



**Brand Performance Check**  
**The Cotton Group S.A. (B&C)**

This report covers the evaluation period 01-01-2021 to 31-12-2021

## 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.

*This year's report covers the response of our members and the impact on their supply chain due to the COVID-19 pandemic which started in 2020. The COVID-19 pandemic limited the brands' ability to visit and audit factories. To ensure the monitoring of working conditions throughout the pandemic, Fair Wear and its member brands made use of additional monitoring tools, such as complaints reports, surveys, and the consultation of local stakeholders. These sources may not provide as detailed insights as audit reports. To assess outcomes at production location level, we have included all available types of evidence to provide an accurate overview of the brands' management systems and their efforts to improve working conditions. Nevertheless, brands should resume verifying working conditions through audits when the situation allows for.*

# Brand Performance Check Overview

## The Cotton Group S.A. (B&C)

Evaluation Period: 01-01-2021 to 31-12-2021

Member company information	
Headquarters:	Waterloo , Belgium
Member since:	2017-01-31
Product types:	Printwear
Production in countries where Fair Wear is active:	Bangladesh, China
Production in other countries:	Pakistan
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	82
Category	Leader

## Summary:

B&C has shown advanced results on performance indicators and has made exceptional progress. With a benchmarking score of 82, B&C is placed in the leader category. Although the monitoring threshold does not determine the category this year, B&C has monitored 98% of its production volume.

## Corona Addendum:

2021 was an important year for B&C. The aftermath of COVID-19 and how it impacted global supply chains was a point of discussion within the management team of B&C. The brand calls 2021 a turning point as, during this year, it was decided for a dedicated Sustainability department with representation in both Belgium and Bangladesh. A team of four constantly works on environmental and social sustainability topics.

COVID-19 barely affected B&C in 2021 because of its specific customers in the print wear market. The member experienced growth in orders.

While the brand said it did not experience any problems because of COVID-19 measures, it kept ensuring that workers from the two biggest suppliers had access to primary health care. The two suppliers account for 79% of its total production volume.

B&C's biggest production country is Bangladesh, with 88% of its total production volume. But besides Bangladesh, B&C also produces in China and Pakistan. In both China and Pakistan, there were no lockdowns in 2021, but both countries still had travel restrictions. B&C was not able to visit suppliers in these countries. B&C did, however, not experience any problems due to these restrictions.

None of B&C's sourcing countries experienced a lockdown in the past financial year. The member identified material delays as a pandemic-related risk. Fabrics and trimmings delays were significant. B&C discovered that material delay could cause pressure on working hours at suppliers from other customers. However, B&C work with rolling stock, which gives approximately three months of extra flexibility. B&C also uses this flexibility to help suppliers during peak season by moving up or delaying orders as the supplier pleases.

B&C has a comprehensive system in place that enables human rights due diligence to be effective. The focus of B&C should be living wages as it seems they have the tools and teams in place.

## 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.	98%	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.	4	4	0

**Comment:** B&C buys 98% of the production volume from production locations where the brand buys at least 10% of its supplier's production 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:** In 2021, 4% of B&C's production volume was bought from production locations where it buys less than 2% of its total FOB.

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.	83%	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:** B&C's sourcing strategy is to maintain long-term relationships with its suppliers. When onboarding suppliers, the brand ensures the possibility of a long-term relationship by treating suppliers as partners. The brand believes that honest and open dialogue are the pillars of a strong and long relationship. B&C never closes the door with suppliers on exit, as they prefer to return to them if the orders allow it. About 83% of B&C's production volume comes from suppliers where the brand has five, partly even ten years and more of relationship. The supplier added in 2021 was also previously a supplier to B&C. They maintained the relationship even when order placement did not happen for many years.

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 2021, the member sourced from one new production location in Bangladesh. For this location, the brand could show that the questionnaire with the Code of Labour Practices was signed and returned before placing the order.

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:** In 2021, B&C strengthened their due diligence process and formalised it in its internal and external documentation. Also, in 2021, a Corporate Responsibility manager was hired in Bangladesh to conduct pre-audits and analyse existing audits on a continuous and structural basis. Hiring a dedicated person has allowed B&C to tackle potential incidents like health and safety issues. The Corporate Responsibility manager brings a health and safety checklist on each visit. It also ensures factory management is on top of any existing problems. On each visit, the Corporate Responsibility manager requires the factory management to sign off on any current issues and ensure these are followed up on.

