



BRAND PERFORMANCE CHECK

Swiss Post

PUBLICATION DATE: SEPTEMBER 2015

this report covers the evaluation period 01-01-2014 to 31-12-2014

ABOUT THE BRAND PERFORMANCE CHECK

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

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's affiliate members. The Checks examine how affiliate management systems support FWF's Code of Labour Practices. They evaluate the parts of affiliate 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 factories, and most factories work for many different brands. This means that in most cases FWF affiliates have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of affiliates. Outcomes at the factory level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF affiliates cannot guarantee results.

Even if outcomes at the factory level cannot be guaranteed, the importance of good management practices by affiliates cannot be understated. Even one concerned customer at a factory 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 factory 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 FWF'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 affiliate 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.

BRAND PERFORMANCE CHECK OVERVIEW

Swiss Post

Evaluation Period: 01-01-2014 to 31-12-2014

AFFILIATE INFORMATION	
Headquarters:	Bern, Switzerland
Member since:	13-06-2012
Product types:	Workwear
Production in countries where FWF is active:	Bulgaria, China, Romania
Production in other countries:	Czech Republic, Hungary, Italy, Jordan, Poland, Portugal, Slovakia, Switzerland
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
All suppliers have been notified of FWF membership?	Yes
SCORING OVERVIEW	
% of own production under monitoring	99%
Benchmarking score	77
Category	Leader

Summary:

Swiss Post meets most of FWF's management system requirements and goes beyond several. It has monitored 99% of its total purchasing volume, therefore meeting the 90% threshold required during the third year of membership.

Swiss Post conducts thorough human rights due diligence when selecting new suppliers including pre-audits and/or visits. They also works closely with some suppliers to remediate audit findings and actively tries to raise wage benchmarks. However, this does not yet apply to all suppliers. FWF therefore recommends Swiss Post to increase its knowledge about all suppliers and involve intermediaries more actively. This should include systematic root cause analysis of overtime and of wages lower than living wage. Cooperation with other customers to increase leverage and impact is strongly recommended as well as setting up a production planning system that takes the overall capacity of suppliers into account.

Swiss Post facilitated an ILO Better Work training for one supplier in Jordan and actively worked on improving dialogue at the factory and working conditions. Also, two Chinese suppliers participated in FWF's Workplace Education Programme training in 2014. FWF encourages Swiss Post to stimulate more suppliers to participate in WEP trainings, helping to raise awareness about the FWF worker helpline.

PERFORMANCE CATEGORY OVERVIEW

Leader: This category is for affiliates 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 FWF's belief that affiliates who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF affiliates—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 affiliates will receive a 'Good' rating.

Needs Improvement: Affiliates 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. Affiliates 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: Affiliates 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. Affiliates may remain in this category for one year maximum, after which termination proceedings will come into force.

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

1. PURCHASING PRACTICES

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity	41%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier information provided by affiliate.	2	4	0

Recommendation: FWF recommends Swiss Post to further consolidate its supplier base where possible, and increase leverage at main suppliers to effectively request improvements of working conditions.

Comment: Swiss Post has continued to consolidate its supplier base on core suppliers which are producing in either low-risk countries or take adequate steps implementing findings from audit reports. Their big range of products (95 styles in 2341 sizes) requires different suppliers, and sometimes only small orders are needed for a certain product. For each product (except for business wear and shirts) Swiss Post concentrates on 1 supplier. Swiss Post's choice of production country is related to risk assessment (preferably low or middle risk country), proximity for travel (to enable regular visits) and availability of product.

Sourcing in Bulgaria and Jordan is expected to grow, based on quality and positive cooperation with suppliers on social performance.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	34%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier information provided by affiliate.	2	4	0
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Recommendation: FWF recommends Swiss Post to maintain stable business relationships with all their suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.

