member has not yet needed to adjust its sourcing decisions based on the information collected before finalising the first purchase order, but it is standard process for the brand to assess the information collected before deciding to move forward with a new supplier so this could happen in the future.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.6 Member actively ensures awareness of the Fair Wear CoLP, the grievance mechanism, and social dialogue mechanisms within the first year of starting business.	Intermediate	This indicator focuses on the preliminary mitigation of risks by actively raising awareness about the Fair Wear Code of Labour Practices and complaints helpline. Discussing Fair Wear's CoLP with management and workers is a key step towards ensuring sustainable improvements in working conditions and developing social dialogue at the supplier level.	Evidence of social dialogue awareness raised through earlier training/onboarding programmes, onboarding materials, information sessions on the factory grievance system and complaints helpline, use of Fair Wear factory guide, awareness-raising videos, and the CoLP.	4	6	0

Comment: In the previous financial year, Nudie Jeans added one new factory. One of Nudie Jeans' existing suppliers closed the unit Nudie Jeans was originally sourcing from and transferred the workforce, including management, to a new unit. Therefore, the workforce of the new supplier was not new to Fair Wear's Code of Labour Practices (CoLP) and grievance mechanism and it had already received a training specifically focusing on the CoLP and grievance mechanism in 2022. Nevertheless, Nudie Jeans has shared information about Fair Wear's CoLP and the grievance mechanism. The Worker Information Sheet has been posted. The brand also conducted a factory visit where it conducted an onsite assessment, and it planned and confirmed a Fair Wear onsite assessment to be conducted at the end of May 2024. It also collected information on wages and the worker committee selection procedure and meeting minutes. The brand collected supplier input through a supplier questionnaire on social compliance. Nudie Jeans has budgeted for a training to be organised based on the outcomes of the Fair Wear onsite assessment.

**Recommendation:** Nudie Jeans is recommended to organise introductory training for management on social dialogue within the first year of doing business.

#### Indicators on Identifying continuous human rights risks

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.7 Member company has a system to continuously assess human rights risks in its production locations.	Advanced	Members are expected to regularly evaluate risk in a systematic manner. The system used to identify human rights risks determines the accuracy of the risks identified and, as such, the possibilities for mitigation and remediation.	Use of risk policies, country studies, audit reports, other sources used, how often information is updated.	6	6	0

Comment: Nudie Jeans has a systematic approach to assessing human rights risks in its supply chain and has assessed the risks for each production location. It has identified the right monitoring tool and frequency per country and supplier. The brand organises factory monitoring visits, conducts supplier questionnaires, collects or conducts factory onsite assessments and collects stakeholder information and, if applicable, worker committee meeting minutes for all its production locations. For instance, the brand assesses human rights risks in its production locations in Türkiye, Italy and Tunisia by conducting factory onsite assessments, a supplier questionnaire and a factory level gender risk mapping, and organising factory monitoring visits annually. The brand uses factory risk assessments to influence decisions about (increased) monitoring efforts and also to distinguish talking points during its factory monitoring visits. Next to its systematic approach, the brand ensures it uses different tools that include input from workers, suppliers, and other stakeholders. These tools are: Collecting worker committee meeting minutes, collecting supplier feedback through supplier questionnaires, collecting wage data from suppliers and using stakeholder input for its gender risk mapping and factory risk assessments.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.8 Member company's human rights due diligence process includes an assessment of freedom of association (FoA).	Advanced	Freedom of association and collective bargaining are 'enabling rights.' When these rights are respected, they pave the way for garment workers and their employers to address and implement the other standards in Fair Wear's Code of Labour Practices - often without brand intervention.	Use of supplier questionnaire to inform decision-making, collected country information, and analyses.	6	6	0

**Comment:** Nudie Jeans has mapped the risks to freedom of association (FoA) in all its sourcing countries and can explain the main risks per country, including the risks to women workers. The risks identified are 'worker or union representatives are not chosen by workers or not democratically elected', 'low awareness of factory's social dialogue mechanisms' and 'workers cannot freely form or join the union of their choice' amongst others. Nudie Jeans uses this information to understand what the risks at its suppliers are and inform itself how to engage with its suppliers on this topic. Nudie Jeans can demonstrate advanced knowledge and understanding of FoA in all countries where it sources. Nudie Jeans understands the status of FoA at each of its suppliers.

