



Brand Performance Check

ALBIRO AG

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. The online [Brand Performance Check Guide](#) provides more information about the indicators.

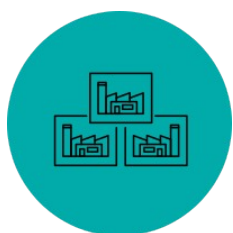
Scoring overview

Total score: 150

Possible score: 212

Benchmarking Score: 71

Performance Benchmarking Category: Leader



Sourcing strategy

65%



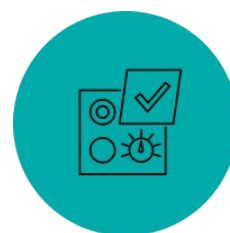
Identifying continuous human rights risks

87%



Responsible purchasing practices

77%



Quality and coherence of prevention and remediation system

67%



Improvement and prevention

61%



Communication, transparency and evaluation

85%

Summary:

ALBIRO has shown advanced results on performance indicators and has made exceptional progress. With a total benchmarking score of 71, the member is placed in Leader category.

ALBIRO's sourcing strategy shows the company's commitment to long-term relationships and jointly improving labour conditions. The sourcing strategy was last revised in 2022 and aligns with OECD guidelines on human rights due diligence.

ALBIRO developed a risk analysis matrix in line with the OECD requirements, focusing on all different kinds of risks, including all risk factors. ALBIRO uses this matrix to create a prioritisation of risks in its supply chain, using a traffic light system to indicate low, medium and high risks. Based on the risk scoping, ALBIRO did a factory risk assessment for all its group 1 (suppliers where ALBIRO has 100% leverage) and Group 2 suppliers (all other CMT suppliers) for the first time in 2022. Based on the factory risk assessment, ALBIRO has developed improvement and prevention programmes for almost all of its suppliers, covering over 80% of its FOB. ALBIRO included a gender lens in the risk scoping and the factory risk assessment, taking into account how certain risks may impact women differently than men. ALBIRO discussed its risk assessments with worker representation at the relevant factories.

In 2022, ALBIRO focused in its preventive actions on FoA and internal grievance mechanisms, for example by supporting one of its main suppliers in creating a Collective Bargaining Agreement. ALBIRO's gender analysis fed into this as well. Besides this, ALBIRO has spent a lot of remediation and prevention effort on the connected topics of living wage and excessive overtime. ALBIRO is committed to working towards living wages at its factories through fact-based costing, and has started implementing a living wage project at its own factory in Serbia.

ALBIRO has done a lot of work to ensure its practices align with the OECD guidelines on Human Rights Due Diligence (HRDD) and seems well-placed to 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 members. 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 ALBIRO AG

Member company information

Member since: [1 Jan 2012](#)

Product types: [Outdoor products, Workwear and Outdoorwear](#)

Percentage of CMT production versus support processes [98%](#)

Percentage of FOB purchased through own or joint venture production [4.07%](#)

Percentage of FOB purchased directly [96%](#)

Percentage of FOB purchased through agents or intermediaries [16%](#)

Percentage of turnover of external brands resold [4%](#)

Are vertically integrated suppliers part of the supply chain? [No](#)

FLA Member [No](#)

Member of other MSI's [Amfori - BSCI, Summations, OEKOTEX, SGS Certification, Women Empowerment Principles](#)

Other Initiatives [Women Empowerment Principles](#)

Number of complaints received last financial year [1](#)

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? [1](#)

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

| Production Country | Number of production locations | Percentage of production volume |
|------------------------|--------------------------------|---------------------------------|
| North Macedonia | 4 | 41 |
| Morocco | 1 | 22 |
| Türkiye | 2 | 16 |
| Bosnia and Herzegovina | 2 | 8 |
| Slovakia | 1 | 5 |
| Serbia | 1 | 4 |
| Bulgaria | 1 | 2 |
| Switzerland | 6 | 1 |
| India | 1 | 0 |

Layer 1 Foundational system's criteria

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

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

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

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

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

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

Possible Points: 90

Earned Points: 68

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: ALBIRO has a sourcing strategy addressing influencing labour conditions. ALBIRO has consolidated its supply chain to the extent possible, considering its product range. ALBIRO's strategy now is to work with existing suppliers rather than adding new suppliers. ALBIRO has 19 active suppliers. 72% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. 97% of the production volume comes from suppliers where ALBIRO buys less than 2% of its total FOB. This is comparable to the previous year.

