



TRANSPARENCY REPORT

How Hong Kong Garment Companies
Can Improve Public Reporting of their Labour Standards

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This paper is based on research undertaken by CSR Asia, with Dr. Stephen Frost as the principal researcher. CSR Asia is a social enterprise that strives to be the leading provider of information about Corporate Social Responsibility in the Asia-Pacific region. CSR Asia builds capacity in companies and their supply chains to promote awareness of CSR in order to advance sustainable development across the region.

Disclaimer: The report card ratings are based solely on publicly available information. It is therefore possible that the company is taking additional steps that are not reported to the public.

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For further information on the issues raised in this paper, please e-mail maketradefair@oxfam.org.hk. The report is freely available on the Oxfam Hong Kong's website at www.oxfam.org.hk and make trade fair website at www.maketradefair.org.hk.

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INTRODUCTION

Oxfam Hong Kong and Labour Standards

In 2005, 1.4 billion people were at work but still lived below the USD\$2 a day poverty line.¹ Employment conditions and rights of workers are key issues for global poverty reduction, gender equality and development and thus key concerns for Oxfam Hong Kong. Since 2004, Oxfam Hong Kong has worked on labour standards in the supply chain in the garment sector, an industry that employs hundreds of thousands of mainly women workers, many of whom work in difficult and often insecure conditions. In the garment industry, we have seen striking examples of the potentially negative impacts of globalised trade when it is not governed and regulated in a manner which ensures respect for the rights of people facing poverty.

In 2004, we released the research report *Turning the Garment Industry Inside Out – Purchasing Practices and Workers’ Lives*,² which explored purchasing practices in the garment supply chain. We showed how global companies link millions of workers to consumer markets via long supply chains and complex networks of factories and contractors, and how market power enabled big companies to demand that their suppliers cut prices, shorten delivery times, and adjust rapidly to fluctuating orders. Inevitably, the resulting pressures are transmitted down the supply chain to workers, leading to lower wages, poor conditions, insecurity

and frequent violations of workers’ rights on things such as overtime limits. Oxfam Hong Kong began to advocate for changes in purchasing practices as well as for improved practice of corporate social responsibility by garment companies - changes that, we believe, could benefit poor workers and contribute to the goal of reducing poverty. We then published the *Resource Kit on Corporate Social Responsibility* to further promote CSR within the business community of Hong Kong. We hope that this report will once again draw local garment companies’ attention to greater transparency and to increased global awareness on labour standards and international best practices.

Transparency and Corporate Social Responsibility

Public reporting is one of the hallmarks of corporate social responsibility (CSR). It helps companies improve their business practices, and leads to greater accountability and better management systems to tackle the various abuses that can occur throughout the supply chain. As a number of large apparel brands have emerged in Hong Kong and have a significant presence in the Asia-Pacific region, it is important for Hong Kong consumers and investors to monitor and call for more public disclosure, more transparency, and more accountability from these companies. At the same time, as Hong Kong companies seek a larger share of western

markets, where there is strong consumer demand for information disclosure, it is also an opportune time for them to engage much more in corporate social responsibility and supply chain issues, with transparency and public disclosure as a starting point.

Customers and shareholders are seeking reliable information on what companies are doing to ensure that, at the very least, minimum standards of labour and environmental conduct are being upheld throughout a company's operations and its supply chain. While many companies continue to release minimal information or broad and unconvincing statements on CSR, leading international retailers and brands are beginning to provide more comprehensive reports on their efforts to meet more specific social and environmental benchmarks via their websites, annual CSR reports, or other means. Some brands, such as Nike, Adidas, and Gap Inc., have earned respect for their latest CSR reports with detailed factory names and addresses, detailed accounts of successes and failures around factory improvements, and a greater willingness to engage with stakeholders such as NGOs, workers organizations and community groups.

Yet when it comes to Hong Kong, as this report details, there has been reluctance by the majority of Hong Kong apparel brands or retailers to engage with the same sort of issues. Unlike many of the popular brands operating globally and based in North America and Europe, Hong Kong apparel brands have faced little external pressure and consumer campaigns to comply with codes of conduct or report publicly on their internal monitoring of suppliers' factories. It is inevitable that Hong Kong

companies have not provided enough information for stakeholders including consumers and investors to evaluate workplace practices and to make ethical consumption or investment choices.

Box 1:**Disclosure of names and addresses of supplier factories**

One notable new development in April 2005 was that Nike disclosed the names and addresses of all factories producing items for the Nike brand. Since then, Levi Strauss & Co, Reebok, Puma and Timberland have followed suit by also disclosing their global supply chains. Disclosure of supply factories is significant in transparency and labour standards compliance, as it allows for independent assessments of labour standards compliance and puts the company's reputation on the line if violations are reported. Companies that disclose factory locations are, in effect, inviting civil society organisations and workers to bring worker rights violations to their attention when and if such violations take place.

Benefits of Transparency to Companies

Leading global companies in the apparel sector have shown over the years that public reporting can have positive effects on their operations and reputation. Oxfam Hong Kong believes that improved public reporting on labour practices within the global supply chains can motivate corporations to actually improve those practices over time.

A company that involves in dialogue with stakeholders is able to respond more quickly to potential problems, thus reducing reputational risk related to bad practices disclosed to the public (most often involuntarily). Companies need to address the risk if they are to avoid the prospect of public and damaging criticism that has the potential to damage their brands, undermine their customers' trust and tarnish their reputations – all of which can threaten shareholder value.

A company's brand is more likely nowadays to be linked to credible public reporting, and companies that do good reporting are more likely to enjoy a better corporate reputation. Although a company that discloses information opens itself to more scrutiny in the short term, it gains trust in the long term that could provide benefits. It could also prove to the world that companies take seriously not only disclosure and transparency, but also the well-being of other stakeholders.

