

WE BRANDS: WE Fundamentals Blue Ridge

SUPPLY CHAIN TRANSPARENCY:



WE discloses some information on the production units in its supply chain and publishes data in a machine-readable format. → WE should become fully compliant with the Transparency Pledge and provide a breakdown by gender of the wages paid by its suppliers.

Formal name: We Europe BV HQ: Netherlands

Revenue 2018: Profit 2018:

Top production countries: Bangladesh

Cambodia Turkey

LIVING WAGE PAID:



128

78

Direct suppliers:

according to brand

Sub-contractors:

This means: No evidence on WE's claims is public and no plausible explanation is given. → WE needs to ensure full transparency in order to demonstrate its implementation of a living wage at the factory level.

see: transparencypledge.org

BRAND PROFILE
APRIL 2020

WE has some commitment to ensure a living wage is paid across its supplier network but this may not meet all criteria.



WE should commit publicly to ensuring a properly defined living wage is paid across its supply chain.

WE has no public plan describing how to improve wages for workers across its supplier network.



WE should commit to a published plan describing how a living wage will be achieved in a reasonable time-frame.

No evidence was found that WE takes steps to safeguard wages when they are in price negotiations with suppliers. This allows suppliers to put profit margins ahead of wage security for workers.



WE should isolate labour from other production costs, so its suppliers do not cut wages in order to negotiate lower prices.

Several benchmarks are available for companies to measure whether wages are sufficient to meet the basic needs of workers and their families.

Of these, the company says it is using the following in its supply chain:

- Asia Floor Wage Living Wage Benchmark
- Fair Wear Foundation Wage Ladders
- Wage Indicator Foundation
- SA8000 methodology

WE does not publicly report on unionization of workers nor on existing collective bargaining agreements in its supplier factories.

No evidence was found of public information on gender pay gaps in its supply chain.

No data about wages currently paid to workers at its suppliers is disclosed.

WE stated in its 2018 Sustainability Report that it makes its own study of wages paid at supplier factories, including subcontractors. Data from the most recent inspection report were benchmarked against SA8000, Wage Indicator and the Asia Floor Wage. WE stated that the results show that all workers in the factories that produce for WE Fashion earn at least the minimum wage and 60 factories pay at least the SA8000 living wage to all workers. WE did however not provide detailed information about wages at supplier factories. The SA8000 auditing standard requires a factory to pay a living wage, but while the methodology used is public, the benchmarks and actual wages are not. The lack of publicly available data from this method means that the benchmark cannot be measured or enforced.

