



Brand Performance Check

Heigo Nederland B.V.

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

About the Brand Performance Check

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

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

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

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

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

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

This years' report covers the response of our members and the impact on their supply chain due to the Covid-19 pandemic which started in 2020. The outbreak of the Covid-19 pandemic limited the brands' ability to visit and audit factories. To ensure the monitoring of working conditions throughout the pandemic, Fair Wear and its member brands made use of additional monitoring tools, such as complaints reports, surveys, and the consultation of local stakeholders. These sources may not provide as detailed insights as audit reports. To assess outcomes at production location level, we have included all available types of evidence to provide an accurate overview of the brands' management systems and their efforts to improve working conditions. Nevertheless, brands should resume verifying working conditions through audits when the situation allows for.

Brand Performance Check Overview

Heigo Nederland B.V.

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

Member company information	
Headquarters:	Elst , Netherlands
Member since:	2005-10-01
Product types:	Workwear
Production in countries where Fair Wear is active:	Bulgaria, China, Turkey
Production in other countries:	Hungary, Portugal
Basic requirements	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
Scoring overview	
% of own production under monitoring	90%
Benchmarking score	71
Category	Leader

Summary:

Heigo met most of Fair Wear's performance requirements in 2020 and has a monitoring percentage of 90%, with a benchmarking score of 71. The company did not improve on the insufficient score on Turkey, on indicator 2.7, which means repeated non-compliance. However, due to the omission of a requirement in the past performance check, Fair Wear has used its discretionary power to disregard the rule to adjust the category based on this non-compliance. Concerning training, Heigo could not organise transformative training due to COVID-19, which they would have planned otherwise. Fair Wear considers these scores as if the training pursued, which puts Heigo in the category 'Leader' again.

Corona Addendum:

Heigo Nederland B.V. is a workwear company with a diverse portfolio. The company buys approximately two thirds from external brands, and the rest is produced under its own label. It has its own production location in Bulgaria, responsible for 82% of its own production FOB.

In April and May 2020, the company experienced a drop in sales of around 30%, partly covered by starting the production of COVID-19 protection materials. Heigo did not have any staff on furlough, nor did any of its production locations experience closure due to government regulations. Heigo maintained close contact with all its production locations through regular telephone conversations. It did not cancel any orders and paid all invoices on time. The company did allow for longer lead times if necessary.

The company was in close contact with its own production location in Bulgaria and kept up to date on government regulations and possible effects on production throughout 2020. Also, in Bulgaria, it used the Fair Wear COVID-19 Health and Safety checklist to ensure safe working conditions for workers. As the factory was able to continue to operate, all workers received their regular wages. Heigo also implemented a system to track productivity and increase transparency on wages. Also, in 2020, the company started to include the possibility to contribute to living wages as part of its tenders and ensured that the production location would be able to facilitate such an order.

As 90% of production comes from Bulgaria, Heigo focuses on that country in its risk assessment. In 2020, the company did a general assessment of human rights risks for Bulgaria, Hungary, Turkey, and China. However, in implementing the human rights risk assessment and COVID-19 related risks, the company has little attention for Turkey and China. This is mainly due to the company searching for alternatives for its production, currently happening in these countries, but also as it greatly adds to the overall risk for the company.

Performance Category Overview

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

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

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

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

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

1. Purchasing Practices

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	88%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	4	4	0

Comment: In 2020, Heigo purchased 88% of its production volume from suppliers where it buys at least 10% of production capacity.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	6%	Fair Wear provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to Fair Wear.	3	4	0

Comment: Heigo's sourcing strategy focuses on moving production from Asia to its own production location in Bulgaria or to external brands. Heigo purchased 6% of its production volume from production locations where member company buys less than 2% of its total FOB. This amount is made up of a specialised range of items that Heigo's own factory cannot produce.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	97%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	4	4	0

Comment: In 2020, 97% of the production volume came from production locations where a business relationship has existed for at least five years.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.3 All (new) production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	2nd years + member and no new production locations selected	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	N/A	2	0

Comment: Heigo did not start working with any new suppliers in 2020.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders.	Advanced	Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0

Comment: In 2020, Heigo did a general human rights risk assessment of all production countries, identifying the main risks for each of its production countries. This assessment was based on publicly available information, such as the Fair Wear country studies and MVO risk checker. The member used this analysis to prioritise gender and discrimination, living wages and health and safety.

