



BRAND PERFORMANCE CHECK

Bel&Bo-Fabrimode NV

PUBLICATION DATE: JULY 2016

this report covers the evaluation period 01-02-2015 to 31-01-2016

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. The online [Brand Performance Check Guide](#) provides more information about the indicators.

BRAND PERFORMANCE CHECK OVERVIEW

Bel&Bo-Fabrimode NV

Evaluation Period: 01-02-2015 to 31-01-2016

AFFILIATE INFORMATION	
Headquarters:	Deerlijk, Belgium
Member since:	01-12-2014
Product types:	Fashion
Production in countries where FWF is active:	Bangladesh, Bulgaria, China, India, Macedonia, Romania, Tunisia, Turkey, Viet Nam
Production in other countries:	Bosnia and Herzegovina, France, Malaysia, Morocco, Pakistan, Poland, United Kingdom
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	41%
Benchmarking score	48
Category	good

Summary:

This report covers the period of December 2014 to January 2016, Bel&Bo's first year of membership. Bel&Bo is in process of implementing FWF's management system requirements.

Together with meeting the requirements for monitoring in low risk countries (9% of their 2015 volume) and external audits that meet FWF's quality standards (27% of their 2015 volume), Bel&Bo comes to a monitoring threshold of 41%, which is above the required 40% monitoring threshold for members after their first year of membership.

Bel&Bo's main production countries are Turkey, China, India and Bangladesh. The company has a relatively large number of suppliers, including both main suppliers and subcontractors. In the assessed financial year, Bel&Bo has put effort in consolidating its supplier base, to increase control of production locations and to decrease risks of labour violations.

Bel&Bo has systematically worked on collecting and assessing external audit reports, as well as following up on the ones that met most of FWF's quality standards.

FWF very much encourages Bel&Bo's effort to consolidate and identify production locations. FWF encourages Bel&Bo to continue this process and systemize using the evaluation of labour standards in decision making of consolidation.

Bel&Bo is recommended to motivate a selection of preferred suppliers and subcontractors to participate in WEP trainings.

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	17%	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.	1	4	0

Recommendation: FWF recommends Bel&Bo to continue to consolidate its supplier base where possible, using the collected information through questionnaires and audits to increase leverage at the main suppliers to effectively request improvement of working conditions.

Comment: Bel&Bo buys at least ten percent of the production capacity at the suppliers representing 16% of the purchasing volume in 2015.

Since start of FWF membership the company has initiated an intensive process of consolidating its supplier base. The first step was to know all actual production locations and identifying what information was missing. The company has put effort in consolidating its supplier base, starting with knowing all production locations. The aim is to have more control over the suppliers by decreasing the number of production units. This is not yet seen in the 2015 figures, due to already placed orders before start of membership.

As part of this consolidation, Bel&Bo is in the process of changing the sourcing strategy; from indirect sourcing through intermediaries towards more direct sourcing at the actual factories producing the goods. Bel&Bo is working towards a situation in which agents are allowed to only work with a fixed selection of factories. The positive effect of the first steps was already proven through the quality of the delivered goods. This forms an additional reason for the company to consolidate its supplier base.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	10%	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
--	-----	--	---	---	---	---

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

Comment: As part of their consolidation process, Bel&Bo is working towards a selection of preferred suppliers for each product group. This pool of suppliers will be the main focus for building and/or maintaining long term business relationships. Due to diversified product groups and the need to be flexible, the company does select new suppliers occasionally.

In 2015, 10 percent of Bel&Bo's purchasing volume comes from suppliers where a business relationship has existed for at least five years.

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
--	-----	---	---------------------------	---	---	---

Comment: The questionnaire, including the Code of Labour Practices, was incorporated in an excel document to be filled in by production unit. Bel&Bo specifically checked whether the CoLP is understood, including information on subcontractors. Since this is Bel&Bo's first year of membership, all new and existing suppliers have returned the filled and signed questionnaire, and these were filed per supplier. Exceptions were made for several suppliers that had gone bankrupt or those with whom the business relationship ended.

