



## BRAND PERFORMANCE CHECK

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Hess Natur-Textilien GmbH

this report covers the evaluation period 01-10-2012 to 30-09-2013

## ABOUT THE BRAND PERFORMANCE CHECK

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

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's affiliate members. The Checks examine how affiliate management systems support FWF's Code of Labour Practices.

In most apparel supply chains, clothing brands do not own factories, and most factories work for many different brands. This means that in most cases FWF affiliates have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of affiliates. Outcomes at the factory level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF affiliates cannot guarantee results.

Even if outcomes at the factory level cannot be guaranteed, the importance of good management practices by affiliates cannot be understated. Even one concerned customer at a factory can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a factory can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of FWF's work.

Improvement of supply chains is a step-by-step process, through which affiliates must address many different issues. FWF affiliates vary greatly in management structures, and have different strengths. The Performance Benchmarking system is designed to reflect these differences, and the many different ways that a company can support better working conditions.

During the Brand Performance Check, FWF staff speak to various employees at the affiliate who have important roles to play in the management of supply chains. FWF verifies the actions of affiliates based on several sources including documentation of activities, financial records, the affiliate's supplier register and staff interviews. Following the Brand Performance Check, FWF summarizes findings in this report, which is made public via [www.fairwear.org](http://www.fairwear.org). The [Brand Performance Check Guide](#) provides more information about the indicators and is available for download.

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

23-09-2013

Conducted by:

Annabel Meurs, Ivo Spauwen

Interviews with:

Mr. Maximilian Lang (Managing Director)

Mr. Rolf Heimann (Head of Corporate Responsibility)

Ms. Kristin Heckmann (Manager Corporate Responsibility)

Mr. Helmut Schädler (Head of Purchasing)

Scoring:

Affiliate Benchmarking scores and Performance Benchmarking categories will be published starting in 2014. During 2013, FWF will be testing out the new system and evaluating the appropriate threshold levels for Benchmarking categories.

Audit Summary:

Publication of the audit summary section previously included in Brand Performance Checks has been suspended while Fair Wear Foundation develops a new information system to manage and summarize the data. Future Brand Performance Checks will include improved usability and transparency for audit data.

AFFILIATE INFORMATION	
Headquarters:	Butzbach, Germany
Member since:	01-03-2005
Product types:	Fashion
Production in countries where FWF is active:	Romania, China, Turkey, Thailand, Bangladesh, Lithuania, Portugal, Macedonia, Bulgaria
Production in other countries:	Germany, Hungary, Belarus, France, Peru, Czech Republic, Austria, Ireland, Nepal, United Kingdom, Slovenia, Mongolia, Bosnia and Herzegovina, Armenia
BASIC REQUIREMENTS	
Workplan for this evaluation period was submitted?	Yes
Projected supplier register for this evaluation was submitted?	Yes
Actual supplier register for this evaluation period has been submitted?	Yes
Membership fee has been paid?	Yes
All suppliers have been notified of FWF membership?	Yes
SCORING OVERVIEW	
% of own production under monitoring	95%

Summary:

hessnatur meets most of FWFs management system requirements. The purchasing practices of the company generally support implementation of the Code of Labour Practices. Since last performance check, hessnatur has increased its FOB purchasing value that comes from production sites in low risk to 62%. In total 95% of its purchasing value is monitored. The company has introduced a new internal access system that ensures a functioning workflow to keep its supplier information up to date. Results from audits and hessnatur screens are included in the system. Audit reports by other customers of suppliers are also registered in the database. The past year hessnatur has been setting up a working group to establish and further develop the company's sourcing strategy; purchasing, sustainability and the economic situation of the company are topics of the working group. Improvements can be made in reducing excessive overtime at suppliers and obtaining more insights into the relationship between the cost of labour, the company's pricing policy and living wages. Two of hessnatur's suppliers in China were enrolled in FWFs Workplace Education Programme.

# 1. PURCHASING PRACTICES

BASIC MEASUREMENTS	RESULT	COMMENTS
Percentage of production in low-risk countries	62%	Countries with relatively low risk of labour violations as defined by FWF.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION
1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity	40%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier register provided by affiliate.

Comment: hessnatur has substantial leverage with part of its suppliers, representing 40% of its purchasing volume. The company aims to have more leverage at a smaller group of strategic suppliers and continues to decrease the number of suppliers. Simultaneously, due to growth and different products, the company also selected new supplier in 2012/2013.

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	78%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier register provided by affiliate.
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Comment: 78% of the value of products is sourced from suppliers where the relation started 2009 or previous years. hessnatur has stable relationships with these suppliers. As part of its enhanced sourcing policy, hessnatur is in the process of increasing production in Europe and close-to Europe-countries.