As leading global companies in the apparel sector have taken the lead in promoting reporting on corporate social responsibility, Hong Kong companies should also be able to live up to recognised international standards and practices. It could also help companies build constructive

information-sharing relationships with stakeholders and communities around the world.

Box 2:

CSR reporting of leading international retailers and brands

Leading international retailers and brands such as Nike, Adidas, Levi Strauss & Co, Gap Inc., etc. are providing more comprehensive reports on their efforts to meet more specific social and environmental benchmarks via their websites, annual CSR reports, or other means. Some reports also enable readers to track company progress in monitoring findings from year to year. For example, Gap Inc. revealed in its Social Responsibility Report for year 2004 that while there were improvements in 51 per cent of its Mainland China's supply factories since its previous year's report, there was a decline in slightly over 48 per cent of its production facilities in that country. However, the fact that Gap Inc. is reporting changes in monitoring findings from year to year allows interested parties to assess whether progress is being made and therefore makes Gap Inc. more accountable to shareholders, consumers, workers and other stakeholders. Far from sparking widespread condemnation, the report by Gap Inc. drew positive comment on the company's efforts to be more accountable to stakeholders.

Hong Kong's Apparel Companies

Hong Kong's role as a regional investment hub means that local apparel brands are well-placed to expand beyond the region into global markets. For instance, as foreign direct investment (FDI) in Asia has soared 157-fold since 1970, to US\$145.8 billion in 2004, Hong Kong has become a major recipient and

source of FDI. Between 1995 and 2001, Hong Kong accounted for 3.62 per cent of FDI in Southeast Asia. Hong Kong now ranks as both the second largest recipient and source of FDI in Asia, and globally it is the 15th largest source of FDI. Hong Kong's investment role in the region, and the world, is significant.

The apparel sector features prominently in these figures. The global apparel sector was worth over US\$201 billion in 2002, and Hong Kong exports accounted for a major portion of that. In 2002, Hong Kong was the second largest apparel exporter in the world, shipping US\$22.4 billion. Hong Kong imported apparel worth US\$15.6 billion in 2003, of which US\$14.3 billion was re-exported.

Few people seem aware that Hong Kong is home to some very large brands: most consumers outside of Asia still regard Hong Kong as a sourcing centre with investment in factories that make clothes for the US and European big brands. This is true – Hong Kong is a centre of apparel-sourcing globally (much of it from Mainland China) - but it does not tell the full story. A number of large apparel brands such as Giordano, Baleno, Bossini, and G2000 have emerged in Hong Kong over the past decade; and several now have retail outlets across the Asia-Pacific region, and beyond. For example, the largest – Giordano – has 1,600 points of sale stretching from Japan to the Middle East.

Hong Kong apparel brands have a significant presence in the Asia-Pacific region, but almost no presence at all in European or the US markets. Although there is little pressure on Hong Kong companies now to be more transparent in reporting

their activities in supply chains, we believe that changing consumer expectations and entry into western markets will require a strategic approach that incorporates greater transparency.

Purpose of the Transparency Report Card

The Transparency Report Card is a new initiative which assesses how well 16 Hong Kong apparel companies are reporting to the public on their supply chains.

In releasing these report cards, we aim to encourage Hong Kong garment companies to disclose sufficient information to allow consumers and investors to evaluate and compare companies' labour practices and make ethical choices. Oxfam Hong Kong hopes that this will draw local companies' attention to greater transparency and to increased global awareness on recognised labour standards and international good practices, and that this will serve as a starting point for further dialogue with companies, labour organisations, consumers and other stakeholders about how the issue should be managed and reported.

As there has been rapid growth in corporate responsibility reporting and most large companies now provide fairly detailed reports, we believe it is reasonable to expect that Hong Kong companies would have begun, by now, to address and adopt necessary policies, management and reporting systems to address the issues of employment conditions in their supply chain.

METHODOLOGY

What we are rating

The transparency report card does not seek to assess what companies are doing in their supply chains; only whether they are reporting on it or not. It relies solely on public materials released by the companies themselves. Because of the lack of publicly available information on factory locations and audit findings, it is not currently possible to rate companies based on actual labour practices at the factory level. Also, there are no agreed upon tools to do this either accurately or in sufficient depth. As the focus of the report is exclusively on supply chains, it does not assess the workplace conditions of Hong Kong companies' retail stores, merchandising departments or other aspects of workplace conditions over and beyond factories.

We recognise the limitations of this approach by only relying on publicly-available reported information. We observe that, in many cases, companies' reports and websites will not fully reflect the current extent of their activities. If this is the case, we would encourage those companies to significantly improve their reporting to the public on how they manage supply chain labour standards. In so doing, they will go some way toward addressing concerns raised by civil society and other stakeholders. We would, however, caution against companies producing reports that do not accurately portray or reflect actual commitment and performance.

How we collected information

We developed a base profile of each company, including its ownership structure, its market presence by number of outlets, and its personnel responsible for code compliance. We collected publicly available data including annual reports, CSR reports or similar, news releases and information on their websites, and between March and July 2005, interviewed people in each company for more information. Internal documents generated by the companies themselves were not taken into consideration.

We then wrote to each company in the period March to May 2006 to request relevant public documents it had produced that would assist us in evaluating its reporting on labour rights issues in its supply chain. We received only one response to our initial request with further information and/or comments on the result. Once we had established a score for each company, we sent each company their individual scorecard. We also wrote to the chief executive or chairperson of each company in July 2006 and invited them to submit additional information for final consideration. However, we received no response to this request.