In 2020, Heigo developed risk analysis and prioritized its actions based on this analysis. Heigo kept especially a close watch on the COVID-19 developments in Bulgaria through regular communication with the own factory.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	1	2	0

Comment: Heigo's evaluation system covers circularity, sustainability and social compliance under which Fair Wear compliance with the Code of Labour Practices is covered. Each supplier with a direct relationship to Heigo has been assessed and a report produced outlining points for evaluation such as CoLP and questionnaire, audit reports completed, the outcome from audits, willingness to cooperate on CAP, transparency during audits and factory visits, communication speed and clarity, work on living wages, basic criteria on quality, price, delivery times. The evaluation of suppliers is conducted by upper management, the purchasing and sales team, who are also in charge of maintaining supplier portfolio with a focus on minimising risk.

In 2020, Heigo maintained close contact with all production locations through telephone conversations. During these conversations the member discussed the situation at the factory and any possible problems arising. Heigo did not stop production at any of its production locations.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.6 The member company's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	4	4	0

Comment: In 2020, 90% of Heigo's production volume came from Bulgaria where 82% was produced at Heigo's own factory. Heigo's own production location is responsible for its own production planning and will communicate delivery dates with Heigo. Heigo is completely transparent with the factory, allowing the factory to also have access to Heigo's warehouse stock figures, which assists to make a better forecasting system for both parties.

Heigo is responsible for delivering the fabric to the factories and regularly monitors production planning through production manager based at the factory in Bulgaria. For the subcontractors based in Bulgaria, only the final sewing takes place at these locations, Heigo's own factory is responsible for the fabric, cutting and trimmings. Therefore Heigo can adjust its own planning, to work with the provided lead times and forecasting as provided by the relevant parties.

In Turkey and China, Heigo produces ready-made garments and discusses planning, lead-times and possible delays with the factories. In Portugal and Hungary, Heigo is in constant communication with the suppliers. Heigo has established a shared planning system to update forecasts with suppliers to facilitate their planning. In case of delays Heigo can easily adjust delivery dates with their customers, and furthermore has the advantage that the majority of production takes place in Europe where delivery times are not very long. In 2020, the brand extended its lead times to accommodate any problems that may arise due to COVID-19.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.7 Degree to which member company mitigates root causes of excessive overtime.	No production problems /delays have been documented.	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	N/A	6	0

Comment: None of Heigo's production locations was closed due to COVID-19 and none experienced production problems.

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

Comment: In Bulgaria, Heigo uses an open costing system that can give them the break down per material, overhead done, rates of work per day and rate per product. Because 82% of production is made at its own factory, Heigo is also aware of the wage composition from the prices paid to the factory. At the subcontractors who are all located in Bulgaria, although there is a non-direct relationship Heigo provides the materials and accessories and already cut item. Only the sewing takes place at the subcontractors, therefore, Heigo is still able to have rough estimations on their wage contribution based on the knowledge from its own factory. At own factory, Heigo has control over the price-setting process and has insight on the labour minutes needed per product. With this information, Heigo is able to link the necessary minutes, to the price per minute to extrapolate to wages the workers receive. The brand is able to connect the price they pay to wages for its own factory.

For other production locations Heigo does not have a similar insight into the link between prices and wages. For these locations the member knows roughly material costs and roughly labour costs. Also, Heigo has an overview of wages in different production locations.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	No problems reported/no audits	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, Fair Wear member companies are expected to hold management of the supplier accountable for respecting local labour law. Payment below minimum wage must be remediated urgently.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show minimum wage issue is reported/resolved.	N/A	0	-2

Comment: At Heigo's own production location the company continued to pay regular wages. At other locations the member did not hear about any problems with payment of wages and because production locations operated as usual during 2020, Heigo did not explicitly check on wages being paid.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

Comment: Heigo did not delay any payments and actually offered pre-payment or early payment to suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.11 Degree to which member company assesses and responds to root causes for wages that are lower than living wages in production locations.	Advanced	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach	Evidence of how payment below living wage was addressed, such as: Internal policy and strategy documents, reports, correspondence with factories, etc	6	6	0

Comment: In 2020, Heigo discussed living wages at its own production location. The first analysis pointed towards low efficiency and thus the company invested in updating the system that monitors productivity in a way that is transparent to workers. As such, workers are real-time informed about their earnings. With this system, Heigo aims to increase wages and productivity at the same time.

Recommendation: Fair Wear recommends Heigo to expand its discussion on wages to other production locations as well.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	82%	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	2	2	0

Comment: Heigo owns one of its production facilities, responsible for 82% of total production.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	2	6	0

Comment: In 2020, Heigo has increased its focus on increasing wages in its own production location and has calculated costs related to a living wage estimate of 2239 lev. The company has started to include this as part of its tender policy to show its customers how they can contribute to living wages. Heigo has added to its tenders that they will fill the gap between the coverage of the payment of its customer and the real living wage prices.