1.3 Labour conditions are considered when selecting new suppliers	Yes	Including labour conditions considerations in selecting suppliers supports responsible business practices.	Documentation of decisionmaking process; e.g. checklists for buyers, emails, etc.
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**Comment:** Working conditions and the willingness of suppliers to cooperate on improvements are a factor in the selection of new suppliers. New suppliers are required to sign hessnatur's Suppliers' Guidelines, which refers to FWFs labour standards. New suppliers are always visited; purchasing staff is trained on social standards. Before a new contract is signed, hessnatur's CSR department needs to approve the supplier. Hessnatur has a supplier check for new production sites before production starts based on a risk assessment for social standards.

1.4 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed	Yes	The CoLP is the foundation of all work between factories and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.
1.5 Company conducts audits at all new suppliers before placing orders	Yes	An important due diligence step. Before placing production orders, affiliates should conduct an audit at all new suppliers to assess risks for CoLP violations.	Audit documentation; must meet FWF audit quality standards.

**Comment:** According to hessnatur's supplier risk assessment, a new supplier will be audited in case there is high volume, a high-risk country, and/or the factory is not audited yet.

1.6 Affiliate sources from an FWF factory member	No	When possible, FWF encourages affiliates to source from FWF factory members. The small number of factories in the programme means sourcing from FWF factory members cannot be a requirement.	Supplier register provided by affiliate.
1.7 Percentage of production volume from factories owned by the affiliate	0%	Owning a supplier provides clear accountability for and direct influence over working conditions. It reduces the risk of unexpected CoLP violations.	Supplier register provided by affiliate.
1.8 Supplier compliance with Code of Labour Practices is evaluated in a systemic manner	Yes, and improvement is rewarded	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.

**Comment:** Supplier compliance with the Code is assessed through hessnatur's ranking system. This is part of the data management system which is regularly updated. Suppliers are ranked individually into A (best), B (medium), C (bad) performance according to their performance on implementation of necessary CAPs. The ranking is used as a base for informing the buying department and is taken into account in the Supplier Evaluation Meeting. During that meeting all concerned departments (Buying, Technicians, Quality Assurance, Social Standards and the Financial Department) decide whether a supplier should be build up or get less orders.

1.9 The affiliate's production planning systems support reasonable working hours	Strong integrated systems in place	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Documentation of robust planning systems.
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**Comment:** Throughout last year hessnatur has redesigned its collection developing process from the product development to the shop delivery that could potentially have a positive impact on avoiding excessive overtime. The company initiated a real time tracking system to facilitate a suppliers production planning. The system creates a more systemic way of planning which should lead to a reduction of short term changes/orders and such. The company implemented never out of stock items to ease peak times.

1.10 Percentage of production volume from suppliers where excessive overtime is found by FWF	63%	Excessive overtime is one of the most common labour rights violations in high-risk production countries. It is often caused by poor production planning by brands.	Audits conducted by FWF auditors; Complaints filed via the FWF worker helpline.
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**Requirement:** Hessnatur should ensure all its suppliers are transparent with FWF auditors on its overtime and attendance records.

**Comment:** 3 out of 5 audits conducted by FWF teams in the assessed period found either excessive overtime or inconsistent records.

1.11 Degree to which affiliate analyses and mitigates root causes of excessive overtime	Reactive approach	Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.	Examples of root cause analyses and resulting changes in production planning/policy.
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**Recommendation:** hessnatur could discuss with factory management what the causes of excessive overtime were in the specific cases and provide support to manage overtime.

**Comment:** Head of Purchasing has developed a critical path analysis tool to 'train' its suppliers in more efficient production planning. Analysis on the mitigation of excessive overtime still needs to take place.

1.12 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries	Policy at a country level	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.
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**Requirement:** hessnatur needs to develop a pricing policy where the affiliate knows the labour cost of garments and which allows the payment of at least legal minimum wages in production countries.

**Comment:** Prices are negotiated with the suppliers; the sales price is calculated by hessnatur approx. 3.0 (buying price x 3.0 = selling price) which according to the company is common within the mail order sector. The cost of labour is not known on style/product level.

1.13 Affiliate actively responds if suppliers fail to pay legal minimum wages	Yes	If a supplier fails to pay minimum wage, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.
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**Comment:** Last performance check described a case that showed hessnatur's order placement process and monitoring activities are properly integrated. Order placement was put on hold at a supplier where payment below minimum wage was found. Orders will only be continued if the factory would comply with local law regarding wage payments. During last year hessnatur discussed wage levels again with the supplier who sent evidence of progress they have made. FWF agreed the improvement process can be continued with a WEP training.