The companies we studied

We surveyed 16 major Hong Kong garment companies drawn from a list of 255 companies listed in the Hong Kong Trade Development Council database of garment companies. The selection was not random. We chose companies that covered major market segments such as men's, women's, teen's and children's clothes – and sub divisions of those markets such as teen street wear or professional ladies' clothing, and a range of small, medium and large companies. Some companies are publicly listed with hundreds of retail outlets (of more than a thousand in one case) and turnovers in the billions; others are small with only a handful of outlets. All, however, are well known brands in Hong Kong to the extent that most of the brands are household names. All companies listed here are Hong Kong-owned or predominantly Hong Kong-owned.

Between them, the 16 garment companies surveyed in our research account for 44 Hong Kong brands and nearly HK\$30 billion in annual turnover. They operate over 5,318 retail outlets in more than 34 countries and have concentrated on the markets in greater China (Hong Kong, Mainland China, Macau and Taiwan [3,208 outlets]), Southeast Asia (333 outlets), and the Middle East (212 outlets), with Mainland China dominating the figures overwhelmingly. It should be noted that the great majority of the 700 outlets for G2000 have not been included here because we do not know the number of stores in each of the countries it lists on its website. Nevertheless, it is clear that, except for Esprit³, Moisselle and F.C.K., Hong Kong companies have yet to venture into the European and North American markets.

Box 3: Overview of the 16 Hong Kong Apparel Companies (data as of February 2005)

Companies	Place of Incorporation	Brand Names	Turnover (HK\$ million)	Stores (Number)	Outlet Locations (Countries/Regions)	Market Segment
PMTD Limited	Hong Kong	2%, +-x÷, th:	NA	108	Hong Kong, Mainland China, Macau, Taiwan, Singapore, Australia	2%: trendy youth +-x÷ mature sophisticated ladies th: generation Z, casual unisex
Texiwinca Holdings Ltd	Bermuda	Baleno, Samuel & Kevin, Baleno Attitude, E-Base, IP Zone, Yoyo Bobo	2,548	971	Mainland China, Taiwan, Hong Kong, Macau, Singapore, Malaysia, Middle East	Men's and women's casual wear, children's wear
Bossini International Holdings Limited	Bermuda	Bossini, Sparkle	1,783	678	Mainland China, Malta, Cyprus, Hong Kong, Middle East, Thailand, Taiwan, Vietnam, Philippines, Singapore, Dominican Republic, Columbia.	Men's and women's casual wear, children's wear
Giordano International Limited	Hong Kong	Giordano, Giordano Ladies, Giordano Junior, Bluestar Exchange, Blue Navy, Giordano Men	1,858	>1,500	30 countries, including Aruba, Japan, Korea, Mainland China, Taiwan, Hong Kong, Burma, Philippines, Middle East, Thailand, Vietnam, Singapore, Malaysia, Indonesia, Brunei, Australia	Men's and women's casual wear, children's wear
Heroic Rendezvous	Hong Kong	Heroic Rendezvous, Psychedelic	NA	4	Hong Kong	Heroic Rendezvous: casual apparel for young men and women Psychedelic: smart casual office wear
Young Grace International Limited	Hong Kong	.I.S.O.	NA	8	Hong Kong	Trendy street wear for rebels
I.T Limited	Bermuda	b+ab, http://www.izzue.com , 5cm, i.t loves mickey	NA	>116	Hong Kong, Mainland China, Malaysia	5cm: young casual, b+ab: women's mass market http://www.izzue.com : young fashion i.t loves mickey: trendy women's fashion
Veeko International Holdings Limited	Cayman Islands	Veeko, Wanko, i-MIIX	446.2	53	Hong Kong, Mainland China, Taiwan, Singapore, Macau	Women's wear, casual wear, executive wear

Companies	Place of Incorporation	Brand Names	Turnover (HK\$ million)	Stores (Number)	Outlet Locations (Countries/Regions)	Market Segment
Lai Sun Garment (International) Limited	Hong Kong	Crocodile	459.562	18	Hong Kong, Mainland China	Men's, women's and children's wear
Goldlion Holdings Limited	Hong Kong	Goldlion	511.256	>8	Hong Kong, Singapore, Malaysia, Mainland China	Ties, leather goods, men's accessories
G2000 (Apparel) Limited	NA	G2000, U2 (LAB), UWN	NA	>700	Hong Kong, Mainland China, Macau, Singapore, Taiwan, Malaysia, Thailand, Indonesia, Korea, Philippines, Cyprus & various countries in the Middle East and Central America	Men's and women's career and casual wear
Chickeeduck	Hong Kong	Chickeeduck	>100	45	Hong Kong, Mainland China, Macau, Singapore, Indonesia, Australia, Saudi Arabia, United Arab Emirates, Korea	Baby and children's wear
U-Right International Holdings Limited	Bermuda	U-Right	737.677	340	Hong Kong, Mainland China, Middle East	Women's wear, men's wear, casual wear
Moiselle International Holdings Limited	Cayman Islands	Moiselle, imaroon, M.kids	227	75	Hong Kong, Mainland China, Taiwan, Canada	Women's wear
Fashion Community Kitterick (F.C.K)	Hong Kong	Kitterick, K-2, a.y.k, Z', indu homme, red's	>100	>24	Hong Kong, Mainland China, Taiwan, Korea, Japan, Singapore, Australia, US	Kitterick: alternative youth z': city girl red's: shoes and socks for women K-2: men and women indu homme: men a.y.k.: youthful women
Esprit Holdings Limited	Bermuda	Esprit	20,632	670	Hong Kong, Macau, Taiwan, Singapore, Malaysia, Australasia, US, Canada, Europe	Women's wear, kids and youth, men's wear, shoes, etc.
Total: 16 companies		44 brands	>29402.695 turnover	>5,318 stores	>34 countries	

Rating the Companies

We benchmark the practices of Hong Kong companies with that of recognised international standards by applying a rating system. In fact, the rating system has been applied to a number of global companies of different sectors in the past few years, including beverages, food and drugs, food producers and processors, general retailers including apparel, telecommunications and so on.