For 2020, Heigo used a different target wage for its own factory based on information from the 2019 audit. This target was 60% of National average in Bulgaria (537 lev), and is considered a good first step for wholly-owned production locations.

Recommendation: Fair Wear recommends Heigo to continue to evaluate the possible target wage against the latest living wage estimates as provided by Fair Wear.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.14 Percentage of production volume where the member company pays its share of the target wage.	82%	Fair Wear member companies are challenged to adopt approaches that absorb the extra costs of increasing wages.	Member company's own documentation, evidence of target wage implementation, such as wage reports, factory documentation, communication with factories, etc.	6	6	0

Comment: Most workers at Heigo's own production location earn the target wage or more during regular working hours (without benefits).

Purchasing Practices

Possible Points: 44

Earned Points: 40

2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	82%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	8%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Member meets monitoring requirements for tail-end production locations.	No (implementation will be assessed next performance check)	FWF members must meet tail-end monitoring requirements. Implementation will be assessed during next Brand Performance check.
Requirement(s) for next performance check	Fair Wear expects Heigo to do audits at production locations where the member is responsible for more than 10% of total production volume.	
Total monitoring threshold:	90%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.1 Specific staff person is designated to follow up on problems identified by monitoring system.	Yes	Followup is a serious part of Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

Comment: Heigo's managing director is responsible for all activities that take place at their main factory in Bulgaria. In 2020, a dedicated person was hired at the Bulgarian factory. The sustainability manager works together with the director to address the problems identified by monitoring system remaining suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case Fair Wear teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for Fair Wear to approve the auditing system.	Information on audit methodology.	N/A	0	-1

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	No Corrective Action Plans were active during the previous year	2 part indicator: Fair Wear audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	N/A	2	-1

Comment: Heigo did not organise any audits in 2020, the CAP of 2019 has been worked on, but as it was not a priority, not all outstanding actions were taken up, due to priorities that occurred because of the pandemic.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Basic	Fair Wear considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	4	8	-2

Comment: In 2020, Heigo continued to work on the Corrective Action Plan of the audit done in 2019. However, very little progress has been made on the CAP because the people working on the CAP could not be together.

In its own production location, Heigo used the COVID-19 health and safety checklist to identify and respond to possible risks. In 2020, the member also strengthened the dialogue between workers and management to generate more ideas from workers on how to improve working conditions.

Heigo did not specifically address COVID-19 risks for its production in China and Turkey.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	not applicable	Due to the Covid-19 pandemic, brands could often not visit their suppliers from March - December 2020. For consistency purposes, we therefore decided to score all our member brands N/A on visiting suppliers over the year 2020.	Member companies should document all production location visits with at least the date and name of the visitor.	N/A	4	0

Comment: As travel was restricted due to the COVID-19 pandemic, this indicator is not applicable in 2020 for all Fair Wear members.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.7 Compliance with FWF risk policies.	Average insufficient result on relevant policies	Aside from regular monitoring and remediation requirements under Fair Wear membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. Fair Wear requires member companies to be aware of those risks and implement policy requirements as prescribed by Fair Wear.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	-2	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Insufficient			-2	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Insufficient			-2	6	-2

Comment: The majority of Heigo's production takes place in Bulgaria, where the main supplier is owned by Heigo. Being based in Bulgaria since its inception, Heigo is aware of the production risks within the area and mitigated them in consultation with the local staff based at the factory. Heigo collects information from the Fair Wear country study, the supplier seminar as well as the audit results on the production risks. In Bulgaria, Heigo has noted main structural risks such as low wage levels in the country, limited freedom of association and restricted civil society and discrimination at the workplace. Heigo has started discussions to address these structural risks at its own factory, with the support of its Bulgarian production team.

Heigo has a small production percentage in China and in Turkey, which it sees as a huge risk since these are specialised products, of which Heigo has low leverage at suppliers. After several discussions with the suppliers, Heigo has started to reach out to potential external brands to collaborate in order to be able to have the products within the Heigo portfolio of offerings. However, although discussions with alternative producers are happening, Heigo continues to produce in China and Turkey.

Heigo has addressed general human rights risks in Turkey as part of its due diligence process. The member is aware of the issues around Syrian refugees in Turkey and has been assured by its production location there are no refugees currently working there. However, Heigo has not developed a policy addressing this risk, neither was it able to show its production location has formally addressed the issue. The factory has not been audited since 2014 and has last had a training in 2015.