The member has supplier-level monitoring in place to assess and understand the risk at suppliers. Nudie Jeans uses a supplier questionnaire which includes questions on FoA, as well as in-depth discussions with suppliers and full factory onsite assessments to ensure supplier-level monitoring of the risk of violations to FoA. Nudie Jeans can explain what the main risks of violations to FoA are at all its suppliers, including the risks specific to women workers. Nudie Jeans also knows which suppliers have trade unions and CBAs in place.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.9 Member company includes a gender analysis throughout its human rights risk identification, to foster a better understanding of gendered implications.	Advanced	Investing in gender equality creates a ripple effect of positive societal outcomes. Members must apply gender analyses to their supply chain to better address inequalities, violence, and harassment.	Evidence of use of the gender mapping tools and knowledge of country-specific fact sheets.	6	6	0



**Comment:** Nudie Jeans has included gender in its human rights risk identification. The member could show it understands the basic gender risks for its sourcing countries, and for instance, identified the gender pay gap and sexual harassment as important risks prevalent in India. It also identified low legal enforcement of sexual harassment laws and discrimination a risks prevalent in Türkiye.

Additionally, Nudie Jeans actively collects gender data per factory. Data that it collects are the percentage of female versus male workers in the workforce, whether there are pregnant workers and/or policies related to pregnancy (parental leave), and whether there are issues related to gender-based violence, sexual harassment and/or discrimination discussed in worker committee meetings or found during factory onsite assessments. This information is collected through worker committee meeting minutes, factory onsite assessment reports, factory monitoring visits and desktop research.

Nudie Jeans has started to analyse the collected gender-disaggregated data at the factory and country levels. The main conclusions (so far) are that there is a need for female supervisor training as the male/female ratio in higher paid positions often does not reflect the male/female ratio throughout the entire factory, with female workers being overrepresented in lower paid positions and male workers being overrepresented in higher paid positions. Moreover, in India, most pregnant workers do not take parental leave after childbirth but resign instead. The brand has found this to be a cultural practice in India. The member has not found any risks in its own business practices that could affect gender at its suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.10 Member company considers a production location's human rights performance in its purchasing decisions.	Advanced	Systematic evaluation is part of continuous human rights monitoring. A systematic approach to evaluating production location performance is necessary to integrate social compliance into normal business processes and to support good decision-making.	Supplier evaluation format, meeting notes on supplier evaluation shared with the factory, processes outlining purchasing decisions, link to responsible exit strategy.	4	4	0

Comment: Suppliers' human rights performance is evaluated systematically every year. Nudie Jeans' assesses its suppliers on sustainability, as well as other business aspects like product quality, time-delivery and communication. Sustainability metrics that the brand looks at are, for example, human rights risks, planning and follow-up of factory onsite assessments and transparency (traceability). The different departments of Nudie Jeans are all involved in this process, and afterwards, they have a joint meeting to discuss suppliers who are not meeting the benchmark. Nudie Jeans also asks its suppliers to assess them on the collaboration. The brand discusses the outcomes of the assessments with its suppliers.

The brand systematically integrates the outcome of this evaluation into its purchasing decisions. It looks at the supplier's country human rights risk score which it bases on different human right indexes, the duration of the business relationship, the importance of the supplier for the specific product category, and the supplier evaluation score annually. When a supplier does not meet the benchmarking score for two years in a row, the brand determines suitable action, like an increased monitoring plan or a responsible exit plan. In the previous financial year, the brand has not needed to change any of its purchasing decisions based on this evaluation.

Nudie Jeans has not yet shared the outcome of the evaluation with worker representatives.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.11 Member company prevents and responds to unauthorised or unknown production and/or subcontracting.	Advanced	Subcontracting can decrease transparency in the supply chain and has been demonstrated to increase the risk of human rights violations. Therefore, when operating in higher-risk contexts where it is likely subcontracting occurs, the member company should increase due diligence measures to mitigate these risks.	Production location data provided to Fair Wear, financial records from the previous financial year, evidence of member systems and efforts to identify all production locations (e.g., interviews with factory managers, factory audit data, web shop and catalogue products, etc.), licensee contracts and agreements with design collaborators.	4	4	O

Comment: Nudie Jeans uses the outcomes of its human rights monitoring to respond to unauthorised subcontracting. There is no evidence of missing first-tier locations in the database. Additionally, the member actively prevents unauthorised subcontracting by visiting suppliers during production, checking whether all required machinery is available for production, and having a clause on subcontracting in its Transparency Policy which all suppliers need to sign. Furthermore, Nudie Jeans has shown considerable efforts over the years to get more transparency deeper in its supply chain. The brand knows its supply chain for Tiers 1-4 and selects its suppliers based on its ability to retain a stable supply chain.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.12 Member company extends its due diligence approach to homeworkers.	Advanced	Homeworkers should be viewed as an intrinsic part of the workforce, entitled to receive equal treatment and have equal access to the same labour rights, and therefore should be formalised to achieve good employment terms and conditions.	Supplier policies, evidence of supplier and/or intermediaries' terms of employment, wage-slips from homeworkers.	4	4	0

Comment: Nudie Jeans has identified whether homework is prevalent in its sourcing countries. According to the member there is a very low risk of homeworkers being used by its suppliers because it does not order certain products from countries which have a high risk of homework for that production process. For example, the brand decided against ordering a product which requires embroidery from its supplier in India as it identified embroidery causing a higher risk of homeworkers in India. The brand also discusses the topic of homeworkers with suppliers for which homework is a riskfactor, and its quality control teams visit suppliers during production to check whether all garments are present in the factory.

