



Brand Performance Check

Engelbert Strauss GmbH & Co. KG

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This report covers the evaluation period 01-01-2022 to 31-12-2022

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

Scoring overview

Total score: 134

Possible score: 208

Benchmarking Score: 64

Performance Benchmarking Category: Good



Summary:

STRAUSS has shown progress and met most of Fair Wears' performance requirements. With a total benchmarking score of 64, the member remains in the Good category.

In 2022, STRAUSS faced numerous challenges that put its supply chains to the test. The pandemic aftermath led to increased stock levels in the European warehouse, coupled with the impact of the war in Ukraine and rising transportation and raw material costs. These factors created bottlenecks in the supply chains, making the difficulties apparent throughout the year.

To ensure responsible sourcing practices, STRAUSS documented its sourcing strategy in its supplier manual and the responsible buying guide, the supplier manual is shared with factories during the onboarding process. The company demonstrated its commitment to fostering long-term relationships and collectively improving labour conditions.

In an effort to address supply chain risks, STRAUSS implemented a risk analysis matrix that aligns with OECD standards, encompassing diverse risk categories. Nonetheless, it is important to acknowledge that despite Fair Wear's suggestions for enhanced monitoring in China, Myanmar, and Bangladesh, the member did not adhere to all of these recommendations. Notably, Fair Wear urged STRAUSS to exit a factory identified as high risk for forced labour involving minority migrant workers, but the member brand disregarded this advice.

Furthermore, the brand has decreased its FOB in Myanmar compared to the year before. However, since the brand entered the wrong FOB data in the 2022 financial year, this was not verified during this performance check. Since financial years cannot be adjusted after the check has taken place, the information on percentages of production volumes from page six onwards is incorrect. STRAUSS also provided incorrect information regarding the percentage of FOB purchased through agents or intermediaries, which could also not be verified during the performance check.

To improve its practices, STRAUSS adjusted its onboarding practice in 2022 to focus more on freedom of association (FoA) and internal grievance mechanisms. Additionally, surveys were introduced to gather more data on wage levels and gender-disaggregated information, reflecting the company's commitment to addressing labour-related concerns.

In 2023, Fair Wear implemented a new performance check methodology aligned with the OECD guidelines on HRDD. This new methodology raises the bar and includes some new indicators, which may result in a lower score for members. Because this is a transition year, Fair Wear lowered the scoring threshold for this year only.

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.

Company Profile Engelbert Strauss GmbH & Co. KG

Member company information

Member since: 1 Nov 2016

Product types: Workwear

Percentage of CMT production versus support processes 14%

Percentage of FOB purchased through own or joint venture production 0.26%

Percentage of FOB purchased directly 68%

Percentage of FOB purchased through agents or intermediaries 89%

Percentage of turnover of external brands resold 0%

Are vertically integrated suppliers part of the supply chain? Yes

FLA Member No

Member of other MSI's/Organisations Bluesign, Elevate, Summations, Bureau Veritas, OEKOTEX,

Number of complaints received last financial year 3

Basic requirements

Definitive production location data has been submitted for the financial year under review? Yes

Work Plan and projected production location data have been submitted for the current financial year? Yes

Production countries, including number of production locations and total production volume.

Production Country	Number of production locations	Percentage of production volume
Bangladesh	14	43.91%
China	48	17.17%
Viet Nam	10	11.1%

Lao People's Democratic Republic	1	9.98%
Myanmar	2	6.68%
Türkiye	10	4.61%
Germany	7	1.25%
Ethiopia	1	1.15%
Sri Lanka	4	0.88%
Italy	4	0.78%
Pakistan	10	0.73%
Albania	2	0.46%
Republic of Korea	1	0.38%
Tunisia	1	0.34%
Indonesia	2	0.14%
Zimbabwe	1	0.12%
India	3	0.07%
Bosnia and Herzegovina	2	0.05%
Malaysia	2	0.03%
Romania	1	0.02%
Mauritius	1	0.02%
Portugal	1	0.02%
Poland	1	0.02%
Slovakia	1	0.02%

Bulgaria	1	0.01%
Morocco	1	0.01%
Ukraine	1	0%
Latvia	2	0%

Layer 1 Foundational system's criteria

Possible Points: 8

Earned Points: 7

1.1 Member company has a Responsible Business Conduct policy adopted by top management.: No

Comment: STRAUSS does not yet have a Responsible Business Conduct Policy.

Requirement: STRAUSS needs to develop a Responsible Business Conduct policy.

1.2 All member company staff are made aware of Fair Wear's membership requirements.: Yes

1.3 All staff who have direct contact with suppliers are trained to support the implementation of Fair Wear requirements.: Yes

1.4 A specific staff person(s) is designated to follow up on problems identified by the monitoring system, including complaints handling. The staff person(s) must have the necessary competence, knowledge, experience, and resources.: Yes

1.5 Member company has a system in place to identify all production locations, including a policy for unauthorised subcontracting.: Yes

1.6 Member company discloses internally through Fair Wear's information management system, in line with Fair Wear's Transparency Policy.: Yes

Comment: STRAUSS discloses 54% of production locations internally through Fair Wear's information management system. Fair Wear does not disclose Chinese factories on its website yet and therefore is lenient when members do not disclose Chinese factories.

1.7 Member company discloses externally on Fair Wear's transparency portal, in line with Fair Wear's Transparency Policy.: Yes

Comment: STRAUSS discloses 54% of production locations externally on Fair Wear's transparency portal.

1.8 Member complies with the basic requirements of Fair Wear's communication policy.: Yes

Layer 2 Human rights due diligence, including sourcing strategy and responsible purchasing practices.

Possible Points: 90

Earned Points: 56

Indicators on Sourcing strategy

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.1 Member company's sourcing strategy is focused on increasing influence to meaningfully and effectively improve working conditions.	Basic	Fair Wear expects members to adjust their sourcing strategy to increase their influence over working conditions. Members should aim to keep the number of production locations at a level that allows for the effective implementation of responsible business practices.	Strategy document; consolidation plans, examples of implementation.	2	6	0

Comment: The member brand focuses on building long-term relationships, stability in orders and consolidation of its supply chain. This is documented in the supplier manual and the guide for responsible buying. STRAUSS has also demonstrated its active cooperation with other member brands to increase influence. However, the brand has yet to establish a formal sourcing strategy.

