



# Direct Supplier Sourcing Manual

2021



# Contents

## 1. Introduction

Our Commitment	3
----------------	---

## 2. Our Standards and Policies

Code of Conduct	4
-----------------	---

## 3. Our Memberships

Collaborating for better	5
--------------------------	---

## 4. Our Supply Chain

Who we source from	6
--------------------	---

## 5. Our Ethical Trade Process

5.1 New Factory Setup	8
5.2 Audit Report Submission	9
5.3 Pentland Social Audit	10
5.4 CR Rating	11
5.5 CR Approval	11
5.6 Remediation and CAP Online	12
5.7 Follow Up Audit	12
5.8 Re-Audit	12
5.9 Factory Change	12

## 6. Zero Tolerance Issues

ZT Issue list	13
---------------	----

## 7. Modern Slavery

Potential Indicators	16
----------------------	----

## 8. Supply Chain Footprint

8.1 Restricted Substances List (RSL)	18
8.2 Ethical materials policy	19
8.3 Higg Facility Tools	22

# 1. Introduction

Pentland Brands is the name behind some of the world's best sports, outdoor and lifestyle brands. We own Speedo, Berghaus, Canterbury of New Zealand, Endura, ellesse, KangaROOS, SeaVees, Red or Dead and Mitre. We're also the UK licensee for Kickers and we manage the Fitco business. We have a joint venture partnership for Lacoste footwear.

Our products are available in over 190 countries and are sold either directly or are represented by licensees and distributors.

Pentland Brands Ltd is a division of Pentland Group based in the UK. You can find out more about Pentland Group [here](#).

## Our Commitment

Pentland Brands is committed to being a Positive Business that takes action for people and our planet. Respect for people and the environment has long been at the heart of our business. We strive to do the right thing, not the easy thing, and make all our decisions in good conscience.

**Corporate Responsibility (CR)** here focuses on three areas: how we act as company, the impact we can have through our products, and our responsibility to the communities in which we operate. Specifically, for sourcing that is:

- Doing business ethically
- Ensuring our products meet the highest quality and safety standards
- Reducing the environmental impact of materials and processes
- Protecting the human rights of those within our supply chain

From the very beginning of a relationship with a new supplier, we ensure the supplier understands how important Corporate Responsibility is to our business.

## 2. Our Standards and Policies



We have Our Standards and policies in place to protect vulnerable workers in our supply chain and reduce the environmental impact of our materials and processes, which are publicly available at our [website](#). These include but are not limited to

- Our Standards
  - Child labour and young worker policy
  - Migrant worker policy
  - Homeworking policy
  - Responsible Exit policy
  - Restricted Substances List
  - Ethical Materials Policy
- Our Standards sets out what we expect from our employees, partners and suppliers. It includes guidance on how to do business ethically, with integrity and with respect for people. This document is available in 16 languages.
  - We're committed to trading ethically. The Code of Conduct in Our Standards (Section D) reflects the Ethical Trading Initiative (ETI) base code and International Labour Organisation (ILO) conventions.

### Code of Conduct

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour shall not be used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practiced
- Regular employment is provided
- No harsh or inhumane treatment is allowed
- Unauthorized subcontracting is not permitted

All suppliers producing products for Pentland Brands, either directly or indirectly (via licensee, agent or declared and approved subcontracting relationships), must comply with our **Code of Conduct**.



### 3. Our Memberships



We collaborate with organisations in our industry to bring about positive change. This ensures we adhere to best practice and allows us work with other global brands. We are active members and supporters of the following:

**United Nations Global Compact (UNGC)** - The world's largest corporate sustainability initiative. A call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals.

**Ethical Trading Initiative (ETI)** A leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe.

**Better Work** - A comprehensive programme bringing together all levels of the garment industry to improve working conditions and respect of labour rights for workers and boost the competitiveness of apparel businesses.

**Action, Collaboration, Transformation (ACT)** - An agreement between 20 global brands and retailers and IndustriALL Global Union to transform the garment, textile and footwear industry and achieve living wages for workers through collective bargaining at industry level linked to purchasing practices.

**Sustainable Apparel Coalition (SAC)** - Developing Higg Index tools to improve and standardise the reporting of environmental impact across supply chains, including Product Module (PM), Material Sustainability Index (MSI), Facility Environmental Module (FEM), Facility Social & Labour Module (FSLM) and Brand & Retail Module (BRM).

