



## **Brand Performance Check**

### **Waschbaer GmbH**

**Publication date: July 2021**

This report covers the evaluation period 01-01-2020 to 31-12-2020

## About the Brand Performance Check

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

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

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

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

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

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

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

# Brand Performance Check Overview

## Waschbaer GmbH

Evaluation Period: 01-01-2020 to 31-12-2020

Member company information	
Headquarters:	Freiburg im Breisgau , Germany
Member since:	2011-08-31
Product types:	Garments, clothing, fashion apparel
Production in countries where Fair Wear is active:	China, India, North Macedonia, Romania, Tunisia, Turkey
Production in other countries:	Austria, Bosnia and Herzegovina, Germany, Greece, Lithuania, Poland, Slovakia, Spain, Ukraine
Basic requirements	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
Scoring overview	
% of own production under monitoring	86%
Benchmarking score	81
Category	Leader

## Summary:

Waschbaer has shown advanced results on performance indicators and has made substantial progress in 2020. Despite the Covid-19 pandemic, Waschbaer has met the monitoring threshold of 80% by monitoring 86% of its supply chain. With 81 points, Waschbaer has again been rewarded the 'Leader' category.

## Corona Addendum:

Although textiles sales decreased slightly, 2020 was a good year for Waschbaer. The staff quickly transitioned to working from home and did not have to take any furlough or reduce working hours. The pandemic led to delays in production and delivery, which the brand accepted. The brand put the items that could not be delivered as 'out of stock' in the webshop.

Waschbaer has solid monitoring systems in place, which enabled a strong response to the Covid-19 crisis. The top management sent a letter to all suppliers at the start of the pandemic, ensuring that cancelling orders would only be considered a last resort. The brand set up a special task force to keep track of everything related to Covid-19. This task force initially met twice a day and later twice a week. Waschbaer cooperated with other Fair Wear members to create an extensive overview of the national situation in all their production countries. It included information on available government support and measures in place, such as factory closure, curfew, etc. This information was used to assess risks in various production countries and the information connected with situations at individual suppliers. Waschbaer shared a Health & Safety checklist with its suppliers and collected evidence such as photos demonstrating the health & safety measures in the factories were in place.

Waschbaer did not cancel any orders due to Covid-19. The company maintained constant contact with its suppliers and offered support when suppliers needed it. The brand kept an overview of the situation at the suppliers in its regular sourcing strategy file.

Waschbaer agreed on prepayment schedules with suppliers which were in financial need. Waschbaer confirmed with its suppliers that it paid all wages and no workers were let go, also during the short moments of factory closure. Waschbaer organized online round-table meetings to discuss more complex topics. Waschbaer had planned to do advanced training programmes in 2020, but these were cancelled due to the pandemic.

Waschbaer was in constant dialogue with the suppliers and did not put pressure on suppliers. This is in line with Waschbaer's general policies and purchasing practices. With a Head of Supply Chain bridging the CSR department and the Purchasing department, the structure of the company allows for quick connections to be made between the conditions on the factory floor and purchasing practices of the brand. This was visible in managing the Covid-19 crisis and remediating findings on topics like payment of wages and excessive overtime.

## Performance Category Overview

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

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

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

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

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

# 1. Purchasing Practices

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	79%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	4	4	0

**Comment:** In 2020, 79% of Waschbaer's production volume came from production locations where the company buys at least 10% of the production capacity. This is an increase of 8 percentage points compared to 2019. At three key production locations, and at several smaller suppliers, the brand's leverage ranges between 60-90% of the supplier's capacity. This makes Waschbaer a main client for many production locations in its supply chain and it gives them a relatively strong position to work on the Code of Labour Practices (CoLP), together with these suppliers.

While on the one hand a large leverage provides opportunities, it also creates risks for suppliers which are almost entirely dependent on Waschbaer. Waschbaer is therefore stimulating these companies to also find other costumers. It is Waschbaer's long-term strategy to balance the purchase volume, from especially smaller suppliers, where the leverage is disproportionally high. This process is ongoing.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	13%	Fair Wear provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to Fair Wear.	2	4	0

**Comment:** In 2020, Waschbaer sourced 13% of its textile production volume from tail-end suppliers. This is a slight decrease compared to 2019. Yet, Waschbaer recognizes the need to further balance this part of its supply chain. In 2020, several new suppliers were onboarded. This was partly because one large supplier stopped cooperation with Waschbaer quite suddenly, and because the COVID-19 made Waschbaer realise the risk of having only one supplier responsible for a whole product category. The new suppliers have only produced a small percentage of the 2020 FOB but this is expected to increase in the coming years. This is part of the long-term strategy to balance the supply chain.