Recommendation: ALBIRO could include in its sourcing strategy a plan to increase influence on suppliers by cooperating with other buyers.

| 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: ALBIRO has a sourcing strategy that focuses on maintaining long-term relationships. The member does not commit to forward-looking contracts yet. 89% of the member's total FOB volume comes from suppliers with whom ALBIRO has a business relationship for at least five years.

Recommendation: Fair Wear recommends ALBIRO to commit to long-term contracts.

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

Comment: ALBIRO conducts risk scoping and includes all risk factors. In its risk scoping, the member has assessed the impact and prevalence of the risks correctly. The risk scoping includes a gender lens. The member particularly looks at the way country risks may differently impact women compared to men. ALBIRO has done this for all risks in all its sourcing countries.

Input from workers, suppliers, stakeholders is included in the risk scoping by sharing the human rights risk analysis with worker representations and collecting their feedback through interviews (with an interpreter where needed).

In 2022, the member has not yet adjusted sourcing decisions based on the results of its risk scoping, as the year was mostly used to do the risk scoping. However, the outcomes of the risk scoping have been included in the brand's sourcing strategy, and as such will be guiding future decisions. For example, ALBIRO's sourcing strategy favours countries where freedom of association is protected, and has added a specific paragraph about the risk related to this when the company would decide to source in China.

Recommendation: Fair Wear strongly recommends ALBIRO to adjust its sourcing based on the results of 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 ALBIRO to inform new suppliers about Fair Wear membership by sharing, discussing and signing the Code of Labour Practices (CoLP), sharing all relevant policies such as the company's overtime policy, refugee policy, subcontracting policy, and sharing and asking the factory to post the Worker Information Sheet (WIS). In the case of new suppliers, ALBIRO visits the factory before the first purchase order is placed to discuss the CoLP and share the relevant documentation. In some cases, ALBIRO invites the factory management to come to Switzerland and discusses the topics there. The process is documented in the member's internal system. The process has been followed for both factories added last year, with which ALBIRO works through an intermediary. ALBIRO has visited one of the factories, the other was visited by the intermediary and will be visited by ALBIRO in 2023.

| 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. | Intermediate | 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. | 4 | 6 | 0 |

Comment: ALBIRO collects human rights information of potential new suppliers by, on top of collecting country information through Fair Wear country studies and the MVO risk checker, collecting existing audit reports, discussing and signing the supplier Code of Conduct (CoC) and all human rights related policies (refugee policy, overtime and subcontracting policy). ALBIRO specifically discusses the role of trade unions in the factory, the internal grievance mechanisms and their functionality. The supplier CoC includes an indicator about freedom of association which factories also have to sign. ALBIRO has not adjusted its sourcing decisions based on the collected information, because the selected suppliers have been motivated to improve working conditions.

| 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: ALBIRO has added two new indirect suppliers in 2022, which signed the CoLP and have posted the WIS. The factories did not yet receive any onboarding training yet.

Recommendation: ALBIRO is recommended to organise onboarding sessions specifically focusing on the CoLP and the complaints mechanism within the first year of doing business.

