



## BRAND PERFORMANCE CHECK

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Alchemist Fashion B.V.

PUBLICATION DATE: JUNE 2016

this report covers the evaluation period 01-01-2015 to 31-12-2015

## ABOUT THE BRAND PERFORMANCE CHECK

Fair Wear Foundation believes that improving conditions for apparel factory workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the factory. FWF, however, believes that the management decisions of 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. They evaluate the parts of affiliate supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

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.

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with affiliate employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at [www.fairwear.org](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

## BRAND PERFORMANCE CHECK OVERVIEW

Alchemist Fashion B.V.

Evaluation Period: 01-01-2015 to 31-12-2015

AFFILIATE INFORMATION	
Headquarters:	Amsterdam, Netherlands
Member since:	01-04-2013
Product types:	Fashion
Production in countries where FWF is active:	Bulgaria, India, Turkey
Production in other countries:	Netherlands, Portugal
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
All suppliers have been notified of FWF membership?	Yes
SCORING OVERVIEW	
% of own production under monitoring	72%
Benchmarking score	59
Category	Good

## Summary:

Alchemist is in process of implementing FWFs management system requirements. 68% of Alchemists 2015 production volume comes from low risk countries. An additional 4% is being monitored by following up on an existing external audit report. This brings the monitoring percentage to 72%, which is below the monitoring threshold of 90% that is required for members after 3rd year of membership. This is mainly because Alchemist produced more in Turkey and India without fulfilling monitoring requirements. Alchemist will not continue production in Turkey in 2016, and we expect this will impact the monitoring percentage of 2016. Because of this, together with Alchemists extensive monitoring in Portugal, FWF has awarded a good rating.

Alchemist had invested strongly into monitoring its Portuguese suppliers, and building their awareness about FWF membership requirements. Alchemist started a collaboration with other FWF members to assess wage levels in a shared factory in Portugal. This will help Alchemist to gain more insight into the relationship between their pricing and wages in the factory, an important step towards living wages.

In order to offer a complete collection, Alchemist has started working with several new suppliers in India. With this Alchemist is expected to increase monitoring and due diligence in these countries to identify risks and remediate these in a timely manner. Monitoring, due diligence and remediation are challenging for Alchemist because of their small size, which makes it difficult to get the commitment of suppliers to work together with the company on the implementation of the FWF Code of Labour Practices. FWF therefore recommends Alchemist to work together with suppliers that already have been audited to ensure potential risks are already identified before a business relationship is started.

## PERFORMANCE CATEGORY OVERVIEW

**Leader:** This category is for affiliates who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

**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	0%	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.	0	4	0

Comment: Alchemist is a growing, but small brand. Their leverage at all suppliers is below 10%. The goal is to consolidate the supplier base where possible. Two third of Alchemists 2015 production volume comes from Portugal, where the company works with small, family businesses who are satisfied with receiving their orders because of the good cooperation.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	20%	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.	1	4	0
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Comment: Alchemist works with the same production agent in Portugal for more than 10 years and has a long and steady partnership with their Portugese suppliers. Alchemist is a family based company and believes that they can achieve best results with similar companies, that are small scale and family owned. To offer a complete collection Alchemist had to look for new suppliers elsewhere.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	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.	2	2	0
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**Comment:** When Alchemist meets a new supplier they take the time to go through all FWF documents, explaining the requirements of FWF membership. They present the questionnaire to the suppliers and ask them to complete and return this. Before Alchemist starts the business relationship with a supplier they request to have received a signed questionnaire. Alchemist believes that it is better to explain the worker information sheet in person, instead of mailing these documents. The member posts the worker information sheet in the next visit, and makes this a special photo opportunity to create more awareness about the Code of Labour Practices.

1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	Yes	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.	4	4	0
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**Recommendation:** When Alchemist decides to source in Macedonia, it is recommended to read the FWF country study and other country relevant information to be aware of relevant legislation. Before actual production takes place, Alchemist is recommended to request possible existing external audit reports from the new supplier. FWF advises Alchemist to register new suppliers (including FOB estimates) as soon as possible in the database, and notify FWF about new suppliers in high risk countries.