Waschbaer ensures all suppliers, also the tail-end ones, are committed to the Fair Wear CoLP and Waschbaer's sustainability standards.

**Recommendation:** Fair Wear recommends Waschbaer to continue working on balancing the supply chain by limiting the number of production locations in its tail end. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	71%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	3	4	0

**Comment:** In 2020, 71% of Waschbaer's production volume came from production locations where the brand's business relationship had existed for at least five years. This is a slight decrease compared to 2019, which is explained by the suppliers which were onboarded to replace one supplier which stopped collaboration with Waschbaer.

Waschbaer's sourcing strategy is focused on long-lasting partnerships with suppliers to deliver high-quality products consistently and show willingness to further increase sustainability (both environmental and social) in the production process. Waschbaer uses its loyalty to compensate for its small size when it comes to working on social compliance issues at suppliers where the company has little leverage.

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

**Comment:** Three new suppliers were added to Waschbaer's supply chain in 2020. In its supplier management system, orders cannot be placed before the questionnaire has been signed and returned. Waschbaer uploaded all questionnaires in Fair Wear's information management system.

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

**Comment:** The due diligence process for onboarding new suppliers is well-known within the company and clearly and consistently explained by the different departments. The Waschbaer internal wiki has a page which is designed as a checklist with several steps and clearly defined responsibilities of different departments when it comes to onboarding new suppliers and due diligence. When one step is finished, the next person receives a notification to proceed further. All steps need to be concluded and documented before sourcing can place any orders.

First, the buying department identifies a new supplier. Then the CSR department identifies country-specific risks, collecting previous audits, analyses and discusses the audit results with the supplier, sends and explains the Code of Labour Practices and receives the signed questionnaire back from the supplier. Additionally, an intensive due diligence process regarding material specifications and ecological requirements starts. For each product, an article passport is developed based on the information collected. The final step is a visit to the potential new production location by a Waschbaer staff member. This happens prior to starting production. In 2020, the three new suppliers were visited before starting production as well. The CSR team ensured the staff visiting them, were briefed regarding health & safety and other social compliance topics.

All departments decide together whether a new supplier is added and all, including CSR, have equal veto rights. In 2020, Waschbaer's CSR team vetoed the adding of one supplier. This supplier is now being more thoroughly monitored to decide whether or not it can be added. This process is still ongoing.

In order to keep informed of the situation and government measure in all its production countries during the COVID-19 pandemic, Waschbaer collaborates closely with several other Fair Wear member brands. This group of brands is sourcing from a lot of the same countries and divided among each other the countries to keep track of in detail. They kept an overview of all information in one big file. This included information per country on production stops, labour laws, available government support for factories and/or workers, additional measures and the general situation. Waschbaer was responsible for the information regarding North Macedonia and Bosnia Herzegovina. Various sources were used for this, for example guidance from the Partnership on Sustainable Textiles (PST) and the Fair Labour Association (FLA) country reports.

Waschbaer used this risk assessment overview as a basis to offer support in the contact with its suppliers. Waschbaer had very frequent contact with all suppliers, at the beginning of the pandemic daily. When the situation calmed a bit this continued on a weekly basis. The biggest risks identified by Waschbaer was the risk of getting ill and the risk of loss of income for workers. This did not occur at Waschbaer's suppliers. Waschbaer shared an extensive health & safety checklist with all suppliers at the start of the pandemic, informing them of what steps to take to prevent spread of Covid-19 and what workers' rights needed to be protected (payment of wages, leave for childcare, etc.). For more on remediation of Covid-19, please refer to indicator 2.7.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes, and leads to production decisions	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	2	2	0

**Comment:** Waschbaer has a supplier rating system to support its annual evaluation of all suppliers which is done by the so-called Supplier Management Project Team. Every department that has worked with suppliers is contributing to the rating system which is based on a fixed set of indicators. The CSR team indicators on social compliance give insight into the responsiveness of the supplier and the ability/willingness to improve on the remediation of CAPs and working on the CoLP. The price of a product is not included in the supplier rating.

The brand shares the results and areas of improvement with the supplier and together they set a timeframe to work on these. The evaluation of the suppliers relates directly to production decisions. The CSR team has veto rights and if a supplier is not progressing on its social compliance the team can use this veto to terminate the relationship.

The suppliers with good ratings are generally given more orders, or Waschbaer can choose to work closer with them on how to further support their work. In 2020, this happened for example with one Turkish supplier of which Waschbaer finds they are likeminded on sustainability (social & environmental). Waschbaer is looking for ways to include the suppliers' proactiveness on sustainability in the evaluation. It is important to Waschbaer that suppliers want to work on sustainability themselves, not just because Waschbaer asks them to. Waschbaer's supplier strategy includes an overview of the performance of all suppliers and the long-term plans in working with these suppliers (intensifying collaboration or not).

