



BRAND PERFORMANCE CHECK

Blutsgeschwister GmbH

PUBLICATION DATE: JULY 2014

this report covers the evaluation period 01-01-2013 to 31-12-2013

ABOUT THE BRAND PERFORMANCE CHECK

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

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's affiliate members. The Checks examine how affiliate management systems support FWF's Code of Labour Practices.

In most apparel supply chains, clothing brands do not own factories, and most factories work for many different brands. This means that in most cases FWF affiliates have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of affiliates. Outcomes at the factory level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF affiliates cannot guarantee results.

Even if outcomes at the factory level cannot be guaranteed, the importance of good management practices by affiliates cannot be understated. Even one concerned customer at a factory can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a factory can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of FWF's work.

Improvement of supply chains is a step-by-step process, through which affiliates must address many different issues. FWF affiliates vary greatly in management structures, and have different strengths. The Performance Benchmarking system is designed to reflect these differences, and the many different ways that a company can support better working conditions.

During the Brand Performance Check, FWF staff speak to various employees at the affiliate who have important roles to play in the management of supply chains. FWF verifies the actions of affiliates based on several sources including documentation of activities, financial records, the affiliate's supplier register and staff interviews. Following the Brand Performance Check, FWF summarizes findings in this report, which is made public via www.fairwear.org. The [Brand Performance Check Guide](#) provides more information about the indicators and is available for download.

BRAND PERFORMANCE CHECK OVERVIEW

Blutsgeschwister GmbH

Evaluation Period: 01-01-2013 to 31-12-2013

AFFILIATE INFORMATION	
Headquarters:	Stuttgart, Germany
Member since:	01-07-2013
Product types:	Fashion, Bags & Accessories
Production in countries where FWF is active:	China, India, Turkey, Poland
Production in other countries:	Germany
BASIC REQUIREMENTS	
Workplan for this evaluation period was submitted?	Yes
Actual supplier register for this evaluation period has been submitted?	Yes
Membership fee has been paid?	Yes
All suppliers have been notified of FWF membership?	Yes
SCORING OVERVIEW	
% of own production under monitoring	55%
Benchmarking score	47
Category	Good

Summary:

Blutsgeschwister is in the process of implementing FWF's management system requirements. It has monitored 55% of its total purchasing volume, which is beyond the requirement of 40% in the 1st-year of membership. This is notable as this Brand Performance Check measures the efforts of Blutsgeschwister after having been FWF member only for half a year.

The brand has already begun to work with suppliers to develop a shared production planning system designed to decrease production planning problems and related overtime. The brand has been providing advice from consultants to suppliers on ways to improve productivity and compliance with the FWF Code of Labour Practices.

Blutsgeschwister is encouraged to develop a pricing policy that allows the affiliate to know the labour cost of garments, and to assess the impact of its prices on living wages, and to include this information in discussions with suppliers. It is encouraged to further analyse and mitigate root causes of excessive overtime and to further develop the social component of its supplier rating and reward system.

PERFORMANCE CATEGORY OVERVIEW

Leader: This category is for affiliates who are doing exceptionally well, and are operating at an advanced level.

Good: It is FWF's belief that affiliates who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF affiliates—are 'doing good' and deserve to be recognized as such. They are also doing more than the average clothing company, and have allowed their internal processes to be examined and publicly reported on by an independent NGO. The majority of affiliates will receive a 'Good' rating.

Needs Improvement: Affiliates are most likely to find themselves in this category when major unexpected problems have arisen, or if they are unable or unwilling to seriously work towards CoLP implementation. Affiliates may be in this category for one year only after which they should either move up to Good, or will be moved to suspended.

Suspended: Affiliates who either fail to meet one of the Basic Requirements, have had major internal changes which means membership must be put on hold for a maximum of one year, or have been in Needs Improvement for more than one year. Affiliates may remain in this category for one year maximum, after which termination proceedings will come into force.

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

1. PURCHASING PRACTICES

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity	68%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier information provided by affiliate.	3	4	0
1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	26%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier information provided by affiliate.	2	4	0

Recommendation: FWF recommends Blutsgeschwister to keep building up stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.