Requirement: STRAUSS needs to create a sourcing strategy. This strategy should focus on addressing labour conditions.

Recommendation: Fair Wear also recommends the member to include SMART goals in its sourcing strategy.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.2 Member company's sourcing strategy is focused on building long-term relationships.	Basic	Stable business relationships underpin the implementation of the Code of Labour Practices and give factories a reason to invest in improving working conditions.	Strategy documents; % of FOB from suppliers where a business relationship has existed for more than five years; Examples of contracts outlining a commitment to long-term relationship; Evidence of shared forecasting.	2	6	0

Comment: STRAUSS has not got a formal sourcing strategy. 91% of the member's total FOB volume comes from suppliers with whom STRAUSS has a business relationship for at least five years. The member does not commit to long-term contracts yet.

Recommendation: Fair Wear recommends STRAUSS to maintain stable business relationships with suppliers. Long-term relationships give factories a reason to invest in improving working conditions. It is advised to describe policies regarding maintaining long-term business relationships in a sourcing strategy agreed upon with top management/sourcing staff. Fair Wear also recommends STRAUSS to commit to long-term contracts.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.3 Member company conducts a risk scoping exercise as part of its sourcing strategy.	Intermediate	Human rights due diligence, according to the OECD guidelines, requires companies to undertake a scoping exercise to identify and mitigate potential human rights risks in supply chains of potential business partners.	HRDD policy; Sourcing strategy linked to results of scoping exercise; HRDD processes, including specific responsibilities of different departments; Use of country studies; Analysis of business and sourcing model risks; Use of licensees and/or design collaborations.	4	6	-2

Comment: STRAUSS conducts risk scoping and includes all risk factors. In its risk scoping, the member has assessed the impact and prevalence of the risks correctly. The risk scoping includes a gender lens. The member particularly looks at the way country risks may differently impact women compared to men. STRAUSS has done this for all risks in all its sourcing countries.

Input from workers, suppliers, and stakeholders is included in the risk scoping by sharing the human rights risk analysis with worker representations and collecting their feedback through interviews during audits and training.

Because of the lack of a formal sourcing strategy, STRAUSS does not mention a preference for countries where workers can freely form or join a trade union and bargain collectively. STRAUSS, however, mentioned it looks to increase leverage and consolidate its supply chain in its supplier manual.

The member has not always adjusted its sourcing decisions based on the results of its country risk scoping if the individual factory assessments showed a lower risk. At the same time, the brand has decreased its FOB in Myanmar compared to the year before. However, since the brand entered the wrong FOB data in the 2022 financial year, this could not be verified during this performance check.

Recommendation: Fair Wear strongly recommends STRAUSS to privilege countries where workers can freely form or join a trade union and bargain collectively and make this explicit in its sourcing strategy. Fair Wear also strongly recommends STRAUSS to adjust its sourcing based on the results of its risk scoping.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.4 Member company engages in dialogue with factory management about Fair Wear membership requirements before finalising the first purchase order.	Advanced	Sourcing dialogues aim to increase transparency between the member and the potential supplier, which can benefit improvements efforts going forward.	Process outline to select new factories; Material used in sourcing dialogue; Documents for sharing commitment towards social compliance; Meeting reports; On-site visits; Reviews of suppliers' policies.	4	4	0

Comment: It is the standard process for STRAUSS to inform new suppliers about Fair Wear membership by sharing, discussing and signing the Code of Labour Practices (CoLP), sharing the Supplier Manual and asking the factory to post the Worker Information Sheet (WIS). Additionally, it is standard practice in the onboarding process to visit the supplier and have a dialogue about CSR/human rights and how the supplier and STRAUSS can cooperate on this topic. The attitude of the supplier management towards CSR, and the willingness to change, is an important decisive factor.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.5 Member company collects the necessary human rights information to inform sourcing decisions before finalising the first purchase order.	Intermediate	Human rights due diligence processes are necessary to identify and mitigate potential human rights risks in supply chains. Specific risks per factory need to be considered as part of the decision to start cooperation and/or place purchasing orders.	Questionnaire with CoLP, reviewing and collecting existing external information, evidence of investigating operational-level grievance system, union and independent worker committee presence, collective bargaining agreements, engaging in conversations with other customers and other stakeholders, including workers.	4	6	0

Comment: STRAUSS collects human rights information of potential new suppliers by collecting self-assessments and existing audit reports. The member brand also gathers data on union activity, worker representation within the new factory and existing grievance mechanisms, along with details concerning collective bargaining agreements. Once all information is considered sufficient to build a relationship, STRAUSS visits the production location. If the received information does not suffice, the member brand refrains from starting a business relationship. STRAUSS keeps track of social-compliance pre-conditions in its new supplier overview. In 2022, the company adjusted its onboarding process to also include information collection on grievance mechanisms and freedom of association. The company does not collect information from workers or stakeholders to inform the sourcing decision.

Recommendation: Fair Wear encourages the member to collect worker and stakeholder input before placing the first order.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.6 Member actively ensures awareness of the Fair Wear CoLP, the complaints helpline, and social dialogue mechanisms within the first year of starting business.	Intermediate	This indicator focuses on the preliminary mitigation of risks by actively raising awareness about the Fair Wear Code of Labour Practices and complaints helpline. Discussing Fair Wear's CoLP with management and workers is a key step towards ensuring sustainable improvements in working conditions and developing social dialogue at the supplier level.	Evidence of social dialogue awareness raised through earlier training/onboarding programmes, onboarding materials, information sessions on the factory grievance system and complaints helpline, use of Fair Wear factory guide, awareness-raising videos, and the CoLP.	4	6	0

Comment: STRAUSS has shared information about Fair Wear's CoLP and the complaints helpline within the first year of doing business with 18 new suppliers in 2022. The Worker Information Sheet has been posted at all new production locations. STRAUSS organised onboarding sessions for workers and the management of new suppliers. The member organised these sessions to raise awareness about the Fair Wear CoLP and the complaints helpline. STRAUSS has yet to include discussions with workers on how they would like to provide feedback and report grievances to management regarding working conditions in its onboarding sessions.