B&C's general due diligence process consists of three steps. First, a country risk assessment is conducted to give insight into the country's specific risk (social, environmental and governance). Then, supplier risk assessments are done based on the products they produce. And lastly, B&C gathers the findings from the first two steps and uses them to map their risk mitigation tools and grievance mechanism.

B&C's general due diligence process is updated and followed up on annually for existing suppliers. These steps are formalised in B&C's due diligence policy. Suppliers are informed of B&C's due diligence process through the supplier manual and the supplier compliance guidelines, which allow B&C to prevent and mitigate potential risks.

The Sourcing and Quality department visits new factories to evaluate the operational feasibility. Once working feasibility has been determined, the Sustainability teams conduct their due diligence as described above. For new suppliers, the due diligence process is as follows:

First, the Sourcing and Quality department contacts the new supplier by e-mail. The new supplier will be asked several questions and then reviewed based on the supplier's profile, their existing suppliers, the compatibility with B&C's products and the prices and payment terms. Then, the supplier has to complete a CSR-compliance self-assessment and acknowledge B&C's Code of Conduct, BSCI's Code of Conduct and Fair Wear's Code of Labour Practices. The Sustainability department then reviews the complete supplier profile based on compliance, existing certifications, production integration, machines, capacities, skills, etc. It has the final say in deciding whether to proceed with the new supplier. When a go has been provided, the Sourcing and Quality department continues its onboarding process.

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:** B&C has a local office in Bangladesh and employs 22 people, of which 14 are visiting all factories continuously. To evaluate production location compliance with the Code of Labour Practices, B&C keeps an overview of all suppliers in its due diligence risk assessment per supplier document, which scores each supplier based on their compliance. Suppliers are only informed about their evaluation in case of repeated non-compliance. To ensure suppliers comply with the Code of Labour Practices, factory management must sign any running issues on each visit. These running issues can be an existing CAP from an audit or any raised issue from a previous visit.

At this point, B&C has no policy to reward suppliers with good performance as it believes compliance is the baseline of a fruitful relationship.

When exiting a supplier, B&C uses its formalised exit strategy, published in its supplier manual. The objective of the exit strategy is to maintain due diligence within the supply chain while ending a business relationship. In 2021, B&C stopped working with one supplier because of quality issues.

B&C's contingency steps are as follows: first, the team investigate to identify the root cause. The team negotiates the possibility of resuming business. If this does not work B&C decides on termination and informs the supplier and Fair Wear. After the supplier has been notified, a phase-out plan will be created and implemented to finish up any materials left at the supplier. Once all ordered products have been received, all financial dealings are closed.

B&C never completely closes the door on business relations and even allows the suppliers to re-instate the relationship after the corrective actions have been taken.

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:** B&C knows the capacity of each factory at the style level and their lead times. Suppliers also share with the brand their constraints: on style or colours and production lines, for instance. B&C has a big warehouse that allows being flexible in terms of quantities received if needed.

The brand has a long forecast (of a year) that they share with suppliers to support them in planning their capacities. Factories asked for more stable productions, so B&C spreads out the orders to have even amounts of output throughout the year, this way not having peak seasons and reducing overtime. The main supplier receives consistent production programs every month and finds it beneficial because it allows for keeping the same workforce (reducing worker turnover). Consistency also allows the machines to be adjusted for efficiency.

The planning department reviews sold stock, sales forecasts and updates production requirements accordingly, also taking into account factory capacity and ability of the factory to meet product specifications. The long-run production planning is then reviewed for the next four months to create Purchase Orders. If higher quantities are needed, production will be spread out over several months in an agreement between factories and B&C's internal finance department.

Because B&C is in the printwear market and not bound by seasonality and do not need specific products for a particular season. The lack of fashion seasons removes a lot of pressure from the suppliers.

B&C holds stock for (on average) three months. The way stock is managed at B&C also gives suppliers more flexibility to plan their production. Suppliers are not provided with this information, but when the suppliers ask for a late shipment, B&C accepts it because of the stock bugger.

The brand has an overtime policy that encourages suppliers to plan and calculate capacities based on legal working hours and without overtime. It allows suppliers to produce quantities provided by B&C in the low season to take the edge of the high season.

