



## BRAND PERFORMANCE CHECK

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Bierbaum-Proenen GmbH & Co. KG

PUBLICATION DATE: AUGUST 2016

this report covers the evaluation period 01-01-2015 to 31-12-2015

## ABOUT THE BRAND PERFORMANCE CHECK

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

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's affiliate members. The Checks examine how affiliate management systems support FWF's Code of Labour Practices. They evaluate the parts of affiliate supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

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

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

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with affiliate employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at [www.fairwear.org](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

## BRAND PERFORMANCE CHECK OVERVIEW

Bierbaum-Proenen GmbH & Co. KG

Evaluation Period: 01-01-2015 to 31-12-2015

AFFILIATE INFORMATION	
Headquarters:	Köln, Germany
Member since:	01-07-2010
Product types:	Workwear
Production in countries where FWF is active:	China, the former Yugoslav Republic of Macedonia, Tunisia, Turkey, Viet Nam
Production in other countries:	Germany, Pakistan, United Arab Emirates
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
All suppliers have been notified of FWF membership?	Yes
SCORING OVERVIEW	
% of own production under monitoring	98%
Benchmarking score	83
Category	Leader

## Summary:

Bierbaum-Proenen (BP) meets most of FWF's management system requirements and goes beyond some of them. With 98% of production under monitoring, BP fulfills FWF's monitoring threshold for affiliates after three years of membership.

BP has a strong sourcing system which is strongly integrated with its implementation of the code. The pricing practice provides the brand an insight on the labour cost per product. Long-term relationships with many suppliers, combined with often high degrees of leverage at the production sites and regular visits to production sites mean BP is in a good position to work on implementation of social standards.

BP has strong systems in place to reduce the risk of excessive overtime, however living wage issues remain a challenge. FWF encourages BP to start a pilot with some of its core suppliers to make steps towards a payment of a living wage in those factories.

## PERFORMANCE CATEGORY OVERVIEW

**Leader:** This category is for affiliates who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

**Good:** It is FWF's belief that affiliates who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF affiliates—are 'doing good' and deserve to be recognized as such. They are also doing more than the average clothing company, and have allowed their internal processes to be examined and publicly reported on by an independent NGO. The majority of affiliates will receive a 'Good' rating.

**Needs Improvement:** Affiliates are most likely to find themselves in this category when major unexpected problems have arisen, or if they are unable or unwilling to seriously work towards CoLP implementation. Affiliates may be in this category for one year only after which they should either move up to Good, or will be moved to suspended.

**Suspended:** Affiliates who either fail to meet one of the Basic Requirements, have had major internal changes which means membership must be put on hold for a maximum of one year, or have been in Needs Improvement for more than one year. Affiliates may remain in this category for one year maximum, after which termination proceedings will come into force.

Categories are calculated based on a combination of benchmarking score and the percentage of own production under monitoring. The specific requirements for each category are outlined in the Brand Performance Check Guide.

# 1. PURCHASING PRACTICES

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity	97%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier information provided by affiliate.	4	4	0

Comment: While BP has high leverage at main suppliers (several even near 100%), the leverage of production capacity at suppliers less important to BP is less than 10%. BP is aware of this risk and actively suggests those production sites to other brands (FWF affiliates and others) to produce there as well. 70% of BP's sourcing volume is made on CMT-basis (Macedonia, Bulgaria, Tunisia, Vietnam), generally with European fabrics; the other 30% is bought ready made (China, Pakistan, Turkey).

1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years	81%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier information provided by affiliate.	4	4	0
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Comment: BP has long-lasting business relationships with most of its suppliers. One production site in Turkey moved to a new building and changed its name in 2015. As the new production site is lead by the same management and workers are partly still the same, BP remains having the same strong relationship. All orders are arranged via the old location as this is now functioning as a head office.