Waschbaer ended relations with one supplier in India in 2020, this was due to ongoing non-compliance issues on ecological standards. The exiting of this supplier was a multi-year process which concluded in 2020. Waschbaer has a written responsible exit strategy. Another supplier ended cooperation with Waschbaer, so here the responsible exit strategy was not relevant.

Waschbaer did not cancel any orders because of COVID-19 and did not take any unilateral decisions regarding its purchasing practices. Any changes which occurred were discussed beforehand with the suppliers. Waschbaer was in regular contact with its suppliers by e-mail, phone and video calls. The company organises digital 'roundtable' meetings with suppliers with issues that needed in-depth discussion, where people from different departments can join depending on the agenda. Topics discussed include issues with cashflow and possible prepayment of orders. Waschbaer was one of the companies involved in creating the Guidelines for Responsible Purchasing Practices in Times of Covid-19 of the German Partnership on Sustainable Textiles (Textilbuendnis).

**Recommendation:** As an additional step on top of the supplier evaluation, Waschbaer GmbH could consider giving suppliers the tools to conduct a self-evaluation. Such an approach can be helpful in creating a bigger sense of ownership with the suppliers when it comes to their performance, in general but also on the topic of sustainability and social compliance in particular. Furthermore, it could ask its suppliers to evaluate the purchasing practices of Waschbaer GmbH.

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

**Comment:** Waschbaer has close cooperation and ongoing dialogue with its key suppliers and works together with them on the production planning. The production planning works slightly different depending on how the suppliers prefer to work. Waschbaer does not do a complete forecast for all suppliers, but does this on suppliers' request.

At its Chinese supplier, where excessive overtime is a high risk, Waschbaer shares a forecast for a year in November with monthly breakdowns and indication of minimum and maximum quantities. The plan is first discussed. Then the factory gives feedback and sets lead times, based on which the planning is adjusted. Waschbaer does an advanced payment to the factory to cover material costs. In case of late delivery, the brand adjusts its deadline and does not put extra pressure on its supplier, even if it means that new styles are not yet in stock when sales start. This was already the company's way of working and this was maintained in 2020, when a lot of delays occurred due to COVID-19. Additionally, all suppliers were actively asked for problems in capacity and risks of excessive overtime. Waschbaer stimulates its factories to ask the brand for possible changes in planning if there is a risk of excessive overtime. In 2020, some changes in planning occurred, which were discussed ahead of time with the suppliers.

In general, Waschbaer accepted all delays caused by COVID-19 and simply put on its website that articles were not in stock due to COVID-19. Waschbaer shared the cost of airfreight for some goods when stock was too low for too many products at one point. For environmental reasons, Waschbaer does not want to use airfreight when it can be avoided.

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

**Comment:** Some findings related to overtime were identified in the audits done in Tunisia and China in 2020. At the Tunisian factory, the main issue is the lack of timekeeping in the factory. This makes it difficult to differentiate between regular and overtime. Waschbaer had worked on this issue before the audit took place, and helped improving the clocking system. However, the audit showed the same issues occurring again. Despite a lot of effort of the brand, Waschbaer has the impression that the factory mostly tries to improve because the brand tells them to, but there is a lack of internal motivation or understanding of why this is important. This is taken up in the sourcing strategy and influences future sourcing decisions.

The finding of excessive overtime in China was discussed with the factory management. This is one of the factories where Waschbaer has been stimulating the factory to find other customers, as the factory is almost entirely reliant on Waschbaer. The excessive overtime occurred because the factory took on another client. Waschbaer discussed with the factory that in case orders from other clients lead to the occurrence of excessive overtime, this should be discussed so they can adapt the planning if needed. The company's supply chain manager now proactively informs whether there are other customers which may lead to excessive overtime. Waschbaer emphasized with this supplier that they will not lose orders from Waschbaer if they communicate about this. In addition, Waschbaer is now requesting timesheets from this factory on a regular basis.

**Recommendation:** In cases where audits were not possible due to COVID-19, Waschbaer could make use of additional monitoring tools, such as worker surveys, to monitor working hours at its suppliers

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

**Comment:** For some years, Waschbaer has been working on open costing for all its main suppliers (more than 10% leverage). With three of these suppliers, the brand did a sample series of products to make the calculation. For the samples at these main suppliers, Waschbaer knows the direct labour costs and the labour minutes per style. The brand is also aware of minimum wages per country and the Fair Wear wage ladders. For the selected products, Waschbaer made a calculation that demonstrates a link between their buying prices and wage levels at the production location. The sample calculations showed that the prices should be sufficient to allow these suppliers to pay living wages at three suppliers in China, Turkey and Tunisia. This was not happening, for which Waschbaer investigated root causes and remediated these where possible (see indicator 1.11).