1.14 Evidence of late payments to suppliers by affiliate	No	Late payments to suppliers can have a negative impact on factories and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of factory and affiliate financial documents.
1.15 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers	Factory level approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Wage ladders, correspondence with supplier, other relevant documentation.

**Recommendation:** FWF encourages hessnatur to continue its work on living wages in Macedonia and to assess the hypothetical cost effects of increasing wages towards benchmarks that are included in the wage ladder. To support companies in this process FWF has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models.

**Comment:** hessnatur has made considerable efforts to assess how further steps towards payment of living wages can be made. The company has participated in FWF's Living Wage project in Macedonia which has given valuable insights in the relation between productivity increases and wage levels. Moreover, hessnatur has demonstrated discussions with supplier, using the FWF wage ladder.

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
Total % of own production under monitoring	94%	Measured as a percentage of turnover.
Minimum monitoring threshold based on years of membership (Threshold is 40% first year, 60% second year of membership and 90% thereafter)	Does meet threshold	

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.
2.2 Degree of progress towards resolution of existing Corrective Action Plans	Moderate efforts have been made to address most CAPs	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate.

Comment: hessnatur has developed an internal access system to trace progress and demonstrate realized improvements. The corrective action plans resulting from audits are followed up on by hessnatur by contacting the supplier every three to four months to get an update on progress in realising improvements. The supplier then is requested to collect this information from the production site and report back to hessnatur. Suppliers are asked to provide evidence on realised improvements by providing pictures and documents via email and / or to explain measures taken over the phone.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	68%	Formal audits should be augmented by annual visits by affiliate staff or local representatives. They reinforce to factory managers that affiliates are serious about implementing the Code of Labour Practices.	Affiliates should document all factory visits with at least the date and name of the visitor.
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Comment: As part of their ongoing goal establish closer relations with their suppliers, hessnatur aims to visit their suppliers more regularly. Suppliers are visited frequently by other staff such as buyers or agents, but social standards is often not part of the discussion. That is exclusively done by the Corporate Responsibility department.

2.4 Existing audit reports 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.
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Comment: According to the hessnatur supplier check, collecting existing audit reports is always part of the process to assess the level of working conditions at suppliers. hessnatur follows up on audit reports conducted by WRAP, BSCI, etc.

2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	Yes	FWF audit reports should be shared and discussed with suppliers within two months of audit receipt. Timely sharing of information and agreement on corrective actions is essential for improvement. A reasonable time frame should be specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.
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Comment: CAP is included in the company's access tracking system and shared with factory.

2.6 A structured approach is used to address issues that occur at multiple suppliers	Yes	Issues that occur in multiple factories often need to be addressed in a systemic manner, especially when the root causes are located in brand management choices or from regionally specific issues (e.g. fire safety, gender discrimination and harassment).	Documentation of a systemic approach: root cause analyses, productivity assessments, guidance documents, internal system changes, etc.
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**Recommendation:** FWF suggests that the affiliate analyses whether findings from a factory audit could occur at other suppliers as well. This will lead to a preventive approach where issues are addressed in a systematic manner. The analysis should focus on own brand practices as well as regional or country specific issues (such as fire safety or gender discrimination).

**Comment:** The company's internal access system does not yet allow comparison between suppliers and countries. However, hessnatur does analyse whether issues that are found at one supplier occurs at other comparable suppliers as well. hessnatur has organized supplier seminars in Turkey and Peru and has signed the Bangladesh Fire and Safety Accord.

2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the changes of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.
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**Comment:** hessnatur works together with other FWF affiliates at shared supplier.

2.8 Monitoring requirements are fulfilled for production in low-risk countries	Yes	Low risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with basic standards.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.
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**Comment:** hessnatur has ensured the Code of Labour Practices is posted at suppliers in low risk countries. When visiting the suppliers, discussions of labour standards are documented.

2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	100%	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.
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**Requirement:** FWF affiliate should receive a completed and returned questionnaire from external brands resold by the affiliate.

2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	0%	FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.	Supplier register; Documentation of sales volumes of products made by FWF or FLA members.
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**Requirement:** The affiliate has to ensure that suppliers of external production are either a FWF member or have another acceptable system in place for monitoring its supply chain.

### 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		
Number of worker complaints resolved since last check		

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.
3.2 System exists to check that the Worker Information Sheet is posted in factories	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.

Comment: The company has a routine to assure that the information sheet for workers is posted. The production site has to tick a box and sign the production record that it has been posted. When hessnatur staffs visit the production site, they are encouraged to check if the information sheet for workers is posted and take pictures.

3.3 Percentage of audited factories where at least half of workers are aware of the FWF worker helpline	40%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism.
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Comment: Two out of the five factories audited by FWF teams in the assessed period showed workers were not aware of the FWF Code of Labour practices and/or complaints procedure.