**Comment:** Alchemist works with production agents for Portugal and India who are well aware of the requirements of FWF membership. They make a screening of possible new factories which is partly based on the willingness of suppliers to work on the FWF Code of Labour Practices. Alchemist always visits factories before starting a business relationship and is well prepared for that. The FWF project manager gathers all relevant documents and tools that Alchemist should discuss during the visit.

Alchemist visited possible new factories in India in November 2015. Alchemist investigated their way of working and introduced and discussed FWF membership, explaining all FWF tools and documents, and philosophy. Alchemist carried out an initial health and safety check with help of FWFs checklist. Alchemist also requested existing audit reports. Only one factory received an audit before. Alchemist used the Quality Assessment Tool to analyse the quality of the ETI and SEDEX report, and discussed with the supplier what they considered the most important issues to remediate. Early 2016 Alchemist copied the most important findings in a Corrective Action Plan template to be able to follow up on the findings. Alchemist is considering to start sourcing in Macedonia.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	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.	2	2	0
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**Comment:** Alchemist integrates social compliance into normal business processes. The company consistently evaluates the supplier base and discusses progress with suppliers. Twothird of production takes places in Portugal at factories that are visited twice a year. Social and environmental compliance are always part of the discussions. Because of the low volumes Alchemist is not able to reward well performing suppliers with extra orders, but does so with building up a trust relationship and by growing together/expanding the business relationship.

Alchemist produced almost twenty percent of their 2015 orders at a Turkish supplier, but has decided to terminate the relationship. Although Alchemist asked several times, the supplier did not return a signed questionnaire, and they were not willing to be transparent about their labour practices. The lack of commitment and communication made Alchemist decide to end the business relationship.



1.6 The affiliate's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.	4	4	0
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**Comment:** Alchemist works with a 60 days production lead-time. Alchemist counts back from delivery into the shops towards setting up the collection and takes every step into account concerning the time it takes (yarn dyeing, ordering fabrics, capacity booking, production time (even the amount of garments per production line/run), packing and transport, etc.). Alchemist asks suppliers to inform them about national holidays, to ensure these are taken into account when setting the leadtime. This leadtime always has a two weeks margin. Following up the recommendation from the last Brand Performance Check, Alchemist asked their suppliers about the production capacity and working hours. Alchemist develops a total production lead-time/work plan sheet to be able to know when decisions need to be made without influencing the production lead-time in a negative way. They are in constant communication with their factories and know they sometimes need to decide on colours or samples earlier, to make sure there is no delay that might cause production over-time in the factories. Product developments and (realistic) lead-times are discussed in mutual understanding with their suppliers.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	No production problems documented.	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.	N/A	6	0
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**Requirement:** When continuing production in high risk countries such as India, Alchemist should invest in investigating the existence of excessive overtime at their suppliers via external audit reports and/or FWF audits.

**Comment:** In situations where fabrics were delivered late or other delays occurred, Alchemist postponed the leadtime. To ensure the bottleneck is not Alchemist's buying practice, decisions on samples or colours are sometimes taken earlier than planned.

1.8 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.	Country-level policy	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.	2	4	0
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**Recommendation:** Alchemist is recommended to assess their prices in relation to costs of minimum wage in India and potential other high risk countries in relation to the share that is paid to workers.

**Comment:** Alchemist is aware that wages are bargained collectively in Portugal where two third of the 2015 production volume comes from. A target price is given by the factory during the stage of developing a prototype. For products made in Portugal Alchemist knows the cost break down from fabric and accesories and the labour minutes per style and can compare that with their own pricing and minimum wage.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	No data available	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.	N/A	2	-2
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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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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.	Basic approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	2	8	0
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**Recommendation:** FWF recommends Alchemist to organize FWF audits at suppliers in India and possible new suppliers in high risk countries to assess the wage levels.

**Comment:** Wages in Portugal are covered by a Collective Bargaining Agreement negotiated by local institutes and therefore a minimum guarantee could be considered sufficient for workers to cover their basic needs. In 2015 Alchemist started to work together with two other FWF members on a wage analysis at one of their shared suppliers in Portugal.

Approximately one third of Alchemist's 2015 production volume is produced in countries outside low risk or countries where minimum guarantees are not provided. Alchemist knows the wage levels in one of their Indian suppliers, because of a requested external audit report. They have compared this level with the FWF wage benchmarks. The other Indian suppliers that Alchemist started with in 2015 have not been audited before. Their Turkish supplier was unwilling to share this information with Alchemist. Alchemist will not continue their business relationship with them.

