



## **Brand Performance Check**

# **Equip Outdoor Technologies UK Limited**

**Publication date: August 2023**

This report covers the evaluation period 01-02-2022 to 31-01-2023

## About the Brand Performance Check

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

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

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

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

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

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

# Scoring overview

Total score: 138

Possible score: 208

Benchmarking Score: 66

Performance Benchmarking Category: Leader



Sourcing strategy

65%



Identifying continuous human rights risks

80%



Responsible purchasing practices

62%



Quality and coherence of prevention and remediation system

60%



Improvement and prevention

70%



Communication, transparency and evaluation

55%

## Summary:

Equip has shown advanced results on performance indicators and has made exceptional progress. With a total benchmarking score of 66, the member is placed in the Leader category.

Equip runs two brands (Rab and Lowe Alpine), partly with a shared supplier base. The member brand has a sourcing strategy that focuses on maintaining long-term relationships. Equip has a strict onboarding process and a thorough due diligence process for new suppliers. In 2022/2023, Equip developed a risk analysis in line with the OECD requirements. Equip conducts risk scoping and includes all eight labour standards. Equip uses Fair Wear country studies and other external sources to identify country risks and the likelihood and severity of the risks. In addition, Equip has done a risk scoping and risk assessment on the supplier level, the business and sourcing model and product-specific risks.

During the COVID-19 period, Equip experienced economic growth. As a result, some new suppliers were onboarded. At the same time, Equip plans to consolidate its supply chain. After discussions with Fair Wear, the member brand has initiated a Responsible Exit Strategy from Myanmar. For leaving the factories in Myanmar, Equip consulted internal country and manufacturing specialists, industry stakeholders and suppliers. Top management travelled to Myanmar twice in 2022 to assess the situation and consider the impact of remaining in the country.

Equip has started analysing the costs of financing wage increases in its supply chain. In 2022/2023, Equip focused on a living wage project with its supplier in Indonesia. Equip's CEO is closely involved in the project. Together with the factory management, both the member brand and the supplier agreed on the living wage strategy. Equip is committed to paying this additional cost to the factory for a specific period to support the supplier's transition to living wages. Fair Wear strongly recommends Equip to expand its knowledge of cost breakdowns of all product groups. Fair Wear advises companies to avoid the concept of a one-time charitable contribution.

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

## Performance Category Overview

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

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

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

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

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

# Company Profile Equip Outdoor Technologies UK Limited

## Member company information

Member since: 1 Jan 2020

Product types: Sports & activewear and Luggage & other travel accessories

Percentage of CMT production versus support processes 100%

Percentage of FOB purchased through own or joint venture production 5.25%

Percentage of FOB purchased directly 100%

Percentage of FOB purchased through agents or intermediaries 44%

Percentage of turnover of external brands resold 0%

FLA Member No

Number of complaints received last financial year 3

## 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

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

Production Country	Number of production locations	Percentage of production volume
China	28	38
Indonesia	3	31
Bangladesh	4	14
Viet Nam	6	6
United Kingdom of Great Britain and Northern Ireland	1	5
Myanmar	3	4
Philippines	2	1
Cambodia	1	0

## Layer 1 Foundational system's criteria

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

Comment: Equip 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: Equip discloses 54% 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: Equip discloses 54% 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: 62**

### 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.	Basic	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.	2	6	0

**Comment:** Equip has a sourcing strategy addressing influencing labour conditions. The sourcing strategy is included in the member brand's Responsible Business Conduct (RBC) policy and is generally understood to be part of Equip's core principles. Equip runs two brands (Rab and Lowe Alpine), partly with a shared supplier base. In total, Equip has 27 active direct suppliers and 21 suppliers for supporting processes that fall under the scope of Fair Wear. 80% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. 8% of the production volume comes from suppliers where Equip buys less than 2% of its total FOB. Equip plans to consolidate its supply chain, but it is not yet included in its sourcing strategy. The member brand has not yet included a focus on increasing influence through active cooperation with other clients.

**Recommendation:** Equip could include in its sourcing strategy a plan to increase influence on suppliers by cooperating with other buyers. Fair Wear recommends Equip to consolidate its supplier base where possible and increase leverage at main production locations to effectively request improvements in working conditions. It is advised to describe the consolidation process in a sourcing strategy agreed upon with top management/sourcing staff.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Member company's sourcing strategy is focused on building long-term relationships.	Intermediate	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.	4	6	0

**Comment:** Equip has a sourcing strategy that focuses on maintaining long-term relationships. 73% of the member's FOB volume comes from suppliers with whom Equip has a business relationship for at least five years. The member does not commit to long-term contracts yet.