#### **Indicators on Responsible purchasing practices**

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.13 Member company's written contracts with suppliers support the implementation of Fair Wear's Code of Labour Practices and human rights due diligence, emphasising fair payment terms.	Advanced	Written, binding agreements between brands and suppliers, which support the Fair Wears CoLP and human rights due diligence, are crucial to ensuring fairness in implementing decent work across the supply chain.	Suppliers' codes of conduct, contracts, agreements, purchasing terms and conditions, or supplier manuals.	4	4	0

Comment: Nudie Jeans uses contracts with its suppliers. These contracts support the implementation of human rights due diligence by stipulating fair terms of payment, liability, transparency and the terms of agreement and termination. Nudie Jeans pays most of its suppliers within thirty days of receiving the invoice, and payment terms are up to 60 days upon delivery at most. Moreover, some contracts stipulate that Nudie Jeans can pay within one week of receiving the invoice in return for 1% finance costs. Transparent product costing and the payment of a living wage are stipulated in the contracts. Collaboration regarding the implementation of the Code of Labour Practices is also stipulated in the contract, but no terms regarding the costs of this are included. Suppliers may charge Nudie Jeans interest on late payments in accordance with the Swedish Interest Act on Debt. In case of damages or late deliveries the contract stipulates that both parties will assess who is responsible. In the event of a Force Majeure, both Nudie Jeans and its suppliers are exempted from the consequences of not fulfilling the obligations laid down in the contract. The contracts are ongoing and can be terminated by both parties with six months' notice.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.14 Member company has formally integrated responsible business practices and possible impacts on human rights violations in its decision-making processes.	Advanced	Corporate Social Responsibility (CSR), purchasing, and other staff that interact with suppliers must be able to share information to establish a coherent and effective strategy for improvements. This indicator examines how this policy and Fair Wear membership requirements are embedded within the member company.	Internal information systems, status Corrective Action Plans, sourcing score- cards, KPIs listed for different departments that support CSR efforts, reports from meetings from purchasing and/or CSR staff, and a systematic manner of storing information.	6	6	0

**Comment:** There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices. The member includes responsible business practices in job role competencies. For instance, following company policies like the Responsible Business Conduct Policy is included in the role description of the Head of Product Development and Production. Sourcing and purchasing staff work with KPIs supporting good sourcing and pricing strategies. Examples of these KPIs are: 'reaching 100% transparency for all products' and 'reaching prices that support the payment of a living wage in 100% of the brand's high risk countries'.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.15 Member company's purchasing practices support reasonable working hours.	Advanced	Members' purchasing practices can significantly impact the levels of excessive overtime at factories.	Proof that planning systems have been shared with production locations, examples of production capacity knowledge that is integrated into planning, timely approval of samples, and proof that management oversight is in place to prevent late production changes.	6	6	0

**Comment:** Last year, Nudie Jeans reworked its production cycle. The company lengthened its production periods to alleviate pressure on production and decreased its overall styles.

Nudie Jeans has a collaborative approach to production planning. Within the company, orders are grouped by product style for the different departments, so that suppliers can group production. Nudie Jeans also engages in open dialogue with its suppliers regarding their peak and low seasons, where they try to match the production planning to the supplier's workload throughout the year. Per style, Nudie Jeans decides how often an order needs to be placed per year. Nudie Jeans discusses with its main suppliers when and how long in advance they want to receive these orders. Nudie Jeans uses long lead times, which they also discuss with suppliers. Lead times are dependent on product and fabric type. The brand evaluates previous production planning with its suppliers through supplier feedback questionnaires and open dialogue.

Nudie Jeans' prepurchases fabric when needed, to enable steady production. Nudie Jeans does not make late changes to design or quantity. Unforeseeable delays in production are accepted.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.16 Member company can demonstrate the link between its buying prices and wage levels at production locations.	Intermediate	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages - and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts, cost sheets including labour minutes.	4	6	0

Comment: Nudie Jeans has a strong understanding of the wage levels at its suppliers and connects this understanding to its own buying prices. Nudie Jeans has an advanced insight into the labour component of its prices at most of its suppliers in India, Türkiye and Tunisia, and has started increasing its understanding of the labour component of its prices at all its Italian and Portuguese suppliers now as well. It uses open costing with these suppliers to understand the number of actual sewing minutes needed for a style and the labour minute value at these suppliers. It also uses the FairPrice app with some of its suppliers to understand this data. Nudie Jeans asks its suppliers to fill out the labour minute costing sheets and does not require insight into the data if the supplier is not comfortable sharing that information. Nudie Jeans knows the labour minute value at some of its suppliers. Nudie Jeans includes changes in legal minimum wage or inflation in its buying prices.