1.3 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.	No new suppliers	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.	N/A	2	0
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Comment: New suppliers are required to sign and return the questionnaire after test orders are done and before production starts. In 2015 BP ordered first samples from a new supplier with production in Germany. Final decisions for working with this supplier will only be taken in 2016, hence BP has no new supplier in 2015.

1.4 Company conducts human rights due diligence at all new suppliers before placing orders.	No new suppliers	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	N/A	4	0
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**Comment:** Routines to integrate the Code of Labour Practices (CoLP) are in place. Both regarding new suppliers and existing suppliers. All potential new suppliers are visited by either the head of purchasing department or the quality control department before trial orders are placed. The travel report made by them also reflects suppliers willingness to work on the FWF CoLP. One criterion BP has for new suppliers is that they have already been audited before (could be FWF or other audits done by e.g. BSCI, SA8000 standard). This is to ensure that new suppliers are prepared for auditing and know about the processes. This evaluation is integrated in the decision making of whether to start production at a new supplier and to have a good understanding about working conditions from the beginning.

1.5 Supplier compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes, and performance 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.	2	2	0
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**Comment:** BP evaluates suppliers' social compliance systematically. It is updating its system for supplier assessment, including more information and comments (remarks explaining the rating), which makes it more accessible and understandable for all staff. Every two weeks a meeting takes place with different departments (planning, purchasing etc.) to exchange topics and progress on suppliers. Before visits to factories are done, the evaluation of the supplier is discussed in these meetings.

Decisions to increase orders at specific suppliers cover social aspects but also delivery time, reliability, quality, location, solving of complaints etc. If all other criteria are equal, social standards would be a selection criteria.

For BP it is most important that supplier shows willingness to work on the FWF CoLP towards good working conditions. BP stopped sourcing with a supplier in Tunisia, because it showed no willingness to make progress on social standards. At another new supplier, BP stayed after a complaint was handled by supplier in a satisfactory way. If supplier had not satisfactorily worked on the issues brought forward by the audit and the complaint, this would have been a reason to stop. BP needed to be convinced that supplier was willing to work on improvements, which is why the CEO of BP got involved in follow-up of the complaint with the supplier during a visit.

BP looks upon the long-term supplier relation it has with most of its suppliers as a reward in itself. A supplier can be rewarded for good social performance, not only by increasing orders, but also by developing a supplier. BP gives technical support to suppliers if needed and also other forms of assistance, such as credit for new machines. Suppliers that do well, can receive a "one of BP's best suppliers' certificate", which is also important to the supplier.

In general, BP has the experience that there is a positive correlation between social conditions and quality standards.

BP has developed a checklist to check social standards for traveling staff like technicians. The traveling staff hands the filled in documents and pictures to the CSR team. The CSR team evaluates the situation at the production site.

1.6 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.	4	4	0
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**Comment:** Before the start of each calendar year, in October, BP agrees a production forecasting plan with its CMT (Cutting, Making, Trimming) production partners on basis of calculated standard minutes, so suppliers can plan well and avoid overtime. Factories tell BP how many lines and minutes are available for BP orders. BP books the minutes-capacity for each month for the whole next year. Generally the fixed lead times include a time reserve of one week in case of unexpected problems. BP also includes holiday plans of its production sites when sending the forecasting plan.

BP has a very broad and extensive range of 'never-out-of-stock' products (NOS). For all production locations, BP has regular quantities of repeating articles per month. The goal is to provide suppliers with same styles. For every supplier, BP arranges fixed lead times depending on the location of the supplier and if they do CMT or FOB production. When there is sudden extra demand in certain styles, suppliers are called to check for additional capacity (and different delivery dates are agreed upon). In case production capacity is an issue, "normal" production (NOS) is replaced by urgent additional styles, and existing stock is used for standard goods while the additional style is produced.

At its own factory in Tunisia, BP introduced new production styles, to have flexibility in the orders that can be worked on. BP experiences at its own factory that with additional overtime quality issues come up and the factory actually earns less because costs go up and productivity goes down. Therefore it is preferred to postpone regular orders/stock, instead of producing in overtime.