**Recommendation:** Fair Wear recommends Equip 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:** In 2022/2023, Equip developed a risk analysis in line with the OECD requirements. Equip conducts risk scoping and includes all eight labour standards. Equip uses Fair Wear country studies and other external sources to identify country risks and the likelihood and severity of the risks and then classifies the risks into a risk level and a risk matrix. In addition, Equip has done a risk scoping and risk assessment on supplier level, the business and sourcing model and product-specific risks. In its risk scoping, the member has correctly assessed the impact and prevalence of the country's risks. The risk scoping partly includes a gender lens. The member mainly included the gender lens for the labour standard 'no discrimination' in its country-level risk assessment; more specific risks on gender are only included on the supplier level.

The member adjusts its sourcing strategy based on the risk scoping, as outcomes of the scoping are included in decision-making. The risk scoping shows Myanmar having the highest likelihood and impact of CoLP violations. After discussions with Fair Wear, the member brand has initiated a Responsible Exit Strategy from Myanmar.

Equip's sourcing strategy does not mention a preference for countries where workers can freely form or join a trade union and/or bargain collectively.

**Recommendation:** The member brand is recommended to include input from workers, suppliers, and other stakeholders in its risk-scoping exercise.

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:** In 2022/2023, Equip started working with four new suppliers in China, Bangladesh and Myanmar due to increased demand and new product ranges. The new supplier in Myanmar forms part of a short-term transition to the partner's new facility in Bangladesh. The supplier and the member brand agreed on the short-term production period in advance. This decision was made to ease production pressure on other partners. The first purchasing order was placed by the end of 2021 already; production started at the beginning of 2022.

Equip has a written onboarding policy for new suppliers. It is the standard process for Equip to inform new suppliers about Fair Wear membership by sending the Fair Wear Code of Labour Practices (CoLP), the Worker Information Sheet and the member brand's pre-evaluation survey to collect more detailed information about the labour standards. This process has been followed for all four suppliers added last year. The CEO and the Quality Control team, based in Vietnam and China, usually visit new suppliers and discuss Fair Wear's requirements in person. Additionally, Equip's Corporate Sustainability Responsibility (CSR) teams are holding online or in-person meetings with new suppliers.

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:** Equip collects human rights information of potential new suppliers by collecting Fair Wear's supplier questionnaire, collecting existing audit reports and, when possible, visiting them. In addition, Equip asks new suppliers to fill in its pre-evaluation survey to collect more detailed information about the working conditions in the new production location. Equip also asks specific questions based on identified risks of the country risk scoping. Using the information provided by the supplier through the pre-evaluation survey, the CSR team is responsible for conducting a risk assessment of the supplier. It is not possible to place the first order with a new supplier unless Equip has collected the completed pre-evaluation survey and identified the potential and actual harms in the factory. Based on the risk assessment, the CSR team will share a summary of their evaluation with the CEO and the purchasing department. This outlines if the CSR team recommends proceeding with the supplier or not.

Equip followed this process for the four suppliers added last year. The signed CoLP and the posted Worker Information Sheet are still missing for some subcontractors.

The member's sourcing strategy does not mention a preference for suppliers where workers are free to form or join a trade union and/or bargain collectively. Equip does not collect information from workers or stakeholders to inform the sourcing decision.

**Recommendation:** Fair Wear recommends Equip to collect the signed CoLP, Worker Information Sheet as well as existing audit reports from its subcontractors, too. Fair Wear encourages the member to collect worker and stakeholder input before placing the first order.

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:** In the previous financial year, Equip added four new suppliers. The brand has shared information about Fair Wear's CoLP and the complaints helpline during the sustainability assessment ahead of the supplier being chosen. The Worker Information Sheet has been posted. Equip's CSR team holds onboarding calls or meetings with all new suppliers before bulk production. The onboarding meetings are to introduce and raise awareness of Fair Wear CoLP and the complaints helpline.

**Recommendation:** Equip 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.	Intermediate	Members are expected to regularly evaluate risk in a systematic manner. The system used to identify human rights risks determines the accuracy of the risks identified and, as such, the possibilities for mitigation and remediation.	Use of risk policies, country studies, audit reports, other sources used, how often information is updated.	4	6	0

**Comment:** Equip has a systematic approach to identifying human rights risks in its supply chain and has assessed the risks for each production location. The risk assessment on the supplier level mainly includes information from the brand's annual supplier survey and audit results. Equip uses Fair Wear audits, which include worker and stakeholder input, and other third-party audits in its monitoring. External audits are scheduled for all direct suppliers annually or bi-annually. All suppliers complete the annual questionnaire, including detailed questions about subcontracting, internal-grievance mechanisms, gender, wages, worker representatives, collective bargaining, the general situation at the factory, leverage and the latest social audits. The brand's monitoring tools do not explicitly include worker, stakeholder or supplier input. The brand's top management visits the suppliers on a regular base and provides feedback through visit checklists.