**Recommendation:** Nudie Jeans is encouraged to continue expanding its strong and systematic understanding of wage levels and the labour component of its prices at all its suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.17 All sourcing intermediaries play an active role in upholding HRDD and Fair Wear's Code of Labour Practices and ensure transparency about where production takes place.	Advanced	Intermediaries have the potential to either support or disrupt CoLP implementation. It is members' responsibility to ensure production relation intermediaries actively support the implementation of the CoLP.	Correspondence with intermediaries, trainings for intermediaries, communication on Fair Wear audit findings, etc.	4	4	0

Comment: Nudie Jeans has informed its sourcing intermediaries of Fair Wear requirements and could show they informed production locations. Next to that, the intermediaries actively support HRDD and the implementation of the CoLP by sharing the Worker Information Sheet, necessary supplier policies and supplier questionnaires, by supporting with the implementation and follow up of factory onsite assessments and training, by collecting external factory onsite assessment reports and by conducting factory monitoring visits. The member partially checks if its intermediaries uphold the purchasing practices as mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP) by assessing the planning process and payment terms in factory onsite assessment reports. Nudie Jeans also still visits the suppliers that they work with through an intermediary.

#### **Layer 3 Prevention, mitigation and remediation**

**Possible Points: 92** 

**Earned Points: 84** 

### Indicators on the quality and coherence of a members' prevention and remediation system

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.1 Member company integrates outcomes of human rights risk identification (layer 2) into risk prioritisation and creates subsequent action plans.	Advanced	Based on the risk assessment outcomes, a factory risk profile can be determined with accompanying intervention strategies, including improvement and prevention programmes.	Overview of supplier base with accompanying risk profile and follow-up programmes.	6	6	0

**Comment:** Nudie Jeans has prioritised risks and created action plans per supplier, counting for 100% of the total FOB. These match the risk profile. The action plans detail the different approaches to prevent, mitigate and remediate the prioritised risks and include a timeline. Next to that, Nudie Jeans has a general CSR budget for its overall action plans.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.2 Member company's action plans include a gender lens.	Intermediate	The prevention and improvement programmes should ensure equitable outcomes. Thus, a gender lens should be incorporated in all programmes regardless of whether or not the programme is specifically about gender.	Proof of incorporation of the gender lens in follow up programmes, including stakeholder input.	4	6	o

Comment: Nudie Jeans has included a gender lens in all its factory action plans and has started including a comprehensive gender lens in some of its action plans. Nudie Jeans uses its gender risk data per country and factory in its factory action plans. Moreover, the brand analysed how (follow-up on) training could influence women and men differently and how it could reinforce harmful gender stereotypes, and as a result structurally ensures that women are part of training prior to implementing training. It also implemented a female supervisor training at one of its Indian suppliers to encourage women to apply for supervisory roles. The training was suggested by the supplier. In the past three financial years, the brand has also conducted three Workplace Education Programmes to prevent gender-based violence in India. The company also discussed gender-disaggregated wage data with some of its suppliers to encourage them to investigate the wage structure and to hire more women for higher-paid job positions. Moreover, Nudie Jeans supports female workers to be part of worker committees to improve women's representation in social dialogue.

**Recommendation:** Nudie Jeans is recommended to extend its comprehensive gender lens to all action plans.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.3 Member company's action plans include steps to encourage freedom of association and effective social dialogue.	Advanced	Freedom of Association and Collective Bargaining are enabling rights. Therefore, ensuring they are prioritised in improvement and prevention programmes can help support improvements in all other areas.	Available prevention and improvement programmes, including stakeholder input.	6	6	0

**Comment:** Nudie Jeans included comprehensive steps to encourage FoA and effective social dialogue in all its action plans, like discussing social dialogue with its suppliers where it is a risk, implementing training on social dialogue, requesting factory policies on FoA and monitoring and following up on a factory's compliance with the CBA when applicable. The member has implemented these steps.

