



## **Brand Performance Check**

**s.Oliver Bernd Freier GmbH & Co. KG**

**Publication date: July 2023**

This report covers the evaluation period 01-01-2022 to 31-12-2022

## 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.

# Scoring overview

Total score: 100

Possible score: 204

Benchmarking Score: 49

Performance Benchmarking Category: Good



Sourcing strategy

59%



Identifying continuous human rights risks

60%



Responsible purchasing practices

54%



Quality and coherence of prevention and remediation system

47%



Improvement and prevention

33%



Communication, transparency and evaluation

67%

## Summary:

The s.Oliver Group has met most of Fair Wears' performance requirements. With a total benchmarking score of 49, the member is placed in the Good category.

The s.Oliver Group's sourcing strategy shows the company's commitment to long-term relationships and the Fair Wear Code of Labour Practices. The sourcing strategy connects to the member's human rights risk analysis and supplier Key Performance Indicators which come together in a digital dashboard. The information in this dashboard is used by the member's sourcing team when making sourcing decisions. The member has started working on consolidating its supply chain, and should follow a responsible exit strategy when exiting suppliers.

The s.Oliver Group developed a risk analysis matrix partly in line with the OECD requirements, focusing on all different kinds of risks, but limited to the risk factors country and product. The member has yet to include business model, sourcing model and sector level in its risk scoping. In its risk scoping, the member has assessed the impact and prevalence of the risks correctly. The member has a gender policy and includes discrimination, sexual harassment and gender-based violence in its risk scoping but has not yet added a gender lens across the risk scoping. Input from workers, suppliers, stakeholders is partly included in the risk scoping, mainly from international stakeholders and input from audits and complaints. The s.Oliver Group works with local agencies in five sourcing countries (China, Bangladesh, Türkiye, Hong Kong, Indonesia). The local teams go through the risks and assess them per factories. In the countries where the member does not have local teams, audits, complaints and other information is used to assess the risks. The member sources in several countries where Fair Wear has a heightened or enhanced due diligence policy in place. The s.Oliver Group follows the relevant policies. The s.Oliver Group is a member of the Bangladesh Accord.

As 2022, was the s.Oliver Group's first year of Fair Wear membership, it focused on setting up the risk assessment and other basic structures. The member's follow-up plans are mostly based on CAPs, but the member has a system which allows the brand to expand this beyond CAPs going forward. The member has made a start with preventive plans, such as setting up a social dialogue training programme. The s.Oliver Group relies primarily on its own audits rather than additional monitoring tools. As some issues which are common and which came up through complaints, did not come up in the member's own audits, it is recommended to diversify its monitoring tools.

The s.Oliver Group has a complex and large supply chain, and has used its first year of membership to set up the foundations needed to further improve its practices and work on implementation of prevention and improvement programmes further in the coming years.

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 this is a transition year, Fair Wear lowered the scoring threshold for this year only.

## 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 s.Oliver Bernd Freier GmbH & Co. KG

## Member company information

Member since: 1 Apr 2022

Product types: [Garments, clothing, fashion apparel, Bags, Accessories, Outdoorwear and Footwear](#)

Percentage of CMT production versus support processes 27%

Percentage of FOB purchased through own or joint venture production 0%

Percentage of FOB purchased directly 100%

Percentage of FOB purchased through agents or intermediaries 43%

Percentage of turnover of external brands resold 0%

Are vertically integrated suppliers part of the supply chain? Yes

FLA Member Yes

Member of other MSI's [FLA Member, Partnership for Sustainable Textiles, BCI \(Better Cotton Initiative\), International Accord,](#)

Number of complaints received last financial year 9

## 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
China	109	30
Bangladesh	50	27

Türkiye	40	11
Indonesia	14	8
India	35	7
Pakistan	9	4
Bulgaria	12	4
Viet Nam	7	2
Poland	16	2
Cambodia	6	2
Ukraine	5	1
Sri Lanka	2	1
Portugal	9	0
Lithuania	2	0
North Macedonia	2	0
Germany	2	0
Netherlands	1	0
Armenia	1	0
Italy	3	0
Spain	2	0
Belarus	3	0
Morocco	2	0
Tunisia	2	0

Romania	3	0
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## Layer 1 Foundational system's criteria

1.1 Member company has a Responsible Business Conduct policy adopted by top management.: Yes

Comment: s.Oliver has a solid Responsible Business Conduct Policy in place.

1.2 All member company staff are made aware of Fair Wear's membership requirements.: Yes

1.3 All staff who have direct contact with suppliers are trained to support the implementation of Fair Wear requirements.: 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.: Yes

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: s.Oliver discloses 60% 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: s.Oliver discloses 60% of production locations externally on Fair Wear's transparency portal. s.Oliver also discloses its main suppliers on its own website.

