



## **Brand Performance Check**

### **Blutsgeschwister GmbH**

**Publication date: July 2020**

This report covers the evaluation period 01-01-2019 to 31-12-2019

## About the Brand Performance Check

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

Fair Wear's Brand Performance Check is a tool to evaluate and report on the activities of Fair Wear's member companies. The Checks examine how member company management systems support Fair Wear's Code of Labour Practices. They evaluate the parts of member company 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 product locations, and most product locations work for many different brands. This means that in most cases Fair Wear member companies have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of member companies. Outcomes at the product location level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of Fair Wear member companies cannot guarantee results.

Even if outcomes at the product location level cannot be guaranteed, the importance of good management practices by member companies cannot be understated. Even one concerned customer at a product location 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 product location 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 Fair Wear'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 member company 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

## Blutgeschwister GmbH

Evaluation Period: 01-01-2019 to 31-12-2019

Member company information	
Headquarters:	Berlin , Germany
Member since:	2013-06-01
Product types:	garments, clothing, fashion apparel, bags
Production in countries where Fair Wear is active:	China, India
Production in other countries:	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
Scoring overview	
% of own production under monitoring	98%
Benchmarking score	92
Category	Leader

## **Disclaimer**

*This performance check was conducted amidst the COVID-19 outbreak in 2020. Due to travel restrictions in 2020, the assessment methodology for this check was modified to adapt to an online version.*

*While the performance check does cover all indicators, Fair Wear was not able to cross-check information with the member company's other departments to the extent it would normally do. This may have led to shorter descriptions/comments in the report. We have taken additional measures to ensure the scores are still inclusive and representative of the performance/progress made: more documentation was requested from the member during the preparation phase and other staff members were interviewed to score a specific indicator, where necessary. Furthermore, due to our improved data management system, Fair Wear was able to better track and document progress, mitigating much of the disadvantage of a remote performance check.*

*This modified version was applied consistently to all members' performance checks starting their financial year in 2019 in order to maintain fair and comparable data.*

*Fair Wear will evaluate the members' response to the Corona-crisis in the performance check about the financial year starting in 2020. For members having financial years starting in April or later, parts of their response can already be reflected in the current performance check report, although their overall response will be evaluated in the next performance check.*

## Summary:

Blutsgeschwister has shown advanced results on performance indicators. The company monitors 98% of its supply chain through Fair Wear audits, meeting the threshold for members beyond the third year of membership. Blutsgeschwister fulfilled all monitoring requirements, including those for tail-end production locations. Together with a benchmarking score of 92 points, it remains in the 'Leader' category.

Blutsgeschwister's sourcing strategy is to work with a consolidated supply chain and long-term partners, which allows the company to make progress in improving working conditions. Since becoming a Fair Wear member, Blutsgeschwister has implemented significant and systemic changes to its design process and production planning, with the goal of supporting reasonable working hours. Blutsgeschwister continues to visit the majority of its suppliers each year, including the locations sourced via agents. In 2019, the company has started its supply chain mapping which is about getting more transparency in its whole supply chain. Sourcing in China and India for years, Blutsgeschwister has started production in the low-risk country Portugal.

Blutsgeschwister is addressing systematic issues found in previous audits. The brand has created new contract templates with minimum wage requirements for all present and future business relationships with production locations.

Blutsgeschwister continued to collect open costing information through three facilities (China, India). During the Brand Performance Check, Blutsgeschwister could demonstrate an understanding of the link between buying prices and wage levels and could show that its pricing allows for the payment of the set target wage which is the global living wage benchmark.

Blutsgeschwister has demonstrated great dedication to and knowledge on gender-based violence issues, not only by addressing them in its own supply chain, but also by creating awareness of these issues during several events and workshops organized by Fair Wear.

## Performance Category Overview

**Leader:** This category is for member companies 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 Fair Wear's belief that member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of Fair Wear member companies—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 member companies will receive a 'Good' rating.

**Needs Improvement:** Member companies 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. Member companies 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:** Member companies 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. Member companies 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
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	74%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	3	4	0

**Comment:** Blutsgeschwister sources its items from a small number of factories though there has been a decrease in the number of production locations where they have more than 10% of capacity.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	4%	Fair Wear provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to Fair Wear.	3	4	0

**Comment:** Less than 4% of its production volume comes from production locations where Blutsgeschwister buys less than 2% of its total FOB. These are mainly for embellishments which are key for the garments they produce and are important for their products.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	75%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	4	4	0

**Comment:** Blutsgeschwister makes a strategic decision that long term suppliers are easier to work with as these relationships help with quality, product development and their high demands. It is not easy to develop Blutsgeschwister products so starting with new suppliers is a very demanding process. However, there are also many repeated styles and quality while the fabric and/or print and/or embroidery might change meaning a lot of stability for their supply chain partners. Blutsgeschwister works with suppliers based on their speciality.