The member has applied a gender lens and ensure its steps to promote FoA and effective social dialogue address the specific risks for female workers. For example, it tracks how many women are in worker committee and address this when the male/female ratio does not reflect the male/female ratio of the workforce. It also ensures women are part of training programmes, including training on social dialogue.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.4 Member company actively supports a factory-level grievance mechanism.	Advanced	Fair Wear's complaints helpline is a safety net in case local grievance mechanisms do not provide access to remedy. Members are expected to actively support and monitor the effectiveness of operational-level grievance mechanisms as part of regular contact with their suppliers.	Communication with suppliers, responses to grievances, minutes of internal worker committees, evidence of democratically elected worker representation, evidence of handled grievance, review of factory policies, and proof of effective social dialogue.	6	6	0

**Comment:** Suppliers' factory-level grievance mechanisms are assessed at the start of the business relationship and are monitored systematically every year. For new suppliers, the brand checks whether the factory has an internal grievance mechanism by asking the supplier about it, asking whether complaints have been coming in and if they can see meeting notes of Complaints Committee meetings, and checking location of the suggestion boxes during the factory tour. For existing suppliers the brand employs a similar process. It tracks what kind of internal grievance mechanism its suppliers have, requests meeting minutes of Complaints Committees, checks the location of suggestion boxes and asks worker committees whether any grievances have come up during factory visits, and crosschecks this information with onsite assessment reports. When there is a high turnover rate in a factory, the brand focuses on raising awareness about existing grievance mechanisms.

Nudie Jeans actively supports and monitors the mechanism and responds when the mechanism is ineffective. When issues related to factory-level grievance mechanisms come up in CAPs, the brand responds in a timely manner by collaborating with the supplier and worker committees on the corrective actions. For example, after an onsite assessment found low awareness of the internal grievance mechanism in one of its factories, Nudie Jeans planned a Fair Wear Onboarding Module which includes a session on social dialogue at that supplier.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.5 Member company collaborates with other Fair Wear members or customers of the production location.	Advanced	Cooperation between Fair Wear members increases leverage and the chances of successful outcomes. Cooperation also reduces the chances of a factory needing to conduct multiple improvement programmes about the same issue with multiple customers.	Communication between different companies.	6	6	0

**Comment:** Nudie Jeans cooperates with other Fair Wear members at its shared suppliers, responding to CAPs and complaints. At suppliers that are not shared with other members, Nudie Jeans works together with other customers, mostly through information sharing and policy work. Next to that, the member also cooperates in taking more preventive measures, such as organising and following-up on training and onsite assessments, setting up social dialogue structures in a factory, collaborating on risk assessments with a gender lens and joint living wage work.

#### Indicators on implementation: improvement and prevention



Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.6 Degree of verified actions.	50%	Fair Wear expects members to show progress towards the implementation of improvement programmes. Members are expected to be actively involved in the examination and remediation of any factory-specific problem.	Progress reports on improvement programmes.	4	6	-2

**Comment:** During the performance check Nudie Jeans could demonstrate it has followed up 100% of actions out of all outstanding actions outlined in Fair Wear's Member Hub. These actions are linked to CAPs of Fair Wear full onsite assessments conducted in the previous financial year.

During the performance check, the member could demonstrate with a sample that it had raised all CAP issues from external onsite assessments with its suppliers, but had not yet followed up on any of the related improvement actions. The brand struggles with following up on external onsite assessment reports as suppliers do not always understand why they are interested in working on onsite assessments that they did not request, or at suppliers where they have low leverage.

**Recommendation:** Fair Wear recommends Nudie Jeans to implement a strategy for following up on external onsite assessment reports.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.7 Degree of progress towards implementation of prevention programme.	Intermediate progress	Fair Wear expects members to show progress towards the implementation of prevention programmes. With this indicator, Fair Wear assesses the degree of progress based on the percentage of actions addressed within the set timeframe.	Update on prevention programmes.	4	6	-2

Comment: Nudie Jeans has identified most root causes of the CAP issues and discussed these with its suppliers. The member has implemented preventive steps. For example, one finding that drivers were not included in health check-ups at one factor was followed up by discussing the scope and requirements for health check-ups with the factory management and ensuring that this was properly reflected in the factory's internal process going forward. At another factory, the brand discussed the need for training and awareness raising with factory management and worker representatives, after multiple issues related to low awareness of labour rights and internal dialogue structures were found during a full onsite assessment. The sample also looked at two CAPs of external factory onsite assessments which the member collected as part of its monitoring efforts, for which the member was aware of the root causes of the findings, but had not yet implemented preventive actions.

**Recommendation:** Fair Wear recommends Nudie Jeans to have a dialogue with its suppliers about the root causes of findings identified in external factory onsite assessments which the member collects as part of its monitoring efforts.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.8 Member company validates risk profile and maintains regular dialogue with factories where no action plan is needed.	Intermediate	When no improvement or prevention programme is needed, Fair Wear expect its member companies to actively monitor the risk profile and continue to mitigate risks and prevent human rights abuses.	Use of Fair Wear workers awareness digital tool to promote access to remedy. Evidence of data collected, worker interviews, monitoring documentation tracking status quo.	4	6	0