The risk assessment does include an assessment of the likelihood and severity and a risk matrix. Equip did not reflect on the use of subcontracting partners in its risk assessment yet.

Regarding the Enhanced Human Rights Due Diligence Policy for fire, structural and electrical safety in Bangladesh, Equip sources from four factories that the RMG Sustainability Council (RSC) covers. Equip is not a signatory of the International Accord.

**Recommendation:** Equip should include subcontractors in its monitoring system. The member brand could integrate worker, supplier, and stakeholder input in its monitoring tools.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company's continuous monitoring of human rights risks includes an assessment of freedom of association (FoA).	Intermediate	Freedom of association and collective bargaining are 'enabling rights.' When these rights are respected, they pave the way for garment workers and their employers to address and implement the other standards in Fair Wear's Code of Labour Practices - often without brand intervention.	Use of supplier questionnaire to inform decision-making, collected country information, and analyses.	4	6	0

**Comment:** Equip 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. To identify the risks, Equip mainly uses Fair Wear country studies, Fair Wear monitoring audits, and the International Trade Union Congress (ITUC) Rights Index 2022.

Equip identified that the following production countries in its supply chain show the highest risk: Myanmar, China, Bangladesh and the Philippines.

The annual supplier questionnaires include questions on FoA, unionisation, and worker representation. This also includes questions about how often the representatives meet and how often they are elected. The member brand knows that women are often disproportionately represented in unions.

**Recommendation:** The member is recommended to ensure supplier-level monitoring is in place to assess and understand the risk at suppliers - for example, through the Supplier Questionnaire (tool 2 in Fair Wear's FoA Guide), modular assessment on Social Dialogue and in-depth discussions with suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Member company includes a gender analysis throughout their continuous monitoring of human rights risks, to foster a better understanding of gendered implications.	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:** Equip has included a gender lens in its risk scoping. Additionally, Equip actively collects gender data for its main suppliers. Subcontractors are not included yet. The member brand used Fair Wear's CoLP as a foundation of research and analysed the data into three sections: (1) quantitative, (2) qualitative and (3) country, and applied this at a factory level. The member could show it understands the basic gender risks for its sourcing countries. For instance, Equip identified sexual harassment, gender-based violence, gender equality and discrimination as significant risks prevalent in Bangladesh, Myanmar, China, Indonesia, Vietnam and India. The risk scoping includes a gender lens by analysing the risks of discrimination, gender-based violence and sexual harassment for all countries. The member does not collect gender-disaggregated data on country level.

At factory level, the member brand focused on collecting data on gender division per job role, especially for the supervisor role in the factory. Additionally, Equip collected data if the factory has an anti-harassment or discrimination policy and an anti-harassment committee.

**Recommendation:** Fair Wear recommends the member to collect country-level gender risks for each Code of Labour Practices. Additionally, Equip is recommended to collect gender data per factory related to every Code of Labour Practices.

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

**Comment:** Equip has a systematic evaluation system for assessing the human rights performance of its main suppliers. All supplier information, from audits, visits and surveys, is evaluated based on a set framework. The evaluation includes cost management, quality, compliance, communication and country and factory risk score. All those criteria are weighted differently. Cost management and quality have the highest weighting in this scorecard, followed by compliance and risks. This information is shared with other relevant teams and top management to guide production and sourcing decisions.

All indicators guide production decisions. If suppliers score low, extra attention is given to see how they can improve. If suppliers fail to improve over a certain period (depending on the score), Equip's exit strategy comes into force. If suppliers score high, they are included in developing new products and are thereby recognised as valuable partners for future orders. Equip does not share the evaluation outcome with its suppliers.

**Recommendation:** Fair Wear recommends Equip to share and discuss the outcome of the supplier evaluation with all its suppliers and their worker representatives. Equip is strongly recommended to evaluate the human rights performance of its subcontractors too.