The analysis uses a rating system based on an online tool, the Gradient Index⁴ developed by AccountAbility⁵ in the UK, through several years of extensive consultation with experts working on supply chain labour issues. The tool aims to promote best practice management of supply chain labour standards and calculates percentage scores for discrete aspects of companies' performance regarding the standards, and allows users to weight each element of performance according to their own views and priorities. This exercise has been done most recently with companies that operate in the Canadian market.⁶

RESEARCH CRITERIA

Criteria for rating

Each company was evaluated against a total of 19 criteria spread among five categories. Each category, in turn, has between two to seven specific criteria. Scores were awarded according to how close the reporting efforts of the company were to international labour standards and emerging best practice. The overall score of each company could run from 0 to 100.

The Gradient Index allows users to explore aspects of performance in greater detail by altering the weighting of the core index criteria so as to construct their own index, reflecting their own priorities and interests. In order to allow for an “apple to apple” comparison, Oxfam Hong Kong followed the weighting developed for the assessment of companies in the Canadian market. The table below shows the five categories and the weightings.

Table 1: Gradient Index and Weightings

Category	Weighting (% of total score)
Governance and risk management	10%
Code of conduct	15%
Stakeholder engagement	20%
Management	20%
Auditing and Reporting	35%
Total	100%

The full description of the 19 specific criteria for the five categories and their weightings are in Tables 2 to 6 below.

Table 2: Governance and Risk Management Criteria

This category evaluates the extent to which a company's board of directors have recognised and begun to address the potential risks associated with labour standards compliance in its supply chain. (Worth 10 % of overall score)		
Criteria: Governance and risk management	Scoring	Weighting
1. Board-level responsibility for ethical issues in the supply chain		
There is a formal sub-committee of the Board of Directors with explicit responsibility for ethical issues in the supply chain.	100%	40%
There is a member of the Board of Directors with explicit responsibility for ethical issues in the supply chain.	66.7%	
There is a member of the Board of Directors or committee with responsibility for CSR issues, but it is not clear if this includes responsibility for ethical issues in the supply chain.	33.3%	
There is no evidence of responsibility at the Board of Directors level for ethical issues in the supply chain either specifically or as part of responsibility for CSR issues.	0%	
2. Reporting of labour standards issues in the supply chain as a risk factor		
There is evidence in the annual report and accounts of a systematic analysis of labour standards issues as a risk factor.	100%	30%
There is mention in the annual report and accounts of labour standards issues as a risk factor.	66.7%	
There is mention on the corporate website or in other corporate material of labour standards issues as a risk factor.	33.3%	
There is no mention of labour standards issues as a risk factor.	0%	
3. Risk analysis of ethical issues in the company's existing supply chain		
A risk or exposure analysis of ethical issues in the company's existing supply chain has been conducted.	100%	30%
A risk or exposure analysis of ethical issues in the company's existing supply chain is yet to be conducted, but there is a stated commitment to undertake one.	50%	
There is no mention of conducting a risk or exposure analysis of ethical issues in the company's existing supply chain.	0%	

Table 3: Code of Conduct Criteria

This category assesses public accessibility, completeness, and application of the company's policies and codes of conduct on labour standards in the supply chain. (Worth 15% of overall score)			
Criteria: Code for labour standards in the supply chain	Scoring		Weighting
1. Quality and scope of the code for labour standards in the supply chain			
A code for labour standards in the supply chain exists that covers all ILO core conventions, without qualification or limitation. (see Box 4)	50%	+25% if the code includes a living wage provisions +25% if the code includes an hours of work provision that is consistent with ILO conventions (see Box 5)	60%
A code for labour standards in the supply chain exists that addresses all of the issues of the ILO core conventions but limits or qualifies the company's commitment to one of the ILO core conventions.	25%		
There is no code that addresses labour standards in the supply chain, or a code exists that covers some but not all ILO core conventions, or the code limits or qualifies the company's commitment to more than one of the core conventions.	0%		
2. Publication and availability of the code for labour standards in the supply chain			
The complete code for labour standards in the supply chain is available to the public.	100%		20%
The code for labour standards in the supply chain is referred to in published information.	66.7%		
The company will supply the code for labour standards in the supply chain on request, but there is no reference to it in published information.	33.3%		
There is no evidence of a code for labour standards in the supply chain in published information.	0%		
3. Application of the code for supply chain labour standards			
The code for supply chain labour standards applies to the entire breadth of or almost the entire breadth of the supply chain, including the company's own procurement.	100%		20%
The code for supply chain labour standards applies to the entire breadth of or almost the entire breadth of the supply chain but does not apply to the company's own procurement.	66.7%		
Application of the code is (clearly or deliberately) limited to the North American supply chain or to certain products or to selected suppliers or countries of supply.	33.3%		
It is unclear how much of the supply chain the code for supply chain labour standards applies to, or there is no code addressing labour standards in the supply chain.	0%		

Box 4: Which labour standards?

As a beginning step in a company's labour standards compliance program, a code of conduct should at minimum meet the core conventions of the International Labour Organization (ILO). Core conventions of the ILO include Conventions 29 and 105 on the Elimination of Forced and Compulsory Labour, Conventions 87 and 98 on Freedom of Association and the right to collective Bargaining, Conventions 100 and 111 on the Elimination of Discrimination, and Conventions 138 and 182 on the Abolition of Child Labour.

Three core labour rights to which companies often qualify their commitment are freedom of association, non-discrimination, and the prohibition of child labour. Companies that qualify their commitment to freedom of association and the right to bargain collectively usually indicate that suppliers are only required to respect this right where and when it is legally recognised. In other words, suppliers are not expected to do more than they are required to do by law. A common justification given for qualifying a company's commitment to freedom of association are the legal restrictions on that right in Mainland China.