74% of business relationships have existed for more than 5 years. This has reduced from 87%. The drop is because of the termination of business relationship with a big supplier in China in 2019. The supplier relationship was not working well (issues with quality, communication, unwillingness to receive trainings) plus the goods produced at the supplier (bags) were taken out of Blutsgeschwister's assortment. A small amount of bags called 'Alte Liebe' was shifted to an existing production site.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.3 All (new) production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	Yes	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	2	2	0

**Comment:** In 2019, six new production sites were added to the supplier list. Locations are mainly within the existing production countries India and China, plus Portugal. Questionnaires with the Code of Labour Practices were signed and returned before first bulk orders were placed.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders.	Advanced	Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	4	4	0

**Comment:** Blutsgeschwister has a strong due diligence process which requires production location to share the results from previous audits and certifications as part of their onboarding process. Before working with a factory, Blutsgeschwister asks for the questionnaire and photos of the production location. Blutsgeschwister visits the factory before the order and production are made in a pre-assessment phase alongside the health and safety checklist. During this time they also discuss the factory's strategy for addressing human rights issues. Blutsgeschwister only places orders after the receipt of a completed questionnaire and agreement to the Code of Labour Practice.

There is a written sourcing policy which includes this approach to the due diligence. There is also a standard email that is sent to potential new suppliers explaining the processes mentioned above to ensure the production location fully understands what is required of them. The sourcing policy has been updated in 2019 and differs in requirements for production locations in high-risk and in low-risk countries.

Possible new production sites are visited by the CSR person after the product sampling time. Only with agreement of CSR, a production at the site is possible and further steps and colleagues are involved for the production necessities.

The three new production sites in Portugal have been visited at the beginning of the cooperation and before production started. The one new production site in China is shared with another Fair Wear member who already planned a Fair Wear audit at the time Blutsgeschwister decided to start production at the site. Audit cost and follow-up was agreed to be shared from the beginning. The two new sites in India are subcontractors to existing supplier making embroidery. They have been visited by Blutsgeschwister and agents.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes, and leads to production decisions	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

**Comment:** Blutsgeschwister's supplier rating evaluation criteria are on general performance, quality, delivery, product development, cost and CSR. All criteria weight between 10 to 25%. Depending on the overall outcome of the criteria, the production site is rated red, yellow or green. The supplier evaluation is conducted twice a year.

Blutsgeschwister evaluates its main suppliers and does not differentiate between suppliers and subcontractors. For Blutsgeschwister, the rating of its suppliers includes the rating of subcontractors. Subcontractors usually stitch embroidery to the goods. Since the embroidery makes Blutsgeschwister products unique, the company sees evaluating subcontractors included in suppliers' rating as reasonable. Would a certain embroidery not be well done, this would reflect in the final product and hence be seen in the overall supplier rating.

Four times a year, suppliers are asked for feedback and their point of view on the last order. The supplier feedback is used as base for the company's supplier evaluation.

Due to its consolidated supplier base it is challenging to Blutsgeschwister to reward suppliers with e.g. more orders. What Blutsgeschwister has done in 2019 first time, is to share the outcome of the evaluation with the suppliers. The supplier itself was able to see its own data and all data of the other production sites anonymously. Hence the supplier could see where it stands in relation to the other production sites. Without demanding, some suppliers got back to Blutsgeschwister with possible solutions to improve their performance. It was planned to hand over a certificate of excellence to the best supplier in China but due to the covid-19 outbreak postponed.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.6 The member company's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	4	4	0

**Comment:** Blutsgeschwister has a good and lengthy production planning system. The product development period is approximately 18 months which includes many repeated orders, styles and type of fabrics. To ensure efficient production planning, Blutsgeschwister has an agreed contact person for each production location.

Blutsgeschwister works with three agents which use the same factories each year. The company and agents know the capacity of each production location and decide for about 80/90% of the production well in advance which items are produced at what production site. This enables the company to plan the final production dates with the production sites effectively.

Orders are placed at the production site twice a year with four delivery dates per season. After the sampling of the products, there is a two month sales period where retail and wholesale to Blutsgeschwister announce their orders. After knowing, Blutsgeschwister confirms the final order quantity to the production site. After confirmation of order, there is no change in style of any product anymore.