Indicators on Identifying continuous human rights risks

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

Comment: ALBIRO 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. For instance, the brand monitors its suppliers in the countries that its risk scoping identified as having a higher risk of limited freedom of association by enrolling them in audits, organising monitoring visits, sharing FoA checklists and engaging directly with worker representatives (with an interpreter). While ALBIRO uses a range of monitoring tools next to audits, the brand considers audits necessary to verify the impact of remediation actions.

| 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). | Advanced | Freedom of association and collective bargaining are 'enabling rights.' When these rights are respected, they pave the way for garment workers and their employers to address and implement the other standards in Fair Wear's Code of Labour Practices - often without brand intervention. | Use of supplier questionnaire to inform decision-making, collected country information, and analyses. | 6 | 6 | 0 |

Comment: ALBIRO has mapped the risks to FoA in all its sourcing countries and can explain the main risks per country, including the risks to women workers. The risks identified are lack of trust in active unions (North Macedonia, Bulgaria), lack of awareness on workers' rights to unionise and to bargain collectively (India) or governments/businesses counteracting unions (Serbia, Turkey).

ALBIRO uses a Supplier Questionnaire on FoA, in-depth discussions with suppliers as well as full audits to ensure supplier-level monitoring of the risk of violations to FoA. During monitoring visits, ALBIRO speaks with worker representations directly (with interpreter) to understand more about the actual level of freedom of association and workers' awareness of their rights. ALBIRO has been trying to connect with local unions, however they have not been responsive in 2022.

| 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. | Intermediate | 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. | 4 | 6 | 0 |

Comment: The member could show it understands the basic gender risks for its sourcing countries including the risks to women workers. The risks identified are the gender-pay gap (all production countries), discrimination of women and LGBTI persons in the form of verbal or physical abuse (Serbia, Bosnia Herzegovina, India), the lack of alignment between legislation regarding policies focused on gender equality and the practical reality (North Macedonia, Bulgaria) and the heightened risk of women in minority groups such as migrants, Roma (Bosnia Herzegovina, Turkey). Additionally, overtime work and last-minute work, which is common in the garment industry, is considered a high risk especially to women workers as well because of their care duties in the household. ALBIRO used Fair Wear country studies, information from the International Labour Organisation, the MVO risk checker and various gender development indices, including but not limited to the Gender Gap Index (World Economic Forum), Gender Inequality Index (United Nations Development Programme) and the Social Institutions & Gender Index (OECD), to create the gender lens.

Additionally, ALBIRO actively collects gender data per factory. Data that it collects are number of male/female workers, which roles are populated by male/female workers (specifically looking at supervisor roles) and gender disaggregate wage levels. Furthermore, a range of information regarding gender awareness and women's possibilities to make promotions and exercise their rights is collected. This information is collected through a gender analysis questionnaire which ALBIRO shared with its suppliers. For data on wages, ALBIRO makes use of the FLA Fair Compensation Tool. As 2022 was mostly about setting up these structures, ALBIRO has yet to analyse the collected supplier data. However, based on its country-level gender analysis and what the brand did collect from its suppliers, it has created a gender lens for each supplier-specific risk analysis.

Recommendation: Fair Wear recommends the member to start analysing the gender data collected at country and factory levels and connect them to brand behaviour. Fair Wear's gender instruments can be helpful.

| 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. | Intermediate | 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. | 2 | 4 | 0 |

Comment: Suppliers are evaluated on the parameters quality, on-time delivery, compliance with agreements and CSR. The CSR part includes Corrective Action Plan progress, communication and collaboration in working towards better working conditions. The evaluation results in a rating and the outcome is communicated to suppliers at the end of the year. Although the possibilities for ALBIRO to increase its order volumes were limited, ALBIRO was still able to show how a good rating led to increased order volume through an order for its own collection (not for a customer).

| 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: ALBIRO uses the outcomes of its human rights monitoring to respond to unauthorised subcontracting. The highest risk of unauthorised subcontracting is in Turkiye and India for ALBIRO. It has been identified as a business model risk, as the brand does not have staff travelling there very frequently.

There is no evidence of missing first-tier locations in the database. ALBIRO has a subcontracting policy which all suppliers have to sign. The Fair Wear Questionnaire also asks for subcontractors. For Group 1 suppliers, the production planning is done through ALBIRO's system, so they know exactly which styles should be in production and when. Brand representatives visit the factories regularly for on-site checks of the production. Where ALBIRO cannot visit, intermediaries do this.

