



# Brand Performance Check

Bierbaum-Proenen GmbH & Co. KG

August 2013

This report covers the evaluation period  
January 2012 to December 2012

## 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](http://www.fairwear.org). The FWF Performance Benchmarking Guide provides more information about the indicators and is available for download.

## Brand Performance Check Details

Date of Brand Performance Check	11-Jul-13	
Conducted by:	Stefanie Santila Karl Saskia Kraemer	
Interviews With:	Matthias Goost Jahn Werner Hannah Nagel Ute Müller Detlef Hornig Fabian Kusch	Managing director, Finance/ IT external Communication Marketing (Sustainability from Jan 2014) Manager Quality Management / Sustainability Quality Management, Sustainability Purchasing Manager

## Scoring

Affiliate Benchmarking scores and Performance Benchmarking categories will be published starting in 2014. During 2013, FWF will be testing out the new system and evaluating the appropriate threshold levels for Benchmarking categories.

## Bierbaum-Proenen GmbH &amp; Co. KG (hereafter: BP)

## 2013 Brand Performance Check

<b>Affiliate Information</b>	
<b>Headquarters:</b>	Cologne Germany
<b>Member Since:</b>	July 2010
<b>Product Types:</b>	Workwear
<b>Production countries:</b>	FWF Active Countries: Bulgaria, China, India, Macedonia, Turkey, Tunisia, Vietnam Other countries: Pakistan, United Emirates
<b>Basic Requirements</b>	
<b>Workplan for this evaluation period was submitted?</b>	Yes Must be submitted before start of evaluation period
<b>Projected supplier register for this evaluation was submitted?</b>	Yes Must be submitted before start of evaluation period
<b>Actual supplier register for this evaluation period has been submitted?</b>	Yes Must be submitted after the end of the evaluation period.
<b>Membership fee has been paid?</b>	Yes
<b>All suppliers have been notified of FWF membership?</b>	Yes
<b>Scoring Overview</b>	
<b>% of suppliers under monitoring</b>	92.44%
<b>Summary</b>	BP meets FWF monitoring threshold requirements for two years of FWF membership. BP implements lots of tools and mechanisms to have a strongly and structured integrated management system in the companies routines. BP has long standing relationship with most of its suppliers and a good understanding of production. Staff at BP is very well informed, travelling staff integrated in the follow up process of findings. BP has started to produce video clips to be shared among the suppliers. With regard to social standards, video clips of fire and emergency trainings have been filmed. BP has taken up the challenge to work towards living wages at production sites in 2012.

## Purchasing Practices

Basic Measures		Comments
% of production in low-risk countries	0.47%	Countries with relatively low risk of labour violations as defined by FWF.

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity.</b>	91%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier register provided by affiliate.
	Comment: While BP has high leverage at main suppliers, the leverage of production capacity at less important (to BP) suppliers is less than 10%. BP is aware of this risk to the suppliers and actively suggests those production sites to other brands (FWF affiliates and others) to produce there as well.		
<b>1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years.</b>	95%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier register provided by affiliate.
<b>1.3 Labour conditions are considered when selecting new suppliers.</b>	Yes	Including labour conditions considerations in selecting suppliers supports responsible business practices.	Documentation of decisionmaking process; e.g. checklists for buyers, emails, etc.
	Comment: Routines to integrate the Code of Labour Practices are in place. Both regarding new suppliers and at present supplier. All potential new suppliers are visited by either the head of purchasing department or the quality control department before trial orders are placed. If necessary, BP gives technical support to suppliers, also other assistance, such as credit for new machines can be given. BP has developed a checklist for travelling staff which is used during the first visits at the production site. The travelling staff hands the filled in documents and pictures to the CSR team. The CSR team evaluates the situation at the production site. This evaluation is integrated in the decision making of whether to start production at a new supplier and to have a good understanding about working conditions from the beginning.		