Comment: Swiss Post sources most of the products from intermediaries; with some of its intermediaries and production sites Swiss Post has been cooperating for more than 50 years. In 2014, Swiss Post terminated several business relationship with suppliers which were not willing to cooperate, did not want to sign the FWF CoLP or showed intransparent production records. Also, several suppliers went out of business. Swiss Post therefore had to look for new suppliers, but also increased production at an existing supplier in Bulgaria.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	Yes	The CoLP is the foundation of all work between factories and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	2	2	0
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Comment: Swiss Post started production at several new suppliers in 2014. Each supplier is required to sign the FWF Code of Labour Practices before first orders are placed. Swiss Post could show signed questionnaires of all new suppliers.
Furthermore, Swiss Post translated the FWF questionnaire into Polish to inform new suppliers.

1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	Yes	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0
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Comment: Swiss Post conducts thorough human rights due diligence when selecting new suppliers. All potential suppliers are either audited or visited and explicitly checked on compliance with regard to social standards at the beginning of cooperation before even sample orders are placed. For this, Swiss Post uses the Health and Safety checklist of FWF, reads country reports of FWF and other stakeholders and assesses the wage level at the factory.
In case obvious non-compliances are found and factory management is not willing to sign the CoLP and work towards remediation, production does not start at this new production site for Swiss Post. In 2014, this happened in the case of one potential supplier in China.
Swiss Post has taken the decision that some countries are excluded from sourcing possibilities. The decision was made depending on extensive country specific risk assessment. However, for some products with specific requirements, exceptions are made.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes, and performance improvement is rewarded	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	2	2	0
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Comment: Supplier compliance with Code of Labour Practices is evaluated twice a year with top management. CSR staff prepares a list naming all suppliers. The list includes: audit results, wages at the production site, risk analysis with regard to non-compliance on social standards, recommendation on how to proceed with the supplier, cost in case the risk is considered high and production needs to be reallocated to another production site. Good performance is rewarded with extra orders e.g. suppliers in Bulgaria and Jordan received higher order volumes in 2014 as they have worked on improving working conditions.

1.6 The affiliate's production planning systems support reasonable working hours.	General or ad-hoc system.	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.	2	4	0
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Comment: The suppliers are informed about production for Swiss Post in August for the coming year. Production sites in Asia are requested one delivery date (in March/April), production sites in Europe are offered three delivery dates (in February/March, May and August/September). In most cases, Swiss Post also nominates the materials. Suppliers are requested to order the materials and Swiss Post ensures to cover the cost for the materials. At a later stage, the supplier is informed on how many pieces to produce in what size. Swiss Post seldom has style changes. Usually production for one article goes on for several seasons of production. For 2015, Swiss Posts intends to revise its production planning to ensure suppliers can produce all year round allowing smoother production processes.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of affiliates; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Documentation of root cause analysis and positive steps taken to manage production delays or improve factory processes.	3	6	0
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Requirement: Swiss Post should investigate to what extent its current buying practices has an effect on the working hours at supplier level. A root cause analysis of excessive overtime should be done to investigate which steps can be most effective to reduce overtime.

FWF expects Swiss Post to discuss with supplier how excessive overtime can be reduced for all workers, not only the ones for Swiss Post orders. In order to achieve this, Swiss Post should work with or influence other buyers sourcing at their suppliers. Swiss Post can follow up on this requirement when the re-audit at the China supplier is implemented.

Comment: In one out of three FWF audits conducted in 2014, excessive overtime was found. Swiss Post terminated the relationship with this supplier as they did not respond to emails asking to agree on corrective actions. At another supplier in China, where excessive overtime was found in 2013, Swiss Post has asked the supplier to block certain production lines for them. Overall production planning of the supplier including production for other clients (some are FWF affiliates) is not taken into account or discussed with other clients. Generally, in case a supplier cannot meet the agreed delivery date, delays for delivery are accepted. Swiss Post always plans in 15 days of possible delay for each supplier from the beginning. In several production sites, Swiss Post has a low leverage which is challenging to work effectively on reasonable working hours.

1.8 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.	Style-level policy	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.	4	4	0
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Recommendation: FWF recommends Swiss Post to increase transparency in costing and productivity for all suppliers to gain insight in the labour costs per product.