Heigo has addressed general human rights risks in China as part of its due diligence process, but has not specifically included excessive overtime. Neither has the member developed a systematic way in which to address these risks.

Regarding COVID-19, Heigo monitored risks in Bulgaria and addressed specific risks, such as health and safety issues. The member did not monitor specific COVID-19 risks in other countries.

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

Heigo's monitoring system should identify and address high risk issues that are specific to the member's sourcing practices. Fair Wear provides policies and country-specific requirements to member companies. Priorities in remediation efforts are guided by these policies.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	No CAPs active, no shared production locations or refusal of other company to cooperate	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	N/A	2	-1

Comment: Heigo did not have a CAP at shared production locations.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. Fair Wear has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of Fair Wear membership; posting of worker information sheets, completed questionnaires.	2	2	0

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

Comment: Heigo has three production locations that fall under the monitoring requirements for low-risk countries, one in Hungary and two in Portugal. All three locations have been informed of Heigo's Fair Wear membership. The suppliers have signed and return the completed CoLP questionnaire before production orders were placed. Furthermore, the locations have the Fair Wear Worker Information Sheet posted in local languages. All locations were visited in 2019.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.10 Extra bonus indicator: in case FWF member company conducts full audits at tail-end production locations (when the minimum required monitoring threshold is met).	No	Fair Wear encourages its members to monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to Fair Wear and recent Audit Reports.	N/A	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	Yes, and member has collected necessary information	Fair Wear believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of Fair Wear or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	2	2	0

Comment: Heigo actively shares the questionnaire and collects information back from its external brands.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	23%	Fair Wear believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in Fair Wear's information management system. Documentation of sales volumes of products made by Fair Wear or FLA members.	1	3	0

Comment: As part of Heigo's sourcing policy, it aims to purchase as much as possible from other FWF members. In 2020, 23% of Heigo's external sales volumes came from other Fair Wear members.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	Fair Wear believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

Monitoring and Remediation

Possible Points: 24

Earned Points: 9

3. Complaints Handling

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.1 A specific employee has been designated to address worker complaints.	Yes	Followup is a serious part of Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

Comment: The sustainability manager at Heigo is responsible to address worker complaints in the supply chain outside of Bulgaria. Within Bulgaria, the sustainability manager cooperates with the product and quality manager, who is also their former factory employee at the Bulgarian main supplier and speaks fluent Bulgarian.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company has informed factory management and workers about the FWF CoLP and complaints hotline.	No	Informing both management and workers about the Fair Wear Code of Labour Practices and complaints hotline is a first step in alerting workers to their rights. The Worker Information Sheet is a tool to do this and should be visibly posted at all production locations.	Photos by company staff, audit reports, checklists from production location visits, etc.	-2	2	-2

Comment: Heigo provides production locations with a Worker Information Sheet at the start of the business relationship. During the performance check it turned out that the Worker Information Sheet had not been updated in China, although Fair Wear has explicitly requested to do so.

Requirement: Heigo must ensure that the latest Worker Information Sheet, including contact information of the local complaints handler of Fair Wear, is posted in factories in a location that is accessible to all workers. Member company should check by means of a visit whether the Worker Information Sheet is posted in the factories.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline.	89%	After informing workers and management of the Fair Wear CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, Fair Wear's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	6	6	0

Comment: In 2019, Heigo organised Fair Wear's Workplace Education Programme (WEP) basic module at its main production location in Bulgaria responsible for 89% of its production volume (excluding low-risk), which counts towards this indicator.

Heigo did not share the COVID-19 worker videos with its production location.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure.	Yes + Preventive steps taken	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	6	6	-2

Comment: Heigo received a complaint regarding unfair dismissal at its own production location. Besides addressing the specific complaint, Heigo discussed the internal grievance mechanism to determine how the organisation can address grievances internally and the factory developed an additional policy regarding proper behaviour in the factory.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers.	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the Fair Wear member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	0

Complaints Handling

Possible Points: 15

Earned Points: 11

4. Training and Capacity Building

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

Comment: Heigo developed a CSR magazine which is shared with employees and with customers, which also includes information about Fair Wear membership. Due to COVID-19 staff was mainly informed through online meetings. Especially the sales team has been more informed about Fair Wear membership to ensure it is actively included in communication with (potential) customers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement Fair Wear requirements and advocate for change within their organisations.	Fair Wear Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