Blutsgeschwister has its production cycle rhythms since years and has a long-term relationship with most production sites. Products are final two months prior final quantity confirmation. The long-term suppliers can hence plan in the production of goods for Blutsgeschwister well in time.

Depending on the final quantity order volume Blutsgeschwister allows for elongated production time and shows flexibility regarding delivery dates that match the production schedule of their suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.7 Degree to which member company mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	3	6	0

**Comment:** One production site of Blutsgeschwister has been audited by Fair Wear in 2019 in China. The production site employs 10 workers which are all either family members or close friends to the factory owner. It was found out that workers were working excessive overtime, did not have one day off every seven days and the hours recorded were not correctly registered in the books.

The production site is shared with another Fair Wear member who, as agreed, is responsible to follow up on the audit report findings. The production site has been visited in 2019 by Blutsgeschwister. Due to its size and close relationship among management and workers, many processes are organised informally, e.g. workers are for example allowed to take a break whenever their private family situation requires it.

The other Fair Wear member, Blutsgeschwister and the agent involved are up-to-date on the findings and work on the corrective actions. To ensure that the production sites puts a focus on formalizing its documentation, Blutsgeschwister requests payslips and attendance register from all workers per month since June 2019. From what the company can see, the production time remains within the legal limits now. Verification is pending.

To help the production site and its workers to understand more about working conditions and legal requirements, a Workplace Education Programme Basic Training was conducted towards the end of 2019.

**Recommendation:** Fair Wear recommends Blutsgeschwister to continue engaging with the factory management and check how the measures implemented by the brand are helping in addressing the issue and make necessary changes to support resolving the issue.

Blutsgeschwister could discuss with factory management on the causes of excessive overtime and provide support to manage overtime. If necessary, Blutsgeschwister could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier. Fair Wear could recommend qualified persons upon request.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations.	Intermediate	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages – and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts.	2	4	0

**Comment:** In late 2017, Blutsgeschwister has checked with all its suppliers about willingness to work on open costing. In 2018, one production site in India, and one production site in China, started try outs of open costing. In 2019, Blutsgeschwister added another Chinese suppliers to work on open costing and came to an agreement with a fourth Chinese supplier to start with open costing in 2020.

For every product, the supplier needs to fill in Blutsgeschwister's production and pricing sheet. The production and pricing sheet includes all cost related to material / fabric and the margin of the supplier and agent and also includes information on labor minute costs. This information is in detail available for cutting, sewing, finishing, quality control, indirect labour cost (such as management cost,...) and overhead labour cost (such as rent, electricity,...). All production sites fill in the documents, wage specifics are filled in only by the three production sites mentioned. For now, the documents are filled in by the supplier. Blutsgeschwister compares the documents per season but does not yet check how minutes and related labour cost are calculated by the supplier.

To ensure long-term success, the core team for living wages at Blutsgeschwister is the CSR person together with the colleague responsible for pricing. The team meets every week. Additionally it is business rule that new suppliers from 2020 onwards need being open to open-costing as a requirement to start production at the site.

Blutsgeschwister can demonstrate open costing at those three production sites and applies a plausibility check to its buying prices in relation to wages in general.

**Recommendation:** Fair Wear recommends to use the open costing information to verify that prices contribute to certain wage levels. Open costing itself is good however it needs to be clear that the information given is used to understand the effect of the FOB price on wages.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	Yes	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, Fair Wear member companies are expected to hold management of the supplier accountable for respecting local labour law. Payment below minimum wage must be remediated urgently.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show minimum wage issue is reported/resolved.	0	0	-2

**Comment:** The Fair Wear audit at one supplier location in China indicated that temporary workers were paid by piece-rate, and they were not entitled to paid annual leaves or paid statutory holiday leaves. The brand discussed this finding with the factory checked pay slips to ensure minimum wage payments but did not specifically verify this issue pertaining to benefit related payments for temporary workers.

**Recommendation:** Fair Wear recommends that Blutsgeschwister to further strengthen the verification process to review evidence of remediation in specifics with relation to the finding.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations 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 production location and member company financial documents.	0	0	-1

**Comment:** Blutsgeschwister pays 30% deposit at order placement. There is a payment schedule for the balance amount after receipt of shipping documents. The audits conducted did not indicate late payments to the supplier by Blutsgeschwister.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.11 Degree to which member company assesses and responds to root causes for wages that are lower than living wages in production locations.	Advanced	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach	Evidence of how payment below living wage was addressed, such as: Internal policy and strategy documents, reports, correspondence with factories, etc	6	6	0

**Comment:** One production site in China was audited by Fair Wear in 2019. The wage paid to workers for a regular working week was below the living wage benchmarks Fair Wear collected from its local stakeholders. Blutsgeschwister together with its agents and another Fair Wear member sourcing at the production site helped the production site in setting up more formal business structures. Wages are part of it.