**Apparel and Footwear International RSL Management (AFIRM) Group** - A collaborative effort to reduce the use and impact of harmful substances in the apparel and footwear supply chain. One of its areas of focus is to create an industry wide RSL to provide an aligned approach to managing restricted substances across the largely shared global supply chains of member brands.

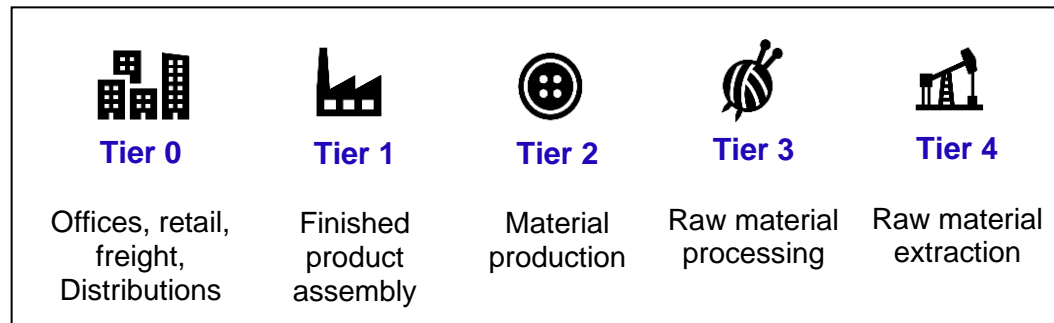
**The Microfibre Consortium** - Developing practical solutions for the textile industry to minimise microfibre release to the environment from textile manufacturing and product life cycle.

## 4. Our Supply Chain

Before a finished shirt, shoe or other product reaches us for retail and distribution, it passes through the hands of many workers and several tiers of our supply chain around the world.

### Supply Chain Tiers

We follow the supply chain Tier definition defined by the Sustainable Apparel Coalition (SAC). The supply chain tiers follow the manufacturing process below.



### Tier 1 factory

This includes 1) The finished product factories that manufacture or assemble branded products, for salesman sampling or retail purposes.  
2) The subcontracted factories that are involved in cutting, stitching or assembly processes which produce items featuring a brand name or logo.

### Supplier

The supply chain partner that supplies finished products. A supplier may own or manage multiple Tier 1 factories that cut, sew and assemble products for our brands.

### Direct Sourcing

This means we order products directly from the suppliers at Tier 1 factories.

### Supply Chain Transparency

We're transparent about who we source from because it means our factories are accountable for their standards and we can work in a way that's both open and constructive.

We require our suppliers to identify and disclose all factories producing items for Pentland Brands.

We publish a list of the Tier 1 factories that manufacture our products and a list of nominated Tier 2 factories on our [website](#).