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
---	-----	---	---	---	---	---

Recommendation: A risk analysis as part of the decision-making process of selecting new suppliers is an important step to mitigate risk and prevent potential problems. FWF recommends Bel&Bo to assess the risks associated with operating in specific production areas. FWF advises to use information from FWF country studies and wage ladders, and to clearly define the procedure the member company follows to assess whether or not to work with suppliers in certain areas/countries. Bel&Bo can cooperate with local stakeholders to further investigate the situation in a specific country.

Bel&Bo is encouraged to investigate risks in Italy regarding Chinese migrant workers, and risks regarding unauthorised subcontracting and Syrian refugees in Turkey.

Comment: Before any test order is placed, a potential new production location is visited by sourcing staff and/or the CEO of the company. The FWF Health & Safety checklist is used and external audit reports are collected. These reports are thoroughly analysed and a clear summary plus corrective action plan is sent to the factory for follow-up.

In case the contact with a factory goes through an agent, all information about a potential factory must be sent to Bel&Bo before any type of order can be placed. Bel&Bo is working on a preferred base of production units from which agents or intermediaries can select factories. Bel&Bo will be informed about the exact location before the order is placed.

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
--	-----	--	---	---	---	---

Recommendation: FWF encourages the member company to decide on a responsible exit strategy and make sure all relevant staff is informed about this.

Additionally, FWF recommends Bel&Bo to take up in their sourcing strategy the decision to only work with transparent agents.

Comment: Bel&Bo is in the process of setting up a system to evaluate suppliers' compliance with the Code of Labour Practices in a systematic way. With colour codes, preferred suppliers are selected based on their commitment and performance. Factories that are coded red cannot receive any orders.

In the process of consolidating, Bel&Bo decided to only continue working with agents that are transparent about the production locations.

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
---	---------------------------	---	---	---	---	---

Recommendation: It is advised to establish a system for sharing and updating forecasts with suppliers to facilitate their planning. The system may include assurance of early delivery of materials and trimmings to suppliers, ensuring samples are approved in time and that late changes are discussed with the supplier.

FWF recommends Bel&Bo to gain more insight in the exact production timeslots at its suppliers, to understand when exactly production starts. Investigating production capacity per factory could be a way to better plan production throughout the year and reduce the risk of excessive overtime to complete the orders.

Comment: Bel&Bo has a rather general production planning system in place. Bel&Bo tries to place final orders in time and communicates timetables to the suppliers. The exact moment of placing final orders (after sampling phase) depends on the production country. Bel&Bo tries to manage possible delays in production by using two delivery dates; batch one and batch two.

The CMT factory sets the lead time for fabric and material suppliers, however Bel&Bo has no insight in the exact production capacity per factory.

Currently, Bel&Bo is working on gaining more insight into the supplier side of the production planning, to make sure that planning is done realistically.

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
--	----------------------	--	---	---	---	---

Recommendation: FWF recommends Bel&Bo to work with suppliers on keeping transparent working hour records, and to continue working on reducing excessive overtime with the Indian supplier.

Bel&Bo could discuss with factory management the causes of excessive overtime and provide support to manage overtime. It is recommended to investigate whether their orders contributed to excessive working hours and Bel&Bo is to prevent practices at brand level that are likely to lead to excessive overtime.

Comment: In 2015, three audits were conducted by FWF, two at Indian suppliers and one at a Tunisian supplier. Of the three audits, excessive overtime was found at the two suppliers in India. In both cases the working hours records were falsified or incorrect. Bel&Bo has started to discuss the root causes of excessive overtime with the suppliers in and will continue this in the following financial years.

To win back time when delays occur, Bel&Bo takes measures such as air freight or using courier delivery at the retailer. In some cases the fabrics are delivered by air freight, but that is up to the factory management.

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
--	----------------------	--	--	---	---	---

Recommendation: Bel&Bo is recommended to investigate wages levels in production countries, among others by making use of FWFs Wage Ladder and country studies. As an advanced step, increased transparency in costing and productivity gives insight in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages.

Bel & Bo can gain more insight into wage levels by actively requiring agent to collect wage data of the production locations.

Comment: Based on knowledge of material costs and experience per production country and product type, Bel&Bo often knows whether prices proposed by suppliers are realistic.