With the information of Blutsgeschwister's production and pricing sheet in hand (see 1.8), the company could draw several conclusions: Among the Chinese suppliers, the material and labour cost for similar products is about the same over several seasons. Although the production site in India produced a similar product as well, it was to see that the Indian site needed much more fabric and more minutes for production. Together with a consultancy, Blutsgeschwister and the supplier found out that inefficiencies at the Indian production site resulted from low fabric quality, inefficient staff planning and missing training on the job. The consultation was paid by Blutsgeschwister. The production site itself decided to move on with the consultant and to install a lean-management system along side consultancy for one year.

**Recommendation:** Fair Wear encourages Blutsgeschwister to discuss with suppliers about different strategies to work towards higher wages. It is advised to start with suppliers where the member is responsible for a large percentage of production and long term business relationship.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	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 member company's score.	Supplier information provided by member company.	N/A	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	Advanced	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	6	6	0

**Comment:** Additionally to the open costing information (see 1.8 for details), Blutsgeschwister has analysed different wage benchmarks and decided to go for the global living wage benchmark as a target wage for workers at its production sites. To evaluate the situation at the production sites, all production sites have been requested to hand in wage information over several months in 2019. One production site was not transparent. This is the production site in China audited by Fair Wear in 2019 (see indicator 1.11). Blutsgeschwister is working on that finding together with the production site. All others handed in the requested information.

Blutsgeschwister has compared wages paid per production site per month to the local legal minimum wage and the global living wage benchmark. Blutsgeschwister could draw the conclusion that on average at least legal minimum wages were paid to all workers.

A more in-depth analysis was possible for the production sites working with Blutsgeschwister on open-costing. The Indian production site pays 0.18€ per minute whereas the global living wage benchmark is setting 0.15€ as a living wage in that area in India. For both Chinese suppliers, the conclusion was that the minute wages paid are just the amount the global living wage benchmark suggests paying. All three production sites make a total of almost 60% of Blutsgeschwister's FOB paid in 2019. The two suppliers have participated in Fair Wear wage seminars which is seen by Blutsgeschwister as part of the reason for such good results.

For suppliers where average wage data is in hand, Blutsgeschwister has made a 4 year plan with steps on how to reach living wages step-by-step. As a first step, suppliers have been informed about the pay gap between what is the average pay and the target wage indicated by the global living wage benchmark. Additionally Blutsgeschwister strives for an agreement with the supplier to have the labour minute price in line with what is determined by the global living wage benchmark and have that agreed before production starts. Who will pay for the necessary wage increases is to be determined. The labour minute value equals the living wage minute and is fixed as the lowest amount in the open costing price negotiations. It is determined to not undergo this fixed wages threshold agreed upon.

**Recommendation:** In determining what is needed and how wages should be increased, it is recommended to involve worker representation.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.14 Percentage of production volume where the member company pays its share of the target wage.	49%	Fair Wear member companies are challenged to adopt approaches that absorb the extra costs of increasing wages.	Member company's own documentation, evidence of target wage implementation, such as wage reports, factory documentation, communication with factories, etc.	4	6	0

**Comment:** Blutsgeschwister has set the global living wage benchmark as its target wage. Analysis has shown that the two production sites of the three production sites in India and China which share open costing pay the global living wage benchmark and above. The third production site where open costing information was given is not yet counted towards this indicator as it paid the target wage after the period of assessment of this brand performance check. For details see indicator 1.8 and 1.13.

## Purchasing Practices

**Possible Points: 52**

**Earned Points: 43**

## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where approved member own audit(s) took place.	0%	
% of production volume where approved external audits took place.	0%	
% of production volume where Fair Wear audits took place.	97%	
% of production volume where an audit took place.	97%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	1%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Member meets monitoring requirements for tail-end production locations.	Yes	
Requirement(s) for next performance check		
Total monitoring threshold:	98%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

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 Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

**Comment:** Blutsgeschwister employs a CSR manager who has been in the position since 2017. The CSR manager is supported by the director of purchasing and product development. The CSR person has been working at Blutsgeschwister as a product developer before. With this background an in-depth knowledge about production rhythms is given. Additionally the CSR person is empowered to approve all new sourcing decisions.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case Fair Wear teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for Fair Wear to approve the auditing system.	Information on audit methodology.	N/A	0	-1

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	Yes	2 part indicator: Fair Wear 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:** Audit report and corrective action plan findings are shared with factory management. Improvement timelines are established in a timely manner.