Comment: Blutsgeschwister focuses on building long term business relations with suppliers and has a fixed number of long term suppliers. Around 26% of their production volume is sourced from suppliers with whom it has a business relation of 5 years or longer and 27% of their production volume is sourced from suppliers with whom it has a business relation of 4 years.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	No new suppliers	The CoLP is the foundation of all work between factories and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	N/A	2	0
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Comment: 2013 was Blutsgeschwister's first year of FWF affiliation. No new supplier was added but all suppliers have newly been introduced to the FWF membership requirements.

Willingness to work on the Code of Labour is deemed essential by Blutsgeschwister. All suppliers received the Supplier Manual, which includes the FWF Code of Labour Practice. Factories have been asked to sign the CoLP.

1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	No new suppliers	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	N/A	4	0
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Comment: In general, new suppliers are informed of the Fair Wear Code of Labour Practice before sample orders are done, via the Supplier Manual of Blutsgeschwister and separately by email. After production requirements are clear and meet expectations, general aspects are checked: a.o. the respect of labour and environmental standards; lead times, price etc. and possibility to begin a long term relationship with this supplier.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	1	2	0
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Recommendation: Blutsgeschwister is encouraged to further develop the compliance with labour standards factor in its supplier rating system. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions.

Comment: In 2013 Blutsgeschwister started to work with a supplier rating system wherein besides quality, deliveries, communication and pricing processes, the willingness to work on improving labour conditions in the factories is included. Participation in workplace training, complaint and CAP follow-up is included. The weigh of the score on social compliance is maximum 10% of the total. Bad scores are discussed case by case basis with the supplier.

1.6 The affiliate's production planning systems support reasonable working hours.	General or ad-hoc system.	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.	2	4	0
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Recommendation: After developing and piloting the joint planning system, FWF advises Blutsgeschwister to establish this system for sharing and updating forecasts with suppliers in all countries. This to facilitate realistic production planning of suppliers and help prevent the risk of excessive overtime at suppliers.

Comment: Blutsgeschwister aims to guarantee long term suppliers a consistent order amount per year and gives them some influence on the delivery date to suppliers. The lead time is 10 months from design to delivery. Styles are not changed after sample. It has two collections a year with in total seven delivery dates. Orders are planned in countries, based on the production time they need, in relation to the complicated nature of their production process. E.g. India is in the last group of delivery dates per collection, since their production is more complicated and needs more time.

Most of Blutsgeschwister's deliveries are shipped by sea. After the final quantities are set, head of buying and product management plans the delivery dates with logistic department. In case the supplier already mentioned concerns about the delivery schedule, affiliate tries to reschedule the delivery date or split the delivery to provide suppliers the necessary lead time. The production department is open to discuss production problems and support the suppliers.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of affiliates; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Documentation of root cause analysis and positive steps taken to manage production delays or improve factory processes.	3	6	0
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Recommendation: The outcomes of the root cause analysis can be used for identifying strategies that minimize the impact of the sourcing practice of Blutsgeschwister on working hours at other factories in all production countries.

Affiliate can further develop instruments or policies to deal with possible delays to avoid excessive overtime. Those instruments could include what is partially already done or on the agenda for consideration: being flexible with delivery dates, prioritizing orders, offer support/flexibility for material delivery, ordering in low season etc.

Comment: Blutsgeschwister has started looking into the root cause of production delays that could lead to excessive overtime. In India and China Blutsgeschwister has hired a consultant to understand the root causes and to help factories improve. Late delivery of the fabrics to the factories already appeared to be one root cause. Blutsgeschwister is now considering CMT instead of FOB production and delivering the fabrics to the factories themselves. This will be a change in sourcing strategy. The development of a shared production planning system with suppliers intends to decrease production planning problems and related overtime.

1.8 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.	No policy in place	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.	0	4	0
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Requirement: The affiliate needs to develop a pricing policy where the affiliate knows the labour cost of garments and which allows the payment of at least legal minimum wages in production countries.

