



## BRAND PERFORMANCE CHECK

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Modehuizen Claudia Sträter B.V.

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this report covers the evaluation period 01-04-2015 to 31-03-2016

## 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](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

## BRAND PERFORMANCE CHECK OVERVIEW

Modehuizen Claudia Sträter B.V.

Evaluation Period: 01-04-2015 to 31-03-2016

AFFILIATE INFORMATION	
Headquarters:	Diemen, Netherlands
Member since:	01-07-2015
Product types:	Fashion, Sportswear
Production in countries where FWF is active:	Bulgaria, China, India, Romania, Tunisia, Turkey
Production in other countries:	Belgium, Hungary, Italy, Latvia, Netherlands, Portugal, Ukraine
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	47%
Benchmarking score	50
Category	Good

## Summary:

Claudia Sträter meets most of Fair Wear Foundation's management system requirements. Two-third of Claudia Sträter's FOB purchasing volume is sourced from suppliers where a business relationship existed for more than 5 years. In addition, Claudia Sträter is an important buyer (leverage above 10%) for suppliers that account for 46% of Claudia Sträter's total purchasing volume.

Claudia Sträter's main production countries are China (20% of FOB), Portugal (17%), Turkey and Bulgaria (both 16%), and India (9%). Claudia Sträter has a relatively large number of small suppliers India, China, Romania and Turkey, where it has low leverage and where a business relation shorter than 5 years exists. This makes it more difficult to work on improvement of working conditions.

Claudia Sträter's sourcing model allows placing orders with (main) suppliers that are only responsible for a small part of the production process (such as sampling or cutting), with other production processes (sewing, printing, washing) being outsourced to a host of small subcontractors. This situation brings additional risks and responsibility to monitor and remediate working conditions at large numbers of small(er) suppliers.

When possible, Claudia Sträter is advised to consolidate its supplier base; thereby favouring suppliers that are effectively making improvements in working conditions. In this regard, Claudia Sträter is advised to develop a comprehensive sourcing strategy in which sustainability is integrated.

Claudia Sträter's monitoring percentage during the reporting year stands at 47%, which is above the 40% required for members in its first year of membership. Combined with a benchmark score of 50, FWF has placed Claudia Sträter in the 'Good' category. FWF expects Claudia Sträter to raise its monitoring percentage to at least 60% during the next financial year to maintain the 'Good' category. Finally, Claudia Sträter is encouraged to motivate more suppliers to join 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	46%	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.	2	4	0

**Requirement:** FWF recommends Claudia Sträter (CS) to consolidate its supplier base where possible, and increase leverage at main supplier(s) to effectively request improvements of working conditions. This could be underpinned by analysis of its supplier base and development of a sourcing strategy.

**Comment:** Claudia Sträter distinguishes between Cut-make-Trims (CMT) business, where Espresso is responsible for purchase of the fabric, and Full Business (FB) for which the suppliers themselves are responsible for fabric acquisition. Business relation tend to be longer and leverage higher for the CMT suppliers, particularly the ones in Bulgaria and Hungary.

Claudia Sträter is an important buyer (leverage above 10%) for suppliers that account for 46% of Claudia Sträter's total purchasing volume. Claudia Sträter has a large number (60+) of relatively small active (positive FOB) suppliers. Claudia Sträter has a high number of relatively smaller suppliers in Turkey, China and India and relatively larger suppliers in Bulgaria, Hungary and low risk country Portugal. About 90 % of CS's total FOB purchasing volume is sourced from 40 suppliers in these six countries. The remaining 10% comes from some 20+ suppliers in a variety of countries, including Ukraine, Tunesia, Romania and Latvia.

The relatively high number of suppliers is partly caused by Claudia Sträter's sourcing model, which allows main suppliers a fair degree of autonomy as to the allocation of orders to other production locations. Especially in Turkey, but also India, there are many small main suppliers (often only responsible for sampling and/or cutting), which, in turn, outsource to other production locations that are responsible for other production processes such as sewing, printing or washing. This model brings additional risks and responsibility to monitor and remediate working conditions at large numbers of small(er) suppliers.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	66%	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.	3	4	0
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**Recommendation:** FWF recommends CS to maintain stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.

**Comment:** CS enjoys long term business relations with suppliers that collectively account for almost two-third of CS's total purchasing volume. Long term business relations are enjoyed with most of the suppliers in Europe, i.e. Bulgaria, Hungary and Portugal, but business relations tend to be much shorter in Turkey and (to a lesser extent) China and India.

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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1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	No	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.	0	4	0
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**Requirement:** A formal process should exist to evaluate the risks of labour violations in the production areas CS is operating. This evaluation should influence the decision on whether to place orders, how to prevent and mitigate risks, and what remediation steps may be necessary.