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:** In 2021, excessive overtime was found at four suppliers in Bangladesh. These findings surprised B&C as they have several preventive measures in place to avoid overtime. After these findings were shared with B&C, the member started talking with the four suppliers to discover the root cause. The first findings show that suppliers experienced order pressure from other (fashion) brands. As mentioned above, B&C does not work with fashion seasons and has suggested to the factories that orders from B&C can be provided even earlier so that they do not have to produce them in the peak season. Other reasons for overtime were delays in raw materials and disruptions in electricity supply.

Another reason the suppliers give is that, in most cases, workers request overtime. Because the Bangladesh Garment Manufacturers and Exporters Association sets wages, which do not equal a living wage, workers need to work more hours to earn a living salary. B&C has offered the suppliers to pay higher prices so that the suppliers can pay higher wages to prevent workers from asking for more hours.

**Recommendation:** B&C could discuss with factory management on the causes of excessive overtime and provide support to manage overtime. If necessary, the brand could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier. Fair Wear could recommend qualified persons upon request. Fair Wear recommends cooperating with other customers at the factory to increase leverage, when trying to mitigate excessive overtime hours.

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 2021, B&C set prices based on its own costing sheet. B&C has a long-standing relationship with most suppliers and monitors wages reports. All of B&C's controls show that workers are getting paid according to B&C's costing sheet. However, none of B&C's suppliers shares an open costing. The lack of such an open costing makes it challenging to connect buying prices to wage levels. The brand nonetheless makes its own estimations based on historical data and experience. The member shares its estimates with the suppliers to seek their feedback. Suppliers did not find any irregularities in the calculations made by the member. B&C keeps an extensive excel based calculator to arrive at and evaluate price changes.

**Recommendation:** B&C could provide suppliers who don't use open costing, training on product costing and how to quote prices including (direct and indirect) labour costs. FairPrice product owners are available to conduct such training in all Fair Wear production countries.

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:** In 2021, several findings showed production locations failed to pay legal minimum wages. The audit findings indicated that overtime premium was not paid as legally required, entitled leaves were not paid as legally required, and allowances, bonuses or benefits were not paid as legally required. However, before the audits took place, B&C's Corporate Responsibility manager located in Bangladesh conducted internal audits, which identified these issues ahead of the Fair Wear audits. B&C started remediation immediately by engaging with the involved suppliers and requiring them to increase wages instantly. B&C made it clear to its suppliers that it is unacceptable not to pay the legal minimum requirements, to which the suppliers reacted benevolently.

**Recommendation:** B&C should take responsibility for these findings. Demanding payment of legal minimum requirements from suppliers is not enough. The member is encouraged to find solutions in collaboration with their suppliers to ensure they can continue payment of minimum wages to their workers. The member can for instance choose to pre-pay invoices for material or allow partial shipment of completed orders and pay immediately for this order portion.

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:** The brand was able to make payments as per agreed terms with suppliers. There is no evidence of late payments to suppliers by member company. B&C's payment terms are Cash against Documents, which means that they need to pay before they can import goods.

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.	Intermediate	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	4	6	0

**Comment:** Following previous years of discussion, in 2021, B&C continued its efforts to increase wages at their different production locations. B&C would agree to increase its buying prices at its production locations if they thought it would directly benefit the workers. B&C suggests that if all factories in Bangladesh adopted the fixing of the wage range per grade, this would impact the wage levels directly. However, according to B&C, the Bangladesh Garment Manufacturers and Exporters Association play a considerable role in determining the wage levels in Bangladesh, which restricts B&C from paying higher prices that benefit the factory workers. B&C has made it clear to its suppliers that it is willing to pay higher wages but finds it is not an easy topic to discuss with suppliers.

To bypass the restriction, B&C has shown its ideas to decrease daily living expenses for the factory workers by introducing an onsite grocery shop where the workers can buy discounted products and a health insurance programme. B&C has shown that talks about implementing these benefits have started in 2021 but have not been finalised yet.

**Recommendation:** Fair Wear encourages B&C to involve worker representatives and local organisations in assessing the root causes of wages lower than living wages. It is advised that the outcomes of the root cause analysis are discussed internally and with top management to form a basis for an embedded strategy. If B&C is experiencing pushback from suppliers, or other organisations, it could use its Bangladesh local office to lobby. B&C could also engage with Fair Wear's Bangladesh country manager to develop a strategy.