Recommendation: Fair Wear recommends STRAUSS to include a discussion with workers on how they would like to provide feedback and report grievances to the management regarding their working conditions in its onboarding sessions.

Indicators on Identifying continuous human rights risks

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.7 Member company has a system to continuously monitor human rights risks in its supply chain.	Basic	Members are expected to regularly evaluate risk in a systematic manner. The system used to identify human rights risks determines the accuracy of the risks identified and, as such, the possibilities for mitigation and remediation.	Use of risk policies, country studies, audit reports, other sources used, how often information is updated.	2	6	0

Comment: STRAUSS has a systematic approach to identifying human rights risks in its supply chain and has assessed the risks for each production location. It has determined the appropriate monitoring tool and frequency per country (or outcome of the risk scoping). For instance, the brand monitors its suppliers in the countries that its risk scoping identified as having a higher risk of limited freedom of association and forced labour by enrolling them in audits, organising monitoring visits, regular dialogue with factory management and trainings. The member brand has found its monitoring tools to be trustworthy but found there is a discrepancy between the monitoring outcomes and the common risks as identified in STRAUSS's risk scoping based on Fair Wear country studies and other relevant sources.

For instance, while forced labour is a common risk in China or freedom of association is a common risk in Myanmar. While STRAUSS places additional focus on this in its monitoring, the monitoring tools employed by STRAUSS at the factory level generally indicated a lower risk compared to the country level for most factories. The member has not adapted its monitoring approach to identify potential non-compliances thoroughly.

STRAUSS' most important production country is Bangladesh. Strauss has conducted its risk scoping exercise for Bangladesh and is aware of the country-specific risks in regard to health and safety and gender-based violence and harassment. The brand, however, is not a signatory to the International Accord. Eight out of 12 factories in Bangladesh are monitored by the International Accord and four are not. The member monitors all its factories in Bangladesh through an external auditor, including an electric engineer to specifically check for occupational health and safety issues.

The majority of the monitoring activities and CAP follow-up for the member brand are carried out by a single organisation. STRAUSS takes the precaution of ensuring that the follow-up activities are assigned to different persons than those who conducted the initial audit. Although this separation is a positive measure to reduce potential bias, it does not completely eliminate the possibility of bias altogether.

Requirement: STRAUSS must include the requirements of the 'Enhanced Human Rights Due Diligence Policy for fire, structural and electrical safety in Bangladesh' in its monitoring system.

Recommendation: Fair Wear strongly recommends that STRAUSS changes its monitoring tool when it does not identify risks that are common in the production country. Fair Wear also strongly recommends to separate monitoring activities and cap follow-up, to ensure monitoring is done in an independent way.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.8 Member company's continuous monitoring of human rights risks includes an assessment of freedom of association (FoA).	Advanced	Freedom of association and collective bargaining are 'enabling rights.' When these rights are respected, they pave the way for garment workers and their employers to address and implement the other standards in Fair Wear's Code of Labour Practices - often without brand intervention.	Use of supplier questionnaire to inform decision-making, collected country information, and analyses.	6	6	0

Comment: STRAUSS has mapped the risks to FoA in all its sourcing countries and can explain the main risks per country, including the risks to women workers. STRAUSS assesses if the rights to FoA and CB are in place by conducting worker interviews during audits, training and onboarding sessions. The member brand relies on the factory's grievance mechanisms should workers experience any issues. The member uses this information to understand what the risks at its suppliers are and inform itself how to engage with its suppliers on this topic. The member has supplier-level monitoring in place to assess and understand the risk at suppliers. In 2022, it asked all suppliers to fill in a survey, including information about FoA, unionisation, worker representation and CBAs.

Although the member company accurately scoped risks and had a clear understanding of risks to FoA, it continued sourcing in Myanmar, albeit with a reduced production volume. However, since the brand entered the wrong FOB data in the 2022 financial year, this could not be verified during this performance check.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.9 Member company includes a gender analysis throughout their continuous monitoring of human rights risks, to foster a better understanding of gendered implications.	Intermediate	Investing in gender equality creates a ripple effect of positive societal outcomes. Members must apply gender analyses to their supply chain to better address inequalities, violence, and harassment.	Evidence of use of the gender mapping tools and knowledge of country-specific fact sheets.	4	6	0

Comment: STRAUSS actively collects gender data per factory. Data that it collects are gender-specific risks on social dialogue, violence and harassment, health and safety, wages and leadership. This information is collected through audits, training and questionnaires. The information is kept by the brand and used to implement training on women empowerment programs and gender-specific training. As 2022 was mostly about setting up these structures, the brand has yet to implement this for all its suppliers.

Recommendation: Fair Wear recommends the member to start analysing the gender data collected at country and factory levels and connect them for all its production locations. Fair Wear's gender instruments can be helpful.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.10 Member company considers a production location's human rights performance in its purchasing decisions.	Intermediate	Systematic evaluation is part of continuous human rights monitoring. A systematic approach to evaluating production location performance is necessary to integrate social compliance into normal business processes and to support good decision-making.	Supplier evaluation format, meeting notes on supplier evaluation shared with the factory, processes outlining purchasing decisions, link to responsible exit strategy.	2	4	0

Comment: STRAUSS has a systematic evaluation system for assessing suppliers' human rights performance. Suppliers are evaluated on the parameters of quality, on-time delivery, compliance with agreements and CSR. The CSR part includes Corrective Action Plan progress, communication and collaboration in working towards better working conditions. The evaluation results in a traffic light system which is only shared with suppliers incidentally (when things are not going well) and not structurally. The member brand occasionally includes the outcome of the evaluation in its purchasing decisions. STRAUSS has yet to share the outcomes with worker representation.