The CSR manager visits all production sites at least one time per year. During the visits, the CAP is discussed and where possible, worker representatives are involved. Whether this is possible strongly depends on the production sites. At some, the CSR person is well known to the worker representatives, at others it is difficult to establish a relationship.

**Recommendation:** Before an audit takes place, Blutsgeschwister is recommended to check with the supplier whether worker representatives are active. In this way, they can be involved from the start of an audit and be invited for the audit opening and exit meeting. Including workers when following up on audit reports gives them the opportunity to be informed of issues in the factory and have a voice in the prioritization of issues.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Advanced	Fair Wear considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	8	8	-2

**Comment:** CSR staff keeps an overview of all corrective actions and remains in frequent contact with the suppliers to request updates. During yearly on-site visits, Blutsgeschwister discusses corrective actions with the factory management or agent. Top management is involved in discussions of more severe issues. Since all other production sites were audited in 2017 and 2018, Blutsgeschwister had only one Fair Wear audit carried out in China in 2019. Many production sites have been audited multiple times and improvements could be verified from one audit to the next.

In 2019, all suppliers in China and India (which make 99.57% of its FOB) participated in Fair Wear seminars on wages.

In 2019 the supplier contracts have been revised. Specific Fair Wear guidance on in-country challenges is now part of the supplier contract.

Blutsgeschwister is aware that in China excessive overtime remains an issue whereas the focus in India needs being more on gender based violence. For details on how brand-level root-causes have been tackled see indicator 2.7.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	99%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0

**Comment:** Blutgeschwister has visited 99% of its production locations in 2019. Blutgeschwister decided to discontinue the relationship with one supplier in China. Therefore, no visit took place at that site making approximately 1% of Blutgeschwister's FOB. The outcome of the visits are shared via a word document and can be assessed by all Blutgeschwister staff. They are always shared in production meetings. The meeting minutes are also shared with the factory management and the applicable agent.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	Yes, quality assessed and corrective actions implemented	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	3	3	0

**Comment:** Blutgeschwister collects audit reports from other organisations where they exist and count them in as part of due diligence. The quality of such reports is assessed and corrective actions implemented.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.7 Compliance with FWF risk policies.	Advanced result on all relevant policies	Aside from regular monitoring and remediation requirements under Fair Wear membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. Fair Wear requires member companies to be aware of those risks and implement policy requirements as prescribed by Fair Wear.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	6	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Policies are not relevant to the company's supply chain			N/A	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Advanced			6	6	-2

**Comment:** Blutsgeschwister monitors and analyses common risks for their sourcing countries and products using the information provided by Fair Wear (country studies, stakeholder information) as well as other non-governmental organisations. Furthermore, Blutsgeschwister has demonstrated great dedication and knowledge on the gender-based issues not only by addressing them in its own supply chain but also by creating awareness during several events and workshops organized by Fair Wear.

## India

Tamil Nadu/Bonded Labour - Already in 2018, Blutsgeschwister decided to start a supply chain mapping going further down the chain than first tier cut-make-trim-suppliers (see indicator 5.1 for more information). With production in India, Blutsgeschwister has been working with a local non-governmental organisation to gather more information on what happens in the spinning mills where working conditions of the female juvenile workers can be at risk. One spinning mill is under a training programme of the local non-governmental organisation. The second spinning mill did not want to take part in trainings nor was it open for certification of organic fibres. Relationship with this second spinning mill was terminated towards the end of 2019, to set up a new spinning mill has started but has not been in use yet for goods sold at Blutsgeschwister.

Gender Based Violence - With sexual harassment being a risk in India, Blutsgeschwister continues to monitor their supply chain diligently. Blutsgeschwister sources from two production sites in India. One of the sites has been trained on Fair Wear's WEP violence prevention capacity building training in 2015. Since then Blutsgeschwister together with a local non-governmental organisation support the internal complaints committee meetings on a monthly basis. Proof for this could be shown during the performance check for 2019 meetings. Blutsgeschwister sources at the second production site in India since 2018. After knowing that the production site has an internal complaints committee, the company initiated a Fair Wear WEP violence prevention capacity building training in 2019.

## China

Blutsgeschwister is aware of country-specific risks being only one governmental trade union, difficulties within the freedom of association and collective bargaining. Blutsgeschwister visited its suppliers every year several times and besides the corrective actions from audit reports, all country-specific issues were discussed. Reports of suppliers visits were created and shared internally within the company.