**Comment:** Nudie Jeans has some suppliers where action plans are not needed. These cover 9% of the member's total FOB. Still, the brand has action plans for all production locations. The member has a system to ensure possible human rights risks are regularly discussed with these suppliers. The member has yet to include worker representatives or local unions in discussions with factory management on possible human rights risks.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.9 Degree to which member company mitigates root causes of excessive overtime.	Advanced	Member companies should identify excessive overtime caused by the internal processes and take preventive measures. In addition, members should assess ways to reduce the risk of external delays.	This indicator rewards self- identification of efforts to prevent excessive overtime. Therefore, member companies may present a wide range of evidence of production delays and how the risk of excessive overtime was addressed, such as: reports, correspondence with factories, collaboration with other customers of the factory, use of Fair Wear tools, etc.	6	6	0

**Comment:** In the previous year, one out of three Fair Wear factory onsite assessment reports mention a risk of excessive overtime. The management of the factory did not agree with the finding. The member has addressed this by discussing the finding with the factory management, discussing the factory's order capacity and checking the factory's digital registration system. The factory shared that it was experiencing lower order quantities than expected, so there was no reason for overtime. The brand found no proof of undocumented overtime in the digital system. The finding has not yet been discussed with the factory's worker committee.

**Recommendation:** Fair Wear advises Nudie Jeans to discuss findings related to a risk of excessive overtime with worker commitees as well next to checking digital proof to triangulate information before considering a finding remediated.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.10 Member company adequately responds if production locations fail to pay legal wage requirements and/or fail to provide wage data to verify that legal wage requirements are paid.	Advanced	Fair Wear members are expected to actively verify that all workers receive legal minimum wage. If a supplier does not meet the legal wage requirements or is unable to show they do, Fair Wear member companies are expected to hold the management at the production location accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show the legal wage issue is reported/resolved.	4	4	-2

**Comment:** In the previous year, one onsite assessment report included findings regarding non-payment of legally required wage elements, related to legally required payment of overtime premiums. Workers shared that they did not know how overtime premiums were calculated, and different workers shared different accounts of overtime premiums received. The factory management did not agree with the finding. Nudie Jeans discussed the finding with factory management and requested pay slips to monitor the situation. The issue has been remediated, but the brand still monitors the payment of legally required wage elements as a high risk at the factory.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.11 Degree to which member company assesses and responds to root causes of wages lower than living wages in production locations.	Advanced	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Member companies may present a wide range of evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, wage data/wage ladders, gap analysis, correspondence with factories, etc.	6	6	0

Comment: Nudie Jeans discusses the topic of wages with 100% of its suppliers. Nudie Jeans understands which suppliers pay wages below living wage estimates as a consequence of the member's policies/actions. Nudie Jeans followed up on this and reviewed internally how the member's practices, such as price setting and ringfencing labour costs using open costing, could be altered and ensured this isstandard procedure going forward. Nudie Jeans has done a thorough root-cause analysis to find out why wages at suppliers are below the living wage. Based on the root-cause analysis, Nudie Jeans has developed a time-bound plan to enable the systemic increase of wages at all its suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.12 Member company determines and finances wage increases.	Advanced	Member companies should have strategies in place to contribute to and finance wage increases in their production locations.	Analysis of wage gap, strategy on paper, demonstrated roll out process.	6	6	0

**Comment:** Nudie Jeans has a strategy on how to finance wage increases at its suppliers. The brand has started analysing the costs of financing wage increases across its supply chain. Nudie Jeans has worked with its suppliers to set target wages at ten selected suppliers, and has prepared open costing sheets to be implemented at its 17 other Italian and Portuguese suppliers.

Nudie Jeans has created a strategy to finance wage increases which includes plans on financing its contribution to higher wages. This has been agreed upon by relevant management staff, including the CEO.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.13 Percentage of production volume where the member company pays its share of the living wage estimate.	94%	Fair Wear requires its member companies to act to ensure a living wage is paid in their production locations to each worker.	Member company's own documentation such as reports, factory documentation, evidence of Collective Bargaining Agreement (CBA) payment, communication with factories, etc.	6	6	0

**Comment:** Nudie Jeans uses fact-based costing and factory onsite assessment reports to ensure its prices support the payment of a living wage estimate or CBA at suppliers responsible for 94% of Nudie Jeans's FOB. The brand tracks which suppliers have a CBA in place and whether the CBA is higher than the legal minimum wages. The brand mostly works with suppliers with a sectoral CBA.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.14 Member addresses grievances received through Fair Wear's helpline in accordance with the Fair Wear's Access to Remedy Policy.	No complaints received	Members are expected to actively support the operational-level grievance mechanisms as part of regular contact with their suppliers. The complaints procedure provides a framework for member brands, emphasising the responsibility towards workers within their supply chain.	Overview of supporting activities, overview of grievances received and addressed, etc.	N/A	4	-2

**Comment:** Nudie Jeans received no complaints in the past financial year.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.15 Degree to which member company implements training to address the risks identified.	Basic	Training programmes can play an important role in improving working conditions, especially for more complex issues, such as freedom of association or gender-based violence, where factory-level transformation is needed.	Links between the risk profile and training programme, documentation from discussions with management and workers on training needs, etc.	2	6	0

**Comment:** Nudie Jeans has some CAP findings where training is a recommended follow-up action. The member has implemented the following eight training programs at six suppliers in India, Tunisia and Türkiye:

One Social Dialogue training, two FairPrice training programs, one Factory Dialogue training, one Female Supervisor training and three Violence and Harassment Prevention Programmes.