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.	Intermediate	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.	2	6	0

**Comment:** B&C is willing to contribute to higher wages but finds that it is not an easy subject to discuss with its suppliers. Based on its calculations, B&C is paying the wage set by the Bangladesh Garment Manufacturers and Exporters Association. According to B&C, any price increase would not benefit the worker.

The brand has also shown initiatives where they provide several one-time charitable contributions to factory workers.

B&C has mentioned increasing wages to its suppliers but has not shown them a clear strategy to cover the costs for more systematic wage increases.

**Recommendation:** Fair Wear advises companies to avoid the concept of a one-time charitable contribution. We strongly recommend members to integrate the financing of wage increases in its own systems, herewith committing to a long term process that leads to sustainable implementation of living wages.

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.	0%	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.	0	6	0

**Comment:** There are no factories that meet the living wage benchmarks yet.

**Recommendation:** B&C should start working on a strategy to increase wages at its suppliers.

## Purchasing Practices

**Possible Points: 52**

**Earned Points: 34**

## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	98%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.		
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:** In 2021, B&C hired a dedicated sustainability team at the Belgium headquarters and the Bangladesh office. The Corporate Responsibility manager in Bangladesh follows up on problems identified by the monitoring system. Follow-ups are coordinated from the headquarters in Belgium.

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 reports and corrective action plans are shared with factories, and improvement timelines are established in a timely manner. In (late) 2021, four Fair Wear audits were conducted. Meeting minutes show prompt action from the brand to engage with suppliers regarding corrective action plans.

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.	Intermediate	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.	6	8	-2

**Comment:** In 2021, B&C established a procedure to follow up on audit findings. First, the audit report is analysed and shared with the supplier. B&C gives the supplier some time to prepare for discussing the findings. After discussing the findings with the supplier, the time frame for each corrective action is set, and the factory management is asked to submit a remediation plan. The Corporate Responsibility manager in Bangladesh regularly follows up on the remediation plan by visiting the factories and engaging with the factory management teams. All audits are kept in an overview which helps to follow up on findings and to track their progress.

After one of its audits, a worker called the complaints line about not being fully during her maternity leave. The raised issue also corresponds to the audit. After finding out the problem, B&C immediately started remediations and made sure the maternity leave was paid in full, as required by law.

B&C could show that its suppliers worked on a range of issues that were remediated. However, more complex issues such as living wages, Gender-Based violence and the inclusion of worker representatives remain open.

**Recommendation:** Fair Wear recommends that B&C gradually ensure factories establish independent worker representation and involve these representatives in monitoring and remediation of findings.

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.	88%	Due to the Covid-19 pandemic, brands could often not visit their suppliers from March - December 2020. For consistency purposes, we therefore decided to score all our member brands N/A on visiting suppliers over the year 2020.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0

**Comment:** In 2021, B&C was able to visit all production sites in Bangladesh. Due to travel restrictions, visiting production locations in China and Pakistan was nearly impossible.

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:** In 2021, B&C remained a member of BSCI. Even though B&C does not use BSCI audits, it wants to keep access to BSCI audits conducted at their facilities. B&C uses the Fair Wear audit quality tool to assess the quality of those audits. B&C actively follows up on any findings of those audits in the corrective action plans.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	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.	5	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Intermediate			3	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:** Bangladesh: the brand is not a signatory of the Bangladesh Accord/RSC on Fire and Building Safety but only works with factories that are covered by the Accord/RSC or that have been audited for structural, fire and electrical safety inspection. The brand is aware of gender-related risks for Bangladesh. All factories have anti-harassment committees established, and one factory is enrolled in the Fair Wear WEP Violence prevention training.

China: the production sites in China are audited by BSCI regularly, where B&C specifically scans the audit reports for issues pertaining to Forced Labour. Also, considering the geographic location of the suppliers, the brand believes this risk is comparatively low. Two of the three suppliers are long-term suppliers. The brand has started working on a country risk assessment as part of its general due diligence approach.

Pakistan: the one production site in Pakistan is audited by BSCI. It is a production site run by a Belgium family with whom B&C has a long relationship. The Belgium owners visit the production site every month, and B&C staff visits the site every two years. The brand has started working on a country risk assessment as part of its general due diligence.