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: 52**

### 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.	Intermediate	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.	4	6	0

**Comment:** The s.Oliver Group has a sourcing strategy addressing influencing labour conditions which is operationalised through its Vendor Dashboard. This Dashboard is connected to different IT systems and brings together various data and Key Performance Indicators (KPIs) to keep track of supplier performances and the supply chain. Through it, order volumes and leverage at each supplier can be assessed. The KPIs (also for sustainability) are openly communicated and discussed with suppliers in different formats (for example in vendor "townhall meetings"), with the target to increase influence at well performing, strategic suppliers and consolidate the supply chain wherever else it is necessary.

The member had 337 active production locations in 24 countries in 2022. 77% of the production volume came from suppliers where the member had at least 10% leverage at suppliers. 93% of the production volume came from suppliers where the s.Oliver Group bought less than 2% of its total FOB. This is related to the very high total FOB of the company. As this is s.Oliver's first performance check, Fair Wear cannot compare the data to the previous year. However, s.Oliver has done an analysis showing the company has been actively decreasing its supplier base since 2021. Nevertheless, the member also started business with 74 locations in 2022. s.Oliver Group is in a process of finding a good balance in its supplier base, by increasing leverage at factories which perform well on the KPIs and exiting those who do not. This is a gradual process which takes time. The s.Oliver Group is mindful of factories becoming too dependent on them, which is also a risk for the supplier.

**Recommendation:** The s.Oliver Group could include in its sourcing strategy a plan to increase influence on suppliers by cooperating with other buyers.

Fair Wear recommends the s.Oliver Group to consider leverage when moving its production to new suppliers. The member should consider the risk of human rights violations at suppliers, the influence it has on bringing change and the impact it can have at a factory level.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Member company's sourcing strategy is focused on building long-term relationships.	Basic	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.	2	6	0

**Comment:** The s.Oliver Group has a sourcing strategy that focuses on maintaining long-term relationships. 61% of the member's total FOB volume comes from factories with whom the s.Oliver Group has a business relationship for at least five years. The member does not commit to forward-looking contracts yet, but its contracts do not have an end date. The s.Oliver Group discusses the potential order level the supplier can expect in future in case of good performance, approximately for the next three to five years. However, this is not yet stipulated in contracts.

**Recommendation:** Fair Wear recommends the s.Oliver Group to maintain stable business relationships with suppliers. Long-term relationships 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 agreed upon with top management/sourcing staff.

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.	Basic	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.	2	6	-2

**Comment:** The s.Oliver Group conducts risk scoping and includes the country and product level. The member has yet to include business model and sourcing model level in its risk scoping. In its risk scoping, the member has assessed the impact and prevalence of the risks correctly. The member has a gender policy and includes discrimination, sexual harassment and gender-based violence in its risk scoping but has not yet added a gender lens across the risk scoping. Input from workers, suppliers, stakeholders is partly included in the risk scoping, mainly from international stakeholders and input through audits and complaints. The risk scoping is digitalised in an online Risk Dashboard which includes the information regarding country risks and connects them to specific factories. All staff have access to this dashboard, but it is used especially by the sourcing and buying teams. The s.Oliver Group works with local agencies in five sourcing countries (China, Hong Kong, Turkey, Indonesia, Bangladesh). The HQ sustainability team, together with the local teams, go through the risks and assess them per factories. In the countries where the member does not have local teams, audits, complaints and other information is used to assess the risks. The member sources in several countries where Fair Wear has a heightened or enhanced due diligence policy in place. The s.Oliver Group follows the relevant policies and is a member of the Bangladesh Accord as well as the Pakistan Accord.

The member adjusts its sourcing strategy based on the risk scoping, as outcomes of the scoping were included in decision-making regarding the choice not to source in Myanmar because of the many high risks related to the military coup in the country.

**Recommendation:** Fair Wear recommends the s.Oliver Group to include all risk factors in its risk scoping.

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	0

**Comment:** It is the standard process for the s.Oliver Group to inform new suppliers about Fair Wear membership by sharing the Code of Conduct, the gender policy specifically on the Fair Wear CoLP through their integration into the Production and Licence Agreement which needs to be signed and returned and individual communication via e-mail and through the local agencies. When there are no local agencies, the vendor (supplier) supports the brand in direct communication with the factory. The onboarding process also connects to the risk scoping dashboard, which has four risk levels for countries. For low risk, the factory is asked to fill out a self assessment to check its basic understanding of social, HR and environmental practices. This is then checked and verified. If a potential factory is considered high risk, an audit is done before onboarding, upon which a dialogue takes place between the s.Oliver Group's local agency and the supplier. All suppliers need to conduct a self-assessment before first order, based on which further uncertainties can be clarified. The collected information feeds into a 'decision tree', which guides the decision to onboard the supplier based on several indicators, including sustainability. The s.Oliver Group added 74 factories in the last financial year and relies upon its digital systems to keep track of the process being followed for each and every one of them.