1.12 Affiliate sources from an FWF factory member.	No	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.	N/A	1	0
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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: 32

Earned Points: 17

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## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	4%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	68%	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	72%	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: An external project manager is hired by Alchemist to ensure all FWF requirements and activities are followed up.

2.2 Degree of progress towards resolution of existing Corrective Action Plans	No Caps Active	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.	N/A	8	-2
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Comment: Where they exist, Alchemist works with external audit reports. For one of their Indian suppliers the member company created a Corrective Action Plan based upon the existing audit reports. Alchemist created a monitoring overview for all factories that includes reports of factory visits, pictures of health and safety findings and the posting of worker information sheets and filled in health and safety checklists. An audit by FWF team has not yet taken place.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	91%	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.	4	4	0
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2.4 Existing audit reports from other sources are collected.	Yes and quality assessed	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.	2	3	0
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**Recommendation:** FWF recommends Alchemist to check again whether their new Indian suppliers can share existing external audit reports. It is recommended that Alchemist asks their production agents to select suppliers that have already been audited, when they are doing a prescreening for possible new suppliers for Alchemist.

**Comment:** Alchemist has collected and assessed existing audit reports from one of their suppliers in India and discussed the findings with the supplier early 2016.

2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	No Corrective Action Plans active	2 part indicator: FWF audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	N/A	2	-1
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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:** Alchemists monitoring system should identify and address high risk issues that are specific to their sourcing practices. This is all the more important now the production volume coming from high risk countries is increasing. FWF provides information about relevant local legislation, policies and country-specific requirements. Priorities in remediation efforts are guided by these policies.

**Recommendation:** FWF recommends Alchemist to organize FWF audits at their suppliers. FWF local teams could assist in convincing Alchemists suppliers to participate in a FWF audit.

**Comment:** Almost one third of Alchemist's 2015 production volume is produced in high risk countries India, Bulgaria and Turkey. In 2016 Alchemist will no longer produce at their Turkish supplier, because they were not willing to share information. Because of production reasons, the relationship with the Bulgarian supplier also terminated. Alchemist considers looking for new suppliers in Macedonia, which is a high risk country.

2.6a High risk issues specific to Bangladesh are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Bangladesh	Affiliates sourcing in Bangladesh should take additional action to address both building and fire safety and the prevention of violence against women.	Building, electrical and fire safety inspection reports, evidence of cooperation with other customers sourcing at the same factories (Accord signatories and/or FWF affiliates), etc.	N/A	3	0
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2.6b High risk issues specific to Myanmar are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Myanmar	Myanmar is still in the process of establishing the legal and civil society infrastructure needed to ensure compliance with labour rights. Extra care must be taken when doing business in Myanmar.	Shared CAPs, Wage Ladders per factory.	N/A	3	0
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2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	Active cooperation	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.	2	2	-1
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Comment: Alchemist started cooperation with other members at a shared supplier in Portugal to assess the wage levels, which will be carried out in September 2016.

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)	No external brands resold	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.	N/A	3	0
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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.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0
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## MONITORING AND REMEDIATION

Possible Points: 19

Earned Points: 12

### 3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	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	0	
Number of worker complaints resolved since last check	0	

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
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

Comment: Alchemist created a monitoring overview for all factories that shows what tools are already implemented; such as the posting of worker information sheets.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	No audits done or no FWF helpline available	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.	N/A	4	-2
3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	No complaints received	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.	N/A	6	-2
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

## COMPLAINTS HANDLING

Possible Points: 3

Earned Points: 3

## 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: All staff at Alchemist is informed about FWF membership. Sales staff are given an introduction with the information and brochures available from FWF, to share the story behind the clothes. In 2015 Alchemist organised a dinner event about sustainability that was attended by all staff members.

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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Comment: The production manager and the external FWF project manager both joined FWF's annual conference. During the morning meetings all staff is updated about activities that are implemented for FWF membership. Sales staff, freelancers and other staff in contact with suppliers are all highly knowledgeable of FWF requirements.