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

Comment: According to the member there is a very low risk of homeworkers being used by its suppliers because homework is not prevalent for the kind of products ALBIRO produces. ALBIRO included the topic in its risk assessment and in its monitoring, in audits and when visiting. ALBIRO knows the capacity of its suppliers and usually the capacity is much bigger than the brand's orders. This makes homework less likely as well.

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: ALBIRO does not use contracts with its suppliers. The member has purchase agreements with its main suppliers (Group 1, 100% leverage), that stipulate terms of payment, use of production capacity, form of orders, pricing process.

These agreements support the implementation of human rights due diligence by stipulating ALBIRO's commitments to Fair Wear and including clauses which stipulate ALBIRO's commitment to orders for a full year, and the factory's possibility to request financial support from ALBIRO if it should happen that they end up in financial trouble due to ALBIRO not fulfilling its prospected order volumes. ALBIRO pays 30% when the order is placed, and the rest of within two weeks of the receipt of goods. Penalties in case of late delivery are not stipulated in the agreement and not something ALBIRO works with.

With its other suppliers, ALBIRO does not work with these agreements yet, nor any other form of written contract. Payment terms are confirmed in ALBIRO's internal systems.

Requirement: ALBIRO needs to use written contracts with all its suppliers that include shared responsibilities and support the implementation of human rights due diligence.

| 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: There is an active exchange of information between CSR and other departments to enable coherent and responsible business practices at ALBIRO, as sustainability is embedded in the brand's business structure. The CSR manager reports directly to the CEO and has a fixed monthly exchange. In case of urgent issues, they speak more often. CAPs and audit reports are shared internally, as well as the risk scoping and risk assessment. Following the sourcing strategy, the sourcing staff is required to work with factories which are willing and able to work with ALBIRO on the Fair Wear requirements, but this has not been formally translated into KPIs.

Recommendation: ALBIRO 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. | Advanced | Members' purchasing practices can significantly impact the levels of excessive overtime at factories. | Proof that planning systems have been shared with production locations, examples of production capacity knowledge that is integrated into planning, timely approval of samples, and proof that management oversight is in place to prevent late production changes. | 6 | 6 | 0 |

Comment: ALBIRO sources its products from two groups of suppliers. In case of delays, ALBIRO considers changing the sequence of the order, flexible delivery dates, splitting orders, or using air freight. July to December is peak season and ALBIRO aims to have as many orders finalised before July as possible in order to have a more even distribution throughout the year. Last minute changes in design are not possible due to the brand's logistics management system. Orders can only be placed once the design is approved. ALBIRO works with forecasts.

At suppliers with 100% leverage (Group 1, 72% of total FOB) all production planning is done in Switzerland. At these production locations the head of production knows the production process and the sewing minutes. The developments are 100% done in Switzerland. For each style a sample is made in ALBIRO's own atelier and this sample is used to calculate the sewing minutes.

For Group 1 suppliers the production planning starts in October. Planning is agreed on a month-to-month basis with each supplier. The product groups are divided into three-four different sections (areas) of production. One area for simple styles and a second area for complicated styles. There is also an area for soft-shell jackets and mid-layers. Some suppliers are able to produce the complete product range and the company has insight into the suppliers capacity per week/months.

The planning is shared via a Google Drive document where several people have access. The document is regularly updated to ensure optimal utilisation of suppliers. The head of production works with an order sheet which is made by the disposition department and in this sheet all planned orders for the coming 8-10 weeks can be seen. This information is then matched to the available capacity at suppliers to ensure a good planing.

For Group 2 suppliers which constitutes 20 % of the production volume there are two factories in Turkey and one in India. At these production locations, Albiro knows the sewing minutes needed for the styles produced. For the supplier in India, Albiro works with an agent who is also responsible for other brands placing order in the same factory. This gives Albiro better influence due to increased leverage through the agent. ALBIRO has an overtime policy which its suppliers are required to sign before the first purchase order. This stipulates that ALBIRO does not want excessive overtime occurring at its suppliers. Additionally, since 2022 ALBIRO has weekly meetings in Switzerland with staff from various departments to discuss expected orders/projects. Information from these meetings is then included in the planning.