1.7 Degree to which affiliate mitigates root causes of excessive overtime.	Advanced efforts	Some production delays are outside of the control of affiliates; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Documentation of root cause analysis and positive steps taken to manage production delays or improve factory processes.	6	6	0
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**Comment:** In 2015 FWF has conducted three audits at factories of BP. Two in Tunisia and one in Macedonia. In none of the three audits FWF could find excessive overtime.

In 2014 FWF found excessive overtime at one of BP's production sites in Vietnam which recommended to work on in the last Brand Performance Check. Investigations made clear that overtime was caused due to another big fashion brand sourcing at this production site. BP allowed the supplier to move their production to a time with less orders. In addition BP has arranged a training on overtime and living wage for the top management of this production site. Reasons and management of working time / overtime at this production site became a standard agenda point for discussion of each BP staff visiting the factory and meeting the factory management.

1.8 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.	Style-level policy	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.	4	4	0
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**Comment:** Price negotiations for CMT are done based on standard minutes developed in house at BP's own production unit. Cost of material and accessories are known as well as CMT price, BP has a good impression of costs for management and workers. BP compares price and working minutes with other comparable suppliers including their own factory. Local wage levels are taken into account through this system when calculating an acceptable price. Further BP considers inflation in price agreements with the suppliers each year. For suppliers which are paid FOB (30% of all), BP has a rough idea of how much workmanship needs to go in each product and bases its price on this.

BP relates the price among others to the size of the production volume and related productivity and working minutes needed.

BP has started an analysis comparing minimum wages and local living wages before and after social audits in the past years. Doing this they can measure wage increases in the long-run. BP also compares minimum wages against their calculated minute wages and whether paying the minute wages would lead to a wage higher than minimum wage.

1.9 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.	1	2	-2
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**Recommendation:** In case of failure to pay minimum wage, FWF recommends BP to not only ask for remediation via email but to visit the production site and to ask for documents such as wage overviews and pay slips of the respective workers for at least three months in a row.

**Comment:** One of the audits in Tunisia showed that apprentices were paid below legal minimum wage. BP has informed the supplier immediately asking for remediation which was confirmed in an email by the supplier. In last year's Brand Performance Check BP was recommended by FWF to actively follow-up with suppliers who have a piece-rate payment system to make sure that at least the legal minimum wage is paid and supplier has a calculation system to keep track of this. Since then BP is asking all suppliers on a yearly basis to hand in lowest and highest wages paid. The FWF affiliate compares this information with legal minimum wages required in the respective country. In case minimum wages change within a country, all suppliers in the respective country are informed and salaries are checked again to ensure wages have been adapted.

1.10 Evidence of late payments to suppliers by affiliate.	No	Late payments to suppliers can have a negative impact on factories and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of factory and affiliate financial documents.	0	0	-1
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1.11 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Factory-level approach	Sustained progress towards living wages requires adjustments to affiliates' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	4	8	0
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**Recommendation:** FWF encourages BP to start a pilot with some of its core suppliers to make steps towards a payment of a living wage in those factories.

**Comment:** BP gives technical support to suppliers on increasing of productivity; to improve processes, via machine additions, by showing videos how to sew and how to improve production efficiency. BP calculates the price of each product including the minutes needed to produce the product. The supplier is asked to try to produce the article within the minutes suggested before agreeing on a final price. Using the FWF wage ladder information, BP cross-checks every half year the development of the wages within the production sites, comparing the actual wages paid to living wage estimates and local minimum wages. Wages are part of discussions during supplier visits.

Though in its own factory in Tunisia BP does not pay living wage, it provides full coverage of social insurance, correct payments and extra benefits (compared to other factories around), such as 100% social insurance, providing loans, providing free doctor consults at the factory, longer term contracts with employment protection.