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:** The s.Oliver Group collects human rights information of potential new suppliers by collecting self-assessments, existing audit reports or conducting audits before the first order. Within the audits, workers and representatives are interviewed to get first-hand information on the situation in the factory. Stakeholders are consulted on a risk-based approach. Fair Wear Worker Information Sheet (WIS) and questionnaires are shared, wherever necessary discussed and signed by new suppliers. The results of the onboarding/audit are then shared with suppliers to discuss next steps before they are onboarded. Several Fair Wear Code of Labour Practice questionnaires were missing in the Fair Wear system, but most of them were not collected because the supplier was exited in 2022. The onboarding process and the decision tree demonstrates how the information collected influences sourcing decisions.



Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Member actively ensures awareness of the Fair Wear CoLP, the complaints helpline, and social dialogue mechanisms within the first year of starting business.	Basic	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.	2	6	0

**Comment:** The s.Oliver Group has added 74 new suppliers in 2022. The s.Oliver Group has not yet organised onboarding sessions for its new suppliers to raise awareness about the Fair Wear CoLP, the complaints helpline, or the importance of social dialogue. However, the s.Oliver Group informs suppliers of the Fair Wear CoLP by sending the Fair Wear questionnaire and the Worker Information Sheet in the onboarding process, and had Q&A calls which are open to all suppliers (around 100 attendees) where the CoLP are also discussed. The member's own auditors discuss operational-level-grievance mechanisms during the audits, as well as if the WIS is posted in the factory. Nevertheless, not all WIS were posted at all factories. As this is the s.Oliver Group's first year as a Fair Wear member, this year all suppliers were introduced to the Fair Wear requirements. Due to the fact that the s.Oliver Group became a Fair Wear member in April, and the member's large supply chain, the WIS has been posted at most production locations but the process of doing this is still ongoing.

## 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 monitor human rights risks in its supply chain.	Intermediate	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.	4	6	0

**Comment:** The s.Oliver Group has a systematic approach to identifying human rights risks in its supply chain and has assessed the risks for each production location. It has determined the appropriate monitoring tool and frequency per outcome of the risk scoping. The brand prioritises monitoring of its suppliers by dividing them, based on the risk assessment, in four categories. For the highest risk category, the brand monitors the factories by enrolling them in audits, with follow-up visits by the local teams and training when necessary. The level below that, are audited by a third party organisation. For the level one or two factories, the brand relies on external documents. The s.Oliver Group's audits are mainly own audits. The member does not use Fair Wear audits. The member's own audit methodology is in line with Fair Wear's methodology, yet some very common potential harms are not always identified through the member's audits, such as excessive overtime in China.

Nevertheless, the s.Oliver Group has a solid digital system which connects the outcome of the monitoring activities with the risk assessment. CAPs from the member's own audits are included in this system (see 3.6), to which local staff has access. The s.Oliver Group uses a supplier KPI-system to keep track of supplier performance and connects this to purchasing decisions as well. Forced labour is included in the member's risk assessment. The member follows Fair Wear's enhanced monitoring requirements. In Turkey, following the member's migrant and refugee policy when auditing a factory, migrants are always included in the group of interviewed workers (if present at the factory). The member exited the facilities in Ukraine at the start of the war there, because of limited possibilities to conduct HRDD there. s.Oliver Group is a member of the International Accord in Bangladesh and Pakistan.

**Recommendation:** Fair Wear strongly recommends that the s.Oliver Group diversifies its monitoring tool and further investigate when it does not identify risks that are common in the production country.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company's continuous monitoring of human rights risks includes an assessment of freedom of association (FoA).	Intermediate	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.	4	6	0

**Comment:** The s.Oliver Group has mapped the risks to FoA for its sourcing countries and suppliers through the risk analysis, using the self-assessments and audits as input. The member also uses the Fair Wear supplier questionnaires to cross check and collect information on FoA. Through the risk dashboard which includes the risk analysis and audits, the situation on FoA influences buying and sourcing decisions. 30% of of the member's total FOB comes from China. The s.Oliver Group is aware of the challenges related to FoA in China and addresses this by collecting information about internal grievance mechanisms at its Chinese factories. In its own audits, for example, s.Oliver Group checks how the election process works for worker representatives and what channels are present for workers to voice potential concerns. Attention is paid especially to whether there are managers on the workers councils. This is an ongoing process. Also in Pakistan extra attention is paid to the risks related to freedom of association. The s.Oliver Group did not review specifically what risks to women workers are related to freedom of association.

**Recommendation:** The s.Oliver Group should include risks specific to women workers in its risk assessment regarding FoA at its suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Member company includes a gender analysis throughout their continuous monitoring of human rights risks, to foster a better understanding of gendered implications.	Insufficient	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.	0	6	0

**Comment:** The s.Oliver Group has not included gender in its risk scoping beyond collecting information per country on the risk of discrimination and gender-based violence. The member has yet to include a gender lens when looking at the other risks. The member has a gender equality policy outlining the importance of equal rights to women, men and non-binary genders. This is shared with all suppliers upon onboarding.