Recommendation: At a minimum, affiliates are recommended to investigate wages levels in all its production countries, among others by making use of FWFs Wage Ladder, country studies and tools like the wage calculation sheet. As an advanced step, increased transparency in costing and productivity gives insight in the labour costs per product / working minute. Blutsgeschwister is recommended to include labour cost in the price discussions with suppliers. Knowing the labour cost per working minute / product forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages. Blutsgeschwister is furthermore recommended to use FWF tools (wage calculation sheets etc.) in its planned project in India and China (project aims to provide suppliers with consultant support and investment to help improve labour standards and productivity).

Comment: Blutsgeschwister does discuss prices with the factory if their target price cannot be met, though wages are not (yet) part of this discussion. Blutsgeschwister does not know the labour cost of its product. Affiliate gives a target price to the supplier. When FOB meets the target price, no information is given or asked for about the wages.

If there is a difference on target prices and estimated FOB, the suppliers give affiliate information about the pricing (yarn-price, fabric-price, workmanship-price, trims-prices, print-price, embroidery-price), in a very few cases they also give info on the wage for the workers, which is also not asked for.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	Yes	If a supplier fails to pay minimum wage, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.	1	2	-2
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Requirement: Blutsgeschwister is expected to hold management of the suppliers accountable for respecting local labour law and require a time bound action plan to ensure adequate payment, incl. payment of statutory holiday or are not paid the correct overtime premium when working on national holidays and/or in the weekends

Comment: Blutsgeschwister actively followed up on audit results and started actively discussing CAP follow-up during visits to the audited factories in China, where audits found lack of transparency on hour records or not proper payment of overtime and benefits. A local consultant is asked to check findings and support factories in improving their systems, so the wage setting system includes statutory holidays and annual leave, to furthermore determine the living wage factor (how much would it cost more to pay living wage), and productivity assessments are done. At one audited factory in China, mode payment of wages, incl. fringe benefits, from all departments, is more than the Asia Floor Wage.

1.10 Evidence of late payments to suppliers by affiliate.	No	Late payments to suppliers can have a negative impact on factories and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of factory and affiliate financial documents.	0	0	-1
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Comment: In all four audited factories, payment to suppliers was on time.

1.11 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Factory-level approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	4	8	0
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Requirement: Affiliate has to take adequate steps to move towards living wages as estimated by local stakeholders. Affiliate is expected to take an active role in discussing living wages with its suppliers. The FWF wage ladder can be used as a tool to implement living wages. The wage ladder can be used to document, monitor, negotiate and evaluate the improvements at all its suppliers.

Recommendation: FWF encourages the affiliate to assess the hypothetical cost effects of increasing wages towards benchmarks that are included in the wage ladder. To support companies in this process FWF has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models. Affiliate is advised to also make use of FWF tools in the Track and Trace project in China and India and work on wage issues in Turkey as well.

Comment: Affiliate has an externally funded 'Track and Trace' project in India and China to aim for improvement of labour conditions. Movement towards LW and reduction of OT is aimed for. Blutsgeschwister is hiring a consultant to have a factory level approach, consisting of a.o.: productivity assessment, installment of a joint affiliate-supplier production planning system, financial investment in a selection of supplier factories. The selected consultant is specialist in lean production.

1.12 Affiliate sources from an FWF factory member.	Yes	When possible, FWF encourages affiliates to source from FWF factory members. On account of the small number of factories this is a 'bonus' indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	1	1	0
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Comment: Blutsgeschwister sources fabric from a FWF factory member.

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

Possible Points: 35

Earned Points: 17

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	55%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	0%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Total of own production under monitoring	55%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 90% Measured as a percentage of turnover.

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

Comment: Blutsgeschwister has a special designated staff person on CSR, who is leading on sustainability and Fair Wear Foundation membership requirements. Another staff person shares large responsibility. She is also head of product development, hence has the necessary expertise when it comes to production details and visits the producers already once a year.