Recommendation: Fair Wear recommends STRAUSS to share and discuss the outcome of the supplier evaluation with all its suppliers and their worker representatives.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.11 Member company prevents and responds to unauthorised or unknown production and/or subcontracting.	Advanced	Subcontracting can decrease transparency in the supply chain and has been demonstrated to increase the risk of human rights violations. Therefore, when operating in higher-risk contexts where it is likely subcontracting occurs, the member company should increase due diligence measures to mitigate these risks.	Production location data provided to Fair Wear, financial records from the previous financial year, evidence of member systems and efforts to identify all production locations (e.g., interviews with factory managers, factory audit data, web shop and catalogue products, etc.), licensee contracts and agreements with design collaborators.	4	4	0

Comment: Overall STRAUSS has a solid understanding of where its products are made. As outlined under indicator 1.5 there is a system in place to ensure suppliers inform the company before they add new production locations. STRAUSS has long-term, trusted relationships with most suppliers and could cite several cases where the supplier has requested authorisation for subcontracting. STRAUSS staff often travels to locations during production, which enables them to check if agreed production volumes are currently being produced in the factory. Information regarding subcontractors collected during audits and monitoring visits as well as information provided regularly by suppliers is integrated in its system.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.12 Member company extends its due diligence approach to homeworkers.	Intermediate	Homeworkers should be viewed as an intrinsic part of the workforce, entitled to receive equal treatment and have equal access to the same labour rights, and therefore should be formalised to achieve good employment terms and conditions.	Supplier policies, evidence of supplier and/or intermediaries' terms of employment, wage-slips from homeworkers.	2	4	0

Comment: According to the member, there is a very low risk of homeworkers being used by its suppliers because homework is not prevalent for the kind of products STRAUSS produces. Embroidery is done by machine and easily identified when made by hand. The member included the topic in its risk assessment and in its monitoring activities. Audit findings did not show any evidence of homeworkers in STRAUSS' supply chain. STRAUSS focuses on monitoring its suppliers' production capacity through regular inspections, aiming to prevent any instances of unauthorised subcontracting or the use of homeworkers. Because of these reasons, STRAUSS assumes that homeworkers are not used for its orders. The member has not had a conversation about this with its suppliers.

Recommendation: Fair Wear recommends STRAUSS to engage in dialogue with suppliers to confirm homeworkers are not used for its production.

Indicators on Responsible purchasing practices

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.13 Member company's written contracts with suppliers support the implementation of Fair Wear's Code of Labour Practices and human rights due diligence, emphasising fair payment terms.	Insufficient	Written, binding agreements between brands and suppliers, which support the Fair Wears CoLP and human rights due diligence, are crucial to ensuring fairness in implementing decent work across the supply chain.	Suppliers' codes of conduct, contracts, agreements, purchasing terms and conditions, or supplier manuals.	0	4	0

Comment: STRAUSS does not use contracts with its suppliers. The member maintains agreements in the form of purchase orders and a supplier manual that outline the terms of payment, liability, delivery conditions, and penalties. While the payment terms and delivery conditions in the supplier manual are fair and reasonable, the liability and penalties place a significant burden on the supplier. Nevertheless, STRAUSS has shown that these terms act as a safeguard and are applied on a case-by-case basis, never so far holding suppliers strictly accountable. Despite this, the situation remains less favourable for suppliers, as the burden still falls on them. The supplier manual is signed by many of its suppliers and refers to the CoLP.

Requirement: STRAUSS should evaluate its supplier manual to ensure that it does not place an unequal burden on its suppliers or include terms that limit the possibility of implementing the Code of Conduct.

Recommendation: Fair Wear strongly recommends STRAUSS to use written contracts with all its suppliers that include shared responsibilities and support the implementation of human rights due diligence. Fair Wear strongly recommends that STRAUSS remove penalties for late delivery from its supplier manual, or at least ensure there is 'proof of fault by the supplier'.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.14 Member company has formally integrated responsible business practices and possible impacts on human rights violations in their decision-making processes.	Intermediate	Corporate Social Responsibility (CSR), purchasing, and other staff that interact with suppliers must be able to share information to establish a coherent and effective strategy for improvements. This indicator examines how this policy and Fair Wear membership requirements are embedded within the member company.	Internal information systems, status Corrective Action Plans, sourcing score- cards, KPIs listed for different departments that support CSR efforts, reports from meetings from purchasing and/or CSR staff, and a systematic manner of storing information.	4	6	0

Comment: The CSR department at STRAUSS shares relevant information with other departments. There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices. The member has yet to include cross-divisional KPIs that support good sourcing and pricing strategies.

Recommendation: STRAUSS could adopt KPIs that support good sourcing and pricing strategies within its sourcing, purchasing and design departments.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.15 Member company's purchasing practices support reasonable working hours.	Advanced	Members' purchasing practices can significantly impact the levels of excessive overtime at factories.	Proof that planning systems have been shared with production locations, examples of production capacity knowledge that is integrated into planning, timely approval of samples, and proof that management oversight is in place to prevent late production changes.	6	6	0

Comment: Around 80% of STRAUSS' production comprises never-out-of-stock (NOS) items. For these products, suppliers are familiar with the specifications, enabling year-round production to balance out seasonal product peaks effectively. Orders for NOS items are placed well in advance, typically four months, and once placed, no design changes are made. As a result, the forecasted and actual order volumes rarely differ significantly. The major suppliers also receive monthly order forecasts from STRAUSS.

To ensure availability and flexibility, STRAUSS maintains substantial stock volumes of NOS items in Europe, which allows them to handle any potential delays from the supplier's side. On the other hand, seasonal products are developed in close collaboration with suppliers with a final forecast shared six months before the planned delivery. The usual variation in actual order volumes for seasonal items is kept within a maximum of 5%.