Freedom Of Association - Blutsgeschwister visited worker representatives during the corrective action plan meetings to understand their roles in the factories and understand how much they are involved. Conclusion is that at the production sites Blutsgeschwister sources from worker representatives exist but usually meet on an informal level. Usually chat services such as we-chat are used to discuss non-compliances among the workers. Worker representatives are involved in audit processes as much as possible.

Excessive Overtime - Excessive overtime is a known issue at production sites producing for Blutsgeschwister in China. Blutsgeschwister closely monitors working hours at its Chinese suppliers.

## Portugal

Since 2019, Blutsgeschwister sources from a third country which is Portugal. It was a sourcing requirement to chose a new production site in a low-risk country which has certain organic certification. Blutsgeschwister was in negotiation with Italian suppliers but found working conditions at risk. It was then strategic decision of the company to source from new suppliers in Portugal. All new production sites have been visited four times in 2019 by several staff from Blutsgeschwister. One visit was by the CSR responsible.

**Recommendation:** The Indian production sites are small, have been audited and trained several times. One of the two production sites had the last Fair Wear training in 2015, employees are still almost all the same since. The internal complaints committee meets every month. A pure repetition of a meeting does not make sense. At the same time, the last training is almost five years ago. In line with Blutsgeschwister's approach to go further down the chain it is recommended to repeat a training at the production site by including management and workers from the printing and embroidery production site (if possible given location/travel restrictions and openness of the factory management).

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances 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:** Blutsgeschwister shares three factories with another Fair Wear member. It cooperates in resolving corrective actions at shared suppliers. Since the member brands are located nearby the CSR responsible meet in person regularly to discuss the status of resolving corrective actions at its shared suppliers. Meeting protocols are made directly in the corrective action plan which is shared with the factory management after the meeting.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. Fair Wear has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of Fair Wear membership; posting of worker information sheets, completed questionnaires.	2	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
Member undertakes additional activities to monitor suppliers.	Yes			1	1	0

**Comment:** Since 2019, Blutsgeschwister sources from three production sites in Portugal which make a total of 0.44% of the total FOB. Monitoring requirements for production sites in low-risk countries are fulfilled by the company.

All three production locations have been visited in 2019 multiple times by different Blutsgeschwister staff including the CSR responsible.

All production sites have signed the Code of Labour Practice and have sent evidence that the Worker Information Sheet is posted at the production sites.

Existing audit reports have been requested and are followed up. For the production sites chosen it was mandatory to be certified on organics.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.10 Extra bonus indicator: in case FWF member company conducts full audits at tail-end production locations (when the minimum required monitoring threshold is met).	Yes	Fair Wear encourages its members to monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to Fair Wear and recent Audit Reports.	2	2	0

**Comment:** Five production locations fall under tail-end requirements. Out of the five, three have been audited.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	No external brands resold	Fair Wear believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of Fair Wear or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	N/A	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	No external brands resold	Fair Wear believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in Fair Wear's information management system. Documentation of sales volumes of products made by Fair Wear or FLA members.	N/A	3	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	Fair Wear believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

## Monitoring and Remediation

**Possible Points: 30**

**Earned Points: 32**

### 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 Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

**Comment:** The CSR Manager is responsible for handling the complaints and was involved in resolving the one complaint that the member brand has had to handle so far in 2018.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company has informed factory management and workers about the FWF CoLP and complaints hotline.	Yes	Informing both management and workers about the Fair Wear Code of Labour Practices and complaints hotline is a first step in alerting workers to their rights. The Worker Information Sheet is a tool to do this and should be visibly posted at all production locations.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	-2

**Comment:** Blutsgeschwister has informed factory management and workers are the Fair Wear Code of Labour Practice. Picture proof showing the Worker Information Sheets are posted and workers are informed about the complaints hotline have been shown to Fair Wear during the performance check. During visits, the posting of the complaints hotline is double checked. Worker information cards are given to worker representatives in China with spares given so that they can be shared.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline.	87%	After informing workers and management of the Fair Wear CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, Fair Wear's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	6	6	0

**Comment:** In 2017, 2018 and 2019, Blutsgeschwister enrolled production locations representing 67.6% of their production volume in the Fair Wear Basic Workplace Education Program and the Fair Wear WEP module Violence Prevention Capacity Building. At the two Indian production sites where the violence prevention trainings took place, monthly internal complaints committee meetings took place. Every three months an external non-governmental organisation joined the meetings as required per law. This is why a production site accountable for 19.25% FOB trained in 2015 is added to the percentage of the total score.