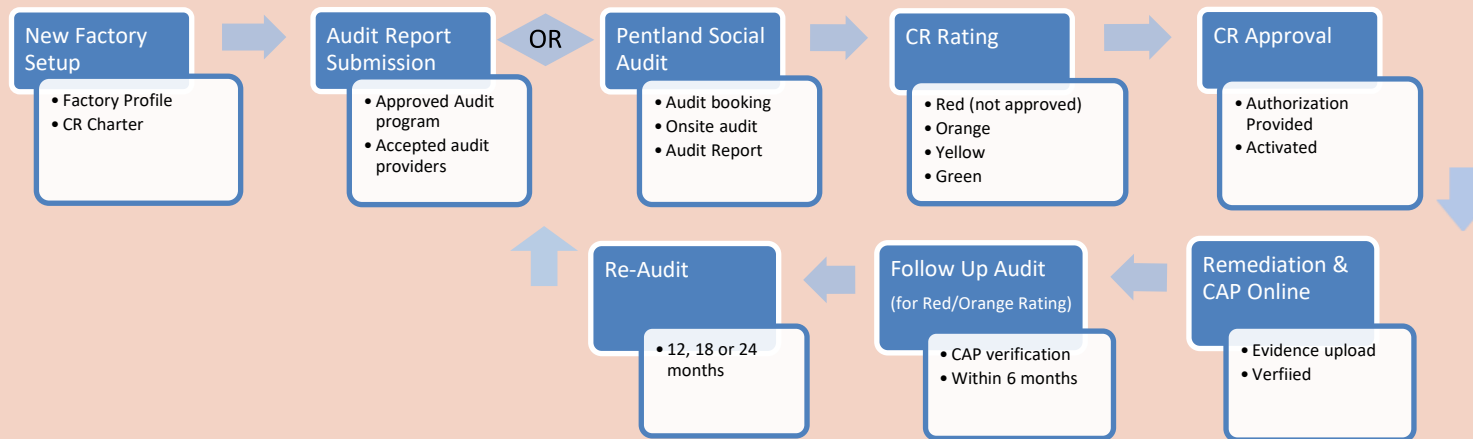


## 5. Our Ethical Trade Process

### General Requirements

To ensure suppliers' compliance to our Code of Conduct, we have a dedicated CR team and an established factory review process to monitor factories' working conditions from the moment we consider working with a new supplier and regularly for the duration of our partnership.

All Tier 1 factories must go through the [Ethical Trade Process](#) below. All Tier 1 factories producing for Pentland Brands must apply CR approval prior to the placement of production orders. Besides Tier 1 factories, we are also rolling out the ethical trade process to our nominated Tier 2 factories.



## 5.1 New Factory Setup

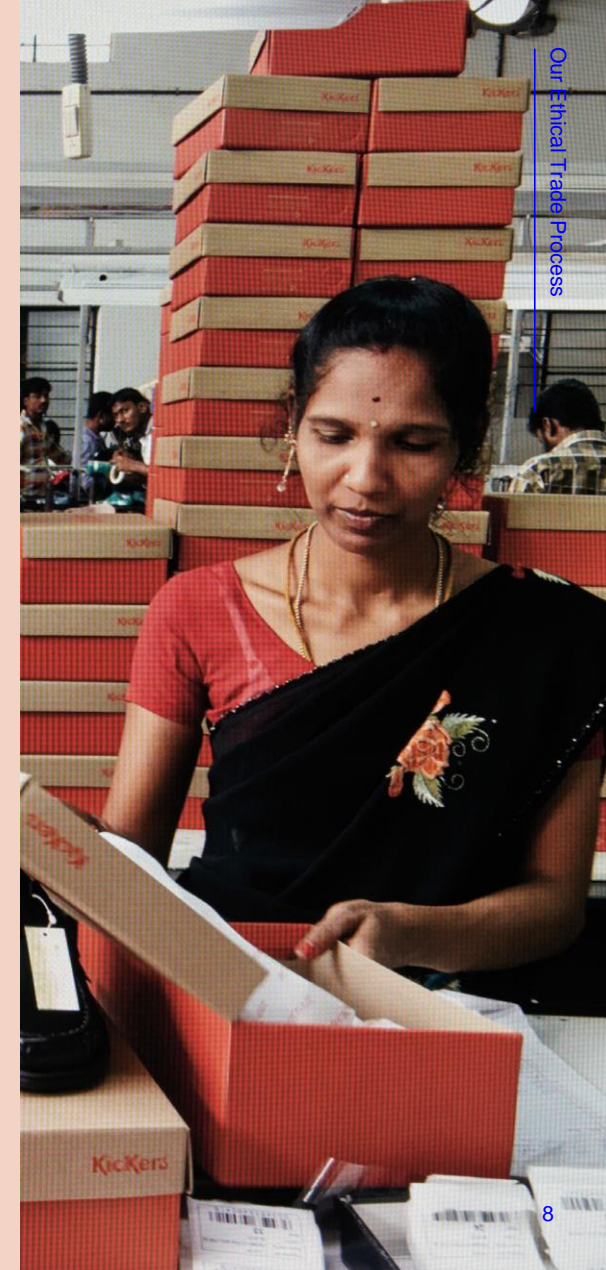
When Pentland Brands onboards a new factory, our CR team will be introduced to the new factory to undertake the ethical trade process. New factories must learn our standards and policies to understand our requirements. These documents are all publicly available at our [website](#), and include

- Our Standards
- Child labour and young worker policy
- Migrant worker policy
- Homeworking policy
- Responsible Exit policy
- Restricted Substances List
- Ethical Materials Policy

New factories need to return a copy of [Pentland CR Charter](#) signed off by factory management to confirm they have read and agreed to follow Our Standards and policies.