As a consequence of the COVID-19 pandemic and to support suppliers by avoiding order cancellations, STRAUSS experienced a significant increase in stock levels in Europe. Nevertheless, STRAUSS' approach to production generally does not exert undue pressure on suppliers. The company possesses insights into the capacity needed for the production of its orders, which it uses in its forecasting. However, it lacks visibility into the labour minutes required for fulfilling those orders.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.16 Member company can demonstrate the link between its buying prices and wage levels at production locations.	Basic	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, cost sheets including labour minutes.	2	6	0

Comment: STRAUSS buys complex and high-quality products, allowing the prices to be relatively high. The member has taken steps towards adopting open costing practices for a limited number of products and has actively engaged in webinars on this subject. Additionally, some suppliers have participated in country-specific webinars specifically focused on labour minute costing. The member brand also found that most suppliers are reluctant to work with open costing or any other form of fact-based costing like the Fair Price programme.

STRAUSS is also part of a living wage project with other brands, facilitated by the Fair Labor Association (FLA).

While the member brand monitors wage levels at its suppliers, it does not explicitly link them to its prices, as the company doesn't calculate labour minutes per style, which would provide insights into the labour cost per product style. Consequently, the ability to determine whether the prices paid are sufficient for legal minimum wages remains limited.

The pricing negotiation process is based on the team's experience and knowledge of factors like fabric costs, design intricacies, and required workmanship for the product. Typically, the factory quotes a price, which is then assessed against the selling price. During this evaluation process, STRAUSS may streamline technical specifications to meet a target price, rather than pressuring the factory to reduce its prices. It is important to note that the performance of the purchasing staff is not evaluated based on the target prices they achieve.

Recommendation: STRAUSS is recommended to investigate why some suppliers are reluctant to work with Fair Price or any other form of fact-based costing, if needed, with the support of Fair Wear's local teams.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.17 All sourcing intermediaries play an active role in upholding Fair Wear's Code of Labour Practices and ensure transparency about where production takes place.	Advanced	Intermediaries have the potential to either support or disrupt CoLP implementation. It is members' responsibility to ensure production relation intermediaries actively support the implementation of the CoLP.	Correspondence with intermediaries, trainings for intermediaries, communication on Fair Wear audit findings, etc.	4	4	0

Comment: STRAUSS typically collaborates directly with production locations when it comes to CoLP. However, in a few instances STRAUSS works with agents for many years. In these cases, the production sites mostly hold limited significance for STRAUSS. As the agent can leverage the combined influence of multiple brands, which may surpass that of STRAUSS alone, STRAUSS perceives this approach as potentially beneficial for ensuring better adherence to the Fair Wear Code of Labour Practices.

To maintain alignment with ethical standards, all agents have signed STRAUSS's supplier Code of Conduct (which cover Fair Wear's Code of Labour Practices) and work closely with STRAUSS. Together, they strive to enhance working conditions, exemplified by initiatives such as regular checks on health and safety conditions.

Layer 3 Prevention, mitigation and remediation

Possible Points: 96

Earned Points: 60

Indicators on the quality and coherence of a members' prevention and remediation system

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.1 Member company integrates outcomes of human rights risk identification (layer 2) into prioritisation and follow-up programmes according to the risk profile.	Insufficient	Based on the risk assessment outcomes, a factory risk profile can be determined with accompanying intervention strategies, including improvement and prevention programmes.	Overview of supplier base with accompanying risk profile and follow-up programmes.	0	6	0

Comment: Based on the risk identification as described in chapter two, STRAUSS has linked factory risks to follow-up for factories covering 91% of FOB. The member prioritised countries that fall under the enhanced monitoring programmes. However, in its follow up, the member ignores some of Fair Wear’s policies.

STRAUSS is not a signatory to the International Accord. While eight factories are monitored by the International Accord, four are not. The member employs an external auditor, including an electrical engineer, with a specific focus on assessing and addressing occupational health and safety concerns.

An independent report indicated a very high risk of forced labour at one of STRAUSS' Chinese suppliers. In these very sensitive cases, Fair Wear strongly recommends members to exit. Because of its hidden and very sensitive nature, audits cannot adequately identify forced labour. However, the member decided to follow up by organising an audit. The audit shows a very high number of minority workers, but, as could be expected, did not identify forced labour. The member is convinced that the minority workers are employed under normal conditions, contrary to what is widely known about forced labour by the international community.

At the same time, the brand has decreased its FOB in Myanmar compared to the year before. However, since the brand entered the wrong FOB data in the 2022 financial year, this could not be verified during this performance check.

Even though Strauss has made follow-up plans for factories, covering 91% of the FOB, the member has not shown to adequately respond to high risks and follow Fair Wear’s guidelines, and therefore an insufficient score is given

Requirement: STRAUSS is required to ensure it only sources from production locations in Bangladesh that are covered by the RMG Sustainability Council (RSC), or the International Accord, or become a signatory of the International Accord.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.2 Member company’s improvement and prevention programmes include a gender lens.	Basic	The prevention and improvement programmes should ensure equitable outcomes. Thus, a gender lens should be incorporated in all programmes regardless of whether or not the programme is specifically about gender.	Proof of incorporation of the gender lens in follow up programmes, including stakeholder input.	2	6	0

Comment: STRAUSS' risk analysis includes a gender lens per factory which has fed into the improvement or prevention steps. However, the improvement/prevention steps do not have a gender lens on top of this. This applies to the CAPs as well; STRAUSS applies the gender lens from the risk assessment to CAP findings, but the CAP itself does not have a 'seperate' gender lens added to it. STRAUSS has used the year 2022 mainly to understand the topic of gender better and to improve the suppliers' knowledge as well, in order to prepare them to include the gender lens actively in the improvement and prevention steps.

Recommendation: The member is encouraged to include a gender lens in all its improvement and prevention actions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.3 Member company's improvement and prevention programmes include steps to encourage freedom of association and effective social dialogue.	Intermediate	Freedom of Association and Collective Bargaining are enabling rights. Therefore, ensuring they are prioritised in improvement and prevention programmes can help support improvements in all other areas.	Available prevention and improvement programmes, including stakeholder input.	4	6	0

Comment: STRAUSS included comprehensive steps to encourage FoA and effective social dialogue in its improvement and prevention actions. As preventative steps, the member has worked together with its auditing and training partner to speak to worker representatives to improve their understanding of their duties. In 2022, STRAUSS had 2 non-WEP trainings with a focus on communication: One tailored, intensive four-month training programme (conducted by Sumations) in Türkiye (different topics, among them also social dialogue) and one Supplier Seminar 2022 Social Dialogue in the Garment Industry (conducted by Fair Wear) in India.