2.2 Degree of progress towards resolution of existing Corrective Action Plans	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate.	4	8	-2
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Comment: Blutsgeschwister is focused on willingness of suppliers to work on the FWF CoLP and showing real interest and efforts to improve. First audits in its first half year of membership were done in China. The CAP's and factory specific findings have been discussed with suppliers in China during visits by CEO, head of purchasing and CSR staff to discuss and signal importance Blutsgeschwister attaches to FWF requirements. Blutsgeschwister promoted with its suppliers the setting up of systems and keeping working hour and personnel files. All are promoted to take part in WEP. In China a local consultant is planned to assist factories (2 days per factory) in developing an action plan and to assist factory management in investigating root causes.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	69%	Formal audits should be augmented by annual visits by affiliate staff or local representatives. They reinforce to factory managers that affiliates are serious about implementing the Code of Labour Practices.	Affiliates should document all factory visits with at least the date and name of the visitor.	3	4	0
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Comment: Mostly production staff visits suppliers every year. Because of staff changes and maternity leave this did not happen in 2013 with all suppliers. In 2014 a new system is introduced wherein 2 persons are assigned per country, and suppliers in the specific country have to be visited at least once a year. In 2013 all suppliers in India and Turkey have been visited.

The FWF Code of Labour Practice is a standard topic during all visits of sourcing staff to factories. Production department checks general safety facts and gets impression of working conditions during visits. They report this to the CSR staff person who registers in a file with the supplier rating system, which is accessible to all staff.

2.4 Existing audit reports from other sources are collected.	No existing reports/all audits by FWF or FWF affiliate	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	N/A	3	0
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2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	Yes	FWF audit reports should be shared and discussed with suppliers within two months of audit receipt. Timely sharing of information and agreement on corrective actions is essential for improvement. A reasonable time frame should be specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1
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Comment: All audited factories were visited and CAPs discussed. The CAP status is included in the supplier rating overview. CSR staff keeps this register up to date with input from production staff as well. The CAP is used as a controlling instrument between Blutsgeschwister and the manufacturer. The designated FWF staff monitors the CAP and discusses the results with the supplier.

2.6 High risk issues specific to the affiliate's supply chain are identified and addressed by the monitoring system.	Insufficient Capacity	Different countries and products have different risks associated with them; monitoring systems should be adapted to allow appropriate human rights due diligence for the specific risks in each affiliates' supply chain.	Documentation may take many forms; additional research, specific FWF project participation; extra monitoring activities, extra mitigation activities, etc.	0	6	0
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Requirement: Blutsgeschwisters' monitoring system should identify and address high risk issues that are specific to the affiliates' sourcing practices and sourcing countries, like the risk of Sumangali schemes in Tiripur in India. FWF provides policies and country-specific requirements to affiliates. Priorities in remediation efforts are guided by these policies.

Comment: Affiliate has focused in first half year of membership on audits and CAP's.

2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	No CAPs active or no shared suppliers.	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the changes of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	N/A	2	-1
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Comment: Not yet applicable, but affiliate is open for this.

2.8 Monitoring requirements are fulfilled for production in low-risk countries	Yes	Low risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with basic standards.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	2	2	0
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2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	0%	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	0	3	0
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Comment: In 2013 reselling of external shoe brand was tested, but is now stopped. Shoes were 0,4% of annual turnover in 2013.

2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	No external brands resold	FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.	Supplier register; Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0
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Comment: Since Blutsgeschwister stopped reselling shoes of another brand already in 2013 and the amount was very low in comparison to their annual turnover, this indicator is seen as not applicable.

MONITORING AND REMEDIATION

Possible Points: 27

Earned Points: 13

3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	1	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved	0	
Number of worker complaints resolved since last check	1	

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

Comment: The 2 staff persons designated to lead the work on FWF requirements address worker complaints. Depending on the root of the complaint, follow-up is done by production staff when it concerns production issues, or by CSR staff member when it concerns general issues.

3.2 System exists to check that the Worker Information Sheet is posted in factories	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.	2	2	0
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Recommendation: It is suggested to ask staff visiting a supplier to check if the documents are still posted on the wall as indicated on the obtained photo and keep track of this in the Blutsgeschwister Supplier Rating System.