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
---	-----	--	---	---	---	----

Recommendation: Bel&Bo is advised to verify payment of minimum wage through requesting evidence from supplier. One of the options is to conduct a follow up monitoring visit with a local FWF auditor to verify payments.

Comment: During one of the FWF audits done in India, payment below minimum wage was found. Bel&Bo has discussed this with the supplier. This supplier mentioned they received a stay order of labour court for not implementing the new minimum wage. Most recent status is that the new minimum wage is now being paid, correspondence with the supplier is shown. Next step is to verify and require evidence of paid minimum 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
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

Requirement: Bel&Bo 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. Most relevant wage estimates, such as local minimum wage, Asia Floor Wage, collective bargaining wage and industrial best practice wages are provided in the wage ladder. The wage ladder is included in FWF's audit reports. It demonstrates the gaps between workers' wages at a factory and living wages demanded by major stakeholders. The wage ladder can be used to document, monitor, negotiate and evaluate the improvements at its suppliers.

Comment: Bel&Bo has not yet started to discuss living wages with its suppliers in detail, however it was briefly introduced to a selection of suppliers. In this first year of membership the main focus was on gaining more insight into the production locations and setting up a system to monitor the conditions. Next year, Bel&Bo will start to dig into the topic of living wage.

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
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

PURCHASING PRACTICES

Possible Points: 40

Earned Points: 19

2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	32%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	9%	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	41%	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
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

Recommendation: Besides doing audits, Bel&Bo could consider to:

- Hire local consultant to assist factory in developing an action plan and to assist factory management in investigating root causes
- Organise supplier seminars
- Provide factory training
- Share knowledge/material with suppliers and staff involved

In terms of remediation, it is strongly encouraged that Bel&Bo bases their overview and communication with the factory on the entire Corrective Action Plan, rather than a selfmade abstract of this plan. This to minimise the risk of misinterpretation or missing essential parts of the content.

Comment: Three FWF audits were conducted in 2015; at two suppliers in India and one in Tunisia. After the two audits in India, Bel&Bo staff discussed the Corrective Action Plan with both suppliers. The company keeps track of the progress of the CAPs with a spread sheet system, Summaries of the CAPs are updated on a monthly basis. Each supplier in this system is numbered; correspondence with the factories and evidence received is systematically filed and linked to this spread sheet. For issues that are confirmed by sending photos and documents, double checks are done when visiting the facilities.

The audit in Tunisia is shared with another FWF member and collaboration was started.

A number of Bangladeshi suppliers participated in the FWF fire & building safety training.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	18%	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.	1	4	0
---	-----	---	---	---	---	---

Comment: Bel&Bo's CEO, the sourcing manager and other staff visits suppliers. Factory visits are used to obtain a basic knowledge of the level of working conditions. The factories that are not visited are in cases of indirect sourcing visited by the agent. The agents reports back to Bel&Bo.

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
--	--------------------------	---	--	---	---	---

Recommendation: Existing audits can be counted towards the monitoring threshold if the quality of the report is assessed using the FWF audit quality tool and corrective actions are implemented. For the rejected audits, containing unreliable or insufficient information, FWF recommends Bel&Bo to select the most important factories and plan FWF audits in these units.

Comment: Bel&Bo has an extensive system to check and assess quality of external audit reports. In their spread sheet system an overview has been created of what is missing and whether the audit is of sufficient quality. If the audit report seems insufficient, an FWF audit is required. Examples were shown of audit reports that were rejected by Bel&Bo. In case the audit report is reliable, Bel&Bo starts to work on follow up of the CAP. In this first year of membership, the focus has been on collecting and analysing the external audit reports, and for several CAPs follow up was started. For the financial year 2015, 5% of the production volume was done at factories audited by FWF. The remaining 27% represents the production at factories where external audits of sufficient quality were conducted. The reports of these external audits are actively followed up by Bel&Bo. In 2016, an update will be given for all active CAPs on a monthly basis.

2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	Yes	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.	2	2	-1
--	-----	---	--	---	---	----

Comment: Bel&Bo shares the audit reports and CAPs with its suppliers. Status and deadlines are closely monitored in the company's system.