These training modules all appropriately addressed risks from the corresponding risk assessment.

**Recommendation:** The member is recommended to implement training for all factories where this is part of its action plan, it is advised to take a holistic approach to support workplace training for workers and management to build an understanding of their rights and possibilities to raise grievances.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.16 Degree to which member company follows up after a training programme.	Advanced	Training is a crucial tool to support transformative processes but complementary activities such as remediation and changes at the brand level are needed to achieve lasting impact	Evidence of engagement with factory management regarding training outcomes, documentation on follow-up activities, and proof of integration into further monitoring and risk profiling efforts.	6	6	0

**Comment:** Nudie Jeans followed up on all training results by reading the training report, discussing the training programs with its suppliers and worker representatives if applicable, specifically addressing topics that came up during the training.

Additionally, the member used the results of the training as input for its human rights due diligence by adjusting its factory risk assessments and factory action plans based on the information from the reports and feedback from the supplier and worker representatives if applicable. For example, for one training module it was noted that the factory was not fully cooperating with the training programme. Nudie Jeans discussed this with the factory and established that it was due to unexpected travel times and an unexpected topic on the agenda of the training. Nudie Jeans will take this into account when planning training in the future.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.17 The member company's human rights due diligence system includes a responsible exit strategy.	Intermediate	Withdrawing from a non- compliant supplier should only be the last resort when no more impact can be gained from other strategies. Fair Wear members must follow the steps as laid out in the responsible exit strategy.	Exit strategy policy, examples of supplier communications.	2	4	0

**Comment:** Nudie Jeans's human rights due diligence system includes a responsible exit strategy. In the past financial year, the member stopped production at one factory. The decision to stop production at this factory came from the factory management, which owns multiple factories and asked Nudie Jeans to move production to another factory as the factory Nudie Jeans was sourcing from reocused on domestic production. As such, the member did not follow the steps in the responsible exit strategy as it continued its business relation with the supplier and its relocation did not impact the workforce. The reloctaion of production from this factory to the other factory happened gradually over the course of three years. Nudie Jeans did not discuss the responsible exit strategy with all its suppliers.

**Recommendation:** Nudie Jeans could discuss the responsible exit strategy with its suppliers, for instance as part of its supplier evaluation or could include the responsible exit strategy as part of its suppliers' agreement or contract.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.18 Member company's measures, business practices and/or improvement programmes go beyond the indicators or scope.	Advanced	Fair Wear would like to reward and encourage members who go beyond the Fair Wear policy or scope requirements. For example, innovative projects that result in advanced remediation strategies, pilot participation, and/or going beyond tier 2.	Overview of Human Right risk monitoring, remediation and prevention activities and processes.	6	6	0

**Comment:** Nudie Jeans undertakes activities related to human rights that go beyond Fair Wear's scope, like monitoring and remediating social compliance in its lower tiers. For example, Nudie Jeans visits its Tier 2 and 3 suppliers annually and conducts social factory onsite assessments at some of its fabric suppliers, as well as at farmers and ginners in the lower tiers. As the companies in the lower tiers are not factories and have a different, often more informal, set-up, the brand has created new social compliance audit methodology together with two stakeholders fot this purpose. The brand follows up on these onsite assessment by creating and carrying out Corrective Action Plans.

Next to that, Nudie Jeans also continues its work regarding the implementation of a grievance mechanism for Tiers 2-5 of their supply chain. The company joined the Sağ Salim initiative in 2020 to gain insight into the less visible part of its supply chain. The Sağ Salim program offers a grievance mechanism for workers in all tiers of the supply chain and thereby supports the most vulnerable workers in the garment industry. The programme also actively seeks out grievances. Next to the grievance mechanism, the initiative provides capacity building for cotton farmers and casual workers in the seasonal agricultural sector.

Nudie Jeans started working on implementing preventive actions in its lower tiers as well. The brand is talking to other NGO's, suppliers and brands about financing a training in its lower tiers, this is currently being set up.