Generally, Albiro knows the capacities of its suppliers, and knows the order volumes, amount of workers and production minutes for each line. This, combined with the overtime policy at the Group 2 suppliers, makes for a solid system to support reasonable working hours. In 2022, due to the economic situation and the 2023 forecast, ALBIRO could not always fill the capacity at its Group 1 suppliers. Therefore, ALBIRO planned to reduce capacity at the factory in Serbia and to continue with the same capacity for the other suppliers (especially in North Macedonia). As such, production pressure was less of an issue in 2022, and focus was more on ensuring the factories could run on full capacity.

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

Comment: ALBIRO has a strong understanding of the wage levels at its suppliers and connects this understanding to its own buying prices. ALBIRO knows the labour minute value at some Group 1 suppliers. ALBIRO includes changes in legal minimum wage or inflation in its buying prices, also when the brand does not know the exact labour cost component of the price. ALBIRO has financed several training visits on the Fair Price App to its supplier in North Macedonia. However, the supplier does not want to share details about the buildup of the cost with the brand. Nevertheless, ALBIRO increased the prices when the factory indicated prices were too low to cover living wages (see indicator 3.11). In Turkey, where inflation has caused price increases, the brand accepted this. Although the brand has open costings with its Group 2 suppliers until 2021, the brand is trying to encourage these suppliers to work with Fair Price. As this has not yet taken hold, the brand currently does not have detailed insight into the labour component of its price at these suppliers.

Recommendation: ALBIRO is recommended to investigate why some suppliers are reluctant to work with Fair Price or any other form of fact-based costing, if needed with the support of Fair Wear's local teams.

| 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: ALBIRO has informed its sourcing intermediaries of Fair Wear requirements and could show they informed production locations. Next to that, the intermediaries actively support the implementation of the CoLP by supporting in CAP follow-up, checking capacity at the factories, reporting back on any issues to the brand. The member is yet to require from its intermediaries that they uphold the purchasing practices as mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP)

Recommendation: ALBIRO could require its intermediaries to uphold the purchasing practices mentioned in the CFRPP framework.

Layer 3 Remediation and impact

Possible Points: 96

Earned Points: 60

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. | Advanced | Based on the risk assessment outcomes, a factory risk profile can be determined with accompanying intervention strategies, including improvement and prevention programmes. | Overview of supplier base with accompanying risk profile and follow-up programmes. | 6 | 6 | 0 |

Comment: Based on the risk identification as described in chapter two, ALBIRO has linked factory risks to appropriate follow-up for factories covering 98% of FOB.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------|---|---|-------|-----|-----|
| 3.2 Member company's improvement and prevention programmes include a gender lens. | Basic | 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. | 2 | 6 | 0 |

Comment: ALBIRO's risk analysis includes a gender lens per factory which has fed into the improvement or prevention steps. For example, (potential) harms related to sanitary facilities or wages pose a higher risk to women. This is taken into account in the improvement programme. The improvement/prevention steps do not have a gender lens on top of this. This applies to the CAPs as well; ALBIRO applies the gender lens from the risk assessment to CAP findings, but the CAP itself does not have a 'seperate' gender lens added to it. ALBIRO has used the year 2022 mainly to understand the topic of gender better and to improve the suppliers' knowledge as well, in order to prepare them to include the gender lens actively in the improvement and prevention steps.