Comment: The FWF Code of Labour Practise is sent in the applicable language to all suppliers and are advised to post the Code of Labour Practice in a good visible way on a place where the workers can read this Code in peace. All suppliers are advised to forward pictures of this posted Code to Blutsgeschwister. Production department checks on aspects of CoLP during regular production visits.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	0%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Factory participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of factories in WEP programme.	-2	4	-2
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Requirement: The affiliate should inform the factory managers about the existence of the hotline. The affiliate should have a routine to ensure the worker information sheet with complaints handlers contact details is posted in a place freely accessible to workers. The information sheet is the first step towards awareness raising about the existence and functioning of FWFs worker hotline.

Recommendation: Blutsgeschwister can stimulate its suppliers to participate in WEP trainings, to raise awareness about the existence and the functioning of FWF's worker hotline, and to stimulate management to inform workers actively. In addition to sending the worker information sheet, affiliates can use the worker information cards available for download on FWF's website. Blutsgeschwister can stimulate suppliers to include worker info cards in payslips.

Comment: In the first months of Blutsgeschwisters' membership of FWF 4 audits were done. All audits found that workers are not aware of the FWF worker helpline.

3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	Yes	Providing access to remedy when problems arise is a key element of responsible supply chain management. Affiliate involvement is often essential to resolving issues.	Documentation that affiliate has completed all required steps in the complaints handling process.	3	6	-2
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Recommendation: FWF recommends Blutsgeschwister to conduct a root cause analysis on the concerns of the complaints and to implement preventive steps to prevent the problem from re-occurring.

Comment: The one complaint received has been solved with high priority and efforts from Blutsgeschwister and the factory.

3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary.	Because most factories supply several customers with products, involvement of other customers by the FWF affiliate can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	-2
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COMPLAINTS HANDLING

Possible Points: 13

Earned Points: 4

4. TRAINING AND CAPACITY BUILDING

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

Comment: Blutsgeschwister started from June to train internal staff with the FWF seminar "Social Compliance in the supply Chain". After the Director of Production and Head of CSR went to the FWF seminars, they prepared an internal meeting for staff at the Headquarter in Stuttgart and the Design / Production department in Berlin. This meeting provided staff with all necessary information about the FWF membership, as all staff needs to be aware of working on social standards at suppliers. Affiliate held the same presentation for store managers and sales agents with a focus on communication to clients, to ensure that the Fair Wear Foundation process is explained comprehensively to customers.

4.2 Ongoing training in support of FWF requirements is provided to staff in direct contact with suppliers.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	0
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Recommendation: It is recommended to train staff in direct contact with suppliers to use the FWF checklist on Occupational Health and Safety and train them to check the posting of the worker info sheet in the factories.

Comment: Staff of Blutsgeschwister has been actively participating in training activities FWF offers. This trained staff provided in-house training to staff in direct contact with suppliers. In visits to suppliers general safety is checked and impressions on working conditions gathered. This is addressed in the training given.

4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	1	2	-2
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Recommendation: Just as with production staff, FWF advises Blutsgeschwister to train the agents on the use of the OHS Checklist of FWF, have agents check if the CoLP is on the wall and share this with Blutsgeschwister as input for its Supplier Rating System. Where WEP trainings are given, agents can observe the training of management, especially where factory management needs to build up more awareness and support of the CoLP.

Comment: Agents of Blutsgeschwister are considered to have shared responsibility in monitoring the CoLP and are planned to receive the necessary information and tools to do this. Trainings are suggested by affiliate. Starting membership, Blutsgeschwister first audited Chinese suppliers. Chinese agents have been informed and trained on CoLP by affiliate.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	0%	Lack of knowledge and skills on best practices related to labour standards is a common issue in factories. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	0	6	0
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Requirement: Manufacturers and their workers should be systematically informed about FWF and the implementation of the Code of Labour Practices. All factory management and workers should be informed and aware about the relevant labour standards and grievance mechanisms.