**Requirement:** The s.Oliver Group must improve the inclusion of gender in its risk scoping and assessment.

**Recommendation:** Fair Wear strongly recommends the s.Oliver Group to enrol in the Introduction to Gender Equality programme on Fair Wear’s learning platform.

Fair Wear recommends the member to collect country-level gender risks for each Code of Labour Practices.

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:** The s.Oliver Group has a strong and systematic evaluation system for assessing suppliers' human rights performance. Using supplier KPIs on four topics, including sustainability, the member continuously keeps track of the suppliers' human rights performance and connects this to sourcing decisions. This evaluation system is integrated in the member's digital systems. Besides that, the CSR team informs the buying and sourcing teams if a supplier is not performing well and asks them to not place orders at this supplier. The KPIs and the evaluation are discussed yearly with the suppliers.

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	0

**Comment:** The member takes measures to prevent unauthorised subcontracting or unknown locations, such as including this in the supplier contracts. Furthermore, the local teams visit suppliers and have insight into the actual production locations. The member checks what processing units are available at the factory and if all processes needed can be done, or if some processes may need to be outsourced. The s.Oliver Group keeps track of all supplier locations through its IT system. The system also flags when, for example, a product is placed at a supplier and it needs washing, whether there are internal washing facilities or whether this will have to go to another factory.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 Member company extends its due diligence approach to homeworkers.	Intermediate	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.	2	4	0

**Comment:** The s.Oliver Group has a Homeworkers Policy as an appendix to the Code of Conduct and is strictly managing situations where homeworkers might occur in the supply chain. Homeworkers are also addressed within the member's own audits. The s.Oliver Group is aware of the risk of homeworkers and when they are found, collects information such as wage levels and registration of the homeworkers, to assess if there is a risk of exploitation. In recent years, s.Oliver has not found any homeworkers through its monitoring.

**Recommendation:** Fair Wear recommends the s.Oliver Group to conduct a capacity analysis looking into specific production processes to validate the suppliers' statements that no homeworkers are used.

## 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.	Intermediate	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.	2	4	0

**Comment:** The s.Oliver Group uses contracts with its suppliers. The member's Production and Licences (P&L) Agreements which contain binding information on social and environmental standards in harmonisation with the Responsible Business Conduct documents. The Agreement contains clear information on payment terms, duration and termination options, potential penalties and other topics. The contract also includes clauses on how the member should behave and how issues should be solved, where possible, collaboratively. In the case of delays or quality issues, the member works with a sanctions catalogue which is shared with the supplier as an annex to the P&L Agreement. There is some tolerance, but if the issues are not tolerable the risk is with the supplier. The tolerance is not specified. Suppliers have the right to challenge penalties if they do not agree with them. Usually, the member and suppliers come to a mutual agreement on how to proceed. The s.Oliver Group also works with intermediaries, and does not know their payment terms with the manufacturers.

**Recommendation:** Fair Wear strongly recommends that the s.Oliver Group remove penalties for late delivery from its contracts, or at least ensure there is 'proof of fault by the supplier'.

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 their decision-making processes.	Intermediate	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.	4	6	0

**Comment:** The s.Oliver Group actively shares relevant CSR information with other departments.

There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices.

The member has includes responsible business practices in job role competencies for the CSR team, including KPIs, but sourcing and purchasing staff are yet to work with KPIs supporting good sourcing and pricing strategies.

**Recommendation:** The s.Oliver Group could adopt KPIs that support good sourcing and pricing strategies within its sourcing, purchasing and design departments.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.15 Member company's purchasing practices support reasonable working hours.	Basic	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.	2	6	0



**Comment:** The s.Oliver Group yearly discusses with the suppliers what capacity they have and what their annual business expectations are. Twice a year, a capacity plan per month for the next six months is shared with the suppliers. If the suppliers are not sure if they can manage it, the member discuss it in detail with them what the needed capacity is. This is done also for other operations, to ensure capacity is also available at the supporting processes, such as washing or for example sequin production. The member is aware that such critical processes also affect production and that this can create pressure on the factory. When the factory is not able to meet the demand, s.Oliver expects they tell them so they can shift the production. In the countries where s.Oliver has local agencies, there is more insight into the actual production capacity of the manufacturers than in the other countries.

The s.Oliver Group has an overview of its orders and local agencies have insight into the capacity of the suppliers. Together with the sourcing teams at the agencies, capacity planning is done at vendor (supplier) level. The member does not have detailed insight into the manufacturers capacities. The s.Oliver Group knows how many manufacturers the vendors (suppliers) work with and what the approximate capacity of those factories is. The member uses this to estimate the capacity of the supplier.