Recommendation: Fair Wear recommends STRAUSS to be more comprehensive and include more factories in its steps to promote FoA and effective social dialogue in its improvement and prevention actions.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.4 Member company actively supports operational-level internal grievance mechanism.	Intermediate	Fair Wear's complaints helpline is a safety net in case local grievance mechanisms do not provide access to remedy. Members are expected to actively support and monitor the effectiveness of operational-level grievance mechanisms as part of regular contact with their suppliers.	Communication with suppliers, responses to grievances, minutes of internal worker committees, evidence of democratically elected worker representation, evidence of handled grievance, review of factory policies, and proof of effective social dialogue.	4	6	0

Comment: STRAUSS actively supports and monitors the effectiveness of internal grievance mechanisms. In 2022, STRAUSS discussed the internal grievance mechanisms with all suppliers. The brand keeps on file whether there is an internal grievance mechanism (this is checked also before starting business with a new supplier), and whether the internal mechanism is functional or whether there is a need for additional training for workers. When the grievance mechanism was not considered effective, STRAUSS organised training to raise worker awareness. At some suppliers, this has already led to improvements, at others more awareness needs to be raised. Worker representations are consulted when assessing the operational-level grievance mechanisms.

Recommendation: Fair Wear recommends STRAUSS to ensure that the evaluation of internal grievance mechanisms of its suppliers is systematically considered in purchasing decisions and in the supplier evaluation system.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.5 Member company collaborates with other Fair Wear members or customers of the production location.	Advanced	Cooperation between Fair Wear members increases leverage and the chances of successful outcomes. Cooperation also reduces the chances of a factory needing to conduct multiple improvement programmes about the same issue with multiple customers.	Communication between different companies.	6	6	0

Comment: STRAUSS cooperates with other customers (Fair Wear members and others) at its shared suppliers, responding to CAPs and complaints. It also cooperates in organising training at production locations. STRAUSS also exchanges information regarding shared sourcing countries and factories with other customers that are not members of Fair Wear.

Indicators on implementation: improvement and prevention

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.6 Degree of progress towards implementation of improvement programme per relevant factory.	67%	Fair Wear expects members to show progress towards the implementation of improvement programmes. Members are expected to be actively involved in the examination and remediation of any factory-specific problem.	Progress reports on improvement programmes.	6	6	-2

Comment: STRAUSS' external monitoring partner takes charge of managing corrective action remediation with suppliers, conducting communication primarily through email and phone. To document progress, the partner requests evidence, such as pictures, production records, or copies of contracts. On a monthly basis, STRAUSS receives updates on the progress, and in cases of slow progress, the sustainability team directly engages with the suppliers to address the issues. For more complex matters, joint calls are held involving both the monitoring partner and STRAUSS' staff, often with the participation of top management.

Based on a selection of samples, STRAUSS has been able to demonstrate progress in implementing improvement programs for more than two-thirds of the cases within the stipulated time frame.

Recommendation: STRAUSS uses external monitoring expertise to ensure audit findings at production locations are addressed. Fair Wear wants to stress that as a brand, STRAUSS remains responsible for remediating audit findings and keeping track of progress.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.7 Degree of progress towards implementation of prevention programme.	Intermediate progress	Fair Wear expects members to show progress towards the implementation of prevention programmes. With this indicator, Fair Wear assesses the degree of progress based on the percentage of actions addressed within the set timeframe.	Update on prevention programmes.	4	6	-2

Comment: STRAUSS has identified most root causes of the CAP issues and discussed these with its suppliers. STRAUSS has identified two main causes at the root of several CAP findings, especially those related to working hours and wages (see indicators 3.9 and 3.11). STRAUSS also identified the lack of workers' awareness of their rights as a root cause of ineffective social dialogue / internal grievance mechanisms. STRAUSS addressed this by creating a comprehensive plan for training based on leverage and risks assessed of which implementation started in 2022. STRAUSS also created a pilot training to raise worker awareness for social dialogue among other topics. Some of this training still needs to be implemented.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.8 Member company validates risk profile and maintains regular dialogue with factories where no improvement or prevention programme is needed.	Intermediate	When no improvement or prevention programme is needed, Fair Wear expect its member companies to actively monitor the risk profile and continue to mitigate risks and prevent human rights abuses.	Use of Fair Wear workers awareness digital tool to promote access to remedy. Evidence of data collected, worker interviews, monitoring documentation tracking status quo.	4	6	0

Comment: STRAUSS has a system to ensure possible human rights risks are regularly discussed with its suppliers where no improvement or prevention programme is needed. The member has yet to include worker representatives/local unions in discussions with factory management on possible human rights risks.

Recommendation: STRAUSS is recommended to ensure worker representation/local unions (when appropriate) are included in discussions with factory management on possible human rights risks.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.9 Degree to which member company mitigates root causes of excessive overtime.	Intermediate	Member companies should identify excessive overtime caused by the internal processes and take preventive measures. In addition, members should assess ways to reduce the risk of external delays.	This indicator rewards self-identification of efforts to prevent excessive overtime. Therefore, member companies may present a wide range of evidence of production delays and how the risk of excessive overtime was addressed, such as: reports, correspondence with factories, collaboration with other customers of the factory, use of Fair Wear tools, etc.	4	6	0

Comment: Several audits revealed instances of excessive overtime at STRAUSS' production locations in China. In response, STRAUSS collaborated with each production location to identify the root causes behind the overtime practices. Upon investigation, it was determined that the overtime was not a result of STRAUSS' purchasing practices in any of the three cases. As per STRAUSS' investigation, planned overtime in daily operations led to an increase in daily capacity, resulting in a structural occurrence of overtime. Furthermore, the member brand identified another root cause, which was incorrect registration of hours, making it difficult to effectively monitor the situation. And finally, the brand mentioned that there was a demand from the workers to work overtime.