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:** Equip uses the outcomes of its human rights monitoring to respond to unauthorised subcontracting. There is no evidence of missing first-tier locations in the database. In addition, the member requests all suppliers to fill in their active production locations in the annual questionnaire. Moreover, unauthorised subcontracting is forbidden according to the supplier manual signed by the supplier every year. Therefore, suppliers must not utilise subcontractors or third parties or change factories or subcontractors producing Equip products without first obtaining written approval from top management. If unauthorised subcontracting is found, the brand has a follow-up plan. Additionally, the member actively prevents unauthorised subcontracting by visiting suppliers during production. Equip developed a checklist for staff that is visiting the factories. The checklist includes specific questions about signs of subcontracting. Additionally, Equip has in-country production team colleagues permanently based at Equip's main suppliers, accounting for around 31% of its FOB. The collected data is consolidated into Equip's supplier risk assessment.

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:** Equip has identified whether homework is prevalent in its sourcing countries. According to the member, there is a very low risk of homeworkers used by its suppliers because Equip mainly produces technical outdoor apparel and equipment. In its product risk assessment, Equip mentions that there is a higher risk for the production of non-technical styles or products with specific accessories where no machines are needed.

The member brand has been checking with the help of the annual questionnaire if homeworkers are used. So far, no supplier reported the use of homeworkers. Through the brand's detailed insights into production processes and, for example, visits, the member can validate the suppliers' statements that no homeworkers are used. If a supplier does choose to use homeworkers, the supplier must request written approval from Equip. The member brand has a follow-up plan for this.

## 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:** Equip does not use contracts with its suppliers. The member brand has agreements in the form of a supplier manual. The manual references the Code of Labour Practices. The supplier manual is sent to all existing and new direct suppliers annually. All suppliers have signed the supplier manual. Subcontractors are not included. In this, Fair Wear requirements and Equip commitments are implemented.

The agreement shows that if the supplier is responsible for delivery delay, the supplier has to pay for air shipment. If the fabric mill causes the delay, the mill has the option to air the fabric to the supplier. If the fault is not with the supplier, then no charge will be applied. Equip has not included clauses on liability and damages in the agreement. Equip includes payment terms on its purchase agreement. Equip pays all orders upon receiving the bill of lading, usually within a couple of days. In general, payment terms differ per supplier, as Equip is flexible in meeting the requirements of suppliers. Equip could demonstrate in its system that payments were made quickly. In case suppliers ask for it, Equip prepaid parts of orders.

**Recommendation:** Fair Wear recommends Equip to include the shared responsibility of CoLP implementation in its contracts, including fair payment terms. The member could use the Common Framework of Responsible Purchasing Practices (CFRPP) for inspiration on how to draft a fair contract.

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 interchange of information between CSR and other departments to enable coherent and responsible business practices. Sustainability is fully integrated into the purchasing department. Sourcing and CSR staff work with KPIs. Examples of the CSR staff KPIs are: Meeting internal and external reporting and communication deadlines or the delivery of measurable CSR benefits through social and environmental project work with supply chain partners. Employees from the buying department mainly work with economically driven KPIs; for instance: Buying critical path deadlines are met. Next to that, one KPI shows that strong relationships with factories are important for Equip. In general, those KPIs for sourcing and purchasing staff do not support good sourcing and pricing strategies.

**Recommendation:** Equip could include additional responsible business practices in its job role competencies of sourcing and purchasing staff.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.15 Member company's purchasing practices support reasonable working hours.	Intermediate	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.	4	6	0

**Comment:** Equip produces two ranges each year, an Autumn/Winter range and a Spring/Summer range. Over 45% of production volume comes from suppliers where Equip has a continuous production plan. This is less than in 2021. Due to the economic growth, Equip had to onboard new suppliers. Equip has a production cycle of 18 months, with two seasonal launches a year. Equip is transparent about the production forecast and informs the manufacturing partners around one year before production about the planned capacity. This continuous production plan reduces production pressure and hence limits the risk of causing excessive overtime. Equip's lead time is about five months, and there is always sensitivity time built into the expected delivery dates. During one 'buying block', the brand always ensures to ask for the products which are needed first. Next to that, about half of the orders have more flexibility and can be produced when it is most convenient for the factory. Equip can do this because the brand maintains larger stock in the UK, giving the brand more flexibility in the delivery of products.

Furthermore, Equip is aware of the exact capacity of its main suppliers and knows the number of lines the factories use to produce Equip products. Equip's buying department has continuous contact with the factories about capacity, how production is coming along and whether the factory needs any extra time or is actually done early. The brand also considers local holidays, such as Eid and Chinese New Year, when planning.

In 2022, Equip identified that sales forecasting needs to be optimised to create a better understanding of forecasting with its suppliers. For this, the member brand did extensive market analytics for its main selling markets to gain more knowledge in that field and feedback this knowledge back to the suppliers and its purchasing forecast process.

Equip does not evaluate the production process with its suppliers.