**Recommendation:** Blutsgeschwister could consider implementing additional activities to raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint helpline next to providing good quality training. This could include providing the Fair Wear worker information cards to workers during visits or when handing out pay slips, making use of Fair Wear Factory Guide, stimulating peer-to-peer learning among workers and ensuring factory management regularly informs workers, in particular new workers, about their rights and available grievance mechanisms.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 All complaints received from production location 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. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	N/A	6	-2

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers.	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the Fair Wear member company 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	0

## Complaints Handling

**Possible Points: 9**

**Earned Points: 9**

## 4. Training and Capacity Building

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.1 All staff at member company are made aware of FWF membership.	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of Fair Wear membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	0

**Comment:** All staff are made aware of Fair Wear membership during the on-boarding process.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement Fair Wear requirements and advocate for change within their organisations.	Fair Wear Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

**Comment:** Every product developer (purchasing included) is involved with suppliers on CSR matters, trained on Fair Wear requirements and involved in the monthly Fair Wear meetings.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
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 member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, Fair Wear audit findings.	2	2	0

**Comment:** Evidence was provided of Blutsgeschwister's email correspondence with some agents showing their discussions on the Fair Wear Code of Labour Practices. Two agents (out of three) either provide follow-ups on corrective actions when they are completed or attend requested meetings and/or training sessions. China-based agents follow up directly on corrective actions without prompting by Blutsgeschwister. The agents are providing photographic evidence of the improvements as they are being made.

In 2019, the buyer manual and contract has been updated. Among others, the work requirements on social standards has been extended including for example more details on how to ensure working towards living wages for the garment workers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.4 Factory participation in training programmes that support transformative processes related to human rights.	30%	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. Fair Wear has developed several modules, however, other (member-led) programmes may also count.	Training reports, Fair Wear's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	4	6	0

**Comment:** BlutsGeschwister enrolled two of its India based factories in the WEP Violence Prevention Capacity Building Training. One production site was trained already in 2015, the other in 2019. Since the actual training, BlutsGeschwister closely monitors whether the internal complaints committee meets and whether worker concerns are addressed. Meeting with the worker representatives is part of every on-site visit of BlutsGeschwister's CSR staff.

**Recommendation:** Fair Wear recommends BlutsGeschwister to implement training programmes that support factory-level transformation such as establishing functional internal grievance mechanisms, improving worker-management dialogue and communication skills or addressing gender-based violence also at its Chinese production sites the company sources from. Training assessed under this indicator should go beyond raising awareness and focus on behavioural and structural change to improve working conditions. To this end, BlutsGeschwister can implement advanced training through external training providers or brand staff. Non-Fair Wear training must follow the standards outlined in Fair Wear's guidance and checklist available on the Member Hub.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Degree to which member company follows up after a training programme.	Active follow-up	After factory-level training programmes, complementary activities such as remediation and changes on brand level will achieve a lasting impact.	Documentation of discussions with factory management and worker representatives, minutes of regular worker-management dialogue meetings or anti-harassment committees.	2	2	0

**Comment:** Once any training session has taken place, the CSR manager inquires about the training, and photographic attendance evidence is often sent.

After Fair Wear's WEP Violence Prevention Capacity Building training sessions, there is more follow up as these sessions must be repeated by law and the committees meet regularly. Meeting protocols are seen along with attendance lists during the Brand Performance Check. In case of language barriers, Fair Wear was consulted for translations and follow up.

---

## **Training and Capacity Building**

**Possible Points: 13**

**Earned Points: 11**

---

## 5. Information Management

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.1 Level of effort to identify all production locations.	Advanced	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	6	6	-2

**Comment:** The CSR Manager has a background in fashion and sourcing at Blutgeschwister with a clear understanding of processes and collections. In monthly meetings, the product developers identify the different processes needed to make its products. Due to this background, the CSR manager can match the production with the capacity of the factories whether direct or indirect to ensure that there are no hidden subcontractors. Regular visits have shown production at the sites agreed upon. Fair Wear audits did not show any hidden subcontractors.

In 2019 Blutgeschwister started its supply chain mapping which is the decision to gather more information down the supply chain. The CSR responsible has been involved in-depth. For each and every detail of its goods it is now known where material, fabric, trim, yarn etc. comes from and at what sites prints, embroidery, spinning, etc. is done. Blutgeschwister experienced that suppliers sharing information down the chain goes hand in hand with the suppliers general openness and transparency. In case a production site is not willing to share address details, a way to keep data anonymous has been developed with extra requirements to follow upon.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	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:** There are meetings between CSR and production teams in which production-level information is shared internally with the different departments so that everyone is kept up to date with Fair Wear related issues. All new colleagues are trained on membership when they start both at head office and in retail stores. In addition, there is a good level of information sharing between CSR and marketing. Information about Fair Wear membership is also made available to the sales teams during the meetings that happen twice a year.