Recommendation: The member is encouraged to include a gender lens in all its improvement and prevention 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. | Intermediate | 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. | 4 | 6 | 0 |

Comment: ALBIRO included comprehensive steps to encourage FoA and effective social dialogue in its improvement and prevention actions. As preventative steps, the member has worked together with a local Fair Wear representative to speak to worker representatives to improve their understanding of their duties. ALBIRO has started working on training for workers and management on social dialogue, but this has not yet been implemented. As improvement steps ALBIRO worked with the factory, Fair Wear representatives and worker representatives to create a new CBA in one facility in North Macedonia. This CBA will be used to support another factory in creating a CBA as well. ALBIRO has prioritised Group 1 (100% leverage) factories to work on this, as a lot of issues related to social dialogue were found through audits and factory visits made it clear to ALBIRO that not all workers are aware of their right to freedom of association.

Recommendation: Fair Wear recommends ALBIRO to be more comprehensive and include more factories in its steps to promote FoA and effective social dialogue in its improvement and prevention actions.

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

Comment: ALBIRO actively supports and monitors the effectiveness of internal grievance mechanisms. In 2022, ALBIRO's CSR manager discussed the internal grievance mechanisms with all suppliers which were visited. The brand keeps on file whether there is an internal grievance mechanism (this is checked also before starting business with a new supplier), and whether the internal mechanism is functional or whether there is a need for additional training for workers. When the grievance mechanism was not considered effective, for example in a factory in North Macedonia, ALBIRO organised training to raise worker awareness. At some suppliers this has already led to improvements, at others more awareness needs to be raised. Worker representations are consulted when assessing the operational level grievance mechanisms.

| 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. | Basic | 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. | 2 | 6 | 0 |

Comment: ALBIRO cooperates with other Fair Wear members at its shared suppliers, responding to CAPs and complaints. ALBIRO has not yet cooperated with customers that are not Fair Wear members.

Recommendation: We recommend ALBIRO to also work together on preventing human rights violations.

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. | 65% | 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 with a sample that up to two third of the CAP issues requiring improvement actions have been followed up. The CAP issues that require improvement actions and are still open are issues that are more complex or structural, and therefore need more time to be remediated. These are mostly issues related to overtime and wages. ALBIRO has shown that it also followed up on more structural and complex issues, such social dialogue, by supporting the factory in new elections for worker representatives and creating a factory CBA.

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

Comment: ALBIRO has identified some root causes of the CAP issues and discussed these with its suppliers. ALBIRO has identified two main causes at the root of several CAP findings, especially related to working hours and wages (see indicators 3.9 and 3.11). ALBIRO also identified the lack of workers' awareness on their rights as a root cause to ineffective social dialogue / internal grievance mechanisms. ALBIRO addressed this by visiting the factories and speaking to worker representations, and setting up training to raise worker awareness. Some of this training still needs to be implemented. ALBIRO's implementation efforts on this in 2022 have focused on Group 1 suppliers, the implementation of preventive actions at the other suppliers is planned for 2023.

| 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: ALBIRO has some suppliers where improvement or prevention steps are not needed. These cover about 1% of the member's total FOB.

The member does not have a system to ensure possible human rights risks are regularly discussed with these suppliers. ALBIRO does discuss the topic, but on an irregular basis, for example when renewing the CoLP questionnaire.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 3.9 Degree to which member company mitigates root causes of excessive overtime. | Intermediate | 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. | 4 | 6 | 0 |

Comment: In the previous year, two audit reports of the total five audits mention excessive overtime or findings related to reasonable hours of work.

ALBIRO analysed the root causes of these findings. According to the member, material delay is a significant cause for excessive overtime. On top of that, some products cannot be moved to other producers, leading to concentration of production at some suppliers while others have free capacity. ALBIRO's sourcing team is addressing this by reviewing which 'product concentrations' can be shared with other suppliers. ALBIRO plans to avoid problems that are the brand's responsibility in the future, by communicating in advance more regularly about the material availability and ordering materials earlier. When necessary, ALBIRO moves the delivery dates for the customer. Another root cause of issues related to excessive overtime is the prices, which the factories claim are too low to pay workers OT premiums. ALBIRO is trying to address this together with the overtime topic by trying to get the factory to work with fact-based costing, so that ALBIRO can increase the prices based on the actual labour costs (including OT premiums) in relation to the time worked per product. However, the factories remain reluctant to work this way, and ALBIRO has not yet eliminated the overtime issue.