Regarding child labour, the ILO sets the minimum age at 15, and allows an exception of 14 for some kinds of labour in developing countries. However, companies often qualify their commitment to this core labour right by setting the minimum age for employment at 14 for all countries, or at 15, but 14 "where the law of the country of manufacture allows." While companies may intend this qualification to apply only to developing countries that meet the qualifications for the ILO exemption, a literal interpretation would suggest that 14 is an acceptable minimum age in all countries where the law permits.

Regarding discrimination, the ILO says there shall be no discrimination in access to employment, to particular occupations, training, conditions of employment, pay or benefits on the basis of race, colour, gender, religion, political opinion, national extraction or social origin. Companies that qualify their commitment to non-discrimination often limit its application to illegal forms of discrimination.

Box 5: Hours of work and a living wage

Standards for hours of work for various occupations and workplaces are established by numerous ILO conventions. The general rule is that workers shall not be required to work more than 48 hours per week on a regular basis, that overtime hours shall be voluntary and restricted to 12 hours per week, and that workers are entitled to one day off in every seven-day period.

There is growing consensus on the need to include provisions in codes of conduct that provide for payment of a living wage. While a company should at minimum ensure that the legally-mandated minimum wages are being paid, without restriction, and that the prevailing industry wage in the area is being met, it should also commit to ensuring that the wage being paid is sufficient to meet the workers' basic needs, as determined by the local standards.

Table 4: Stakeholder Engagement

<p>This category assesses the extent to which a company reports actively and engages with key stakeholders, such as non-government organisations (NGOs) and unions, in importing countries and in the country of manufacture. Ongoing and regular engagement was viewed more favourably than irregular or ad hoc engagement. (Worth 20% of the overall score)</p>		
Criteria: Stakeholder engagement	Scoring	Weighting
1. Membership of multi-stakeholder processes		
The company is a member of the Ethical Trading Initiative, the Fair Labor Association or Social Accountability International and/or is involved in a comparable initiative that includes representation from both NGOs and labour.	100%	50%
The company is not a member of the Ethical Trading Initiative, the Fair Labor Association or Social Accountability International or of a comparable initiative that includes representation from both NGOs and labour.	0%	
2. Engagement with NGOs and/or trade unions relating to labour standards in supply chains		
There is evidence of stakeholder engagement over time with NGOs and/or trade unions (excluding membership of groups in the above) that includes engagement in country of manufacture.	100%	50%
There is evidence of stakeholder engagement over time with NGOs and/or trade unions (beyond membership of groups in the above) in the host country only.	66.7%	
There is evidence of only ad hoc stakeholder engagement with NGOs and/or trade unions (beyond membership in Multisectoral Initiatives or MSIs in the above), or it is unclear whether engagement is taking place over time.	33.3%	
There is no evidence of proactive engagement with NGOs and/or trade unions beyond membership in MSIs in the above.	0%	

Table 5: Management

Companies need to have management systems in place that enable it to achieve and maintain compliance. This includes proper training for both factory management personnel and workers on the ground. For instance, both management and workers should be aware of the provisions contained in codes of conduct. (Worth 20% of the overall score)		
Criteria: Management	Scoring	Weighting
1. Resource commitment		
There is a senior manager whose primary responsibility includes labour standards in the supply chain. The manager is two or fewer reporting levels from the board.	100%	30%
There is a senior manager whose primary responsibility includes labour standards in the supply chain. The manager is more than two reporting levels from the board, or it is not clear how many levels from the board he or she is.	50%	
There is no senior manager whose primary responsibility includes labour standards in the supply chain.	0%	
2. Training for buying agents		
There is ongoing, scheduled training for buying agents on labour standards in the supply chain.	100%	25%
There is training for buying agents on labour standards in the supply chain, but it is on an ad hoc rather than a scheduled basis.	50%	
There is no training for buying agents on labour standards in the supply chain.	0%	
3. Training for factory management personnel and workers		
There is ongoing, scheduled training for factory workers and management personnel on labour standards in the supply chain.	100%	25%
There is training for factory workers and management personnel on labour standards in the supply chain, but it is on an ad hoc rather than an ongoing, scheduled basis.	66.7%	
There is training for factory management personnel on labour standards in the supply chain, but there is no training for factory workers.	33.3%	
There is no training for factory management personnel or factory workers on labour standards in the supply chain.	0	
4. Rewards and incentives		
Incentives for senior management and/or purchasing staff are explicitly linked to their performance on labour standards in the supply chain.	100%	20%
Incentives for buying and/or ethical trading staff are explicitly linked to their performance on labour standards in the supply chain.	66.7%	
Incentives for labour teams are explicitly linked to their performance on labour standards in the supply chain.	33.3%	
There is no mention of incentives that are linked to labour standards in the supply chain.	0	