**Recommendation:** The member is encouraged to evaluate with the supplier the production process after each season and, where needed, adapt its future planning.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.16 Member company can demonstrate the link between its buying prices and wage levels at production locations.	Basic	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages - and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts, cost sheets including labour minutes.	2	6	0

**Comment:** As Equip buys the fabric and trims directly from the material suppliers, the brand pays CMT prices, including labour costs, overhead and profit. The development team has insights into the percentage of labour cost within this CMT price for all carry-over styles. The brand tracks changes in legal minimum wages. This is always considered in the costing process. There is no negotiation taking place on the prices after they have been set, but when a price is too high for Equip, product complexity is changed to lower the cost. The brand does not have insight into the labour minutes it takes to sew the products as it considers this business-sensitive information on which it prefers to trust the supplier.

**Recommendation:** Fair Wear strongly recommends Equip to expand its knowledge of cost breakdowns of all product groups. A next step would be to calculate the labour minute costs of its products to be able to calculate the exact costs of labour and link this to its own buying prices. Equip is encouraged to provide buyers (or other employees involved in price negotiations with suppliers) training on cost breakdown, for example using the Fair Price app.

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

**Comment:** Equip focuses on direct relationships with its suppliers. Equip works with intermediaries for two suppliers, who are also owners of other factories and therefore have to be informed of the Code of Labour Practices. The intermediaries are also involved in CAP follow-up in China and Bangladesh. Both intermediaries also signed the Supplier Manual, which includes payment and delivery terms.

Equip decided to terminate the relationship with the intermediary in Bangladesh and work directly with the supplier.

## Layer 3 Remediation and impact

**Possible Points: 96**

**Earned Points: 64**

### 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, Equip has linked factory risks to appropriate follow-up for factories covering 78% of FOB. The follow-up plans include, for instance, tools, such as training, monitoring audits, surveys, and optimising its own production planning. Priorities and timelines are not included.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company's improvement and prevention programmes include a gender lens.	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:** Equip's risk analysis includes a gender lens for its main suppliers on a basic level, which has fed into the improvement or prevention steps. For example, (potential) harms related to sanitary facilities or harassment is a high risk to women. This is taken into account in the improvement actions. The improvement/prevention steps do not have a gender lens on top of this. This applies to the CAPs as well; Equip applies the gender lens from the risk assessment to CAP findings, but the CAP itself does not have a 'separate' gender lens added to it.

Equip has used 2022/2023 mainly to collect data on gender division per job role, especially for the supervisor role in the factory. The member brand analysed if there are anti-harassment committees or policies in the factories. Here, Equip started a dialogue with its suppliers and provided its suppliers with additional guidance. Equip has planned to enrol its new supplier in Bangladesh in the anti-harassment training.

**Recommendation:** Equip is recommended to extend its gender lens to the implementation of all its improvement actions.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.3 Member company's improvement and prevention programmes include steps to encourage freedom of association and effective social dialogue.	Basic	Freedom of Association and Collective Bargaining are enabling rights. Therefore, ensuring they are prioritised in improvement and prevention programmes can help support improvements in all other areas.	Available prevention and improvement programmes, including stakeholder input.	2	6	0

**Comment:** Equip included some steps to encourage FoA and effective social dialogue in its improvement or prevention actions. At its supplier in Indonesia, the member organised a Communication Programme training in 2022 to improve communication at the supplier. Furthermore, Equip encouraged some of its factories to hold an election of worker representatives. The member brand also encouraged its suppliers to raise awareness of worker representatives through posters and team meetings.

Equip recognised that FoA has become a major risk in Myanmar. In 2022/23, the member brand sourced from three factories in Myanmar. Even though Equip has decided to exit its suppliers in the country, the member brand was in constant dialogue with the suppliers to ensure that the workers have access to the Fair Wear complaint mechanism. Equip encouraged the supplier to have a functioning Workplace Coordination Committee (WCC) as per labour law.

**Recommendation:** Equip is recommended to support in financing/coordinating training on FoA and social dialogue for its suppliers.

Fair Wear recommends Equip to apply a gender lens and ensure its steps to promote FoA and effective social dialogue address the specific risks for female workers.

Fair Wear recommends Equip to be more comprehensive and include steps to promote FoA and effective social dialogue in its improvement and prevention actions in China, Vietnam and Bangladesh.

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:** Equip assesses its suppliers' internal grievance mechanisms at the start of a business relationship. The member brand extended the annual supplier questionnaire with questions on internal grievance mechanisms. In addition, Equip analyses audit reports to get a better understanding. The member brand supports and monitors the mechanism and responds when the mechanism is ineffective. As mentioned under indicator 3.3, the brand implemented its monitoring results on internal grievances into its improvement plans, for example, by requesting a Communication Programme training at a supplier in Indonesia. Equip does not further follow up on the meeting minutes with the worker representatives.