The s.Oliver Group works with forecasts based on the previous year. The forecasts sometimes are not correct, which is why the update of the capacity plan is shared with the suppliers every six months.

The member does not do late changes to design, because after the salesman samples have been approved the design cannot be changed anymore. Furthermore to avoid putting pressure on the factories, the member gives the suppliers some buffer time built into the delivery date. Some delays are accepted, but beyond that, factories receive a penalty. However, they are never asked to pay for airfreight cost. If the order is delayed because fabric delivery was late, the brand is responsible for the delay and then the factory is not liable. In some cases, the brand accepts to split the costs for shipment.

**Recommendation:** The s.Oliver Group is strongly recommended to actively involve its production locations in the forecasting and planning process.

Fair Wear strongly recommends the s.Oliver Group to collect more information about the production planning and possible delays to understand better the impact of the s.Oliver Group's orders on factory capacity.

Fair Wear recommends the member to explore planning production in minutes instead of pieces to assess better its suppliers' production capacity (and wage levels). Furthermore, at suppliers where the s.Oliver Group is not a large customer, Fair Wear recommends the member to learn more about their production planning, for example, about peak season.

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.	Basic	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.	2	6	0

**Comment:** The s.Oliver Group has a good understanding of the wage levels at its suppliers through audits and a basic understanding of how the wages connect to its own buying prices. The member has basic insight into the labour component of its prices. It works with a cost breakdown mainly detailing material. The costing does separate CM costs and overhead costs. CM costs are based on standard allowed minutes (SAM) from GSD software, which often vary a lot from the actual production time. The member does not have insight into the actual factory minute value. The member has a rough understanding of the labour cost component of the price based on the cost per line, the output and the total CM cost. The member does a plausibility check of its prices this way. The s.Oliver Group takes into account increasing costs such as wages and inflation on an ad hoc basis, where possible letting the factory absorb the cost.

**Recommendation:** The s.Oliver Group is encouraged to provide buyers (or other employees involved in price negotiations with suppliers) training on fact-based costing, for example using the Fair Price app.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.17 All sourcing intermediaries play an active role in upholding 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:** The s.Oliver Group has informed its sourcing intermediaries of Fair Wear requirements and could show they informed production locations. In 2022, the member conducted online trainings for intermediaries, updating them on new contracts, regulations and standards and answering any questions. With that knowledge and through constant exchange, intermediaries inform suppliers about all necessary requirements, including the CoLP. Intermediaries are also involved in CAP follow-up.

## Layer 3 Remediation and impact

**Possible Points: 96**

**Earned Points: 36**

### Indicators on Quality and coherence of 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 prioritisation and follow-up programmes according to the risk profile.	Intermediate	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.	4	6	0

**Comment:** The s.Oliver Group has drafted follow-up plans, which match the risk profile. The follow-up plans in 2022 have mostly been general, for example revising the supplier contracts for all suppliers, and setting up a structure for social dialogue and training. It started piloting some training programmes in 2022. Considering the size of the brand's supply chain, this step is a basis for implementation of individual follow-up plans. Besides this, the s.Oliver Group followed up on CAPs and created follow-up action based on this. Information from CAPs and training feeds back into the risk profiles. As the member's own audits do not always identify findings which have a high risk of occurring in the country, this approach may lead to incomplete follow-up plans. The s.Oliver Group does CAP follow-up for all its production locations based on the risk assessment and has individual risk profiles for all its factories, but did not yet have individual follow-up plans going beyond CAPs for all its factories. In its digital system, it does link the CAP to the individual factory profiles. As this means there is some follow-up plan related to the risk assessment, but it is not fully complete, the FOB counting toward this indicator (100%) is halved. The s.Oliver Group sources from 50 production locations in Bangladesh and has signed the International Accord. The member also signed the Pakistan Accord.

**Recommendation:** Fair Wear recommends the member to further complete its follow-up plans.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company's improvement and prevention programmes include a gender lens.	Insufficient	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.	0	6	0

**Comment:** The s.Oliver Group assesses risks related to gender-based violence in its own audits under the topic of discrimination. Internal training includes some general information about heightened risks to women workers, for example related to the gender-pay gap. The s.Oliver Group has not yet included a gender lens in its follow-up or prevention plans in a broader sense.

**Requirement:** The s.Oliver Group must start including a gender lens in the implementation of improvement or prevention actions.

**Recommendation:** The s.Oliver Group is recommended to connect the gender lens from the risk assessment to the follow-up plans and actions.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.3 Member company's improvement and prevention programmes include steps to encourage freedom of association and effective social dialogue.	Basic	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.	2	6	0

**Comment:** The s.Oliver Group included some steps to encourage FoA and effective social dialogue in its improvement or prevention actions. These steps are setting up new contracts, which include standards on Freedom of Association (FoA) and integrating FoA in online training for employees as well as in the own audit system. Based on the outcome of the risk analysis, the member has set up a training programme on social dialogue, which was piloted in 2022 and is being implemented in 2023. The s.Oliver Group prioritises factories where the member has high leverage combined with the highest and most severe risk.