Table 6: Auditing and Reporting

This category rates the extent to which companies report on their audit process to achieve labour standards compliance within their supply chains, how auditing is planned, and how transparent the company is regarding audit findings and corrective action. (Worth 35% of the overall score)		
Criteria: Supply chain auditing and reporting	Scoring	Weighting
1. Commitment to auditing labour standards in the supply chain		
There is a policy committing the company to auditing labour standards across the entire breadth of the supply chain.	100%	15%
There is a policy committing the company to ad hoc auditing or to pilot audits of labour standards across at least part of the supply chain, or the level of commitment to auditing labour standards in the supply chain is unclear.	50%	
There is no evidence of a policy committing the company to any form of auditing labour standards across any part of the supply chain.	0	
2. Status of audit schedule		
An auditing work plan has been scheduled and is currently being implemented.	100%	5%
An auditing work plan has been scheduled but has not yet been implemented.	50%	
There is no scheduled work plan for auditing labour standards in the supply chain, or there is no auditing of labour standards in the supply chain.	0	
3. Public disclosure of manufacturing sites		
The company has publicly disclosed the names and addresses of all of the facilities producing its own branded goods and those of any subsidiary brands owned by the company.	100%	10%
The company has publicly disclosed the names and addresses of all of the facilities producing only its own branded goods.	66.7%	
The company has publicly disclosed the names and addresses of a portion of the facilities producing its own branded goods.	33.3%	
The company has not publicly disclosed the names and addresses of the facilities producing its own branded goods.	0	
4. Transparency of the labour standards auditing methodology		
The supply chain labour standards auditing methodology is publicly available and follows generally accepted practices and/or at least one explicit external standard.	100%	15%
The auditing methodology is not publicly-available and/or is not grounded in a generally accepted practice and/or external standard, or there are audits of labour standards in the supply chain.	0	

Criteria: Supply chain auditing and reporting	Scoring	Weighting
5. External verification of labour standard audits		
There is third party involvement that includes systematic input from NGOs and/or labour in the country of supply into the verification of labour standard audits.	100%	20%
There is third party involvement that includes ad hoc input from NGOs and/or labour in the country of supply into verification of labour standard audits, or it is unclear how systematic this involvement is.	66.7%	
There is third party involvement in the verification of labour standard audits, but there is no input from NGOs or labour in the country of supply.	33.3%	
There is no external verification of supply chain labour standard audits.	0	
6. Reporting the results of audits of labour standards in the supply chain		
There is full and complete disclosure including quantitative analysis of audit findings at the factory or supplier level.	100%	20%
There is some disclosure and analysis of audit findings at a factory or supplier level.	75%	
There is full and complete disclosure and quantitative analysis of aggregate audit findings.	50%	
There is broad commentary on aggregate audit findings, but no figures are disclosed.	25%	
There is no discussion of audit findings.	0	
7. Dealing with non-compliance		
There is a policy for handling instances of non-compliance with the code, and this policy includes a staged approach to dealing with violations.	100%	15%
There is reference to handling non-compliance with the code. Details of how this is handled are given, but there is no indication of a staged approach to dealing with violations of the code.	66.7%	
There is reference to handling non-compliance with the code, but there are no details of the approach used.	33.3%	
There is no mention of dealing with non-compliance with the code.	0	

FINDINGS

Below is the summary of findings; the full report cards for each company are provided in the later section. It should be noted that since our research was based exclusively on publicly available information, it is possible that some of the companies surveyed are taking more action on these issues than they are reporting to the public.

Following the criteria, none of the companies surveyed is currently providing sufficient, credible and verifiable information to consumers or

shareholders to allow informed ethical choices. When this criteria was applied to North American companies, such as Levi Strauss & Co, Nike, Gap Inc., Liz Claiborne, Mountain Equipment Co-operative (MEC) etc, the results showed that of 25 surveyed, only five (the five named) scored more than 50 points. Eleven scored 0 point. It was analysed that companies that have been the target of anti-sweatshop campaigns for the past decade, such as Nike, Levi Strauss & Co and Gap Inc., rate higher than other companies surveyed in the research.

Table 7: Hong Kong Garment Company Scores

Company Name	Total Score
Esprit Holdings Limited	10
Giordano International Limited	10
PMTD Limited	4
Moiselle International Holdings Limited	3
Texwinca Holdings Limited	0
Bossini International Holdings Limited	0
Heroic Rendezvous	0
Young Grace International Limited	0
I.T Limited	0
Veeko International Holdings Limited	0
Lai Sun Garment (International) Limited	0
Goldlion Holdings Limited	0
G2000 (Apparel) Limited	0
Chickeeduck	0
U-Right International Holdings Limited	0
Fashion Community Kitterick (F.C.K)	0

Hong Kong apparel brands have scored much lower, with even the best companies scoring well below even passable levels. Only four companies score above zero. Esprit and Giordano got the highest mark in this exercise, but with only 10 points each. This is to some extent expected; Hong Kong companies are under much less pressure than companies such as Nike, Levi Strauss & Co. and so on, which have been the targets of anti-sweatshop campaigns for the past decade. Nevertheless, as Hong Kong brands expand beyond Asian markets, they will come under increased scrutiny; it is possible that they will face increased scrutiny at home as a younger generation of consumers, investors and other stakeholders start to take an interest in the issues outlined here.

Box 6: Scores of retailers and brands selling clothes in the Canadian market

Company Name	Total Score (%)
Levi Strauss & Co	71
Nike	69
Gap Inc.	68
Liz Claiborne	58
Mountain Equipment Co-operative(MEC)	58
Hudson's Bay Company (HBC)	37
Wal-Mart	30
American Eagle Outfitters	29
Winners(TJX)	29
Roots	24
La Senza	22
Mark's Work Wearhouse (Canadian Tire)	21
Northern Group	5
Sears Canada	5

Companies that score 0 on all criteria:

Forzani Group, Le Château, Polo Ralph Lauren, Reitmans, Boutique Jacob, Giant Tiger, Grafton-Fraser, Harry Rosen, International Clothiers, Tristan and America, YM Inc.

CONCLUSION AND RECOMMENDATIONS

Conclusion

It is clear that all of the companies surveyed can do much better. No company is providing nearly enough public material on what their activities are in the supply chain. There is no way for any stakeholder to use the information provided publicly to assess compliance on any issue relating to labour standards. Companies need to address low scores on every criterion and engage stakeholders.