**Recommendation:** Fair Wear recommends Equip to always involve suppliers and worker representatives in the assessment of the internal grievance mechanism, and to share and discuss the outcome of the assessment with the above stakeholders, who should be encouraged to lead a discussion on how the mechanisms can be improved.

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

**Recommendation:** Even though Equip already works together with other Fair Wear members, Fair Wear recommends to also collaborate with other customers.

## 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.	55%	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:** In the past financial year, Equip has received three Fair Wear audit reports and 14 external reports. During the performance check, the member could demonstrate with a sample that more than half of the CAP issues requiring improvement actions have been followed up. Improvement actions relate primarily to health and safety findings. The CAP issues that require improvement actions and are still open are more complex or structural issues and therefore need more time to be remediated. These are primarily issues related to overtime and wages. Equip has shown that it followed up on more structural and complex issues, such as social dialogue, by supporting the factory in new elections for worker representatives.

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:** Equip regularly investigates the root causes of all issues and concludes that the main root causes of all issues are lack of social dialogue, insufficient understanding of labour law and implementation of policies, and lack of functioning procedures and governmental systems. The root causes were discussed with the factory management. The brand organised a Communication Programme training, supporting capacity building and implementing policies and improvements related to internal grievance mechanisms at its suppliers.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.8 Member company validates risk profile and maintains regular dialogue with factories where no improvement or prevention programme is needed.	Advanced	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.	6	6	0

**Comment:** Equip owns one factory in the United Kingdom of Great Britain (UK), where improvement or prevention steps are not needed. This factory covers about 5% of the member's total FOB. Top management frequently visits the factory, and it is close to the headquarter of the member brand. Equip informed all workers about Fair Wear membership and included the factory in the gender analysis. The member does not have a system to ensure possible human rights risks are regularly discussed with this supplier.

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

**Comment:** In the previous year, all three Fair Wear audit reports mentioned excessive overtime in Myanmar and China. Equip already left one factory in Myanmar in 2022. Equip identified the most significant root cause for production pressure as a delay in material delivery and moved its material orders up by three months. If not otherwise possible, Equip paid for airfreight of goods. The top management had a lot of conversations with the suppliers, and together, both parties agreed on a commitment. Equip's buying team was able to optimise the production planning as well.

Following several months of adapting the production planning and communicating with the factory management, Equip conducted an external audit at one supplier in China in 2022, which showed that overtime had nearly been halved.

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.	Intermediate	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.	2	4	-2

**Comment:** In 2022, three Fair Wear audits were conducted at Equip's suppliers in China and Myanmar. Two audits found issues regarding the payment of legal minimum wages. Equip already left the one factory in Myanmar last year. In the factories in China, wages could not be verified due to inconsistent or incomplete records. Here, Equip cooperated with another Fair Wear member and tried to remediate this case.

In one Fair Wear audit from the end of 2021, the supplier was not correctly tracking whether piece rate wages met at least the legal minimum wage. Equip supported the factor in finding a solution, and together the member brand and the supplier implemented a new wage system that compares the worker's hourly and piece rate wages, paying the higher of the two. The system was piloted in 2022/2023.

In 2021, the COVID-19 pandemic caused long-term factory closure in one factory in Vietnam. The supplier did not work with the 3-on-site scheme, by which the government allowed factories to continue operations while workers would not leave the premises at all. Equip's suppliers let workers stay home and closed the factory. For the period when workers did not receive legal minimum wage, Equip addressed this by connecting with other Fair Wear members at the same supplier to discuss what alternative forms of remediation could be implemented. The member brand did not yet verify if the legal minimum wages were paid after the factory reopening, and neither has Equip shown efforts to fill the legal minimum wage gap financially.

**Recommendation:** Fair Wear strongly recommends Equip to ensure problems of payments below legal minimum wages are not just prevented going forward but also remediated retroactively.

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:** Equip understands which suppliers pay wages below living wage estimates as a consequence of the member's policies/actions. Equip followed up on this and reviewed internally how the member's purchasing practices could be altered. Equip has done a root-cause analysis to find out why wages at suppliers are below the living wage. Equip considers low efficiency and the complex quality of technical outdoor products as the most important root causes. Equip helped with improving efficiency and quality by being onsite many times and employing local staff for quality control so that factories could afford to improve wages without increasing their costs or reducing their profit margin.