Comment: Swiss Post aims at paying living wages at its suppliers and has conducted thorough wage calculations at several production sites. Costing sheets per product include the working minutes per piece as well as the price per minute. This is matched with wage calculations to ensure the payment of at least legal minimum wage and gradually raise wage benchmarks. However, in some cases supplier would not disclose the amount of working minutes they need or Swiss Post has to rely on the intermediary to receive information.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	No minimum wage problems reported	If a supplier fails to pay minimum wage, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.	2	2	-2
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Comment: In 2014 no payments below legal minimum wages were found during FWF audits.

1.10 Evidence of late payments to suppliers by affiliate.	No	Late payments to suppliers can have a negative impact on factories and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of factory and affiliate financial documents.	0	0	-1
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Comment: None of the audit reports indicated late payments to suppliers by Swiss Post.

1.11 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Supply chain approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	6	8	0
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Recommendation: FWF recommends Swiss Post to ensure that all workers at a supplier benefit from higher wages regardless of whether they produce for Swiss Post or other clients.

Comment: Swiss Post has conducted extensive wage analysis and has therefore a thorough understanding of wage levels at its suppliers. Swiss Post actively tries to increase wage benchmarks in cooperation with the supplier and aims at paying living wages. Swiss Post is willing to accept higher prices as long as the supplier agrees that wages will be increased, too.

In one case, wages only increased for workers producing for Swiss Post.

1.12 Affiliate sources from an FWF factory member.	Yes	When possible, FWF encourages affiliates to source from FWF factory members. On account of the small number of factories this is a 'bonus' indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	1	1	0
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Recommendation: FWF recommends Swiss Post to cooperate more closely with other FWF affiliates sourcing at the supplier.

Comment: Around 7 % of Swiss Post's production volume is sourced at a FWF factory member in China.

1.13 Percentage of production volume from factories owned by the affiliate.	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	N/A	2	0
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PURCHASING PRACTICES

Possible Points: 41

Earned Points: 30

Additional comments on Purchasing Practices:

Most of the materials used in the production of Swiss Post articles are Blue Sign certified.

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	28%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	64%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Total of own production under monitoring	99%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 90% Measured as a percentage of turnover.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

Comment: Swiss Post has two persons responsible for compliance and monitoring system. Both are also responsible for sourcing.

2.2 Degree of progress towards resolution of existing Corrective Action Plans	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate.	4	8	-2
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Recommendation: FWF recommends Swiss Post not to terminate relationships with suppliers in case of non-compliances as long as they are willing to work on improvements. Instead, Swiss Post should find ways to support the supplier, also when agents or intermediaries are involved (see also recommendation at indicator 4.3) and where Swiss Post leverage is low.

Swiss Post is encouraged to continue its in-depth effort with the Bulgarian supplier to follow up on findings.

Comment: Three FWF audit were conducted in 2014 at suppliers producing for Swiss Post in Bulgaria, China and Romania.

The Bulgaria audit was a follow-up and verification of additional efforts Swiss Post had made, to help the factory improve on (wage) findings in an earlier monitoring audit. It showed that Swiss Post made additional efforts to increase the level of wages, such as increasing the piece-price (covered by reducing own fabric cost). Despite these efforts, other mostly external factors came in, which made the outcome on actual total wages not as positive as planned.

Furthermore, Swiss Post has started to move production from other suppliers to the factory to allow constant production.

On the other two audits, Swiss Post had difficulties getting suppliers committed to work on improvements. Swiss Post finds challenges to follow-up on CAPs when an intermediary is involved and/or when Swiss Post share of the production volume (leverage) is small.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	76%	Formal audits should be augmented by annual visits by affiliate staff or local representatives. They reinforce to factory managers that affiliates are serious about implementing the Code of Labour Practices.	Affiliates should document all factory visits with at least the date and name of the visitor.	4	4	0
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Comment: Swiss Post made an effort to visit the majority of its supplier in 2014, which is a significant improvement compared to 2013, when they had only visited 19% of their suppliers.

