

FLA FAIR COMPENSATION STRATEGY STATUS: FAIR COMPENSATION BLUEPRINT



Introduction

A company's fair compensation blueprint is an operational action plan that shows how a company will improve living wages for workers in their supply chain. This requirement is part of the FLA's five-year 2020 Fair Compensation Strategy¹ and applies to all FLA-accredited companies and suppliers². As of June 2020, 79 percent of accredited companies and suppliers completed the requirement.

Moving forward, all companies and suppliers assessed for FLA accreditation or reaccreditation must address all criteria in their fair compensation blueprints:

- ▶ Wage data analysis from representative sample to inform the blueprint;
- ▶ All relevant departments, top management, and governance structure that engaged in the development of the blueprint, especially departments connected to purchasing;
- ▶ Collaborating with suppliers on wage data analysis, feedback, and development of strategies to improve wages;

- ▶ Fair compensation goals, methods of measurement, and reporting. Goals must include progress towards living wage; and can include compensation compliance, social security protections, and remediation;
- ▶ Holding purchasing practices departments accountable for living wage progress;
- ▶ Civil society and union engagement to support living wage progress; and
- ▶ Plans to publish progress on fair compensation and living wages.

The FLA provided guidance to companies to develop the blueprints³ and facilitated fair compensation blueprint learnings sessions, sharing the work of New Balance and Fanatics Brands.

1 <https://www.fairlabor.org/report/2020-fair-compensation-strategy>

2 <https://www.fairlabor.org/accreditation>

3 <https://images.membersuite.com/ea8e0f4c-0004-c8d0-d848-d11a2d716b4f/33488/ea8e0f4c-001c-c96a-d848-aa81fe1e09b7>



The chart shows accredited company status fulfilling the FLA requirement on the fair compensation blueprint. The FLA will ensure progress through the company accreditation annual assessment.

COMPANY	STATUS	COMPANY	STATUS
47 Brand		Maxport	
adidas Group		Mountain Equipment Co-op (MEC)	
arena Group		New Balance	
Burton Snowboards		New Era	
Colosseum		Nike	
Fast Retailing		Outerknown	
Fenix Outdoor AB		Outerstuff	
Fruit of the Loom		Patagonia	
Gildan		Pou Chen Group	
Gore Wear		prAna	
Hanesbrands		PUMA AG	
Hugo Boss		SanMar	
Kathmandu		Under Armour	
Lakeshirts		Volcom	
Mainland Headwear		Yee Tung Group	



Planned



Completed