Equip conducts an annual gap analysis of its suppliers' wages compared to the local living wage estimates. The current wage data is taken from Fair Wear or external audits. Equip includes the benchmark of the Global Living Wage Coalition (Anker methodology) in its overview. The results of this gap analysis are included in each factory's risk assessment.

**Recommendation:** Fair Wear encourages Equip to discuss with suppliers about different strategies to work towards higher wages and develop a systemic and time-bound approach. It is advised to start with suppliers where the member is responsible for a large percentage of production and has a long-term business relationship.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.12 Member company determines and finances wage increases.	Intermediate	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.	4	6	0

**Comment:** Equip has started analysing the costs of financing wage increases in its supply chain. In 2022/2023, Equip focused on a living wage project with its supplier in Indonesia. Equip's CEO is closely involved in the project. Together with the factory management, both the member brand and the supplier agreed on the living wage strategy.

In 2021, Equip conducted a Fair Wear audit in that factory to identify the wage payments' status. With the support of a survey of the workers on site, the living wage estimate could be calculated. Next to that, Equip researched for living wage estimations for that specific region in Indonesia and compared different benchmarks. Here, Equip analysed different criteria, for instance, the impact on workers, the wage increase in percentage, and the estimated FOB increase. The member brand's roadmap for 2023 shows that together with the factory, it would be the next step to agree on a target wage. Equip is committed to paying this additional cost to the factory for a specific period to support the supplier's transition to living wages.

**Recommendation:** In determining what is needed and how wages should be increased, it is recommended to involve worker representation.

Fair Wear advises companies to avoid the concept of a one-time charitable contribution. We strongly recommend members to integrate the financing of wage increases it into their own systems, herewith committing to a long-term process that leads to sustainable implementation of living wages.

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.	5%	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:** In the member brand's own factory in the UK, all workers are paid the UK's National Living Wage. Equip's own factory accounts for 5% of its total FOB.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.14 Member addresses grievances received through Fair Wear's helpline in accordance with the Fair Wear Complaints Procedure.	Intermediate	Members are expected to actively support the operational-level grievance mechanisms as part of regular contact with their suppliers. The complaints procedure provides a framework for member brands, emphasising the responsibility towards workers within their supply chain.	Overview of supporting activities, overview of grievances received and addressed, etc.	2	4	-2

**Comment:** Equip received three new complaints and one follow-up complaint in the financial year 2022/23 at its factories in China, Myanmar and Bangladesh. The first complaint from its factory in China addressed the labour standard 'legally binding employment relationship'. Equip cooperated with another Fair Wear member brand to resolve this complaint. Both member brands decided to finance the owed wages and transferred them to the complainant.

The follow-up complaint mentions that the workers were paid piece-rate wages and worked excessive overtime at this factory. Both member brands are still working on this case. Due to the factory's refusal to cooperate in remediating several complaints, Equip has decided to initiate a responsible exit as the factory.

The complaints from Bangladesh and Myanmar came from factories where Equip was no longer sourcing in 2022/2023.

**Recommendation:** It is recommended to uncover the root causes of complaints and prevent them from recurring. When appropriate, the investigation includes incidents at other factories.

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:** In the past two years, Equip organised one WEP Basic and one Communication Programme training at its Chinese and Indonesian suppliers. The decision to provide training to its suppliers depends on the improvement and remediation plans based on audit results and complaints as well as the outcome of continuous monitoring.

**Recommendation:** Equip 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.	Advanced	Training is a crucial tool to support transformative processes but complementary activities such as remediation and changes at the brand level are needed to achieve lasting impact	Evidence of engagement with factory management regarding training outcomes, documentation on follow-up activities, and proof of integration into further monitoring and risk profiling efforts.	6	6	0

**Comment:** Equip followed up on the implemented Communication Programme training by constantly engaging with its suppliers. When Equip's staff visited the factory in 2022, the member brand specifically asked them to review and document the improvements delivered by the factory as a result of the worker feedback captured in the training. As part of the training, the supplier conducted a factory-wide survey of workers, asking for their input on various issues, including working hours, pay, facilities, and recruitment policies. After conversations with Equip, the supplier continues to conduct the survey periodically to document changes and identify new issues.

Equip also followed up on the WEP basic training from 2021/2022. Here, the supplier mentioned that learning more about Fair Wear Foundation was interesting but could not see significant improvement. Equip contacts the factory to find other opportunities to offer additional training modules.