All companies require greater levels of transparency and should be mindful of the need to appoint appropriately senior people at the Board level to take responsibility for ethical labour standards and compliance issues, as well as ensuring they are integrated throughout the supply chain. In this way, Hong Kong companies can enhance their reputation, attract more investment and identify problem areas earlier by setting systems in place to be more transparent. The risks associated with a failure to be transparent include reputational damage in the long run and a failure to engage with key issues that could be financially risky for the company. In recent years, increasing levels of transparency around non-financial factors have been requested by more investors. Although several companies (Esprit, Giordano, PMTD and Moiselle) have embarked on public reporting and taking responsibility for labour standards in their supply chains, there is still a long way to go and more engagement is needed.

There is a need for greater engagement with stakeholders of all types, including companies, consumers, investors, NGOs and unions, manufacturer associations, workers and the public. Oxfam Hong Kong believes that combined and complementary policies and actions by various actors will be needed to adequately address labour standards issues in global supply chains. We, therefore put forward the following recommendations to companies, consumers and investors. If implemented, these recommendations would set the stage for collaborative action to reduce, and ultimately, eliminate abusive employment conditions in global supply chains and help reduce poverty and insecurity.

Recommendations to Companies

1. Commit to responsible labour standards in the supply chain at the highest level of corporate management and ensure that an understanding of these standards and the benefits of insisting on high standards are integrated throughout the company.
2. Provide transparent CSR reports to consumers, to shareholders and to civil society, about progress in labour standards in the company's supply chains and ongoing policies to improve them, including on companies' websites.
3. Assign overall responsibility for labour rights in the supply chain to senior management and ensure that the Board of Directors also has a committee paying attention to this important issue.
4. Adopt a code of conduct that applies the standards of International Labour Organization conventions and ensure it is done in a way which takes into account the particular problems and needs of women.
5. Facilitate worker rights training, ideally including courses organised by local NGOs and labour organisations for workers and management personnel at the factory level and ensure that suppliers and workers are knowledgeable about their rights and responsibilities under the code and local law.
6. Support the creation of representative workers' organisations and complaint systems for workers at all levels of the supply chain.
7. Take gradual steps to publicly disclose the names and addresses of facilities manufacturing goods for your company in the long run.

Recommendations to Consumers and Investors

1. Urge Hong Kong garment companies to provide consumers with sufficient information on labour practices in their global supply chains and their efforts to improve those practices for consumers to make ethical, informed choices when they shop.
2. Express concern over the conditions in which consumer goods are produced, especially the labour standards and practices involved in the production process.
3. Encourage Hong Kong garment companies to work with labour and non-governmental organisations to improve working conditions in garment supply factories.
4. Work with other shareholders and stakeholders to persuade companies to improve their public reporting on labour standards issues, so as to allow investors to track ethical progress and make better informed ethical choices.

INDIVIDUAL COMPANY REPORT CARDS

Esprit Holdings Limited

Brand Name: Esprit

Type of company: Public listed company

Notes: Over 630 directly managed stores worldwide (include Hong Kong, Germany, US, Mainland China, Thailand, Singapore, etc.)

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - No reported evidence	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - No reported evidence	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - Member of Business Social Compliance initiative (BSCI) established by the Foreign Trade Association (FTA)	100	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	50	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	10	/100

Giordano International Limited

Brand Name: Giordano, Giordano Ladies, Giordano Junior, Bluestar Exchange, Blue Navy

Type of company: Public listed company

Notes: Over 1,500 stores worldwide (Hong Kong, Mainland China, Japan, Korea, Taiwan, Singapore, Indonesia, Australia, Thailand, Philippines, etc.)

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is a 'Core Ethical Sourcing Requirement' - The code only covers one of the ILO conventions: <i>The factory does not use forced or prison labour in any part or aspects of its facilities</i>	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - It is published on their website http://www.giordano.com.hk/web/HK/investors/social-requirements.html	100	20
2.3 Application of the code for supply chain labour standards - Code applies to entire breadth of production (but not their own procurement): <i>The Core Ethical Sourcing Requirement are the unconditional minimum requirement that suppliers must meet in order to conduct business with us</i>	66.7	20
Section total score / section weighting	33.34	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - There is an internal auditing program that applies to all factories in supply chain. <i>The factory is committed to rectifying any areas of concern identified during factory audits by Giordano or appointed third party auditors</i>	100	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	15	X 35%
Total Score	10	/100

PMTD Limited

Brand Name: 2%, +-x÷, th:

Type of company: Private limited company

Notes: 108 stores in Hong Kong, Mainland China, Macau, Taiwan, Singapore and Australia

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is Code of Conduct but a copy was not available to us	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - The Code of Conduct in the supply chain is available on request, but there is nothing publicly available related to the Code of Conduct	33.3	20
2.3 Application of the code for supply chain labour standards - The Code applies to entire breath of the supply chain, including its own procurement	100	20
Section total score / section weighting	26.66	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	4	/100

Moiselle International Holdings Limited

Brand Name: Moiselle, imaroon, M.Kids

Type of company: Public listed company

Notes: 75 stores in Hong Kong, Mainland China, Taiwan and Canada

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is a Code of Conduct for the suppliers but does not cover all ILO core conventions	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - The company will supply the code of conduct on request, but there is no reference to it in published information	33.3	20
2.3 Application of the code for supply chain labour standards - Code applies to entire breath of production (but not their own procurement)	66.7	20
Section total score / section weighting	20	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	3	/100

Texwinca Holdings Limited

Brand Name: Baleno, Samuel&Kevin, Baleno Attitude, E-Base, IP Zone

Type of company: Public listed company

Notes: 971 stores in Hong Kong, Mainland China, Taiwan, Macau, Singapore, Malaysia and Middle East

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

Bossini International Holdings Limited

Brand Name: Bossini, Sparkle

Type of company: Public listed company

Notes: 678 stores worldwide (include Hong Kong, Mainland China, Taiwan, Singapore, Thailand, Philippines, Vietnam, Columbia, Vietnam and Middle East)

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

Heroic Rendezvous

Brand Name: Heroic Rendezvous

Type of company: Private limited company

Notes: 4 stores in Hong Kong

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

Young Grace International Limited

Brand Name: .I.S.O.