<b>1.4 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.</b>	Yes	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.
Comment: New suppliers are required to sign the questionnaire before production starts.			
<b>1.5 Company conducts audits at all new suppliers before placing orders.</b>	Yes	An important due diligence step. Before placing production orders, affiliates should conduct an audit at all new suppliers to assess risks for CoLP violations.	Audit documentation; must meet FWF audit quality standards.
Comment: Depending on whether an audit report exists, an audit is conducted before first orders are placed. If there has been an audit already, audit quality is assessed with the FWF audit quality assessment tool and BP works together with the supplier on remediation instead of auditing again.			
<b>1.6 Affiliate sources from an FWF factory member.</b>	No	When possible, FWF encourages affiliates to source from FWF factory members. The small number of factories in the programme means sourcing from FWF factory members cannot be a requirement.	Supplier register provided by affiliate.
<b>1.7 Percentage of production volume from factories owned by the affiliate.</b>	16%	Owning a supplier provides clear accountability for and direct influence over working conditions. It reduces the risk of unexpected CoLP violations.	Supplier register provided by affiliate.
Comment: One production site in Tunisia is owned by BP. Furthermore a small amount of production and samples are produced in Cologne at the headquarter.			
<b>1.8 Supplier compliance with Code of Labour Practices is evaluated in a systemic manner.</b>	Yes, and performance improvement is rewarded	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.
Comment: BP rates existing suppliers every year. The rating is based on assessments of each supplier regarding lead time, quality level, price level, delivery quality, etc. Social compliance is one part contributing in this rating. Results of rating are sent to the concerning production site for information. There is no incentive in place to reward suppliers who do well regarding social compliance. BP sees it as self-evident that supplier complies and supports good working conditions. Hence production is stable and stays at the production site if production site supports working towards good working conditions.			

<p><b>1.9 The affiliate’s production planning systems support reasonable working hours.</b></p>	<p>Strong, integrated systems in place</p>	<p>Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.</p>	<p>Documentation of robust planning systems.</p>
<p><b>1.10 Percentage of production volume from suppliers where excessive overtime is found by FWF.</b></p>	<p>100%</p>	<p>Excessive overtime is one of the most common labour rights violations in high-risk production countries. It is often caused by poor production planning by brands.</p>	<p>Audits conducted by FWF auditors; Complaints filed via the FWF worker helpline.</p>
<p>Comment: BP has audited only production sites with very little leverage in the reporting period. The company has informed the supplier and assessed why overtime occurred. The root cause analysis showed that overtime was caused by another big customer of the supplier and not BP's production. Audit reports from previous years at production sites where BP has higher leverage have shown no excessive overtime issues. Recommendation: The affiliate should investigate in possibilities to work on remediation of overtime together with major customers of production sites where BP has little leverage only.</p>			
<p><b>1.11 Degree to which affiliate analyses and mitigates root causes of excessive overtime, if found.</b></p>	<p>Preventive Approach</p>	<p>Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.</p>	<p>Examples of root cause analyses and resulting changes in production planning/policy.</p>
<p>Comment: For all production locations, BP has regular quantities of repeating articles per month. This is to give the suppliers a more even work load. For every supplier, BP arranges fixed lead times depending on the location of the supplier and if they do CMT or FOB production. Factories tell BP how many lines and minutes are available for BP’s orders. Generally the fixed lead times include a time reserve of one week. Every October BP shares a forecast of production planning with each supplier for one year.</p>			
<p><b>1.12 Affiliate’s pricing policy allows for payment of at least the legal minimum wages in production countries.</b></p>	<p>Affiliate can demonstrate at a style level that pricing allows enough to pay minimum wages for each product.</p>	<p>The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.</p>	<p>Formal systems to calculate labour costs on per-product or country/city level.</p>
<p>Comment: Price negotiations for CMT are done based on standard minutes developed in house at BP’s own production unit. Local wage levels are taken into account through this system when calculating an acceptable price. BP has started an analysis comparing minimum wages and local living wages before and after social audits in 2011 which was taken on in 2012. Doing this they can measure wage increases in the long-run. Further BP considers inflation in price agreements with the suppliers each year.</p>			
<p><b>1.13 Affiliate actively responds if suppliers fail to pay legal minimum wages.</b></p>	<p>Yes</p>	<p>If a supplier fails to pay minimum wage, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law.</p>	<p>Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.</p>