Despite the root cause, the sustainability team took proactive steps to address the issues taking steps to decrease excessive overtime. The sustainability team discussed the audit findings with the supplier to offer its support to solve the issue.

Recommendation: With its suppliers where excessive overtime occurs, Fair Wear recommends STRAUSS to verify whether production is planned with overtime. If production is planned with overtime, the brand should ensure that its products can be produced during regular working hours.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.10 Member company adequately responds if production locations fail to pay legal wage requirements and/or fail to provide wage data to verify that legal wage requirements are paid.	Advanced	Fair Wear members are expected to actively verify that all workers receive legal minimum wage. If a supplier does not meet the legal wage requirements or is unable to show they do, Fair Wear member companies are expected to hold the management at the production location accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show the legal wage issue is reported/resolved.	4	4	-2

Comment: In 2022, one audit revealed findings related to non-payment of legal minimum wage or legally required wage components, and it was also indicated that verifying wages was challenging due to the lack of comparability between piece rates and hourly rates. Upon discovering these issues during the audit, STRAUSS requested the factory to update their piece rate calculations, and the factory provided evidence of having made the necessary adjustments. Subsequently, STRAUSS' local representative conducted on-site verification, which allowed the member brand to close the corrective action.

In addition to the audit findings, two complaints were registered regarding the payment of legal minimum wages. These complaints were reported to Fair Wear. In one instance, a worker directly contacted STRAUSS in April 2022, reporting that some workers were not receiving the statutory minimum wage, and several Syrian migrant workers were not registered for social security. While the brand implemented preventive measures, attempts to reach the complainant were unsuccessful, leading Fair Wear to close the complaint.

The second complaint pertained to missing payments of maternity leave at a factory in Bangladesh. Upon receiving the complaint, the member brand swiftly contacted the factory to address the situation, and the factory promptly rectified the issue by making the outstanding payments. Consequently, this complaint was also closed.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.11 Degree to which member company assesses and responds to root causes of wages lower than living wages in production locations.	Basic	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.	Member companies may present a wide range of evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, wage data/wage ladders, gap analysis, correspondence with factories, etc.	2	6	0

Comment: STRAUSS has a basic overview of the wage levels at its suppliers. The member brand found that its suppliers are not willing to participate in an open-costing approach.

Recommendation: Fair Wear recommends STRAUSS to enrol in the Living Wage programme on Fair Wear's learning platform. Fair Wear also encourages STRAUSS to involve worker representatives and local organisations in assessing 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.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.12 Member company determines and finances wage increases.	Basic	Member companies should have strategies in place to contribute to and finance wage increases in their production locations.	Analysis of wage gap, strategy on paper, demonstrated roll out process.	2	6	0

Comment: STRAUSS does not have a strategy on how to finance wage increases at its suppliers.

Recommendation: It is advised that the strategy for how to finance wage increases is agreed upon by top management.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.13 Percentage of production volume where the member company pays its share of the living wage estimate.	13%	Fair Wear requires its member companies to act to ensure a living wage is paid in their production locations to each worker.	Member company's own documentation such as reports, factory documentation, evidence of Collective Bargaining Agreement (CBA) payment, communication with factories, etc.	2	6	0

Comment: A Collective Bargaining Agreement showed a living wage estimate is paid at suppliers responsible for 13% of STRAUSS's FOB.

Recommendation: We encourage STRAUSS to show that discussions and plans for wage increases have resulted in the payment of a target wage.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.14 Member addresses grievances received through Fair Wear's helpline in accordance with the Fair Wear Complaints Procedure.	Advanced	Members are expected to actively support the operational-level grievance mechanisms as part of regular contact with their suppliers. The complaints procedure provides a framework for member brands, emphasising the responsibility towards workers within their supply chain.	Overview of supporting activities, overview of grievances received and addressed, etc.	4	4	-2

Comment: In 2022, STRAUSS received three complaints regarding the payment of legal minimum wages at its supplier factories in Bangladesh, Pakistan, and China. The member brand responded promptly to these complaints in accordance with Fair Wear's Complaints Procedure.

Upon receiving the complaints, the member brand initiated a constructive dialogue with its suppliers and offered support to address the issues. In one instance, the supplier took immediate action and rectified the situation by paying the outstanding balance owed to the workers. Unfortunately, in another case, the complaint had to be closed as the complainant could no longer be reached. Nevertheless, the brand proactively conducted a training session to enhance workers' and management's awareness and prevent similar issues in the future, and verified that minimum wages were paid.

As for the third and final complaint, the resolution process is still ongoing, with the brand actively working towards a satisfactory outcome.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.15 Degree to which member company implements training appropriate to the improvement or prevention programme.	Basic	Training programmes can play an important role in improving working conditions, especially for more complex issues, such as freedom of association or gender-based violence, where factory-level transformation is needed.	Links between the risk profile and training programme, documentation from discussions with management and workers on training needs, etc.	2	6	0

Comment: STRAUSS has some CAP findings where training is a recommended follow-up action. Over the past three years, the brand has conducted numerous training modules at its production locations, including both WEP Basic and WEP Violence and Harassment Prevention programs.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.16 Degree to which member company follows up after a training programme.	Intermediate	Training is a crucial tool to support transformative processes but complementary activities such as remediation and changes at the brand level are needed to achieve lasting impact	Evidence of engagement with factory management regarding training outcomes, documentation on follow-up activities, and proof of integration into further monitoring and risk profiling efforts.	4	6	0

Comment: STRAUSS followed up on the implemented training by integrating training results into its risk assessment. The results are also used to further develop the factory profile. The effectiveness of the training modules are measured in ongoing dialogue, supplier visits or by verification through audits. There are still some actions on training results that are still in progress.

Recommendation: Fair Wear encourages STRAUSS to expand its follow-up.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.17 The member company's human rights risk monitoring system includes a responsible exit strategy.	Advanced	Withdrawing from a non-compliant supplier should only be the last resort when no more impact can be gained from other strategies. Fair Wear members must follow the steps as laid out in the responsible exit strategy.	Exit strategy policy, examples of supplier communications.	4	4	0

Comment: STRAUSS's human rights risk monitoring includes a responsible exit strategy. In the past financial year, the member stopped with 15 suppliers. The member followed the steps in the responsible exit strategy. While STRAUSS does not share its supplier evaluation with its suppliers structurally, it does so when suppliers are underperforming and is working towards termination.