3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	Yes	Involvement by the FWF affiliate is crucial in resolving a complaint at a supplier.	Documentation that affiliate has completed all required steps in the complaints handling process.
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Comment: FWF received two complaints from workers employed by suppliers in Turkey and one complaint from a worker in China. The complaints in Turkey were about unfair dismissal and limitations to the access of workers to the in-house doctor at the factory. The case in China related to excessive working hours. In all cases hessnatur responded adequately, following the investigation procedure and cooperated with other customers. The reports can be found on FWF's website.

3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	Active cooperation	Because most factories supply several customers with products, involvement of other customers by the FWF affiliate can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.
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Comment: In the two cases in Turkey, hessnatur cooperated with two other FWF affiliates.

## 4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION
4.1 Staff at affiliate is made aware of FWF membership requirements	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.

Comment: hessnatur actively informs its staff working in the stores. The corporate responsibility department is integrated in top management level and closely cooperates with the purchasing department. hessnatur organises trainings with purchasing staff once a year. New employees receive a social standards introduction.

4.2 Advanced training is provided to staff in direct contact with suppliers on CoLP requirements	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.
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Comment: All staff in contact with suppliers receive a training. The company organises an in house 'day of social standards'. Communication and marketing staff have developed answers for all staff when they receive questions about social standards, for instance why hessnatur produces in China. Staff of hessnatur attend the FWF seminars and annual conferences.

4.3 Agents are informed of CoLP requirements and act to support their implementation	Yes, and agents actively support implementation of the CoLP	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.
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Comment: Agents are trained on the CoLP. Agents also observe CSR staff visiting suppliers.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	13%	Lack of knowledge on best practices related to labour standards is a common issue in factories. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.
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**Recommendation:** hessnatur is recommended to enrol a greater number of its suppliers in WEP. This is particularly relevant for those factories where audits have pointed out that limited awareness exists regarding labour standards and dispute handling mechanisms.

**Comment:** Two suppliers in China took part in the Workplace Education Programme.

4.5 Factory participation in trainings (where WEP is not offered; by production volume)	0%	In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.
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**Recommendation:** Whenever the FWF affiliate contracts a new supplier, this new supplier must also be informed on the implications of FWF membership. Next to that all factory workers should be informed about the labour standards and the process of monitoring and remediation. In order to further communication between employers and workers in the workplace FWF recommends affiliates to arrange trainings on their own in areas where the Workplace Education Programme is not yet offered. Trainings must meet FWF quality standards to receive credit for this indicator: top management, supervisors and workers should be included in the trainings, separately. Workplace standards and dispute handling should be included in the training. At least 10-20% of the workforce must be trained, depending on the size of the factory. Worker participations should be balanced and representative.

## 5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION
5.1 Supplier register for the previous financial year is verified as being complete and accurate	Yes	Any improvements to supply chains require affiliates to first know all of their suppliers.	Completed supplier register; Financial records of previous financial year.
5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.

**Comment:** Supplier information is managed in the company's internal access system. This system ensures functioning workflow to keep its supplier information up to date. Results from audits and hessnatur screens are included in the system. Audit reports by other customers of suppliers are also registered in the database. The past year hessnatur has been setting up a working group to establish and further develop the company's sourcing strategy; purchasing, sustainability and the economic situation of the company are topics of the working group.

## 6. TRANSPARENCY

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

**Requirement:** hessnatur needs to communicate FWF membership prominently on its corporate website, including the logo and a link to FWF's website.

**Comment:** hessnatur actively informs the public about FWF membership among others through its website, blogs and catalogue. Through establishing a consumer panel, the company aims to have more direct communication with the consumer. hessnatur organized a social standards tour with German media in February 2013.

6.2 Affiliate engages in advanced reporting activities	No	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Affiliate publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.
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**Comment:**

6.3 Social Report is submitted to FWF and is published on affiliate's website	Yes	The Social Report is an important tool for brands to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.
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## 7. EVALUATION

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

Comment: hessnatur organises strategic evaluation meetings twice a year, where top management is involved. Within the new management structure at the company, the head of social responsibility is also in the management team. Meetings on the company's sourcing policy take place regularly with purchasing and sustainability staff.

7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate	100%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Adherence to these requirements is an important part of FWF membership.	Affiliate should show documentation related to the specific requirements made in the previous Brand Performance Check.
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Comment: last performance check showed hessnatur should strengthen its system to ensure the translated version of the CoLP is posted in all factories. This performance check has showed hessnatur has enhanced its system and actively works on creating more awareness of workers.

## RECOMMENDATIONS TO FWF

hessnatur appreciates the innovative projects FWF is setting up around the topic of living wages and factory trainings.