	Comment: BP could show emails and meeting notes on how they addressed suppliers where the supplier failed to pay legal minimum wages. BP follows up wage development at such suppliers closely.		
<b>1.14 Evidence of late payments to suppliers by affiliate.</b>	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.
	Comment: None of the FWF audits conducted showed evidence of late payments to suppliers by affiliate.		
<b>1.15 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers.</b>	Factory-level approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Wage ladders, correspondance with supplier, other relevant documentation.
	<p>Comment: BP has a set up of several mechanisms on how to work on living wages at the production sites.</p> <p>1. Measures to increase productivity:</p> <ul style="list-style-type: none"> <li>- BP has started to produce videos on how to produce BP's products. The videos are shared with the production sites.</li> <li>- Technicians from BP visit the production sites regularly to discuss with the management and workers on how to produce the product. This is often done before the production starts to ensure that production goes well from the beginning.</li> <li>- Suppliers are invited to BP's own production site to learn about productivity on the spot.</li> </ul> <p>2. Measures to ensure living wages to the workers:</p> <ul style="list-style-type: none"> <li>- Among other factors, BP calculates the price of each product including the minutes needed to produce the product. The supplier is asked to try to produce the article within the minutes suggested before agreeing on a final price.</li> <li>- Using the FWF wage ladder information, BP cross-checks every half year the development of the wages within the production sites, comparing the actual wages paid to living wage estimates and local minimum wages.</li> </ul> <p>Recommendation: As BP has a share of suppliers with little leverage at the production site it is nevertheless recommended to assess how further steps towards payment of living wages can be made together with other important buyers of the production sites.</p>		

**Purchasing Practices Comments:**

## Monitoring & Remediation

Basic Measures		Comments
% of own production under monitoring	92.44%	Measured as a percentage of turnover.
Minimum monitoring threshold based on years of membership:	60% (meets threshold)	1 year: 40%; 2 years 60%; 3 years+: 90%

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>2.1 Specific staff person is designated to follow up on problems identified by monitoring system.</b>	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.
	Comment: BP has a CSR Team of 2 people. Staff travelling to production sites is closely involved in the implementation of social standards when travelling to the production sites.		
<b>2.2 Degree of progress towards resolution of existing Corrective Action Plans.</b>	An in-depth effort has been made to address most or all CAPs.	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.
	<p>Comment: According to BP's internal records, an average of 80 per cent of corrective actions (found during FWF social audits) have been implemented sufficiently.</p> <p>The company keeps track of the progress of the corrective action plans through a spread sheet system. Each non-compliance is given a priority rating and a person responsible for following up. For each point in the CAP that is done, a hyperlink is included in the spread sheet so that the documents, email, photos, etc. confirming the improvements can be accessed. For issues that are confirmed by sending photos and documents, double checks are done when visiting the facilities. BP briefs all BP staff visiting supplier before the factory visit to make sure that they are up to date on improvements that are needed.</p>		
<b>2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year.</b>	75%	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.