**Recommendation:** Fair Wear encourages the s.Oliver Group to be more comprehensive and include more steps to promote FoA and effective social dialogue in its improvement and prevention actions. The s.Oliver Group is recommended to ensure worker representatives are involved in the steps that the member takes to promote freedom of association and effective social dialogue.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 Member company actively supports operational-level internal grievance mechanism.	Intermediate	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.	4	6	0

**Comment:** Suppliers' internal grievance mechanisms are assessed at the start of the business relationship or are monitored systematically every year. The member has a threefold approach toward checking internal grievance mechanisms at factories where there is a high risk on the topic of FoA. First, the member checks if internal grievance mechanisms exist through audits, which also check the functionality of the mechanisms. Then the member checks if complaints have come in and how they have been handled by the factory. Worker representation, when available, is also asked in this process how the complaint was handled according to them. Furthermore, the member collects evidence of functioning worker committees, such as documentation around the election procedure, the grievance handling committee and meeting minutes. When an internal mechanism is not working, this is included as a finding in the CAP, which is followed up upon. The evaluation of the internal grievance mechanism does not yet specifically influence purchasing decisions.

In countries where the risk to FoA is lower, the member checks if there are worker representatives, in case there is no union. In some cases, worker interviews are also done. It has occurred that workers indicated they rather have direct contact with the factory owners, instead of going through a representative body.

**Recommendation:** Fair Wear recommends the s.Oliver Group to ensure that the evaluation of internal grievance mechanisms of its suppliers is systematically considered in purchasing decisions.

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.	Intermediate	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.	4	6	0

**Comment:** The s.Oliver Group cooperates with other Fair Wear members at its shared suppliers, responding to CAPs and complaints. The s.Oliver Group also cooperated with customers that are not Fair Wear members in 2022, mostly with FLA members. The s.Oliver Group has agreed on preventive action in the form of training at a shared supplier, but this has yet to be implemented.

**Recommendation:** We recommend the s.Oliver Group to collaborate to implement the identified preventive action at a shared supplier.

## Indicators on Improvement and prevention

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.6 Degree of progress towards implementation of improvement programme per relevant factory.	45%	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, the member could demonstrate through its own digital CAP follow-up system that up to two third of the CAP issues requiring improvement actions have been followed up. For example, the social security payments which had not been paid in a Chinese factory, have been paid to the workers entitled to it. As not all workers have received the payment, the finding is partially improved. The s.Oliver Group has a solid system to track CAPs and connecting them to the risk assessment. As the member has its own audit system for countries where it has agencies, the digital system tracks CAPs over the years and it is possible per CAP finding per factory to extract whether it has been improved or not. The s.Oliver Group does not currently follow up on third-party audits which it collects from suppliers.

**Recommendation:** Fair Wear strongly recommends the s.Oliver Group to include follow-up on third-party audits in its own system.



Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.7 Degree of progress towards implementation of prevention programme.	Basic 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.	2	6	-2

**Comment:** The member has started to develop preventive steps addressing root causes. As it was the first year of membership, the member started at the basis by ensuring the Code of Labour Practices is included in all supplier contracts, as well as other sustainability topics. Besides this, when it was identified that brand behaviour is the root cause of potential human rights risks, the member started organising training through the e-learning platform to raise awareness what consequences purchasing practices can have. Furthermore, some training programmes were started on social dialogue. Other activities to address root causes are being rolled out in 2023.

**Recommendation:** Fair Wear recommends the s.Oliver Group to translate its root cause analysis into concrete preventive actions as part of the risk profiles.

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 improvement or prevention programme is needed.	Basic	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.	2	6	0

**Comment:** The s.Oliver Group has identified some suppliers where improvement or prevention steps are not needed. These cover less than 2% of the member's total FOB. The s.Oliver group is still reviewing whether individual suppliers in countries with higher human rights risks, might also fall in this category, as part of the annual risk analysis. All suppliers are invited to the member's 'town hall meetings, where human rights topics are also discussed. The member discusses the topic with individual suppliers where a follow-up programme is not deemed necessary. However, the s.Oliver Group regularly reviews changes to the risk situation, during the annual evaluation of the risk assessment, or when something happens that affects the situation (war, natural disaster, etc.).

**Recommendation:** The s.Oliver Group is recommended to create a systematic plan which details at which interval the member will discuss possible human rights risks at its suppliers and which human rights risks should be discussed.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.9 Degree to which member company mitigates root causes of excessive overtime.	Basic	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.	2	6	0

**Comment:** Excessive overtime is found through the s.Oliver Group's own audit system at some suppliers. When excessive overtime is found at a production location, the member always inquires whether it is due to the s.Oliver Group brands orders. If this is the case, this is shared with the relevant buyers and they are asked to respond to this, for example by extending lead times. In 2022, the leadtime was extended to 120 days. Also, the member checks if some orders can be shifted to another supplier, if the capacity is tight at a certain factory. The member is working on developing a technical audit which gives insight on the setup of the factory and can identify potential inefficiencies there. The member also worked on transparency in working hours, as this is related to the topic of overtime.