Recommendation: STRAUSS could include the responsible exit strategy as part of its suppliers' agreement or contract.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.18 Member company's measures, business practices and/or improvement programmes go beyond the indicators or scope.	Basic	Fair Wear would like to reward and encourage members who go beyond the Fair Wear policy or scope requirements. For example, innovative projects that result in advanced remediation strategies, pilot participation, and/or going beyond tier 2.	Overview of Human Right risk monitoring, remediation and prevention activities and processes.	2	6	0

Comment: STRAUSS undertakes activities related to human rights that go beyond Fair Wear's scope. The member brand has set up monitoring systems to identify risks and improve labour rights at its nominated tier 2 and tier 3 suppliers. These suppliers are required to sign the Code of Labour Practices and to participate in data collection related to human rights due diligence.

Layer 4 External communication, outreach, learning, and evaluation

Possible Points: 22

Earned Points: 18

Indicators related to communication

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.1 Member company actively communicates about Fair Wear membership and its human rights due diligence efforts.	Advanced	Fair Wear membership includes the need for a brand to show its efforts, progress, and results. Fair Wear members have the tools and targeted content to showcase accountability and inform customers, consumers, and retailers. The more brands communicate about their sustainability work, the greater the overall impact of the work of the Fair Wear member community.	Member website, sales brochures, and other communication materials.	4	4	0

Comment: STRAUSS communicates accurately about Fair Wear membership on its website. The member also uses other channels to inform customers and stakeholders about Fair Wear membership, for example through a presentation for customers, and social media.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.2 Member company sells external brands with a Human Rights Due Diligence system (if applicable).	No reselling of external brands	Some member companies resell other brands, which Fair Wear refers to as 'external production'. These members are expected to investigate the Human Rights Due Diligence system of these other brands, including production locations and the availability of monitoring information.	External production data in Fair Wear's information management system, collected information about other brands' human rights due diligence systems, and evidence of external brands being part of other multi-stakeholder initiatives that verify their responsible business conduct.	N/A	4	0

Indicators related to brand and supply chain transparency

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.3 Social report is submitted to Fair Wear and is published on the member company's website.	Advanced	The social report is an important tool for member companies to share their efforts with stakeholders transparently. The social report explicitly refers to the workplan and the yearly progress related to the brands goals identified in the workplan.	Social report.	4	4	0

Comment: STRAUSS has submitted its social report, which Fair Wear approved. STRAUSS has also published the report on its website.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.4 Member company engages in advanced reporting activities.	Intermediate	Good reporting by members helps ensure the transparency of Fair Wear's work and helps share best practices within the industry. This indicator reviews transparency efforts reported beyond (or included in) the social report.	Brand Performance Check, audit reports, information about innovative projects, specific factory compliance data, disclosed production locations (list tier 2 and beyond), disclosure of production locations, alignment with the Transparency Pledge.	2	4	0

Comment: STRAUSS published its social report, which includes factory-level data, on its website.

Recommendation: Fair Wear recommends STRAUSS to publish time-bound plans for its suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.5 Member company has a system to track implementation and validate results.	Intermediate	Progress must be checked against goals. Members are expected to have a system in place to track implementation and validate the progress made.	Documentation of top management involvement in systematic annual evaluation includes meeting minutes, verbal reporting, PowerPoint presentations, etc. Evidence of worker/supplier feedback.	4	6	0

Comment: STRAUSS has a system to track progress and check if implemented measures have been effective in preventing and remediating human rights violations. The internal evaluation system involves top management.

Recommendation: The member is advised to include feedback from workers and suppliers in its evaluation system.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	Advanced	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 should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

Comment: The previous performance check included the following requirements: "STRAUSS should actively follow up with its Vietnamese supplier to ensure that workers who did not participate in 3-on-site receive at least the legal minimum wage" and "In case STRAUSS buys (almost) exclusively at a production location or owns a production location, the member company has full influence over the wages and should be able to cost for a living wage."
STRAUSS followed up on both requirements.

5 Appreciation chapter

5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: Yes

Comments: In 2022, the member brand publicly released a statement regarding Myanmar.

5.2 Member company actively participated in lobby and advocacy efforts to facilitate an enabling environment in production clusters.: Yes

5.3 Member company actively contributed to industry outreach, visibility, and learning in its main selling markets.: Not applicable

Recommendations to Fair Wear

STRAUSS expressed positive sentiment towards its Fair Wear membership, attributing significant benefits to the organisation's multi-stakeholder approach and affiliation with other critical stakeholders. However, the brand has some recommendations, indicating a preference for shorter, more concise documents or policies, especially those that adopt a step-by-step approach in their executive summaries. This request is prompted by the need to consistently translate policies for other departments, and having a one-pager available would substantially alleviate the workload and streamline operations. Additionally, STRAUSS recommends a reevaluation of its e-mail notification system. The purpose is to ensure that all stakeholders are promptly informed about crucial updates and events, fostering better communication and enhancing transparency throughout the organisation. The member brand identified the factory guide as an underrated tool and emphasized the value of translating it into more languages. Expanding its accessibility in this manner would unlock its full potential, making it even more valuable and user-friendly for a broader audience. Finally, STRAUSS raises the importance of revisiting Fair Wear's membership fee structure. The intent is to ensure continued competitiveness and to provide the best possible value to its members, solidifying a mutually beneficial relationship between Fair Wear and its member brands.

Brand Performance Check details

Date of Brand Performance Check: **13-07-2023**

Conducted by: **Jason Mandels**

Interviews with: **Friederike Hoppe** (Sustainability Team)

Sophie Deuerlein (Sustainability Team)

Eileen Blümel (Sustainability Team)

Christoph Piecha (Director Production & Development)

Meng Xin (Head of Production & Development)

Gabriel Jäckel (Public Relations)