	Comment: BP visits its suppliers frequently. Many of the suppliers which could not be counted in for this performance check have been visited in 2012.		
<b>2.4 Existing audit reports are collected.</b>	Yes, quality assessed and corrective actions implemented.	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.
	Comment: BP regularly checks at supplier level for other social reports and actively follows up uncovered points. BP consults FWf for details frequently.		
<b>2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner.</b>	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.
	Comment: The corrective action plans resulting from conducted audits are systematically agreed upon, followed up and reported on by designated persons including travelling staff of BP.		
<b>2.6 A structured approach is used to address issues that occur at multiple suppliers.</b>	Yes	Issues that occur in multiple factories often need to be addressed in a systemic manner, especially when the root causes are located in brand management choices or from regionally specific issues (e.g. fire safety, gender discrimination and harassment).	Documentation of a systemic approach: root cause analyses, productivity assessments, guidance documents, internal system changes, etc.
	<p>Comment: BP started a preventive system on fire safety in 2012. BP has developed a detailed checklist on fire and emergency trainings. All suppliers have to fill in the check-list and to report on the situation and on trainings conducted. At some of the production sites, BP was at the factory during the fire and emergency trainings. Pictures and video clips have been taken to share knowledge with other suppliers of BP.</p> <p>Recommendation: It is recommended to analyse existing audit reports and to systematically further address issues that occur in multiple factories to implement more preventive systems.</p>		
<b>2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers.</b>	Information Sharing	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.

	<p>Comment: BP neither actively cooperated with other customers nor refuses to cooperate with other customers. Cooperation with other customers of suppliers has not been tried out yet as BP has made good progress without cooperation until now.                  Recommendation: Cooperation among costumers increases leverage, the chances of successful outcomes and long term improvements. A first step can be identifying other clients and their commitment to improving working conditions.</p>		
<b>2.8 Monitoring requirements are fulfilled for production in low-risk countries.</b>	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.
	<p>Comment: Production in low-risk country is in Germany only, most of it at the headquarter of BP.</p>		
<b>2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)</b>	Not Applicable	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.
<b>2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)</b>	Not Applicable	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.

**Monitoring Comments:**

BP has developed a checklist to be sent to the factory before the audits to prepare the factory for the audit. BP sees this as important to ensure that documentation and the right people are available at the production site during the audit.

## Complaints Handling

Basic Measures		Comments
Number of worker complaints received since last check.	0	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.	N/A	
Number of worker complaints resolved since last check.	N/A	

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>3.1 A specific employee has been designated to address worker complaints.</b>	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.
<b>3.2 System exists to check that the Worker Information Sheet is posted in factories.</b>	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.
	<p>Comment: Staff from BP checks that the information sheet for workers is posted in the factories when they visit the production location. Pictures are collected of the posting of the CoLP. During the visits, 3 points are checked: 1. Posting readable? 2. Does the posting look like it has been hanging for a while already? 3. What is the location of posting?</p> <p>Recommendation: It is recommended to add checking whether the complaints handler number and name is posted correctly.</p>		

<p><b>3.3 Percentage of audited factories where at least half of workers are aware of the FWF worker helpline.</b></p>	<p>33%</p>	<p>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.</p>	<p>Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism.</p>
<p>Comment: At two of the production sites, the CoLP was not posted. BP sources via agents who have not forwarded and explained the CoLP to the factory management and workers.</p>			
<p><b>3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure.</b></p>	<p>Not Applicable</p>	<p>Involvement by the FWF affiliate is crucial in resolving a complaint at a supplier.</p>	<p>Documentation that affiliate has completed all required steps in the complaints handling process.</p>
<p><b>3.5 Cooperation with other customers in addressing worker complaints at shared suppliers</b></p>	<p>Not Applicable</p>	<p>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.</p>	<p>Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.</p>

**Complaints Comments**

Although BP has not yet received a complaint, they have developed an internal procedure on what to do in case they receive a complaint. This was recommended in the last Brand Performance Check by FWF.