Recommendation: In order to ensure awareness and enhance understanding of the relevant labour standards, grievance mechanisms and the importance of a good mechanism for communication between employers and workers in the workplace, FWF developed the Workplace Education Programme. This programme is offered in the 4 priority countries. The affiliate should motivate its main supplier(s) to join WEP trainings.

4.5 Factory participation in trainings (where WEP is not offered; by production volume)	All production is in WEP areas.	In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	N/A	4	0
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Comment: All garment production is in WEP offered countries or low-risk countries.

TRAINING AND CAPACITY BUILDING

Possible Points: 11

Earned Points: 4

5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations and update supplier information.	Intermediate	Any improvements to supply chains require affiliates to first know all of their suppliers and production locations.	Supplier information provided by affiliate. Financial records of previous financial year. Documented efforts by affiliate to update supplier information from its monitoring activities.	3	6	-2

Recommendation: Blutschwister is advised to develop a systematic approach to complete the supplier list.

Part of the approach can be:

- 1) Business relationships with agents include transparency of production locations.
- 2) Agreements with factories on the use of subcontractors state clearly that when subcontractors are used, they are included in the monitoring system and information is shared on the subcontracted production process.

Comment: Affiliate made special efforts in 1st year of membership to get to know all production locations. It included information from audit reports and tries to get info and discusses actively with suppliers and agents.

5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1
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Recommendation: .

Comment: Since FWF membership two internal reports were made, of which one after the first audits were done in China. Every 3 months a report is made for internal use. On general issues all staff is briefed per email, also after the first complaint was received. On specific issues, specialised staff is informed directly. Sourcing staff reports directly to FWF designated staff. All staff on sourcing in Berlin to the FWF designated staff from production side, and all staff in Stuttgart to the CSR staff person. The CSR staff keeps the file with supplier rating / overview up to date. All staff has access to the file and can check the status. In the supplier overview it is included when staff has traveled to the factory, if the CoLP with phone number was on the wall.

INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

6. TRANSPARENCY

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

Comment: Affiliate checks well with FWF in practice on use of logo etc. The communication about FWF membership adheres to the FWF communications policy.

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

6.3 Social Report is submitted to FWF and is published on affiliate's website	Published on affiliate's website	The Social Report is an important tool for brands to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.	2	2	-2
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Comment: Blutsgeschwister joined FWF as an affiliate only in June 2013. It has published a social report on its first half year of membership.

TRANSPARENCY

Possible Points: 4

Earned Points: 3

7. EVALUATION

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

Comment: The CEO is constantly involved on FWF issues, work and decisions are made in cooperation with the designated staff. The integration of FWF policies into the structure of the company receives considerable attention. CEO visited together with Production and CSR staff the audited factories to indicate the importance Blutsgeschwister attaches to FWF membership and requirements. Feedback from suppliers is discussed straightaway.

7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate	No requirements were included in previous Check	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Adherence to these requirements is an important part of FWF membership.	Affiliate should show documentation related to the specific requirements made in the previous Brand Performance Check.	N/A	8	-4
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Comment: This is the first Brand Performance Check for Blutsgeschwister, hence there are no requirements from an earlier check.

EVALUATION

Possible Points: 2

Earned Points: 2

RECOMMENDATIONS TO FWF

Blutsgeschwister recommends FWF to actively work on getting more public knowledge in Germany on FWF and awareness on how FWF works, focusing on general public, fashion consumers (more media) etc.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	17	35
Monitoring and Remediation	13	27
Complaints Handling	4	13
Training and Capacity Building	4	11
Information Management	4	7
Transparency	3	4
Evaluation	2	2
Totals:	47	99

BENCHMARKING SCORE (EARNED POINTS ÷ POSSIBLE POINTS)

47

PERFORMANCE BENCHMARKING CATEGORY

Good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

18-06-2014

Conducted by:

Ruth Vermeulen, Stefanie Santila Karl

Interviews with:

Stephan Künz (Managing Director)

Anja Heyckendorf (Head of Sustainability)

Lisa Leichtlein (Head of PR & Marketing)

Frederieke Sommer (Leading Buyer & Product Management)

Audit Summary:

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