Type of company: Private limited company

Notes: 8 stores in Hong Kong

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

I.T Limited

Brand Name: I.T, b+ab, <http://www.izzue.com>, 5cm

Type of company: Public listed company

Notes: Over 116 stores in Hong Kong, Mainland China and Malaysia

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

Veeko International Holdings Limited

Brand Name: Veeko, Wanko, i-MIX

Type of company: Public listed company

Notes: 121 stores in Hong Kong, Mainland China, Taiwan, Singapore and Macau

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

Lai Sun Garments (International) Limited

Brand Name: Crocodile

Type of company: Public listed company

Notes: 18 stores in Hong Kong and Mainland China

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

Goldlion Holdings Limited

Brand Name: Goldlion, Van Garie

Type of company: Public listed company

Notes: 8 stores in Hong Kong. Also have stores in Singapore, Malaysia and Mainland China

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

G2000 (Apparel) Limited

Brand Name: G2000, U2, UWN

Type of company: Private limited company

Notes: Over 700 outlets in Hong Kong, Mainland China, Macau, Singapore, Taiwan, Malaysia, Thailand, Indonesia, Korea, Philippines etc

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

Chickeeduck

Brand Name: Chickeeduck

Type of company: Private limited company

Notes: 45 stores in Hong Kong, Mainland China, Singapore, Indonesia, Australia etc.

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

U-Right International Holdings Limited

Brand Name: U-Right

Type of company: Public listed company

Notes: 360 outlets in Hong Kong, Mainland China and Middle East

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

Fashion Community Kitterick (F.C.K)

Brand Name: F.C.K, Kitterick, K-2, a.y.k, indu homme, red"s

Type of company: Private limited company

Notes: 22 stores in Hong Kong and 2 in Mainland China. Also has retail presence in Southeast Asia, Taiwan, Korea, Japan, Australia and US.

Notes on Findings	Company Score	Question Weighting (% of section)
1. Governance and Risk Management		
1.1 Board-level responsibility for ethical issues in the supply chain - No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor - No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of ethical issues in the company's existing supply chain - No mention of comprehensive risk analysis of labour standards issues in the company's supply chain	0	30
Section total score / section weighting	0	X 10%
2. Code for Labour Standards in the Supply Chain		
2.1 Quality and scope of the code for labour standards in the supply chain - There is no reported evidence of a Code of Conduct	0	60
2.2 Publication and availability of the code for labour standards in the supply chain - Nothing publicly available related to a Code of Conduct	0	20
2.3 Application of the code for supply chain labour standards - No reported evidence of a code	0	20
Section total score / section weighting	0	X 15%
3. Stakeholder Engagement		
3.1 Membership of multi-stakeholder processes - No reported evidence	0	50
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain - No reported evidence	0	50
Section total score / section weighting	0	X 20%

Notes on Findings	Company Score	Question Weighting (% of section)
4. Management		
4.1 Resource commitment - No reported evidence	0	30
4.2 Training for buying agents - No reported evidence	0	25
4.3 Training for factory management personnel and workers - No reported evidence	0	25
4.4 Rewards and incentives - No reported evidence	0	20
Section total score / section weighting	0	X 20%
5. Supply Chain auditing and reporting		
5.1 Commitment to auditing labour standards in the supply chain - No reported evidence	0	15
5.2 Status of audit schedule - No reported evidence	0	5
5.3 Public disclosure of manufacturing sites - No reported evidence	0	10
5.4 Transparency of the labour standards auditing methodology - No reported evidence	0	15
5.5 External verification of labour standard audits - No reported evidence	0	20
5.6 Reporting the results of audits of labour standards in the supply chain - No reported evidence	0	20
5.7 Dealing with non-compliance - No reported evidence	0	15
Section total score / section weighting	0	X 35%
Total Score	0	/100

ENDNOTES AND REFERENCES

Endnotes

1. Adapted from International Labour Organization, *Global Employment Trends Brief*, January 2006, available online at www.ilo.org/public/english/employment/strat/download/getb06en.pdf
2. For the full report, please visit www.maketradefair.org.hk/trad/news_eng1.asp
3. Number of Esprit and Red Earth stores/units in Europe and North America are 234 and 60, respectively.
4. The analysis uses a scoring system based on AccountAbility's online tool, the Gradient Index, available at www.gradient-index.net.
5. AccountAbility is an international not-for-profit professional institute based in the UK dedicated to the promotion of organisational accountability for sustainable development through the development of innovative and effective accountability tools. For more information, visit www.accountability.org.uk
6. Ethical Trading Action Group (ETAG) in association with AccountAbility, *Coming Clean on the clothes we wear: Transparency Report Card*, downloaded from www.maquilasolidarity.org/resources/index.htm, December 2005. ETAG is a coalition of faith, labour and non-governmental organisations in Canada

advocating for government policies, voluntary codes of conduct and purchasing policies that promote humane labour practices based on accepted international labour standards. The Maquila Solidarity Network is the secretariat of the ETAG. ETAG includes: Canadian Council for International Cooperation, Canadian Labour Congress, Canadian Auto Workers, KAIROS Canadian Ecumenical Justice Initiatives, Maquila Solidarity Network, Ontario Secondary School Teachers Federation, Oxfam Canada, Steelworkers Humanity Fund, and UNITE HERE.

References

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Accountability and Insight Investment, 2004. *Gradient: Promoting best-practice management of supply chain labour standards*, London.

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