1.12 Affiliate sources from an FWF factory member.	No	When possible, FWF encourages affiliates to source from FWF factory members. On account of the small number of factories this is a 'bonus' indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	N/A	1	0
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1.13 Percentage of production volume from factories owned by the affiliate.	13%	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an affiliate's score.	Supplier information provided by affiliate.	1	2	0
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Comment: One production site in Tunisia is owned by BP. Furthermore a small amount of production and samples are produced in Cologne, Germany at the headquarter.

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## PURCHASING PRACTICES

Possible Points: 36

Earned Points: 30

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### Additional comments on Purchasing Practices:

In 2015 BP joined the German Textile Partnership. The multi-stakeholder initiative, comprising textile and clothing industry, retailers, trade unions and civil society, wants to pool the strength and expertise of its members in order to bring about social, ecological and economic improvements all along the textile supply chain.

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	82%	
% of own production in low risk production countries where FWF's Low Risk policy has been implemented	0,27	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Total of own production under monitoring	98%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 90% Measured as a percentage of turnover.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

Comment: Staff change in 2015 has made it hard to keep high standards at BP. However BP managed to always ensure availability and consistent work.

2.2 Degree of progress towards resolution of existing Corrective Action Plans	Intermediate	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate.	4	8	-2
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Recommendation: Besides doing audits, BP may consider to:

- Hire local consultant to assist factory in developing an action plan and to assist factory management in investigating root causes.
- Organise supplier seminars e.g. at the A+A
- Provide factory training.
- Share knowledge/material.

**Comment:** The company keeps track of the progress of the corrective action plans through a spread sheet system. Each non-compliance is given a priority rating and a person responsible for following up. For each point in the CAP that is done, a hyperlink is included in the spread sheet so that the documents, email, photos, etc. confirming the improvements can be accessed. For issues that are confirmed by sending photos and documents, double checks are done when visiting the facilities. BP briefs all BP staff visiting supplier before the factory visit to make sure that they are up to date on improvements that are needed.

In sourcing countries with more BP suppliers (Tunisia, Macedonia), BP does more analysis of all CAP's and follows up on root causes. The comparison between the Tunisia CAP's, among others showed that suppliers do not have a system to work on labour standards. BP plans further guidance to suppliers to develop their management and systems, to go beyond checking if the CAP is fulfilled and boxes are checked. In 2015 BP has started sharing information with the suppliers e.g. about new labour laws such as wage changes. CAP's are shared with other brands sourcing at the production sites to strengthen force and to achieve better implementation together.

2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year	98%	Formal audits should be augmented by annual visits by affiliate staff or local representatives. They reinforce to factory managers that affiliates are serious about implementing the Code of Labour Practices.	Affiliates should document all factory visits with at least the date and name of the visitor.	4	4	0
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**Comment:** BP visits its suppliers frequently. Staff travelling to production sites is closely involved in the implementation of social standards. It assesses the third party audit in a similar system to follow the CAP according to FWF format. Additional information (living wage, posting code on the wall) is gathered.

2.4 Existing audit reports from other sources are collected.	Yes and quality assessed	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.	2	3	0
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Comment: BP checks all suppliers for other social reports on an annual basis. The reports are collected, the FWF Audit Quality Assessment Tool done and CAP's integrated into the existing routine to follow up improvement possibilities at the production sites. Reports from other organisations than FWF are actively used to follow up uncovered points and to cross the check implementation status from what is reported from the supplier via email, phone and visits at the production site.

2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner	Yes	2 part indicator: FWF audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1
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Comment: The corrective action plans resulting from conducted audits are systematically agreed upon, followed up and reported on by designated persons including travelling staff of BP.