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.	Intermediate	Withdrawing from a non-compliant supplier should only be the last resort when no more impact can be gained from other strategies. Fair Wear members must follow the steps as laid out in the responsible exit strategy.	Exit strategy policy, examples of supplier communications.	2	4	0

**Comment:** Equip's human rights risk monitoring includes a responsible exit strategy. In the past financial year, the member stopped with eleven suppliers in Myanmar, Bangladesh, China and the Philippines. The policy distinguishes between exits from factories for commercial reasons and an exit due to persistent refusal or failure to comply with Equip's social standards.

The suppliers in Bangladesh, China and the Philippines were exited for commercial reasons. Part of the process here was to inform the suppliers about the exit as soon as possible. Together with the suppliers, Equip agreed on a phase-out period and sometimes extended the period if the supplier requested that. For Equip, the level of leverage at the supplier impacts the length of the phase-out period. Furthermore, Equip checks on the impact on workers.

For exiting the factories in Myanmar, Equip consulted internal country and manufacturing specialists, industry stakeholders and suppliers. Top management travelled to Myanmar twice in 2022 to assess the situation and consider the impact of remaining in the country. The formal responsible disengagement process started in October 2022. Equip confirmed with its remaining Myanmar supplier that it will commence responsible disengagement and move production to one of the partner's other owned sites outside of Myanmar.

**Recommendation:** Equip could include a responsible exit strategy as part of its suppliers' agreement or contract.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.18 Member company's measures, business practices and/or improvement programmes go beyond the indicators or scope.	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

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

**Possible Points: 22**

**Earned Points: 12**

### Indicators on Communication, transparency and evaluation

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

**Comment:** Equip communicates accurately about Fair Wear membership on its website. The member also uses other channels to inform customers and stakeholders about Fair Wear membership. By using social media channels, newsletters, on-garment communication and press releases, Equip actively spreads the Fair Wear message.

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

**Comment:** Equip does not sell external brands.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 Social report is submitted to Fair Wear and is published on the member company's website.	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:** Equip has submitted its social report, which Fair Wear approved.

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:** Equip published its social report, which includes factory-level data and remediation results. The factory-level data the member included main audit findings, complaint details, training outcomes and risk analysis results. Equip has yet to disclose its full factory list and its time-bound improvement plans.

**Recommendation:** Fair Wear recommends Equip to publish time-bound plans for its suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Member company has a system to track implementation and validate results.	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:** Equip has a system to track progress and check if implemented measures have effectively prevented and remediated human rights violations. The internal evaluation system involves top management. In its evaluation system, the member brand does not yet include triangulated information from external sources.

**Recommendation:** The member is advised to include feedback from workers and suppliers in its evaluation system.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	Insufficient	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.	-2	4	-2

**Comment:** The previous performance check included one requirement: The member brand should support workers who are owed outstanding wages, severance or other legally required benefits and follow the guidance in the 'Handbook: Covid-19 Lost wages and jobs series'.

In 2021, the COVID-19 pandemic caused long-term factory closure in one factory in Vietnam. For the period when workers did not receive legal minimum wage, Equip addressed this by connecting with other Fair Wear members at the same supplier to discuss what alternative forms of remediation could be implemented. The member brand did not yet verify if the legal minimum wages were paid after the factory reopening.

## 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.: Yes

**Comments:** In 2023, Equip participated in a speaker role at the Leusden Sustainability Summit. In a panel discussion, Equip represented brands and retailers and discussed where the member brand tackled key human rights topics affecting the garment and footwear industry. This was attended widely by members of different markets. Equip also engaged in the Fashion Revolution campaign: "Who made my clothes".

## Recommendations to Fair Wear

Equip finds that the amount of effort that goes into the Fair Wear Brand Performance Check preparation for a company is very high and bureaucratic.

In general, Equip would like Fair Wear to be more active and open upfront about other issues, such as the impact of climate change on factories. It would also like to see member brands be more involved in the decision-making processes of Fair Wear, and there should be more transparent reporting on what developments and priorities Fair Wear is currently working on. Equip thinks it is important that CEOs are more regularly directly updated and involved in Fair Wear strategic decisions and priorities rather than only CSR staff. Equip would like to see more open discussions about the impact of living wage strategies, the unintended consequences, and how to address these.

# Brand Performance Check details

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

Conducted by: **Victoria Lauer**

Interviews with: **Matt Gowar (CEO)**

**Debbie Read (Head of Corporate Communications and CSR)**

**Haydn Cornish-Jenkins –(CSR Coordinator)**

**Bethan Jones (CSR Data Support Assistant)**

**Matt Bingham (Director of Operations)**

**Jess Witty (Senior Import Merchandiser Buying)**

**Tom Kazianis (Group Management Accountant)**

**Lesley Barker (Head of Development)**