Comment: All staff in direct contact with suppliers is aware of Fair Wear requirements. Heigo regularly attends webinars to stay informed of Fair Wear activities. This information is then disseminated to the rest of the team during regular internal meetings.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes + actively support COLP	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, Fair Wear audit findings.	2	2	0

Comment: Heigo works with one agent for their production in Portugal. The agent is visited regularly by Heigo representatives and is aware of the Fair Wear membership requirements. The agent actively supports the Fair Wear Code of Labour Practices by supporting monitoring activities at the production location in Portugal.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.4 Factory participation in training programmes that support transformative processes related to human rights.	0%	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. Fair Wear has developed several modules, however, other (member-led) programmes may also count.	Training reports, Fair Wear's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	0	6	0

Comment: In 2020, Heigo intended to organise transformative training in Bulgaria. Due to COVID-19, this was not possible. Fair Wear applies discretionary power to ensure that the 0% won't negatively influence the scoring of the Brand Performance Check. With a positive scoring of this indicator, Heigo will receive enough scoring to be categorised as 'Leader'.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Degree to which member company follows up after a training programme.	No training programmes have been conducted or member produces solely in low-risk countries	After factory-level training programmes, complementary activities such as remediation and changes on brand level will achieve a lasting impact.	Documentation of discussions with factory management and worker representatives, minutes of regular worker-management dialogue meetings or anti-harassment committees.	N/A	2	0

Training and Capacity Building

Possible Points: 11

Earned Points: 5

5. Information Management

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

Comment: In 2019, Heigo established an agreement at its owned factory that all subcontracting must be discussed and agreed upon during the yearly planning. In 2020, the member put in additional efforts to ensure all the information including financial figures was gathered updated in the Fair Wear database accordingly. For the remaining active production locations, Heigo included details per supplier as part of the Fair Wear database overview. The production location in Turkey and China have not yet been visited, therefore Heigo can not yet verify through existing lines, capacity and machinery that all production takes place in-house.

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

Comment: Heigo's director, sustainability manager and purchasing manager are the ones in direct contact with suppliers and regularly update each other on working conditions at production locations.

Information Management

Possible Points: 7

Earned Points: 4

6. Transparency

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	Fair Wear's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about Fair Wear are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	Fair Wear membership is communicated on member's website; other communications in line with Fair Wear communications policy.	2	2	-3

Comment: Heigo communicates about Fair Wear membership through the following channels of communication: website, social media and presentation for customers. All communication is in line with Fair Wear communications policy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Supplier list is disclosed to the public.	Good reporting by members helps to ensure the transparency of Fair Wear's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	2	2	0

Comment: Heigo has signed the Fair Wear transparency agreement and opted-in to disclose the details of their main supplier responsible for 82% production. Heigo also publishes the Brand Performance Check on their website.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.3 Social Report is submitted to FWF and is published on member company's website.	Complete and accurate report submitted to FWF AND published on member's website.	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with Fair Wear's communication policy.	Social report that is in line with Fair Wear's communication policy.	2	2	-1

Comment: Heigo submitted and published their 2019-2020 Social Report on its website.

Transparency

Possible Points: 6

Earned Points: 6

7. Evaluation

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management.	Yes	An annual evaluation involving top management ensures that Fair Wear policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

Comment: Heigo evaluates Fair Wear membership twice a year with the top management in the company. The evaluation is led by the Director in discussion with other key people throughout the company such as the people responsible for sales, purchasing, sustainability and logistics.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	No requirements were included in previous Check	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	N/A	4	-2

Comment: In the past performance check Heigo received a requirement to regularly visit production locations. However, in 2020 Fair Wear recognises that it was not possible to visit production locations. Therefore this indicator is considered not applicable.

Evaluation

Possible Points: 2

Earned Points: 2

Recommendations to Fair Wear

Heigo recommends Fair Wear putting more effort into the communication and information towards the clients of the brands, as they are often unknown of what is going on in the supply chain and what its effects are. Heigo also recommends Fair Wear to be more active in signalling and acting on the wrong use of the Fair Wear logo by non-member brands.

Scoring Overview

Category	Earned	Possible
Purchasing Practices	40	44
Monitoring and Remediation	9	24
Complaints Handling	11	15
Training and Capacity Building	5	11
Information Management	4	7
Transparency	6	6
Evaluation	2	2
Totals:	77	109

Benchmarking Score (earned points divided by possible points)

71

Performance Benchmarking Category

Leader

Brand Performance Check details

Date of Brand Performance Check:

27-08-2021

Conducted by:

Femke Blickman

Interviews with:

Tom Gerards - CSR Manager

Johan Peters - Purchasing manager