2.6 High risk issues specific to the affiliate's supply chain are identified and addressed by the monitoring system.	Advanced Capacity	Different countries and products have different risks associated with them; monitoring systems should be adapted to allow appropriate human rights due diligence for the specific risks in each affiliates' supply chain.	Documentation may take many forms; additional research, specific FWF project participation; extra monitoring activities, extra mitigation activities, etc.	6	6	0
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Comment: BP started a preventive system on fire safety in 2012/13. BP has developed a detailed checklist on fire and emergency training. All suppliers have to fill in the check-list and to report on the situation and on training conducted. At some of the production sites, BP was at the factory during the fire and emergency training. Pictures and video clips have been taken to share knowledge with other suppliers of BP.



Because of the case of the fire at Karachi in Pakistan, training was given at a BP supplier in Pakistan with external fire trainers in 2014. It focused on fire safety, safety of the water boiler, such as training on how to use gas safely (also how to use gas for home boilers). A year later a fire broke out because of a short circuit, which could be handled properly because of the fire safety training at the supplier. Since another FWF affiliate is now sourcing at this supplier BP works together with the other FWF affiliate on further improvements.

Syrian refugees and hence child labour among others became an issue in Turkey recently. BP has shared extra information about labour laws and regulations on Syrian refugees with its Turkish suppliers. Further traveling staff has been made well aware of this topic. Frequent visits and meetings included this highly sensitive topic as well.

2.6a High risk issues specific to Bangladesh are identified and adressed by the monitoring system and remediation activities.	Intermediate Capacity	Affiliates sourcing in Bangladesh should take additional action to address both building and fire safety and the prevention of violence against women.	Building, electrical and fire safety inspection reports, evidence of cooperation with other customers sourcing at the same factories (Accord signatories and/or FWF affiliates), etc.	1	3	0
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**Recommendation:** Knowing the country specific risks facilitates the starting point for discussing this with suppliers. Member companies can agree on additional commitments that are required to mitigate risks. The Member company can provide additional measures for support and integrate that in the monitoring system. For instance: lack of knowledge of factory managers in Bangladesh on the principles of fire safety, such as organizing management seminars.

Comment: In 2015 a supplier with very small quantity of products supplying to BP moved production from the United Arab Emirates to Bangladesh. As this is BP's first and only production site in Bangladesh, BP has invested time and resources to get familiar with the country and its laws and regulations. They have informed the supplier well with all information in hand (own investments and also FWF information). The supplier is audited by the Accord and the report is used by BP to follow up corrective actions. Further, BP has invited the supplier to join the FWF Workplace Education Programme.

2.6b High risk issues specific to Myanmar are identified and addressed by the monitoring system and remediation activities.	Not sourcing in Myanmar	Myanmar is still in the process of establishing the legal and civil society infrastructure needed to ensure compliance with labour rights. Extra care must be taken when doing business in Myanmar.	Shared CAPs, Wage Ladders per factory.	N/A	3	0
2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the changes of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

Comment: BP is open to cooperation with other customers of suppliers and actively cooperates with FWF affiliates and brands not affiliated to FWF.

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.	2	2	0
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**Requirement:** Monitoring requirements need to be fulfilled for production in low-risk countries in order for it to be counted towards the monitoring threshold. All production sites in low-risk countries must:

- Be visited annually by Member company representatives;
- Be informed of FWF membership and return the completed CoLP questionnaire before production orders are placed;
- Be aware of specific risks identified by FWF;
- Have the FWF Worker Information Sheet posted in local languages.

**Comment:** Production in low-risk country is in Germany at the headquarter of BP and a new supplier where test orders have been placed in 2015. Monitoring requirements are fulfilled at the headquarter, BP needs to ensure the requirements are fulfilled for the other production site in 2016.

2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)	No external brands resold	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.	N/A	3	0
2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)	No external brands resold	FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0

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## MONITORING AND REMEDIATION

Possible Points: 32

Earned Points: 25

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### 3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	0	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved	0	
Number of worker complaints resolved since last check	0	

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

Comment: BP has a specific employee designated to address worker complaints.