4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes + actively support COLP	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.	2	2	-2
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**Comment:** Agents are a crucial part of Alchemist's sourcing strategy. They support the selection of suppliers and are able to track progress. Agents are informed and actively support the implementation of FWF membership requirements by discussing information about FWF with the suppliers and asking them for additional information such as audit reports. Alchemist's production agent in India attended the diner event that Alchemist organised about sustainability.

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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**Recommendation:** Especially since production in India is growing, it is recommended to enroll these suppliers in FWF's Workplace Education Programme, which offers trainings to factories producing for FWF members. For India FWF developed a special WEP to prevent violence against women, next to building awareness of labour standards. The WEP for India is made available to FWF members free of charge. The Workplace Education Programme is also offered in other high risk countries such as Macedonia.

4.5 Factory participation in trainings (where WEP is not offered; by production volume)	0%	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.	0	4	0
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**Comment:** With the exception of Bulgaria, all suppliers are in low risk countries or countries where a WEP is offered. Alchemist decided to terminate the relationship with the Bulgarian supplier which accounted for less than 2% of the 2015 volume.

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## TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 5

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## 5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Intermediate	Any improvements to supply chains require affiliates to first know all of their 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:** Members are advised to develop a systematic approach to complete the production location list. Part of the approach can be:

- 1) automatically include information from audit reports and complaints
- 2) Business relationships with agents include transparency of production locations.
- 3) Agreements with factories on the use of subcontractors stating clearly that when subcontractors are used, they are included in the monitoring system and information is shared on the subcontracted production process. The member company is asked to notify FWF as soon as possible in case unknown subcontractors are discovered.

**Comment:** Nearly 20% of Alchemist's 2015 production volume come from one Turkish supplier. This factory was unwilling to share information about labour standards or possible subcontracting with the member.

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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Comment: Given the small number of employees in the company, all staff is informed about working conditions at suppliers and information is easily shared.

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## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

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## 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:** Alchemist adequately communicates about FWF membership on the website; it includes a clear description, the FWF logo and a link to FWF's website. In the catalogue Alchemist a section on responsibility is written, including a correct description of FWF membership.

6.2 Affiliate engages in advanced reporting activities	Yes	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.	1	1	0
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**Recommendation:** FWF recommends Alchemist to publish one or more of the following reports on its website: Brand performance check, Audit Reports, suppliers register. Good reporting by members helps to ensure the transparency of the member and FWF's work.

**Comment:** Many interviews have been published about Alchemist's brand mission and cooperation with Fair Wear Foundation. Alchemist is always enthusiastic to educate students about the day to day side of responsible fashion and has given a lecture to a group of students from Bolzano University.

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 affiliates to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.	2	2	-2
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Recommendation: STAAT NIEUWE SOCIAL REPORT OOK OP WEBSITE?

## TRANSPARENCY

Possible Points: 4

Earned Points: 4

## 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
7.2 Changes from previous Brand Performance Check implemented by affiliate	100%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Affiliate should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

Comment: The requirement of the brand performance check of last year; to check upon the posting of worker information sheets was followed up by Alchemist. Alchemist creates a special moment around the posting of the worker information sheet to make suppliers feel proud of being affiliated with Alchemist and their FWF membership.

## EVALUATION

Possible Points: 6

Earned Points: 6

## RECOMMENDATIONS TO FWF

Alchemist recommends FWF to plasticize the worker information sheets that suppliers need to post in their factories. FWF is advised to make a space available in the online database for members who want to be open about their suppliers towards other members. In addition, it would be appreciated when FWF increases its visibility to media and consumers, by for instance organizing more press information meetings. The company would welcome more communication possibilities that Alchemist can use to share their story about their Portuguese suppliers and FWF and GOTS. Alchemist would appreciate if FWF expresses how proud they are of their members and the efforts they take to implement the CoLP. When communicating about requirements to member companies it is important to be aware that FWF staff and staff of members often do not share the same type of business language.

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	17	32
Monitoring and Remediation	12	19
Complaints Handling	3	3
Training and Capacity Building	5	15
Information Management	4	7
Transparency	4	4
Evaluation	6	6
Totals:	51	86

### BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

59

### PERFORMANCE BENCHMARKING CATEGORY

Good

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

19-05-2016

Conducted by:

Annabel Meurs, Niki Janssen

Interviews with:

Caroline Mewe (CEO)

Annelies van Tiggelen (Production Manager)

Marie-Claire Mulder (External FWF project manager)

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.