**Comment:** Not all of the RMG suppliers are visited prior to production. Often the main supplier decides where to allocate orders to different production locations based on personal relations, past experience, required skills and available production capacity. When fabric is late, orders may be shifted to different subcontractors depending on target deadlines and available production capacity. Eventhough main suppliers are required to inform CS which production locations are being used, CS cannot control fully these decisions, and, as a result, often does not a good picture of the working conditions at the subcontracted production locations.

This situation is exacerbated due to the political and safety situation in Turkey, which led to a interruption of visits by CS to its suppliers in Turkey. CS is advised to build systems to ensure that labour conditions are sufficiently taken into account before new suppliers are engaged in production for CS.

Moreover, questionnaires are sometimes not returned and Worker Information Sheets not posted. As CS feels dependent on some suppliers for certain products, it believes it lacks the necessary leverage to demand from its suppliers to follow these conditions.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	No	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.	0	2	0
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**Recommendation:** CS is encouraged to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions.

**Comment:** Though a system was developed at Espresso, which, like CS, also falls under the FNG Group, this evaluation system is not yet applied at CS.

1.6 The affiliate's production planning systems support reasonable working hours.	General or ad-hoc system.	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.	2	4	0
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**Recommendation:** A good production planning system needs to be established based on the production capacity of the factory for regular working hours.

**Comment:** CS believes it gives sufficient advance warning to its suppliers about the number of pieces it plans to order at its main suppliers. For CMT production, the delivery time of the fabric is taken into account. When suppliers are not able to meet the delivery deadlines, CS shows flexibility. Options are transport of a partial order (e.g. for CS's wholesale customers) and/or transport by airplane.

For RMG (or GP) production, the main supplier (often only responsible for sampling) decides where to place the order for CMT. It is therefore often not fully understood whether this is leading to additional production pressure at these subcontractors. Also, CS demands no insight into the available production capacity at its suppliers (for planning purposes), but simply asks its main suppliers whether it can complete the order concerned by a certain deadline. Though CS shows flexibility, this may at times result in excessive overtime.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	Insufficient 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.	0	6	0
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**Requirement:** CS should investigate to what extent its current buying practices has an effect on the working hours at supplier level. A root cause analysis of excessive overtime should be done to investigate which steps can be most effective to reduce overtime. CS should encourage its suppliers to be transparent regarding overtime hours.

**Comment:** At one of the suppliers audited by FWF during the previous financial year, excessive OT was found. CS believes that late fabric delivery is the main reason for product delay, and the primary reason why suppliers had to work overtime.

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:** 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.

**Comment:** Other than through audit reports, it is difficult for CS to know whether suppliers pay legal minimum wages. Suppliers do not share the detailed costing figures with CS. Open book costing is not applied with any of CS's suppliers. In such case, it is difficult to determine whether FOB prices suffice to pay at least minimum wages.

1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages.	No minimum wage problems reported	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.	2	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 encourages CS to continue discussions with suppliers about possibilities to work towards higher benchmarks. FWF has developed experience with approaches that ensure that production workers in the selected facility take full benefit from the additional amounts that are committed to wage increases. FWF could give companies specific guidance on process rollout on request. FWF advises companies to avoid the concept of a one-time charitable contribution, and strongly recommends CS to commit to a long term process that leads to sustainable implementation of living wages.

**Comment:** At one of the suppliers audited by FWF during the previous financial year, wage levels were considered to be below the relevant living wage benchmarks.

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: 40

Earned Points: 15

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## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	18%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	28%	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	47%	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

**Requirement:** Resolving and remediating non-compliances is one of the most important criteria FWF affiliates can do towards improving working conditions. FWF expects CS to examine and support remediation of any problem that they encounter, at all suppliers audited. Coordinated efforts between different departments are required to ensure sustained responses to CAPs.

**Comment:** CS keeps track of progress on all CAPs from all audits, including FWF audits and third-party audits. The sustainability manager also visits factories to raise awareness, discuss implementation and encourage factories to make improvements. The status of findings is monitored in a systematic approach with efforts that are coordinated between different staff, including product managers. Proof of remediation work is collected by CS Documents and pictures are filed in the CAP and the status of findings monitored during visits.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	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.	4	4	0
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2.4 Existing audit reports from other sources are collected.	Yes	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.	1	3	0
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Comment: When questionnaires indicate that social audits have taken place previously, the supplier is requested to share these for review. Based on the above, CS will discuss the current compliance status of the factories and the willingness of making improvements on labour conditions.

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
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Comment: At a shared FWF audit in China, the sustainability manager of CS collaborated with the other brand to share the audit report with the supplier in a timely manner and requested which improvements are to be made as a matter of priority.

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
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**Recommendation:** Knowing the country specific risks facilitates the starting point for discussing this with suppliers. CS is advised to provide additional measures to mitigate against these risks and integrate these in the monitoring system.