## Layer 4 External communication, outreach, learning, and evaluation

Possible Points: 22
Earned Points: 22

#### Indicators related to communication

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.1 Member company actively communicates about Fair Wear membership.	Advanced	Fair Wear membership includes the need for a brand to show its efforts, progress, and results. Fair Wear members have the tools and targeted content to showcase accountability and inform customers, consumers, and retailers. The more brands communicate about their sustainability work, the greater the overall impact of the work of the Fair Wear member community.	Member website, sales brochures, and other communication materials.	4	4	0

**Comment:** Nudie Jeans communicates accurately about Fair Wear membership on its website. The member also uses other channels to inform customers and stakeholders about Fair Wear membership. By posting about its membership on LinkedIn and mentioning Fair Wear during stakeholder presentations (for example, at the University of Gothenburg Economics, Law and Business), Nudie Jeans actively spreads the Fair Wear message.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.2 Member company sells external brands with a Human Rights Due Diligence system (if applicable).	No reselling of external brands	Some member companies resell other brands, which Fair Wear refers to as 'external production'. These members are expected to investigate the Human Rights Due Diligence system of these other brands, including production locations and the availability of monitoring information.	External production data in Fair Wear's information management system, collected information about other brands' human rights due diligence systems, and evidence of external brands being part of other multistakeholder initiatives that verify their responsible business conduct.	N/A	4	0

Comment: Nudie Jeans does not sell external brands.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.3 Human rights due diligence reporting is submitted to Fair Wear and is published on the member company's website.	Advanced	The social report is an important tool for member companies to share their efforts with stakeholders transparently. The social report explicitly refers to the workplan and the yearly progress related to the brands goals identified in the workplan.	Social report.	4	4	0

**Comment:** Due to an earlier performance check, the member has not yet been able to publish its social report. As the member has shown in previous years to publish a correct social report, points are awarded.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.4 Member company engages in advanced reporting activities.	Advanced	Good reporting by members helps ensure the transparency of Fair Wear's work and helps share best practices within the industry. This indicator reviews transparency efforts reported beyond (or included in) the social report.	Brand Performance Check, audit reports, information about innovative projects, specific factory compliance data, disclosed production locations (list tier 2 and beyond), disclosure of production locations, alignment with the Transparency Pledge.	4	4	0

**Comment:** Nudie Jeans publishes its social report, which includes factory-level data and remediation results, on its website. Next to that, the member also publishes its full factory list and has concrete plans to include the time-bound prevention, remediation and mitigation actions it has supported for each supplier in its public reporting.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.5 Member company has a system to track implementation and validate results.	Advanced	Progress must be checked against goals. Members are expected to have a system in place to track implementation and validate the progress made.	Documentation of top management involvement in systematic annual evaluation includes meeting minutes, verbal reporting, PowerPoint presentations, etc. Evidence of worker/supplier feedback.	6	6	0

**Comment:** Nudie Jeans has a system to track progress and check if implemented measures have been effective in preventing and remediating human rights violations. The internal evaluation system involves top management. In its evaluation system, the member includes triangulated information from external sources, such as meeting minutes from worker committees or onsite assessment reports.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	Advanced	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 should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

**Comment:** The previous performance check included the following requirement:



'Nudie Jeans is required to create risk profiles and follow-up plans per supplier, including subcontractors and/ or suppliers with which Nudie Jeans does not have a direct relationship. Moreover, Nudie Jeans is required to ensure that prioritisation in follow-up matches the factory's risk profile.'

Nudie Jeans followed up on this requirement.

#### **5 Appreciation chapter**

- 5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: Not applicable
- 5.2 Member company actively participated in lobby and advocacy efforts to facilitate an enabling environment in production clusters.: Yes

Comments: Nudie Jeans actively participated in lobby and advocacy efforts with the following:

- Signed "Ignorance Is Risk: A business perspective on Human Rights and Environmental Due Diligence (theparliamentmagazine.eu) via lobby efforts by Fair Wear Foundation
- Raised awareness of Fashion Revolution Week "Fashion Revolution Week 2023 Nudie Jeans® | 100% Organic Denim"
- Responsibility Day Gothenburg School of Economics, Business and Law
- Social Sustainability Nordic Textile Academy
- Fairtrade Webinar
- Habit Impact Day
- 5.3 Member company actively contributed to industry outreach, visibility, and learning in its main selling markets.: Not applicable

#### **Recommendations to Fair Wear**

Nudie Jeans recommends Fair Wear to expand its online Wage Ladder tool to include information on CBAs, inflation rates and gender disaggregated data.

Moreover, the brand advises Fair Wear to be more transparent about its Brand Performance Check methodology so that garments brands and consumers understand how differences in supply chains are assessed.

#### **Brand Performance Check details**

Date of Brand Performance Check: 23-04-2024

Conducted by: Maaike Rubenkamp

Interviews with: Ida Aguilar, Human Rights & Social Impact Specialist

Joakim Levin, CEO Sandya Lang, CSO Malte Ramberg, CFO

Jenny Henriksson, Head of Product & Production