**Recommendation:** The s.Oliver Group could use the outcomes of the root cause analysis to identify strategies that minimise the impact of its sourcing practices on working hours. The member could develop processes to deal with possible delays to avoid excessive overtime. Those processes include being flexible with delivery dates, prioritising orders, ordering in low season, keeping stock etc.

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, several complaints were filed regarding failure to pay legally required wage elements such as due wages and severance pay upon resignation or dismissal. The s.Oliver Group responded adequately to these complaints and ensured the due wages were paid. This was verified by Fair Wear. When a finding related to non-payment of legal minimum wage comes up through the s.Oliver Group's audits, this is taken up for remediation immediately.

**Recommendation:** Fair Wear recommends the s.Oliver Group to ensure problems of payments below legal minimum wages are not just remediated retroactively, but prevented going forward.

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.	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.	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.	0	6	0

**Comment:** The s.Oliver Group has a basic overview of the wage levels at its production locations. The s.Oliver Group has yet to create an overview of the gap towards the estimated living wage. As this is the first year of membership for the s.Oliver Group, the member has not yet focused discussed root causes of wages below living wage with its production locations.

**Requirement:** The s.Oliver Group must assess the root causes of wages that are lower than living wages, taking into account its leverage and the effect of its own pricing policy. The s.Oliver Group is expected to take an active role in discussing living wages with its suppliers.

**Recommendation:** Fair Wear recommends the s.Oliver Group to enrol in the Living Wage programme on Fair Wear's learning platform.

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

**Comment:** The s.Oliver Group is aware that the burden to raise wages cannot be placed solely on the supplier, but has yet to create a strategy on how to finance wage increases at its suppliers.

**Requirement:** The s.Oliver Group should analyse what is needed to increase wages and develop a strategy to finance the costs of wage increases.

**Recommendation:** It is advised that the strategy for how to finance wage increases is agreed upon by top management. In determining what is needed and how wages should be increased, it is recommended to involve worker representation.

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.	0%	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.	0	6	0

**Comment:** The s.Oliver Group does not contribute to higher wages at any of its production locations.

**Requirement:** The s.Oliver Group is expected to begin setting a target wage for its production locations.

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 Complaints Procedure.	Intermediate	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.	2	4	-2

**Comment:** The s.Oliver Group received eight complaints in the past financial year, about various topics including legally binding employment, wages and freedom of association, at its suppliers in Bangladesh, India and Türkiye. The member actively responded to all these complaints as per Fair Wear’s Complaints Procedure. The information from the complaints feeds back into the member’s risk assessment. When the member considers the topic is a high risk for the factory, a training may be planned as part of the response.

**Recommendation:** The s.Oliver Group could use the outcome of complaints to determine follow-up actions in its broader improvement and prevention plans.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.15 Degree to which member company implements training appropriate to the improvement or prevention programme.	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:** The member has enrolled some of its suppliers with findings on lack of awareness on FoA in Worker Education Programme (WEP) training. Also, at a factory where gender-based violence was considered a high risk, the member implemented a WEP Violence and Harassment training. The member is still working on rolling out its Social Dialogue Training Programme.

**Recommendation:** the s.Oliver Group is recommended to implement training for all factories where this is part of its improvement and/or prevention programme.



Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.16 Degree to which member company follows up after a training programme.	Basic	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.	2	6	0

**Comment:** The s.Oliver Group followed up on the implemented training by checking in with the suppliers how it was and what would be a next step. Outcomes from the training is included in the risk assessment. The member is still working on a more elaborate follow-up approach.

**Recommendation:** We encourages the s.Oliver Group to expand its follow-up after training has been conducted.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.17 The member company's human rights risk monitoring system includes a responsible exit strategy.	Insufficient	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.	0	4	0

**Comment:** The s.Oliver Group has developed a responsible exit strategy in 2022. The member exited 78 production locations (not all of which are direct suppliers). It is unclear if the responsible exit strategy was followed for all of these factories. Generally, the s.Oliver Group takes into account the leverage at the factory and how the exit will impact them. Factories are asked to finalise remaining orders, after which the brand exits. Reducing the supplier base was a strategic goal for the s.Oliver Group in 2022.

**Requirement:** The s.Oliver Group must have human rights risk monitoring that includes a responsible exit strategy.

**Recommendation:** The s.Oliver Group 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.	Basic	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.	2	6	0

**Comment:** The s.Oliver Group undertakes activities related to human rights that go beyond Fair Wear's scope, namely using the 'small questionnaire', a reduced version of the member's own audit system, with tier 2 suppliers. Furthermore, the member contributes financially to several projects to support local workers, for example an education project for young workers in Bangladesh together with Save the Children. In 2022, 45 students enrolled into sewing and screen printing classes.