COVID-19: in 2021, the brand engaged with suppliers regarding COVID-19 risks and introduced a COVID-19 health and safety checklist, which the factories updated regularly. With all its suppliers, the brand followed up on vaccinating rates to ensure workers' safety and wellbeing. Having a local office in Bangladesh, B&C was able to visit the suppliers when it was possible.

**Recommendation:** Fair Wear advises B&C to create a policy to identify and remediate forced labour in its supply chain.

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:** B&C has worked together with two other member brands in 2021.

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.	No production in low-risk countries	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.	N/A	2	0

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:** Production locations in China and Pakistan fall under Fair Wear's tail-end production requirements and have been audited by BSCI.

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

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## Monitoring and Remediation

**Possible Points: 28**

**Earned Points: 26**

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### 3. Complaints Handling

Basic measurements	Result	Comments
Number of worker complaints received since last check.	3	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.	1	
Number of worker complaints resolved since last check.	4	

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 resolution and follow-up on the complaints are coordinated by the Sustainability team in Belgium and executed by the Corporate Responsibility manager in Bangladesh.

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:** B&C has informed factory management and workers about the Fair Wear CoLP and complaints hotline. This is checked and photographed on every visit. Picture proof was collected and shown during the Brand Performance Check.

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.	79%	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 2021, the member conducted the Workers Education Programme's Violence and Harassment Prevention training at two facilities. As the Workers Education Programme's Violence and Harassment Prevention includes the content of Workers Education Programme Basic, it also counts for this indicator.

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.	Yes	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.	3	6	-2

**Comment:** In 2021, B&C received three complaints at two factories in Bangladesh. In all cases, another Fair Wear member was involved. B&C willingly cooperated with two other Fair Wear member brands to resolve the issue promptly.

The first complaint is partially resolved, as one of the complainants has received her payment through the Department of Inspection for Factories and Establishments. However, the other complainant did not get her legal dues yet.

The second complaint was resolved. Fair Wear cross-checked with the complainant and other workers and learned that excessive overtime has stopped in the factory. The workers expressed their satisfaction with this outcome and appreciated the help from Fair Wear and the member brands.

Finally, the last complaint is only partially resolved, as one of the complainants has received their claimed amount but the second complainant hasn't yet. Fair Wear received a payment document from the member brand that had been shared by the factory management. The factory management sent a payment sheet in December 2020 stating that they had paid the second complainant's salary. When the payment was cross-checked, the complainant stated that they did not get any payment.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers.	Active cooperation	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.	2	2	0

**Comment:** In 2021, B&C received three complaints at two production locations in Bangladesh, all shared with other Fair Wear members. The brand could demonstrate active cooperation, participation, and engagement with other Fair Wear members in addressing worker complaints.

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## Complaints Handling

**Possible Points: 17**

**Earned Points: 14**

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## 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:** B&C staff is informed of Fair Wear membership in the onboarding programme. Besides general information, the staff also undergoes sustainability training, in which Fair Wear membership is present prominently. The European sales team meets every month when launching a new product. Fair Wear topics are usually discussed during these meetings, given that the company receives a lot of queries from customers on this topic. The member also keeps a blog on sustainability and membership of different programmes (<https://blog.bc-collection.eu/nl/duurzaamheid/wij-zijn-lid-van-de-fair-wear-foundation/>).

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:** B&C created its dedicated sustainability team in 2021. The Corporate Responsibility manager based out of Bangladesh is the liaison to all the suppliers (also in China and Pakistan). The Corporate Responsibility manager ensures that the Fair Wear Code of Labour Practices is enforced and respected at all of B&C's production locations. The Corporate Responsibility manager systematically reports to the Belgium headquarters and the Bangladesh country manager. Generally, audit reports and corrective action plans are shared with all staff that visit production locations. While not all staff visiting factories are formally trained on Fair Wear requirements, they are encouraged to report any salient points on health and safety issues during their visit to the Corporate Responsibility manager.

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.	Member does not use agents/contractors	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.	N/A	2	0

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.	79%	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.	6	6	0

**Comment:** In 2021, two production locations in Bangladesh were enrolled in Fair Wear's Workplace Education Programme Violence and Harassment Prevention training.