## Training & Capacity Building

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>4.1 Staff at affiliate is made aware of FWF membership requirements.</b>	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.
Comment: All staff at BP has been informed about the FWF membership. This has been done through information posted in the main office of BP, through the intranet and at staff meeting. Sales representatives have been trained to talk about FWF and staff visiting the suppliers have been given a special training session. Sales representatives can also participate in FWF trainings for BP staff. The responsible employee for social standards at BP offer a training on FWF affiliation for staff twice a year. FWF requirements are part of the learning programme for apprentice workers.			
<b>4.2 Advanced training is provided to staff in direct contact with suppliers on CoLP requirements.</b>	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.
Comment: Staff is trained in general. Staff travelling to production sites is briefed in detail before visiting the production site. Usually the CSR team briefs the travelling staff about supplier specific problems and asks for proof such as documents, notes, pictures and even video shots.			
<b>4.3 Agents are informed of CoLP requirements and act to support their implementation.</b>	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.
Comment: In most cases BP works directly with the supplier. In the cases that BP works via an agent, the production site is still visited regularly by staff of BP. The agent is responsible for communication, quality control, sourcing of new factories and suppliers of fabrics. All agents have been informed about FWF membership and the implementation of the Code of Labour Practices through meetings with staff of BP. Audit reports have shown that agents have not informed factory management and workers about the CoLP. Requirement: FWF affiliate needs to ensure agents actively support the implementation of the CoLP requirements.			

<p><b>4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume).</b></p>	<p>73%</p>	<p>Lack of knowledge 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.</p>	<p>Documentation of relevant trainings; participation in Workplace Education Programme.</p>
<p>Comment: One production site in Turkey participated in the WEP in 2012.</p>			
<p><b>4.5 Factory participation in trainings (where WEP is not offered; by production volume).</b></p>	<p>0%</p>	<p>In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own. Trainings must meet FWF quality standards to receive credit for this indicator.</p>	<p>Curricula, other documentation of training content, participation and outcomes.</p>
<p>Comment: At BP's factory in Tunisia a training was given to the workers on the Code of Labour Practices by the management to ensure their understanding on the CoLP, workers signed for participation.                  Recommendation: FWF recommends affiliates to arrange trainings on their own in areas where the Workplace Education Programme is not yet offered. Trainings must meet FWF quality standards to receive credit for this indicator.</p>			

**Training & Capacity Building Comments**

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## Information Management

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>5.1 Supplier register for the previous financial year is verified as being complete and accurate.</b>	Yes	Any improvements to supply chains require affiliates to first know all of their suppliers.	Completed supplier register; Financial records of previous financial year.
	BP has a designated person who keeps the supplier register updated. The supplier register submitted is accurate and contains detailed information on all suppliers.		
<b>5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers.</b>	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.
	Comment: BP has developed a system where information regarding code compliance is integrated in the overall assessment of the supplier. At this point, staff is informed about compliance and outstanding issues by being briefed before visits to factories. Staff can also access documents regarding social compliance of the individual suppliers on the server. Responsible staff from departments related to suppliers and products meet monthly. Social standards are part of the monthly agenda.		

### Information Management Comments:

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## Transparency

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>6.1 Communication about FWF membership adheres to the FWF communications policy.</b>	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.
	Comment: BP has information about its FWF membership on the homepage. Furthermore, the company has informed the public, customers and end users through the catalogue, press releases and flyers that have been posted to customers. A link to FWF membership can be found on each invoice to customers. Communication regarding FWF is important to BP, and the company experiences a growing interest from customers.		
<b>6.2 Affiliate engages in advanced reporting activities.</b>	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.
<b>6.3 Social Report is submitted to FWF and is published on affiliate's website</b>	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.
	Comment: The Social Report is published online, mentioned as news item on BP website and linked on BP-Facebook page.		

### Transparency Comments:

BP was actively engaged in informing customers and their network on FWF membership during seven external occasions in 2012. One was a custom made one-day event where BP presented a new product to core customers and included 1.5h on social standards and BP's engagement at suppliers with regard to working conditions.

BP has send a Fair Wear Newsletter with all happenings in 2012 with regard to social standards to all employees.

# Evaluation

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management.</b>	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.
	Comment: The Manager of Quality Management is responsible for evaluation of the effectiveness of the work plan and the available resources. An evaluation meeting takes place every year. BP actively collects feedback from agents and manufacturers to evaluate the implementation of CoLP at all suppliers.		
<b>7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate.</b>	Not Applicable	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.