2.4 Existing audit reports from other sources are collected.	Yes, quality assessed and corrective actions implemented	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	3	3	0
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Comment: Swiss Post collected an audit report of the Fair Labour Association at one Chinese supplier, used the FWF audit quality assessment tool and followed up on corrective actions.

2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	Yes	2 part indicator: FWF audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1
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Comment: Audit reports and corrective action plan findings are shared with the factories and improvement timelines established in a timely manner.

2.6 High risk issues specific to the affiliate's supply chain are identified and addressed by the monitoring system.	Intermediate Capacity	Different countries and products have different risks associated with them; monitoring systems should be adapted to allow appropriate human rights due diligence for the specific risks in each affiliates' supply chain.	Documentation may take many forms; additional research, specific FWF project participation; extra monitoring activities, extra mitigation activities, etc.	3	6	0
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Recommendation: FWF recommends Swiss Post to find ways to actively increase knowledge about common risks at their suppliers, especially in China, and ensure preventive steps are taken.

Comment: Swiss Post developed a risk matrix classifying countries as low, medium or high risk and listing actions necessary to prevent risks. Certain countries are banned for sourcing due to high risks and common violations of labour standards in those countries.

At the moment, Swiss Post does not source in Bangladesh and Myanmar and stopped sourcing in India and Turkey. Denim or down filling, which can be associated with unhealthy production conditions, are also not used in Swiss Post's production.

Swiss Post is aware of common risks in China like lack of freedom of association and excessive overtime, but could not show how those issues are systematically addresses by its monitoring system.

Generally, Swiss Post takes information issued by FWF as well as other stakeholders in consideration, when making sourcing decisions.

2.6a High risk issues specific to Bangladesh are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Bangladesh	Affiliates sourcing in Bangladesh should take additional action to address both building and fire safety and the prevention of violence against women.	Building, electrical and fire safety inspection reports, evidence of cooperation with other customers sourcing at the same factories (Accord signatories and/or FWF affiliates), etc.	N/A	3	0
2.6b High risk issues specific to Myanmar are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Myanmar	Myanmar is still in the process of establishing the legal and civil society infrastructure needed to ensure compliance with labour rights. Extra care must be taken when doing business in Myanmar.	Shared CAPs, Wage Ladders per factory.	N/A	3	0
2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	No CAPs active or no shared suppliers.	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the changes of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	N/A	2	-1

Comment: In 2014, no suppliers shared with other FWF affiliates were audited. Swiss Post did not actively seek cooperation regarding remediation with other FWF affiliates sourcing at a Chinese supplier that had been audited in 2013.

2.8 Monitoring requirements are fulfilled for production in low-risk countries	Yes	Low risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with basic standards.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	2	2	0
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Comment: Swiss Post does not differentiate between low- and high-risk when it comes to visits, notification of suppliers of FWF membership, posting of worker information sheets and completing the questionnaires. Swiss Post sources some amount of styles at Eastern European countries in which FWF is not active. Swiss Post staff speaking Eastern European languages conducts audits at those production sites using the FWF auditor manual.

2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	99%	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	3	3	0
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Recommendation: FWF recommends Swiss Post to ensure that all external brands disclose their production countries in the FWF questionnaire.

Comment: Swiss Posts has received signed questionnaires from all external brands resold by the affiliate.

2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	0%	FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	0	3	0
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Comment: Swiss Post sources very little quantities below 1 % of its overall external sales volume at another FWF affiliate.

MONITORING AND REMEDIATION

Possible Points: 33

Earned Points: 23

Additional comments on Monitoring and Remediation:

Swiss Post conducts so called "Swiss Post Audits" in FWF defined low-risk countries. Staff of Swiss Post with long experience at production sites and also an in-depth knowledge about working conditions at the production sites uses FWF auditor documents to get to know the situation at the production sites better. If the person does not speak the local language, a translator is used. Swiss Post Audits include interviews with management and workers (on-site), document's inspection and health and safety check. During Swiss Post Audits, workers are also informed about FWF and the CoLP. After the Swiss Post Audit, a summary of findings and risks is discussed with top management and pictures are shown.