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:** In 2021, the Corporate Responsibility manager participated in Workplace Education Programme Violence and Harassment Prevention training at two suppliers in Bangladesh. B&C believes that attending the training allows for more effortless follow-up. The Corporate Responsibility manager stays in touch with factory management to follow up on the training and involves the anti-harassment committee. On every visit after the training, the factory management is asked about topics that were brought up during the training.

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## **Training and Capacity Building**

**Possible Points: 11**

**Earned Points: 11**

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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.	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:** B&C has a written procedure to monitor its production locations and subcontractors involved. All necessary information is collected before production starts, and audit reports are collected to check for hidden subcontracting. New suppliers, including their subcontractors, are visited before first orders are placed. In Bangladesh, B&C's local staff visits the production site and can thus check whether production is outsourced unauthorised. That apart, the styles sourced from these locations are long-run styles which makes it logical for factories not to outsource to maintain efficiency. Based on the quality received, the brand is confident that it can cross-check for subcontracting risks.

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:** In 2021, with the introduction of two dedicated team members on sustainability, B&C introduced a weekly meeting which occurs every Friday morning between the Sustainability department in Belgium and Bangladesh. In this meeting, updates are given on any running issues, corrective action plans, and relevant deadlines. Information is also shared by keeping the Sustainability department in a carbon copy of all e-mails relating to working conditions at production locations.

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## Information Management

**Possible Points: 7**

**Earned Points: 7**

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## 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:** The brand's website includes information on Fair Wear. Fair Wear membership is mentioned, and Fair Wear's logo is shown. The brand's communication of Fair Wear membership is in line with Fair Wear's communication policy.

Fair Wear is mentioned in the introduction and at the beginning of each product category in its product catalogue. E-mails and newsletters to customers also include information about Fair Wear membership. The marketing department also uses Fair Wear visuals in social media posts.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Supplier list is disclosed to the public.	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.	2	2	0

**Comment:** In 2021, B&C has disclosed its suppliers to other Fair Wear members. The member has published its brand performance check and its social report on their website (<https://www.bc-collection.eu/en/our-commitment-people>).

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:** A complete and accurate social report was submitted to Fair Wear and is published on B&C's website.

## Transparency

**Possible Points: 6**

**Earned Points: 6**

## 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:** The senior management was involved and reviewed the outcome, requirements, and recommendations of the performance check. B&C sees the brand performance check as an evaluation of its performance and not the performance of its suppliers. B&C also explains it this way to its suppliers. According to B&C, Fair Wear membership is a voluntary approach to better understanding the brand's performance on social sustainability practices.

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.	80%	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:** B&C has five requirements from last year's brand performance check, addressing four of them sufficiently.

## Evaluation

**Possible Points: 6**

**Earned Points: 6**

## Recommendations to Fair Wear

- B&C recommends Fair Wear to be more visible. According to B&C, Fair Wear has a good reputation, which should be more widely known within the industry.
- B&C requests Fair Wear not to penalise (or subtract points) from member brands that have not signed the International Safety Accord.
- B&C recommends more transformative training connected to the Code of Labour Practices. The brand finds that currently, there is not enough variety in training.
- B&C recommends that Fair Wear share the training and audit capacity ahead of a year. According to B&C, it takes too long to arrange training or audit within a specific time frame.

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	34	52
Monitoring and Remediation	26	28
Complaints Handling	14	17
Training and Capacity Building	11	11
Information Management	7	7
Transparency	6	6
Evaluation	6	6
Totals:	104	127

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

82

### Performance Benchmarking Category

Leader

## Brand Performance Check details

Date of Brand Performance Check:

05-07-2022

Conducted by:

Jason Mandels

Interviews with:

Murielle Degeest - Managing Director

Bruno Van Steenberghe - Head of Sustainability

Alix Carlier - Compliance & Corporate Responsibility Officer

Bruno Van Sielegem - Sustainability & Corporate Responsibility Manager

Mikael Grard - Country manager (Bangladesh)

Pierre-Jean Larrieu - Procurement & Sourcing Manager

Sabiha Akter - Corporate Responsibility Manager (Bangladesh)

Shirley Rupchandani - Planning Manager

Tanvir Noman - Merchandising & Quality Manager (Bangladesh)

Virginie Kamensky - Market Intelligence & Strategic Branding Manager