New factories need to complete a [Factory Profile Form](#) to provide factory basic information. The factory must have a management employee who is responsible for corporate responsibility. The contact of the factory's corporate responsibility representative must be listed in the factory profile form.

After receiving these documents, our CR Team will create a factory account on our system and generate a factory code. Factory status is set as Pending.





## 5.2 Audit Report Submission

Suppliers need to submit a factory's social audit report for our CR team to review.

A social audit assesses a company's systems, its documentation, and working conditions focusing on areas such as wages, working hours, health & safety, and employee treatment against the Ethical Trading Initiative (ETI) Base Code, as well as local laws.

We only accept **semi-announced** or **unannounced audits** from the list below and conducted within the last 12 months.

Approved Audit Program	Accepted Audit Providers
Pentland Social Audit	Bureau Veritas
SLCP	SLCP approved auditors
SMETA	APSCA registered auditors
Better Work	Better Work approved auditors
BSCI	BSCI approved auditors
SA8000	SA8000 accredited auditors

The social audits are carried out by third-party auditors, who speak the local language. The audit type at different stages includes full initial audit, follow-up audit, partial follow up audit, periodic audit/ re-audit.

Following the audit, factory will receive a formal audit report and corrective action plan (CAP) which states the issues identified.

A valid audit report should include the information of latest full audit, i.e., initial full audit or periodic full audit.

### Please note:

- All audit reports must be written in English.
- Announced audits won't be accepted.
- For SMETA audit, Pillar 2 is acceptable. Auditors' APSCA member number should be indicated.
- For SLCP verification, Step 2 must be applied.
- For SA8000 initial certification, stage 2 audit must be included.

It is the suppliers' responsibility to submit an acceptable audit report to Pentland Brands to maintain audit validity. This includes:

- choosing the approved social audit program and accepted audit company
- booking for the audit
- paying for the audit
- cooperating with the audit company and/or program to complete the audit
- sending the audit reports to Pentland Brands within specified timelines

## 5.3 Pentland Social Audit

We have our own audit program called **Pentland Social Audit** which is designed on our Code of Conduct. The Pentland Social Audit is semi-announced and will be conducted by our nominated audit company **Bureau Veritas (BV)** within a two-week audit window.

In case no valid audit report can be submitted for review, we will recommend suppliers to book a Pentland Social Audit or SMETA audit with BV. Pentland brands has negotiated a preferential audit cost with BV for our suppliers. It will take 1 – 4 Auditor Days to complete a full audit depending on the number of factory employees.

Employee Number	1 - 100	101 - 500	501 - 1000	1001 +
Full Audit Auditor-day	1	2	3	4
Follow Up Audit Auditor-day	1	1	1	2

BV company audit team will manage directly the audit process with suppliers. Normally it will need a minimum of 6 weeks to complete the process and get the audit report.

- **Audit Booking** – Suppliers need to book the audits 2 - 3 weeks in advance of required audit dates on audit company's booking system: <http://www.bureauveritas-cps.uk/pentland/>.
- **Audit Confirmation** – The audit company will provide audit quotation within 2 working days after receiving audit booking. Audit company will confirm the audit window and provide audit preparation documents to suppliers. Suppliers need to pay the audit fees to audit company prior to the audit execution.
- **On-site auditing** – Auditors will visit and audit the factory within the confirmed audit window. It will be made up of the following stages:
  - a) Opening meeting to introduce and confirm audit agenda.
  - b) Site tour to understand manufacturing processes and check safety & health condition.
  - c) Document review to check documents (Labor contracts, payrolls, time records, etc.) referring to the Document Checklist provided to factories.
  - d) Worker Interview to understand workers' working conditions (individuals and groups, totally confidential).
  - e) Closing meeting to report non-conformance (NC) findings and sign off corrective action plan (CAP) draft.
- **Audit reporting** – Auditors to complete the audit report within 5 working days after the audit, issue it to our CR team for review and distribute the final report to factories.

## 5.4 CR Rating

Our CR team will review the submitted social audit report and conduct compliance classification for each NC finding. The overall CR rating will be a cumulative score, assigned as Red, Orange, Yellow, or Green, which will dictate the audit validity period.