3.2 System exists to check that the Worker Information Sheet is posted in factories	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.	2	2	0
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Comment: Staff from BP checks that the information sheet for workers is posted in the factories when they visit the production location. During visits a special developed BP checklist is used, filled in from technicians to the CEO, based on FWF OHS checklist added with additional issues like check posting of code on the wall, doctor available etc. Pictures are collected of the posting of the worker information sheet. During the visits, 3 points are checked:

1. Posting readable?
2. Does the posting look like it has been hanging for a while already?
3. What is the location of posting?

3.3 Percentage of FWF-audited factories where at least half of workers are aware of the FWF worker helpline.	72%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Factory participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of factories in WEP programme.	3	4	-2
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**Recommendation:** BP is recommended to stimulate its suppliers to participate in WEP trainings, to raise awareness about the existence and the functioning of FWF's worker hotline. In addition to sending the worker information sheet, BP can use the worker information cards available for download on FWF's website.

**Comment:** The FWF audit teams have conducted 3 audits at Bierbaum-Proenen's production sites in 2015. At two production sites, at least half of the workers were aware of the FWF worker helpline, at the third production site not.

In 2015 two factories have participated in WEPs ensuring workers are trained on social standards and workers' rights.

3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Affiliate involvement is often essential to resolving issues.	Documentation that affiliate has completed all required steps in the complaints handling process.	N/A	6	-2
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3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary.	Because most factories supply several customers with products, involvement of other customers by the FWF affiliate can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	-2
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## COMPLAINTS HANDLING

Possible Points: 7

Earned Points: 6

## 4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff is made aware of FWF membership requirements	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	-1

**Comment:** Several different tools are used to ensure all staff is made aware of FWF membership requirements at BP.

- internal mailings to staff included FWF topics (a.o. that the social report is available for download);
- a CSR newsletter for staff is shared;
- travelling staff has participated in a FWF Wellmade session in August 2015;
- the BP Academy was used to inform new staff about FWF;
- new colleagues have been given an extra session about FWF;
- the sales team was trained explicitly in October 2015 on CSR issues.

4.2 Ongoing training in support of FWF requirements is provided to staff in direct contact with suppliers.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	0
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**Comment:** Staff is trained in general. Staff travelling to production sites is briefed in detail before visiting the production site. Usually the CSR team briefs the travelling staff about supplier specific problems and asks for proof such as documents, notes, pictures and even video shots. FWF has trained the existing travelling staff on details about FWF requirements in 2014.

BP has developed a checklist to check social standards for travelling staff like technicians. Travelling staff is informed and regularly trained how to handle the checklist. The travelling staff hands the filled in documents and pictures to the CSR team. The CSR team evaluates the situation at the production site. In 2015 travelling staff has been trained explicitly on how to identify possible subcontracting.



4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes + actively support COLP	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	2	2	-2
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**Comment:** With one supplier BP works with an agent and both agent and factory signed the FWF CoLP requirements. In addition to the agent, the production site is visited regularly by staff of BP. A technician in Macedonia checks production sites including social issues and CAP's. He is trained by FWF.

4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume)	72%	Lack of knowledge and skills on best practices related to labour standards is a common issue in factories. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	6	6	0
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**Recommendation:** The Workplace Education Programme will be expanded and become available in more production countries in 2016 and onwards. BP is recommended to motivate its main supplier(s) to join WEP training, especially in countries where it will be newly offered.

**Comment:** Two factories have been trained under the Workplace Education Programme in 2015. One site in Macedonia, the other in Turkey covering a total of 72% of the production volume in countries where WEP is offered.

4.5 Factory participation in trainings (where WEP is not offered; by production volume)	0%	In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	0	4	0
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**Recommendation:** FWF recommends BP 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 and cover all issues of the FWF CoLP. It is recommended to start finding ways on how to ensure that workers are trained on labour rights in production countries where WEP is not offered.

**Comment:** BP started planning a WEP at a production site shared with another FWF affiliate. Due to internal reorganisation at the production site, the WEP had to be postponed for now.