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

**Possible Points: 18**

**Earned Points: 12**

### Indicators on Communication, transparency and evaluation

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.1 Member company actively communicates about Fair Wear membership and its human rights due diligence efforts.	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:** The s.Oliver Group communicates accurately about Fair Wear membership on its website and through (social) media. The company's COO mentions Fair Wear membership in interviews and media.

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 multi-stakeholder initiatives that verify their responsible business conduct.	N/A	4	0

**Comment:** The s.Oliver Group does not sell external brands.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 Social report is submitted to Fair Wear and is published on the member company's website.	Insufficient	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.	0	4	0

**Comment:** The s.Oliver Group has not submitted its social report, as it focused on the reporting requirements of the German HRDD legislation.

**Requirement:** The s.Oliver Group's social report needs to be submitted to Fair Wear.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.4 Member company engages in advanced reporting activities.	Intermediate	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.	2	4	0

**Comment:** The s.Oliver Group reports on factory-level data and remediation results through the Partnership for Sustainable Textiles. The s.Oliver Group publishes its supplier list on its website including gender breakdown of employees and availability of unions/worker committees if this information is known. The member also share the supplier list on the Open Supply Hub and reports under the Fashion Transparency Index. The s.Oliver Group has yet to disclose its factory-level time-bound improvement plans.

**Recommendation:** Fair Wear recommends the s.Oliver Group to publish time-bound plans for its suppliers.

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:** The s.Oliver Group has its supplier KPI system to track progress and check if implemented measures have been effective in preventing and remediating human rights violations. As the KPIs and the progress made on them are discussed with the suppliers, the s.Oliver Group includes input from the suppliers in the evaluation system. The internal evaluation system involves top management.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	No requirements were included in the previous Brand Performance 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 should show documentation related to the specific requirements made in the previous Brand Performance Check.	N/A	4	-2

**Comment:** As this is the member's first check, there were no previous requirements.



## 5 Appreciation chapter

5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: Yes

**Comments:** The S.OLIVER GROUP recognises a general responsibility towards everyone working in its value chain. That is why, during 2022, the company has been in close contact with the Fair Labor Association and Fair Wear Foundation to discuss a process and engagement with the former workers of the Jaba Garmino factory in Indonesia, which went bankrupt in 2015. Even though thorough investigations concluded that the S.OLIVER GROUP did not contribute to the bankruptcy, the company agreed to distribute a donation to the former workers of Jaba Garmino that aims to contribute at least partly to some relief towards the needs of the former workers and supports giving a perspective to those affected by the closedown of the factory.

5.2 Member company actively participated in lobby and advocacy efforts to facilitate an enabling environment in production clusters.: Yes

**Comments:** Through the memberships in the Textile Partnership, the international Accord and the Fair Labor Association, the s.Oliver Group actively participated in various projects, discussions, and initiatives.

5.3 Member company actively contributed to industry outreach, visibility, and learning in its main selling markets.: Not applicable



## Recommendations to Fair Wear

The s.Oliver Group feels some indicators in the performance check are quite similar or only have nuanced differences – there might be an option to consolidate this a bit. The s.Oliver Group recommends Fair Wear to consider reporting PDFs instead of a system to upload proof. Additionally the s.Oliver Group would find it helpful to have a clearer guidance on what is expected in terms of documentation and be able to upload to every indicator.

The s.Oliver Group recommends Fair Wear to schedule Data Review Sessions before the actual BPC to go through documents already to make discussions during the BPC easier and help us to understand, what is relevant for Fair Wear to see and what not. Furthermore, the s.Oliver Group recommends Fair Wear to speak to the entire Sustainability Team, to get an insight into all our activities and discover synergies.

Finally, the s.Oliver Group recommends Fair Wear to consider if a bi-annual BPC would make sense, with annual progress check ins, as the time to work on recommendations after the BPC until the end of the calendar year is limited. This could also be aligned with new reporting standards such as CSRD for check ins.

# Brand Performance Check details

Date of Brand Performance Check: **04-07-2023**

Conducted by: **Paula de Beer**

Interviews with: **Oliver Hein - COO**

**Sabrina Müller - Head of Sustainability**

**Rahul Chhabra - General Manager s.Oliver Office Bangladesh**

**Markus Wehnert - Team Lead DCD Customs Competence**

**Philipp Blecic - Head of Product Sourcing Comma**

**Dr. Gurgen Petrossian - Senior Sustainability consultant**

**Vanessa Hafemann - Sustainability Coordinator**

**Albert Liu - Senior Manager Asia (Social & Environmental Affairs)**

**Simon Krause - Team Lead People (Global Sustainability)**