2.6 High risk issues specific to the affiliate's supply chain are identified and addressed by the monitoring system.	Intermediate 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.	3	6	0
--	-----------------------	---	--	---	---	---

Recommendation: Bel&Bo is encouraged to investigate risks in Italy regarding Chinese migrant workers. The FWF worker information sheet could be posted in Chinese in those cases. Besides this, Bel&Bo is advised to identify and address unauthorised subcontracting and Syrian refugees in Turkey. Given Bel&Bo's still low percentage of visits, an additional recommendation is to conduct more visits to follow up on CAPs.

Comment: Bel&Bo takes potential risk factors into consideration when planning audits and defining other monitoring efforts. FWF policies on specific risks such as Sumangali are included in the supplier questionnaires and checklist. Bel&Bo does not use sandblasting for its denim production, prohibition of sandlasting is clearly communicated on order forms and in Bel&Bo's quality book. Bel&Bo business model of sourcing indirectly, without contact with production location, was their biggest risk. This risk is being managed by phasing out all agents that were not transparent and committed.

2.6a High risk issues specific to Bangladesh are identified and addressed by the monitoring system and remediation activities.	Intermediate Capacity	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.	1	3	0
--	-----------------------	--	---	---	---	---

Recommendation: Knowing the country specific risks facilitates the starting point for discussing this with suppliers. Member companies can agree on additional commitments that are required to mitigate risks. Bel&Bo can continue to provide additional measures for support and integrate that in the monitoring system. For instance: lack of knowledge of factory managers in Bangladesh on the principles of fire safety, means organizing management seminars. Bel&Bo is encouraged to continue with this in the next year and to plan more FWF audits in Bangladesh, arrange additional visits, use the health and safety check, etc.

Comment: Bel&Bo collected Accord inspection reports and analysed the content.

Two Bangladeshi suppliers participated in the Fire&Building safety workshop provided by FWF. The other suppliers in Bangladesh will join the workshop early 2016.

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
2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	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.	1	2	-1

Comment: Information is exchanged with another FWF member for resolving corrective actions at two shared suppliers. Active follow up cooperation is being set up, but not yet fully in place.

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
--	-----	---	---	---	---	---

Requirement: Monitoring requirements need to be fulfilled for production in low-risk countries in order for it to be counted towards the monitoring threshold. All production sites in low-risk countries must:

- Be visited annually by affiliate representatives;
- Be informed of FWF membership and return the completed CoLP questionnaire before production orders are placed;
- Be aware of specific risks identified by FWF;
- Have the FWF Worker Information Sheet posted in local languages.

Recommendation: Bel&Bo is recommended to use FWF's risk assessment in Italy in order to identify potential labour violation risks.

Comment: At each of the factories sourced from in low-risk countries, the Worker Information Sheet was posted. Also, the CoLP was sent to all of them.

The main focus in financial year 2015 has been on high-risk countries, so not all suppliers have been visited in low-risk countries.

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
--	---------------------------	--	-----------------------------	-----	---	---

Requirement: Bel&Bo should receive a completed and returned questionnaire from external brands resold by the Member company.

Comment: Bel&Bo sources from one external brand. The company buys the surplus from this brand and sells it under the external label name. In 2015, this volume was included in Bel&Bo's own production monitoring, and therefore also sent the CoLP, etc. Meanwhile, Bel&Bo discovered that this part of their buying volume falls under external production, and as of 2016 this supplier will be handled accordingly.

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
---	---------------------------	---	---	-----	---	---

MONITORING AND REMEDIATION

Possible Points: 32

Earned Points: 18

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: During visits, Bel&Bo staff checks whether the CoLP is posted. Factories that are not visited are requested to send a picture of the CoLP posted in the workforce. A system is used to keep track of this and at fixed moments in the year evidence per factory is checked and for those where evidence is missing, the company recontacts and requests the factory to send evidence.

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
--	----	--	--	----	---	----

Requirement: Bel&Bo should inform the factory managers about the existence of the hotline. The Member company 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: The Member company can stimulate its suppliers to participate in WEP trainings, to raise awareness about the existence and the functioning of FWF's worker hotline. In addition to sending the worker information sheet, Member companys can use the worker information cards available for download on FWF's website.