## Evaluation Comments:

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## Comments to FWF

This area provides an opportunity for affiliates to provide feedback to FWF.

1. BP asks FWF for more media presence in Germany.
2. BP would appreciate the FWF Video in a shorter version which could be communicated better via social media channels.
3. BP sees the worker information sheet difficult to understand. They would appreciate a flyer which they could also share with the management and workers during their visits at the production sites instead of only posting the worker information sheet.
4. The Living Wage Benchmarks are different in all countries. To make the benchmarks more comparable, BP would appreciate more of the same benchmarks in the different countries.

## Appendix 1: FWF Audit Finding Summary by Country

This chart summarizes the number of time each finding was reported during an FWF Audit in each country.

	China	Vietnam
<b>Total Number of Audits:</b>	<b>2</b>	<b>1</b>
<b>Standard Findings</b>		
<b>Sourcing practices</b>		
No areas for improvement	2	1
<b>Monitoring system</b>		
The FWF affiliate has not provided FWF Code of Labour Practices to the factory.	2	
No areas for improvement		1
<b>Management system of factory to improve working conditions</b>		
The factory has not informed the FWF affiliate about subcontracting	1	
The factory does not have a system to gather information about social compliance and improve its compliance status	1	
No areas for improvement		1
Other	1: CoLP is not shared with subcontractors.	
<b>Communication and consultation</b>		
Management has not informed workers actively about the FWF Code of Labour Practices and / or relevant national or local legislation.	2	
There is no effective internal grievance mechanism in place.	2	1
<b>Employment is freely chosen</b>		
No areas for improvement	2	1
<b>No discrimination in employment</b>		
No areas for improvement	2	1

<b>No exploitation of child labour</b>		
The factory employed juvenile workers without following local regulations to protect these workers.		1
The factory has no effective age verification system in place.	1	
No areas for improvement	1	
<b>Freedom of association and the right to collective bargaining</b>		
There is no independent workers' organisation or union, which is run by workers without management's involvement.	1	
No areas for improvement		1
Other	1: No written policies in place.	
<b>Payment of a living wage</b>		
Workers are paid below minimum wage.		1
Wages are below living wage level as estimated by local stakeholders.	2	
The factory does not pay leaves and benefits to workers according to legal requirements.	1	1
The factory does not pay overtime premium to workers according to legal requirements.	1	
Other	1: Piece-rate workers are not provided with payslips.	
<b>Reasonable hours of work</b>		
Overtime is not voluntary or it is not announced in advanced	1	
The factory is not transparent regarding overtime records.		1

Excessive overtime was found: <i>please specify:</i>	1: Monthly overtime hours exceed the limit of 36 hours up to 85 hours per month. Total weekly working hours exceed 60 hours up to 68 hours per month. Consecutively working days exceed 6 days up to 7 days. 1: Workers do not receive at least one day off in a 7-day period.	1: Workers worked 1 - 2 Sundays from Jan - Mar 2012 without compensating day off.
Other	1: No written policies in place.	
<b>Safe and healthy working conditions</b>		
Critical/minor issues regarding fire safety are found	2	1
Critical/minor issues regarding machine safety are found	2	1
Critical/minor issues regarding ergonomics are found	2	
Other	2: No HR policy in place. 1: The Construction units do not compile Environmental Impact Report, Environmental Impact Report Form or fill out Environmental Impact Registration Form as per legal requirements.	1: No HR trainings provided. 1: Most workers do not wear PPE. 1: Factory has not conducted annual environment test for year 2012. 1: Drinking water is not tested. 1: Canteen and staff at canteen have no certificates.
<b>Legally binding employment relationship</b>		
The factory does not provide contracts or appointment letters to workers.	1	
Not all social security or insurance fees are paid	1	
No areas for improvement	1	
Other		1: Contracts for short time workers are not updated. Short time workers are not paid social insurance.