We award good results on audits with longer audit validity, please see the structure below:

Finding Compliance Classification	Overall CR Rating	CR Approval	Audit Validity Period	Follow Up Audit
Zero Tolerance	Red	No	0 month	ASAP
Critical	Orange	Yes	12 months	6 months
Minor	Yellow	Yes	18 months	-
No issue	Green	Yes	24 months	-

## 5.5 CR Approval

Our CR team will inform suppliers of the acceptance of audit report, the CR rating results and the audit validity period by email. The CR approval will be issued to new factories assigned with a Orange, Yellow or Green CR rating. The factory status will be activated as an Approved Factory on our system and the factory is authorised to produce for Pentland Brands.



## 5.6 Remediation and CAP

Our CR team will process the accepted audit report and NC findings to factory account on our system. We will provide factory account access along with guidance to suppliers on how to use the system to complete the CAP. Factories need to fill action plans into CAP within 10 days, take remediation actions to all issues within agreed timeframe and upload improvement evidence within 6 months.

Our CR team will review CAP evidence and then update the CR rating and extend the audit validity based on the CAP verification status.

## 5.7 Follow Up Audit

In case there are zero tolerance or critical issues that cannot be verified via desktop review, our CR team will require suppliers to book a Follow Up Audit within 6 months after the initial audit. The follow up audit will focus on the CAP improvement verification and shall be carried out by one of our approved or nominated third party audit companies. Normally, it will take 1 or 2 days to complete a follow up audit.

Our CR Team will update the CR rating and extend audit validity based on the follow up audit results.

## 5.8 Re-audit

The audit validity period will be 12 months, 18 months or 24 months depending on the CR ratings assigned by our CR team.

Our CR team will require suppliers to have a Re-Audit before the end of audit validity. Failure to submit an acceptable Re-Audit report by audit due date will result in factory status “Inactive”.

## 5.9 Factory Change

Suppliers need to keep the brand updated with any significant changes related to the approved factories. If suppliers are going to move any production of Pentland Brands to a new location, suppliers shall notify Pentland brands by emails and obtain our CR approval in advance.

## 6. Zero Tolerance Issues

Zero Tolerance issues are a severe violation of Our Standards or local laws which present a very serious or imminent risk to the worker's safety and life, or which constitutes flagrant workers' human rights violations.

Zero Tolerance issues are not acceptable to Pentland Brands and new purchase orders will be halted until all Zero Tolerance issues are resolved.

Pentland Brands CR team has a Non-Compliance (NC) Grading list to decide ZT issues. In general, Pentland Brands will consider the following violations, but not limited to below listed, as Zero Tolerance issues:

Clause	Zero Tolerance
Management Systems and Code Implementation	<ul style="list-style-type: none"><li>• Factory operating without legal business license</li><li>• Withholding true records, manipulation/ falsification of factory records</li><li>• Access to factory, dormitory, workers or documentation denied</li></ul>
Employment is Freely Chosen	<ul style="list-style-type: none"><li>• Controlled access from site / Withholding travel documents /Restrictions on returning home</li><li>• Original copies of government issued documents retained by factory</li><li>• Charge workers for recruitment or placement fees or agency service fees / transport fees/ training fees</li><li>• Use of bonded labour - unreasonable interest rates / unreasonable evaluation of services provided</li><li>• Use of financial deposits</li><li>• Use of involuntary prison labour</li><li>• Terminating or disciplining workers who refuse to work overtime</li></ul>
Freedom of Association and Collective Bargaining	<ul style="list-style-type: none"><li>• Worker's legal rights to associate freely or to join unions or employment committees are denied</li><li>• Workers representatives are discriminated against or are unable to carry out their functions</li></ul>
Working Conditions Are Safe and Hygienic	<p>Management / Training</p> <ul style="list-style-type: none"><li>• Children allowed on factory production area</li></ul> <p>Fire Safety</p> <ul style="list-style-type: none"><li>• Electrical installation presenting imminent risks to workers' life, e.g. exposed wiring, naked wiring, etc.</li><li>• Fire alarm system not fitted throughout entire facility or fire alarms not working or not accessible</li><li>• Insufficient unblocked/unlocked emergency exits</li></ul>



## 6. Zero Tolerance Issues

If a Zero Tolerance issue is identified, Pentland will implement our Zero Tolerance Policy, which outlines how issues will be managed and escalated within the business.