Comment: In none of the audits done by FWF in 2015, at least half of workers were aware of the FWF worker helpline.

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: 7

Earned Points: 1

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
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

Comment: Within the company, an FWF team was set up. Members of this team are: CSR staff, buying manager and one of the directors. On a weekly basis the team meets to discuss priorities, production site visits, supplier relations, etc. Usually the FWF team briefs the travelling staff about supplier specific problems and asks for proof such as documents, notes, pictures.

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
--	-----	---	---	---	---	----

Recommendation: FWF encourages the process Bel&Bo initiated to only work with agents who are committed to actively monitor and remediate working conditions. Bel&Bo is advised to select contractors/agents that can play an active role in remediation and monitoring. The remaining agents should be phased out.

Comment: In the past, Bel&Bo mainly worked through contractors/agents. The last three years this has changed drastically. From 90% through agents in 2011, they sourced 47% of the buying volume through agents in 2015. The plan is to further decrease this number in the next years.

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
---	----	--	--	---	---	---

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 several production countries. Bel&Bo should motivate its main supplier(s) to join WEP trainings.

Comment: Bel&Bo has mainly focused on identifying production locations, assessing external audit reports and making plans for remediation. In 2016, Bel&Bo will encourage its main suppliers to participate in the Workplace Education Programme.

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
---	----	--	---	---	---	---

Recommendation: All factory workers should be informed about the labour standards and the process of monitoring and remediation. In order to further communication between employers and workers in the workplace FWF recommends Bel&Bo to ensure suppliers participate in trainings. Trainings must meet FWF quality standards to receive credit for this indicator: top management, supervisors and workers should be included in the trainings, separately. Workplace standards and dispute handling should be included in the training. At least 10-20% of the workforce must be trained, depending on the size of the factory. Worker participations should be balanced and representative.

TRAINING AND CAPACITY BUILDING

Possible Points: 15

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	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: Bel&Bo is advised to develop a systematic approach to complete the supplier list. Part of the approach can be:

- 1) Identifying besides 1st tier suppliers, also all subcontractors.
- 2) Automatically include information from audit reports and complaints.
- 3) Business relationships with agents include transparency of production locations.
- 4) 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.

Comment: Since the start of FWF membership, Bel&Bo put a lot of effort in identifying all production locations. The company started to work with a system in which barcodes for orders are only provided once the exact production location is given.

For all orders placed since the start of membership, production locations are known. There is still four per cent missing, due to placement of these orders before membership.

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
--	-----	--	---	---	---	----

Comment: Information is systematically stored and accesible to all relevant staff. A Fair Wear team was set up, consisting of all staff members involved in FWF implementation. This team is in contact with the sourcing department on a weekly basis.

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
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
<p>Recommendation: FWF recommends the Member company 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 Member company and FWF's work.</p> <p>Comment: Since this is the first year of membership, Bel&Bo was not yet able to publish the Brand Performance Check report on their website. For the current financial year, they do plan to publish the report.</p>						
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

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: In this first year of membership, Bel&Bo evaluated FWF membership requirements with top management. The Fair Wear team within Bel&Bo meets on a weekly basis to make sure all activities are aligned and steps are documented well.

7.2 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. 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.	N/A	4	-2
--	---	---	--	-----	---	----

EVALUATION

Possible Points: 2

Earned Points: 2

RECOMMENDATIONS TO FWF

Bel&Bo would like to be guided more in followup and remediation steps. Besides, Bel&Bo is interested to learn more about living wage projects.

SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	19	40
Monitoring and Remediation	18	32
Complaints Handling	1	7
Training and Capacity Building	4	15
Information Management	4	7
Transparency	3	4
Evaluation	2	2
Totals:	51	107

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

48

PERFORMANCE BENCHMARKING CATEGORY

good

BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

31-05-2016

Conducted by:

Hendrine Stelwagen

Interviews with:

Charlotte Delfosse (Sourcing manager)

Lode Benoit (CFO)

Michel Delfosse (CEO)

Annick Tack (Management Assistant)

Kim Volkaert (CSR assistant)

Tine Buysens (Marketing Coordinator)

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.