3. COMPLAINTS HANDLING

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

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

Comment: CSR staff is Swiss Post is responsible for handling complaints.

3.2 System exists to check that the Worker Information Sheet is posted in factories	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.	2	2	0
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Recommendation: FWF recommends Swiss Post to ensure that also suppliers, where sourcing is organised via an intermediary, receive and post the CoLP.

Comment: Every supplier has to confirm in writing that the CoLP is posted and has to send pictures of the posted CoLP. Whether the CoLP is posted is checked during factory visits. Staff of Swiss Post traveling to the production sites use a short presentation to management and workers of why posting the Code of Labour Practice is of importance. However, one Chinese supplier stated during a FWF audit that they did not receive the CoLP.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	40%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Factory participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of factories in WEP programme.	2	4	-2
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Recommendation: Swiss Post can stimulate its suppliers to participate in WEP trainings, to raise awareness about the existence and the functioning of FWF's worker hotline. In addition to sending the worker information sheet, Swiss Post can use the worker information cards available for download on FWF's website.

Comment: In all three FWF audits conducted in 2014, less than half of all workers interviewed were aware of the FWF worker helpline. At the same time, two WEP trainings were conducted at Chinese suppliers, which counts positively towards this indicator.

3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Affiliate involvement is often essential to resolving issues.	Documentation that affiliate has completed all required steps in the complaints handling process.	N/A	6	-2
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3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary.	Because most factories supply several customers with products, involvement of other customers by the FWF affiliate can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	-2
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COMPLAINTS HANDLING

Possible Points: 7

Earned Points: 5

4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff is made aware of FWF membership requirements	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	-1

Comment: Swiss Post faces the challenge of a huge federal authority with many employees. Nevertheless, there are various communication efforts made to inform staff about FWF membership. Information about FWF is featured on the intranet. Distribution workers and directors who do not have access to the intranet or do not use it frequently are trained by CSR staff separately. CSR staff also trains Swiss Post workers in Swiss distribution centers.

A six page special report on procurement including interviews was send out to employees and a number of selected newspapers that published several articles about Swiss Post's FWF membership and sourcing strategy.

FWF membership and fair purchasing is furthermore mentioned in the welcome for new employees, in master presentations on sustainability and it is a topic in the annual sustainability Board meeting.

4.2 Ongoing training in support of FWF requirements is provided to staff in direct contact with suppliers.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	0
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Recommendation: FWF recommends Swiss Post to ensure that all staff responsible for sourcing participate at a FWF affiliate seminar or the annual conference.

Comment: At Swiss Post only two purchasers are in contact with the suppliers. Both are also responsible for FWF requirements. One of them participated at the FWF affiliate seminar as well as the annual conference in 2014.

4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	1	2	-2
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Recommendation: FWF recommends Swiss Post to systematically train their intermediaries and use them more actively for CoLP implementation and remediation (see also recommendation at indicator 2.2).

Comment: Swiss Post works with a variety of intermediaries as part of their sourcing strategy. All of them are informed about FWF, in one case Swiss Post travelled together with the intermediary to suppliers to discuss FWF issues. However, not all intermediaries are actively involved in CoLP implementation.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	54%	Lack of knowledge and skills on best practices related to labour standards is a common issue in factories. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	6	6	0
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Recommendation: In order to ensure awareness and enhance understanding of the relevant labour standards, grievance mechanisms and the importance of a good mechanism for communication between employers and workers in the workplace, FWF developed the Workplace Education Programme. This programme is offered in the 4 priority countries as well as Vietnam, Romania and Tunisia. Swiss Post should motivate its suppliers to join WEP trainings.

Comment: Two Chinese suppliers of Swiss Post participated in a WEP in 2014.

4.5 Factory participation in trainings (where WEP is not offered; by production volume)	37%	In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	3	4	0
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Comment: FWF does not offer WEP trainings in Jordan and Bulgaria, which accounts for 19 % of Swiss Post's production. At their Jordan supplier - accounting for 7 % of overall production - Swiss Post has worked closely with the ILO Better Work programme to ensure workers are aware of their rights and dialogue between workers and factory management is enhanced.

TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 13

5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Advanced	Any improvements to supply chains require affiliates to first know all of their production locations.	Supplier information provided by affiliate. Financial records of previous financial year. Documented efforts by affiliate to update supplier information from its monitoring activities.	6	6	-2

Recommendation: FWF recommends Swiss Post to systematically check, whether their suppliers, especially in China, employ unauthorized subcontracting.

Comment: Swiss Post is generally aware of all production locations including subcontractors.

5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1
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Comment: Two purchasers are in contact with the suppliers with regard to everything (also financials etc). Both purchasers are responsible for social standards and implementation of FWF.

INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 7

6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Communication about FWF membership adheres to the FWF communications policy	Yes	FWF membership should be communicated in a clear and accurate manner. FWF guidelines are designed to prevent misleading claims.	Logo is placed on website; other communications in line with policy. Affiliates may lose points if there is evidence that they did not comply with the communications policy.	1	1	-2

Comment: As clothing is not part of the core business of Swiss Post, external communication about FWF is not pursued actively. Communication focusses mainly on Swiss Post employees as they are the "clients" wearing the sourced clothing (see indicator 4.1). All communication on the website complies with FWF communication policy. Swiss Post has made efforts in 2014 to optimize internet search results linking FWF and Swiss Post.

6.2 Affiliate engages in advanced reporting activities	No	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Affiliate publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	0	1	0
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Recommendation: FWF recommends Swiss Post to publish one or more of the following reports on its website: brand performance check, audit reports, supplier information. Good reporting by members helps to ensure the transparency of Swiss Post and FWF's work.

6.3 Social Report is submitted to FWF and is published on affiliate's website	Published on affiliate's website	The Social Report is an important tool for affiliates to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.	2	2	-2
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Comment: Swiss Post submitted its social report 2014 to FWF and published it on its website.

TRANSPARENCY

Possible Points: 4

Earned Points: 3

Additional comments on Transparency:

Swiss media as well as NGOs like the Declaration of Bern or Brot fuer Alle have been targeting the issue of sustainable public procurement more often in 2014. More than 18.000 people signed a petition asking Swiss Railway to join FWF. Swiss Post is used as a best practice example in this context.

7. EVALUATION

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management	Yes	An annual evaluation involving top management ensures that FWF policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

Comment: FWF membership is evaluated three times a year with top management discussing steps with FWF and details about compliance at each supplier.

7.2 Changes from previous Brand Performance Check implemented by affiliate	100%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Affiliate should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2
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Comment: Swiss Post was required in the last brand performance check to make sure to receive a completed and returned questionnaire from all external brands resold by the affiliate. This has been implemented.

EVALUATION

Possible Points: 6

Earned Points: 6

RECOMMENDATIONS TO FWF

Swiss Post asks FWF to optimise its database and make it more user-friendly. Swiss Post would especially appreciate the opportunity to save wage ladders created by FWF affiliates, which is currently not possible.

Furthermore, Swiss Post asks FWF to facilitate meetings with suppliers shared by several FWF affiliates.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	30	41
Monitoring and Remediation	23	33
Complaints Handling	5	7
Training and Capacity Building	13	15
Information Management	7	7
Transparency	3	4
Evaluation	6	6
Totals:	87	113

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

77

PERFORMANCE BENCHMARKING CATEGORY

Leader

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

29-06-2015

Conducted by:

Ruth Vermeulen, Lisa Suess

Interviews with:

Beat Amacker, Head of strategical purchasing,

Manuel Bigler, strategical buyer of product groups publications, advertisement and clothing

Philippe Häberli, Head of project purchasing

Secil Helg, Project buyer clothing

Marina Agostinis, Project buyer clothing

Michael Heim, Communication, Project manager sustainability

Manuel Ackermann, Communication, Dossier manager of social responsibility

Antonia Stalder, Communication, Project manager sustainability

Audit Summary:

Publication of the audit summary section previously included in Brand Performance Checks has been suspended while Fair Wear Foundation develops a new information system to manage and summarize the data.