Our CR team will work closely with our suppliers to remediate the ZT issues identified. Factories are required to confirm their remediation plan, analyse root causes and take action to remedy the issues effectively.

Clause	Zero Tolerance
Working Conditions Are Safe and Hygienic	<ul style="list-style-type: none"> <li>Only 1 exit per floor in workplaces or dormitories</li> <li>Lack of basic fire safety equipment</li> <li>No applicable structural integrity certificate/inspection where it is observed there is an immediate risk of building and constructions for workers health and safety</li> </ul> <p>Chemicals</p> <ul style="list-style-type: none"> <li>Use of banned substances by Pentland Brands or National Laws</li> </ul> <p>Worker Health</p> <ul style="list-style-type: none"> <li>Air quality test reports show high levels of pollutants in the air (exceeding legally permissible limits)</li> </ul> <p>Accommodation</p> <ul style="list-style-type: none"> <li>Restricted liberty in dormitories including unreasonable curfews/ dormitory rooms are locked from the outside at night</li> <li>Areas of dormitory building used for production and/or storage of hazardous materials</li> <li>Production (or material warehouse) and worker dormitory buildings are attached</li> </ul>
Child Labour Shall Not Be Used	<ul style="list-style-type: none"> <li>Use or recruitment of workers younger than 15, or higher if required by law, either on or off the books</li> </ul>
Living Wages Are Paid	<ul style="list-style-type: none"> <li>Illegal fines or monetary penalties used as a form of disciplinary action affecting the basic wage</li> <li>No pay record for any sampled months</li> <li>Pay or piece rate earnings less than statutory minimum wage</li> <li>Payment or part payment of wages is delayed for more than 1 legal pay period</li> </ul>
Working Hours Are Not Excessive	<ul style="list-style-type: none"> <li>Average workweek hour &gt; 72 hours in a month of any sampled months (for 25% or more of sampled workers)</li> <li>Daily working hours exceed 13 hours</li> <li>No one day off in a month in the sampled months (any workers)</li> <li>No time records available for review.</li> <li>Workers are not allowed to take any entitled leave, e.g. annual leave, sick leave, maternity leave</li> </ul>

## 6. Zero Tolerance Issues

New factories will not get CR approval for production until all ZT issues are corrected.

For existing active factories, in case ZT issues are not remediated, we will escalate the case and require business relationship suspension or termination.

We will follow the ACT responsible exit policy to minimise any negative impact on factory employees.

Clause	Zero Tolerance
No Discrimination is Practised	<ul style="list-style-type: none"> <li>Lack of equal pay (basic wage) for equal work</li> <li>Mandatory pregnancy testing except when required by law</li> <li>Unfair dismissal or abuse of vulnerable workers: cover pregnant workers, migrant workers, homeworkers / members of trade unions</li> <li>Verifiable incidents of discrimination based on race, gender, religion, ethnicity, sexuality, nationality or personal beliefs</li> </ul>
Unauthorized subcontracting is not permitted	<ul style="list-style-type: none"> <li>Unauthorised sub-contractors used for Pentland production (cutting, sewing and linking processes only)</li> <li>Refusal to provide OR non-disclosure of subcontractor details used for Pentland product</li> </ul>
No harsh or inhumane treatment is allowed	<ul style="list-style-type: none"> <li>Physical punishment, sexual harassment, extreme verbal abuse, intrusive searches</li> </ul>
Entitlement to Work	<ul style="list-style-type: none"> <li>No or invalid right to work documentation</li> </ul>
Environment	<ul style="list-style-type: none"> <li>Asbestos found in factory in high risk/high traffic areas but condition not monitored or safely maintained</li> <li>Improper discharge of hazardous waste with significant impact to worker or community, e.g. Discharge of untreated industrial effluent to water body</li> </ul>
Bribery	<ul style="list-style-type: none"> <li>Attempts to bribe company representatives</li> </ul>

## 7. Modern Slavery

Modern slavery is a prevalent issue within modern supply chains, with apparel and footwear industries showing increased risk, based on their dependency on low-cost labour.