Recommendation: Fair Wear strongly recommends ALBIRO to address suppliers' reluctance to be transparent about working hours.

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

Comment: In the previous year, one complaint was filed in a factory in North Macedonia regarding non-payment of legal minimum wage. Workers claimed that due to the recent increase in the legal minimum wage, not all workers received the new amount as legally prescribed.

ALBIRO responded immediately to these findings by investigating the allegations and then organising an on-site visit by the Macedonian complaints handler. When the findings were confirmed, ALBIRO paid all due wages directly and on top of that, gave a 20,000 Euro loan to the factory, as they claimed not to be able to pay workers due to financial problems.

In the previous performance check, ALBIRO received a requirement to verify whether all workers received the legal minimum wage during a COVID-19 lockdown period in India in 2021. This was verified in 2022.

| 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. | 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. | 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. | 4 | 6 | 0 |

Comment: ALBIRO understands which suppliers pay wages below living wage estimates as a consequence of the member’s policies/actions. ALBIRO followed up on this and reviewed internally how the member’s purchasing practices could be altered. ALBIRO considers low prices the most important root cause and has started to work with fact-based costing (Fair Price or labour minute costing sheets) for a part of its production, but for most suppliers the brand has yet to implement this. In the past financial year, ALBIRO has focused its efforts on this topic on its own factory in Serbia. As the brand owns this factory, it can more easily increase the wages (instead of going through prices). As such, the brand has started to increase wages there (see 3.13). The member has yet to develop a systemic and time-bound approach to get wages increased towards a living wage throughout the rest of its supplier base.

Recommendation: Fair Wear encourages ALBIRO to involve worker representatives and local organisations in assessing root causes of wages lower than living wages. It is advised that the outcomes of the root cause analysis are discussed internally and with top management, to form a basis for an embedded strategy.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------|---|---|-------|-----|-----|
| 3.12 Member company determines and finances wage increases. | Basic | 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. | 2 | 6 | 0 |

Comment: Working with its suppliers, ALBIRO has developed a time-bound plan to increase wages at its supplier in Serbia, however without setting a fixed target wage because the living wage estimate keeps increasing. ALBIRO finds the target wage should always be about 70-80% of the living wage estimate. ALBIRO has committed to increase the wages at this factory 7% in 2023, on top of the legal minimum wage increase of 10%. However, a time-bound plan to further increase wages, also at other factories, is yet to be developed. Nevertheless, ALBIRO is aware that the coming years wage increases will cause higher costs, which the brand plans to translate to customer prices or take from its margin.

Recommendation: It is advised that a long-term strategy for how to finance wage increases is agreed upon by top management.

| 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. | 2% | 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. | 2 | 6 | 0 |

Comment: As ALBIRO owns the factory in Serbia, the brand was able to show payroll data to confirm a living wage estimate is paid at this supplier, responsible for 2% of ALBIRO's FOB.

Recommendation: ALBIRO is encouraged to roll out its approach to other suppliers.

| 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. | Advanced | 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. | 4 | 4 | -2 |

Comment: ALBIRO received no complaints one complaint in the past financial year, about payment of legal minimum wage at its suppliers in North Macedonia. The member did actively responded to these complaints as per Fair Wear’s Complaints Procedure (see indicator 3.10). ALBIRO is working actively to increase prices and support its key suppliers financially to prevent similar complaints from occurring at Group 1 suppliers in its supply chain.

| 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. | Intermediate | 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. | 4 | 6 | 0 |

Comment: ALBIRO has some CAP findings where training is a recommended follow-up action.