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## TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 11

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## 5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Advanced	Any improvements to supply chains require affiliates to first know all of their production locations.	Supplier information provided by affiliate. Financial records of previous financial year. Documented efforts by affiliate to update supplier information from its monitoring activities.	6	6	-2

Comment: BP has a designated person who keeps the supplier register updated. Problems with possible subcontractors discovered in 2014 have been well solved and integrated in the monitoring and remediation system in 2015.

5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1
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Comment: BP has developed a system where information regarding code compliance is integrated in the overall assessment of the supplier. At this point, staff is informed about compliance and outstanding issues by being briefed before visits to factories. Staff can also access documents regarding social compliance of the individual suppliers on the server. Responsible staff from departments related to suppliers and products meet monthly. Social standards are part of the monthly agenda.

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## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 7

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## 6. TRANSPARENCY

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

**Comment:** BP's website and catalog are the most important communication channels for BP to communicate about FWF membership. Furthermore, the company has informed the public, customers and end users through press releases, flyers that have been posted to customers and on Facebook. Each invoice to customers refers to FWF membership and suggests to read BP's social report on the website of FWF or BP. Communication regarding FWF is important to BP, and the company experiences a growing interest from customers. For interested customers, BP has a special information sheet explaining key aspects of FWF, also to make sure third party sellers stick to the communication guidelines.

6.2 Affiliate engages in advanced reporting activities	Yes	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.	1	1	0
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**Comment:** The Brand Performance Check Report is published on the affiliate's website.

6.3 Social Report is submitted to FWF and is published on affiliate's website	Published on affiliate's website	The Social Report is an important tool for affiliates to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.	2	2	-2
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Comment: BP publishes its social report online in German and English, which is available for download on its German, English, Dutch and French websites. The Social Report is mentioned as news item on BP website and linked on BP Facebook page.

## TRANSPARENCY

Possible Points: 4

Earned Points: 4

## 7. EVALUATION

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

Comment: The Manager of Quality Management is responsible for evaluation of the effectiveness of the work plan and the available resources. An evaluation meeting takes place every year with the CEO. When the CEO visits suppliers he also uses the BP social compliance checklist, based on the FWF OHS checklist.

7.2 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. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Affiliate should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2
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Comment: One requirement asking to include contact information of FWF's local complaints handler to the CoLP posted at the production site has been successfully implemented.

## EVALUATION

Possible Points: 6

Earned Points: 6

## RECOMMENDATIONS TO FWF

BP sees the label STEP as a rising competitor to FWF as they are demanded by a customer to ensure STEP labeling. BP recommends FWF to ensure better cooperation with this labeling organization. The marketing of STEP would be much easier to explain to customers. This is especially negative for FWF as FWF is more comprehensive and better in its overall quality.

BP recommends having a country map showing where production takes place including all brand names within that map that readers know what brand is sourcing in what country. In case a FWF affiliate wants to source in a new country this would ease cooperation among the affiliates from the beginning.

FWF's shortage in staff and hence long responding time is of big concern to BP. BP wishes FWF staff to be allocated enough time to be able to give promised answers in time without frequent reminders.



## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	30	36
Monitoring and Remediation	25	32
Complaints Handling	6	7
Training and Capacity Building	11	15
Information Management	7	7
Transparency	4	4
Evaluation	6	6
Totals:	89	107

### BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

83

### PERFORMANCE BENCHMARKING CATEGORY

Leader

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

21-07-2016

Conducted by:

Stefanie Santila Karl

Interviews with:

Matthias Goost (CEO)

Ute Müller (Head of Quality Management and Sustainability)

Annet Baldus (Quality Management/Sustainability)

Reiner Woesler (Head of Production)

Axel Herwig (Production Planning)

Pascal Dahmer (Head of Marketing)

Philippa Pauen (Head of E-Commerce/Online-Marketing)

Dorothy Wiens (Financial Department)

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.