At Pentland Brands, we recognise that we are in a high-risk industry, and we are committed to minimising the risk of instances of modern slavery in the work that we do.

The UK government has introduced a provision in the Modern Slavery Act 2015 that requires any business that supplies goods or services, and has an annual turnover of £36 million, to produce a statement setting out the steps they have taken to address the risks of modern slavery in their own business and their supply chains.

As such, Pentland Brands must report annually on how modern slavery is being tackled in their supply chain, which can be found [here](#).

[The report contains information on how Modern Slavery will be addressed within our supply chains.](#)

# 7. Modern Slavery

## Potential indicators of Modern Slavery

When reviewing audits, suppliers should be aware that evidence of one or more of the following indicators may mean that our CR team will need the suppliers to seek further information from the factory.

### + Poor recruitment practices

The use of third-party recruiters can be high risk if the factory has no clear understanding of whether employment has been agreed formally or informally.

### + High numbers of migrant workers

Migrant workers often face inequalities in the labour market and can be vulnerable to exploitation. Where the number of migrant workers is high, and migrant workers originate from high risk countries as indicated on the [Global Slavery Index](#), the risk of Modern Slavery is increased.

### + Documents withheld

In order to restrict movement, victims of Modern Slavery may have their passports or other identification documents taken away, in order to restrict their movement. Instances where they are held by factory management for 'safekeeping' will require further investigation by the supplier and the Corporate Responsibility team.

### + Lack of employment contracts

Lack of employment contracts can mean that workers have no formal agreement in place with regards to their pay and their hours. Where there are no contracts, employment status is unofficial, which can be an indicator of Modern Slavery.

### + Excessive overtime with no days off

Excessive overtime hours, coupled with no days off, can be viewed as conditions tantamount to Modern Slavery and will require further investigation by the Corporate Responsibility team.

## 8. Supply Chain Footprint

Pentland Brands is committed to being a responsible business and this includes taking steps to protect people and reduce our environmental footprint.

- We manage the use of restricted substances in the manufacture of products and comply with relevant legislation.
- We encourage suppliers to improve the environmental efficiency and working conditions of their manufacturing facilities.
- We measure the social & environmental impacts across our supply chains and make improvements that protect the well-being of factory workers, local communities, and the environment.





## 8.1 Restricted Substance List

Pentland Brands requires that its products are manufactured with regard for the safety of consumers and factory workers, and with consideration for the wider environment.

**Pentland Brands' Restricted Substances List (RSL)** provides details of potentially harmful substances that are restricted by Pentland and applies to all products sold under the name of any of the Pentland family of brands.

Our RSL is aligned to that of the [AFIRM group](#) and provides minimum standards that should be exceeded where possible. In applying it, suppliers must comply with national and other applicable regulations in both manufacturing and distribution territories. Where the provisions of the law and this RSL address the same chemical, factories should apply the provision that gives the greater protection.

Factories are required to have systems in place to ensure any Pentland branded products placed on the market comply with the Pentland Brand's RSL (or equivalent RSL approved by Pentland Brands).



## 8.1 Restricted Substance List

Suppliers' obligations in relation to restricted substances include, at a minimum:

- + Distributing copies of the most recent RSL through the supply chain, making all parties aware of the need to demonstrate ongoing compliance.
- + Maintaining full visibility of all components within a product, and their composition.
- + Running a testing program which provides evidence of a product's compliance with the RSL.
- + Submitting written requests for approval to Pentland Brands for the use of specific chemicals that require additional permissions (these are highlighted in the RSL).



## 8.2 Ethical materials policy

Materials used must comply with Pentland Brand's [Ethical materials policy](#). Suppliers are required to have processes in place to ensure compliance.

Pentland's brands reserve the right to have their own, more stringent requirements additional to this policy.

Suppliers' obligations include:

1. Distributing copies of the policy through the supply chain, making all parties aware of the need to demonstrate ongoing compliance.
2. Maintaining full details of any animal-based materials used in Pentland branded product, including the species of animal used.
3. Seeking evidence and relevant certification to ensure that any materials used in Pentland branded product meet Pentland Brand's requirements.

## Preferential ethical material sourcing

Leather and skins should be preferentially sourced from tanneries awarded medal ratings by the **Leather Working Group (LWG)**.