The member has enrolled one of its suppliers with findings on low awareness on duties of worker representation in a WEP Basic training. The member has enrolled its suppliers with high risk of sexual harassment in the WEP Violence & Harassment Programme and its Turkish factory with high risk of employment of migrant workers in the WEP migrant and refugee workers in 2021. Several other factories where awareness of FoA is low and social dialogue not or ineffectively taking place have also been enrolled in WEP Basic before. The brand's prevention programme also include training on freedom of association as urgent preventive actions at factories where low awareness of the right to FoA is prevalent. However, not all training has been implemented yet.

Recommendation: ALBIRO 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: ALBIRO followed up on the implemented training by sharing the training report with the factory management and discussing the outcome via e-mail. ALBIRO includes outcomes of the training result in its prevention programmes.

Recommendation: We encourages ALBIRO to expand its follow-up after factory training.

| 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. | Advanced | 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. | 4 | 4 | 0 |

Comment: ALBIRO's human rights risk monitoring includes a responsible exit strategy. In the past financial year, the member did not exit any suppliers. ALBIRO discusses the exit strategy as part of the annual supplier assessment with its suppliers. When evaluating the suppliers, it is also explained what happens when a supplier's performance is insufficient in such a way that it would lead to exit, and how this exit then would look. It is also included in the sourcing strategy.

| 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. | Member company's activities do not go beyond the indicators or scope. | 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. | N/A | 6 | 0 |

Comment: ALBIRO does not undertake activities related to human rights that go beyond Fair Wear's scope.

Layer 4 External communication, outreach, learning, and evaluation

Possible Points: 26

Earned Points: 22

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: ALBIRO communicates accurately about Fair Wear membership on its website. The member also uses other channels to inform customers and stakeholders about Fair Wear membership, for example through a presentation for customers, and social 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). | Advanced | 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. | 4 | 4 | 0 |

Comment: The member has collected information about the human rights due diligence of all brands its reselling by sending and recollecting the Fair Wear questionnaires. One external brand is member of a credible initiative, representing 4% of the brand's total FOB.

| 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. | Advanced | The social report is an important tool for member companies to share their efforts with stakeholders transparently. The social report explicitly refers to the workplan and the yearly progress related to the brands goals identified in the workplan. | Social report. | 4 | 4 | 0 |

Comment: ALBIRO has submitted its social report, which Fair Wear approved. ALBIRO has also published the report on its website.

| 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: ALBIRO published its social report, which includes some factory-level data and remediation results, on its website. ALBIRO has yet to disclose its full factory list and its time-bound improvement plans.

Recommendation: ALBIRO is recommended to publish a complete factory list and time-bound improvement plans.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|---|--------------|--|--|-------|-----|-----|
| 4.5 Member company has a system to track implementation and validate results. | Intermediate | 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. | 4 | 6 | 0 |

Comment: ALBIRO has a system to track progress and check if implemented measures have been effective in preventing and remediating human rights violations. The internal evaluation system involves top management.

| Performance indicators | Result | Relevance of Indicator | Documentation | Score | Max | Min |
|--|----------|---|---|-------|-----|-----|
| 4.6 Level of action/progress made on requirements from previous Brand Performance Check. | Advanced | In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach. | Member should show documentation related to the specific requirements made in the previous Brand Performance Check. | 4 | 4 | -2 |

Comment: The previous performance check included the following requirement: During COVID-19 the member is expected to thoroughly check with its suppliers whether they foresee any issues with payment of wages and verify claims when a supplier says there were no issues.

ALBIRO followed up on this sufficiently (see 3.10).

5 Appreciation chapter

5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: [Not applicable](#)

5.2 Member company actively participated in lobby and advocacy efforts to facilitate an enabling environment in production clusters.: [Not applicable](#)

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

Recommendations to Fair Wear

ALBIRO is positive about Fair Wear overall, and likes the new Member Hub. The new performance check system is challenging but understandable. ALBIRO appreciates the time with its brand liaison especially. ALBIRO would appreciate if there would be more and different kinds of advanced training modules, specific to various topics, available through Fair Wear or with the support of Fair Wear local teams.

Brand Performance Check details

Date of Brand Performance Check: 31-05-2023

Conducted by: Paula de Beer