**Comment:** Drawing mostly from FWF country studies, as well as FWF audit reports, CS demonstrated a good understanding of the relevant country-specific risks. The sustainability manager of CS is actively engaging with other stakeholders to remain up to date on the country situation in Turkey. The challenge will be to devise a monitoring system to address these risks consistently throughout CS's supply chains. Knowing that Syrian refugees working at small subcontracted workshops in Turkey is a specific risk for CS means that due diligence, monitoring and sourcing decisions must be arranged in a way to mitigate such risks. In this regard, CS is exploring the possibility to recruit someone in Turkey at the FNG level.

Another high risk country is Ukraine, which accounts for almost 3% of CS's purchasing volume, has not been visited, nor has the facility there been audited.

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
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	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

Comment: CS shares suppliers with several other FWF members and is always willing to share information and collaborate with other FWF members on FWF monitoring requirements or CAP follow-up.

2.8 Monitoring requirements are fulfilled for production in low-risk countries	No	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.	0	2	0
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**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.

**Comment:** A number of suppliers in low risk countries Italy, Latvia and the Netherlands have not been visited by CS during the previous financial year.

2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	3%	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	0	3	0
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**Comment:** CS has six external producers. For four of these, no addresses of the production locations are available. The majority has not returned the questionnaire and the Worker Information Sheet is not posted.

2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	0%	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.	0	3	0
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Comment: None of the external producers are affiliated to other credible initiatives.

## MONITORING AND REMEDIATION

Possible Points: 35

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: CS checked whether the WIS is posted either through audits or factory visits. The production managers used FWF's Occupational Safety and Health checklist when visiting factories. The list included checking the posting of Workers information sheet.

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	100%	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.	4	4	-2
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Comment: Only one of CS's has been audited. Following the audit, a WEP has been arranged so it's considered that at least half of the workers are aware of the complaints 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
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3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary.	Because most factories supply several customers with products, involvement of other customers by the FWF affiliate can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	-2
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## COMPLAINTS HANDLING

Possible Points: 7

Earned Points: 7

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## 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: CS build awareness of the staff at headquarter level through a so-called 'MVO courant', which reports on sustainability issues.

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: A training has been arranged for all staff that is in direct contact with suppliers on health and safety. A FWF Wellness training was requested but this could not materialize, as the programme was already stopped by FWF.

4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	1	2	-2
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Requirement: CS needs to ensure that all agents are aware of FWF requirements and actively support the implementation of the CoLP.

Comment: The sustainability manager of CS is in contact with all the agents. The results differ; some agents are cooperative, while others are less willing to cooperate and be transparent.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	10%	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.	2	6	0
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**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, which is offered in most countries where FWF is active. CS should motivate its main supplier(s) to join WEP trainings.

**Comment:** Six suppliers in China and Turkey have participated in the WEP. However, this has mostly happened as the suppliers are shared and the other FWF member has arranged the WEP prior to CS's membership of FWF.

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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**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 FWF member companies 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 participation should be balanced and representative.

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## TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 6

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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:** CS is advised to develop a systematic approach to complete the supplier 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.

**Comment:** In Turkey the use of subcontractors (sometimes not going beyond small informal workshops with 10 workers) is common in CS's supply chain. Main suppliers are required to confirm which production location is to be used prior to production taking place. The sustainability manager would need to be informed and the address of the production location must be indicated in the database. Going beyond this, however, it is difficult to actually prevent unauthorised subcontracting. The completed questionnaire must be submitted before production starts.

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: A shared drive is used by all staff that require access to supplier data. On a case by case basis meetings are arranged between production staff, the CSR manager and CEO.

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## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

## 6. TRANSPARENCY

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

Comment: CS communicates about FWF through the company website, and through publications such as the social report. Membership is described in correct wording.

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

6.3 Social Report is submitted to FWF and is published on affiliate's website	Published on affiliate's website	The Social Report is an important tool for affiliates to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.	2	2	-2
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Comment: The 2015 social report is published on CS's website.

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## TRANSPARENCY

Possible Points: 4

Earned Points: 3

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## 7. EVALUATION

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

Comment: The sustainability coordinator has frequent contact with the CEO to discuss sustainability-related issues including FWF membership requirements.

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
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## EVALUATION

Possible Points: 2

Earned Points: 2

## RECOMMENDATIONS TO FWF

N/A

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	15	40
Monitoring and Remediation	18	35
Complaints Handling	7	7
Training and Capacity Building	6	15
Information Management	4	7
Transparency	3	4
Evaluation	2	2
Totals:	55	110

BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

50

PERFORMANCE BENCHMARKING CATEGORY

Good

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

24-11-2016

Conducted by:

Koen Oosterom

Interviews with:

Marieke Weemaes, Sustainability Coordinator

Nathaly Heijmans - Responsible for Full Business.

Beata de With - Responsible for CMT

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.