Down should be preferentially sourced from suppliers complying with the **Responsible Down Standard (RDS)**.

Sustainable cotton, including **Better Cotton Initiative (BCI)** or certified organic, should be preferentially sourced.

Wool should be preferentially sourced from suppliers complying with the **Responsible Wool Standard (RWS)**.

### [Pentland Brands' involvement](#)

Pentland Brands reserves the right to:

Request information with regards to chemical testing or product safety programmes, and request additional testing where insufficient information is provided at cost to the suppliers.

Make additional requirements for particular ranges or products, including mandating the use of RDS, bluesign® or Oeko-tex® approved materials.

## 8.3 Higg Facility Tools

We know that the majority of our environmental footprint is associated with our supply chain.

The **Higg Index** is a suite of self-assessment sustainability tools developed by the [Sustainable Apparel Coalition \(SAC\)](#), that measure social and environmental supply chain impacts in a standardized way.



To enable us to measure and reduce our supply chain footprint, we are asking our manufacturers to adopt the [Higg Facility Environmental Module \(FEM\)](#) to assess its environmental performance and make improvements that reduce negative sustainability impacts.

### What is the Higg FEM?

The Higg FEM standardizes how facilities measure and evaluate their yearly environmental performance. This tool provides a clear picture of the environmental impact that a manufacturer and its facilities are having upon the environment, and the world, as a whole. The Higg FEM helps manufacturers, brands, and retailers identify and prioritize opportunities for performance improvements.

Higg FEM Assesses:

-  Environmental Management System
-  Energy Use & Greenhouse Gas Emissions
-  Water Use
-  Wastewater
-  Emissions to Air
-  Waste Management
-  Chemicals Management

## 8.3 Higg Facility Tools

Everyone deserves to work in a safe and healthy environment where they receive fair pay. We are also asking our manufacturers to adopt the **Higg Facility Social & Labour Module (Higg FSLM)** to assess its social impact and improve working conditions for supply chain workers.

Get started with the Higg Index on <https://howtohigg.org/>










## What is the Higg FSLM?

The Facility Social & Labour Module (FSLM) measures the social impact of manufacturing across areas such as wages, working hours, health and safety, and employee treatment.

Brands, retailers, and manufacturers of all sizes can use the Higg FSLM to assess social and labour conditions for the workers who produce billions of consumer goods each year.

The FSLM is built on the converged framework of the Social & Labour Convergence Program (SLCP). On the Higg platform, the scored FSLM helps improve social and labour conditions for supply chain workers while reducing audit fatigue for factories around the world.

Higg FSLM Assesses:

-  Recruitment and Hiring
-  Working Hours
-  Wages and Benefits
-  Worker Treatment
-  Worker Involvement
-  Health and Safety
-  Termination
-  Management Systems
-  Above and beyond



## Change Log

No.	Change description	Date
1	Document creation	15/03/2021
1.1	Minor change: Removal of reference to FFC & addition of change log	26/05/2023










Pentland Brands

Lakeside  
Squires Lane  
London  
N3 2QL

To find out more about CR at Pentland Brands,  
please contact [corporate.responsibility@pentland.com](mailto:corporate.responsibility@pentland.com)  
or visit our [website](#)

© Pentland Brands 2021. All rights reserved.

Airborne Footwear Limited is the UK licensee for footwear under licence from Kickers International B.V. Pentland Chaussures Limited is the worldwide licensee for footwear under licence from Lacoste S.A. and its associated companies.

BERGHAUS and  are registered trade marks of Berghaus Limited. CANTERBURY and  are registered trade marks of Canterbury Limited. ELLESSE and  are registered trade marks of Ellesse International S.p.A. ENDURA and  are registered trade marks of Endura Limited. KANGAROOS and  are registered trade marks of Asco Group Limited. KICKERS is a registered trade mark of and used under licence from Kickers International B.V. LACOSTE and  are registered trade marks and used under licence from Lacoste S.A. and its associated companies. MITRE and  are registered trade marks of Mitre Sports International Limited. RED OR DEAD is a registered trade mark of Red or Dead Limited. SeaVees and  is a registered trade mark of SeaVees, Inc. SPEEDO and  are registered trade marks of Speedo Holdings B.V. PENTLAND is a registered trade mark of Pentland Industries Limited.