---

## **Information Management**

**Possible Points: 7**

**Earned Points: 7**

---

## 6. Transparency

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	Fair Wear's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about Fair Wear are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	Fair Wear membership is communicated on member's website; other communications in line with Fair Wear communications policy.	2	2	-3

**Comment:** There is a page on the website where the public can access relevant Fair Wear documents. Own magazines that are produced twice a year also have specific information on Fair Wear membership, themes and examples of their work in this area. The PR firm supporting Blutsgeschwister in its communication is made aware of the importance of the Fair Wear membership. No problems in compliance with Fair Wear's Communications Policy were found during the Brand Performance Check.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Published Brand Performance Checks, audit reports, and/or other efforts lead to increased transparency.	Good reporting by members helps to ensure the transparency of Fair Wear's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	1	2	0

**Comment:** There is a link between Blutsgeschwister's website and social media to keep their customer updated with the latest information including updates on Fair Wear. There is a booklet available for B2B customers that demonstrates the company's relationship with Fair Wear; the Code of Labour Practice is explained in an easy to understand format. Labels are provided for multi-brand locations to make it clear that Blutsgeschwister is a Fair Wear member and therefore easy to identify when placed in busy stores. Blutsgeschwister published the Brand Performance Checks.

**Recommendation:** Fair Wear recommends Blutsgeschwister to publish one or more of the following reports on its website: audit reports, supplier information. Good reporting by members helps to ensure the transparency of the member and Fair Wear's work.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.3 Social Report is submitted to FWF and is published on member company's website.	Complete and accurate report submitted to FWF AND published on member's website.	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with Fair Wear's communication policy.	Social report that is in line with Fair Wear's communication policy.	2	2	-1

**Comment:** The complete and accurate social report has been submitted to Fair Wear and is published on Blutsgeschwister's website.

## Transparency

**Possible Points: 6**

**Earned Points: 5**

## 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 Fair Wear policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

**Comment:** Systematic evaluation takes place on an on-going basis. When the Brand Performance Check is received, the CSR manager evaluates the report, the recommendations and requirements and then calls a meeting with the CEO and director of product development & purchasing to discuss. The team then decides how improvements are incorporated (the same process goes for the work plan). Having agreed, separate meetings are scheduled with different team members to follow up.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	100%	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

**Comment:** Last year's four requirements for Blutsgeschwister related to the company's work and process made towards payment of a living wage. Blutsgeschwister has done immense work on wages in 2019.

During the Brand Performance Check, Blutsgeschwister could demonstrate an understanding of the link between buying prices and wage levels and could show that its pricing allows for the payment of the set target wage which is the global living wage benchmark.

The requirements for indicator 1.8, 1.11, 1.13 and 1.14 are full-filled. Please refer to details in the respective indicator in this report.

---

## Evaluation

**Possible Points: 6**

**Earned Points: 6**

---

## Recommendations to Fair Wear

Blutsgeschwister states that the communication with Fair Wear brand liaisons has been difficult in the past years. Often responses take too long and come without being clear enough to work with. It has been improved since the last change in brand liaison end of 2019 but remains worth to be mentioned for further improvement.

Blutsgeschwister finds the timing of publication of Fair Wear guidance documents and policies often too late. Whereas the content of the documents is good and useful, it often comes too late to be included in the day to day work. Blutsgeschwister finds itself often making its own rules while waiting for Fair Wear guidance and then adapt the parts which have been missed. This often leads to double work which could be avoided if the Fair Wear tools would be available earlier.

The new Fair Wear communication policy (published June 2020) is seen critical as companies rated 'good' during the brand performance check are now also allowed to use on-garment communication which was previously only allowed to Fair Wear member companies rated 'leader'. With this decision Blutsgeschwister fears internal difficulties for CSR responsables at Fair Wear brands to argue for budget for extra efforts on social standards. CEO's looking at cost drivers could easily reduce budget needed to work in depth on social standards if on-garment communication is seen as goal.

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	43	52
Monitoring and Remediation	32	30
Complaints Handling	9	9
Training and Capacity Building	11	13
Information Management	7	7
Transparency	5	6
Evaluation	6	6
Totals:	113	123

### Benchmarking Score (earned points divided by possible points)

92

### Performance Benchmarking Category

Leader

## Brand Performance Check details

Date of Brand Performance Check:

23-06-2020

Conducted by:

Stefanie Santila Krause.

Interviews with:

Katharina Fest (CSR Manager)