While Waschbaer recognises the importance of the topic of living wage, the company focused in 2020 on monitoring and mitigating the issues related to COVID-19. If suppliers requested higher prices for the products because of the implementation of Covid-19 measures, Waschbaer simply accepted these costs. Waschbaer is planning to do open costing with all its suppliers. If the factory can demonstrate a certain price is needed to cover living wages, Waschbaer is willing to pay for this.

**Recommendation:** Fair Wear recommends Waschbaer to expand their knowledge of cost break downs of all product groups. A next step would be to calculate the labour minute costs of its products to be able to calculate the exact costs of labour and link this to their own buying prices. Fair Wear's labour minute value and product costing calculator also enables suppliers to include any COVID-19 related costs. Priority would be to make sure this level of transparency can be achieved with their suppliers.

Furthermore, Waschbaer could provide suppliers who do not use open costing, training on product costing and how to quote prices including (direct and indirect) labour costs. Fair Wear's local teams can offer support in this.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	No problems reported/no audits	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, Fair Wear member companies are expected to hold management of the supplier accountable for respecting local labour law. Payment below minimum wage must be remediated urgently.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show minimum wage issue is reported/resolved.	N/A	0	-2

**Comment:** No failure to pay legal minimum wages was identified at Waschbaer's suppliers in 2020. Waschbaer was in continuous contact with its suppliers during the height of the pandemic and informed about payment of wages during the short periods when some factories had to close. Waschbaer did not cancel any orders, which allowed suppliers to continue working. Suppliers confirmed wages were paid as usual. No workers were dismissed, some suppliers economized by not hiring new workers when workers retired because of old age or not hiring any new workers in general.

In Tunisia, some findings related to the payment of legal bonuses were identified during the audit. Waschbaer inquired how this was possible and requested insight into how the wages were paid. This evidence showed that wages were paid correctly. Findings related to legal wage regulations are not yet scored in this brand performance check, compliance with all legal wage regulations will become increasingly relevant in the coming years.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

**Comment:** No evidence of late payments by the member brand was found. On the contrary, Waschbaer drafted prepayment agreements with suppliers which indicated they were in critical need of payment due to COVID-19.

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

**Comment:** Waschbaer is well aware of the wage levels at its production locations and actively works on identifying why wages are below living wages. As described under 1.8, Waschbaer believes its prices should be sufficient to cover living wage levels at the main suppliers. One of the reasons this was not the case, is that Waschbaer was not paying for the production of its samples. These costs were included in the final price, meaning this price was a bit higher but this extra money did not contribute to higher wages. When this became clear, the CSR department discussed this with the supply chain manager and it was agreed they would start paying for samples. At shared suppliers, Waschbaer finds that sometimes other brands can pay lower prices thanks to Waschbaer's higher prices. Another root cause of wages lower than living wages is the high inflation rates in countries like Tunisia and Turkey. Waschbaer tried to work around this by paying in Euros, but this turned out not to be possible because occasionally, governments (artificially) deflate the currency, which then causes wages to decrease. Waschbaer has yet to find a solution to this issue.

Waschbaer has discussed the topic of open costing with its suppliers. Some are open to this or already doing it. Suppliers which already have strong costing systems in place, do not want to start using parallel systems. Especially the suppliers where Waschbaer has only a little production, which have their own systems, can be a bit reluctant. Waschbaer has started to work together on the topic with another Fair Wear member. During a trip to one of the shared suppliers, it became clear the workers could use financial support to pay for health insurance. This was then taken up by the brands and factory and consequently group health insurance was provided to the workers.

Waschbaer tries to involve worker representation but finds this very challenging due to language and cultural barriers. Due to the pandemic and related travel restrictions, Waschbaer was not well able to do this in 2020.

Although over the past years, wages have risen at Waschbaer's suppliers, the brand was not able to demonstrate proof that this is due to Waschbaer's efforts on this topic.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	14%	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	1	2	0

**Comment:** Waschbaer owns 30% of a production location in China (Representing 14% of Waschbaer's production volume in 2020).

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	2	6	0

**Comment:** Waschbaer has set target wages for several of its key suppliers. Waschbaer uses living wage estimates of Asia Floor Wage, the BSCI Fair Remuneration Quick Scan, and the living wage levels in audits. Waschbaer adjusts these figures to the relevant family sizes. The company works together with another Fair Wear member on this topic. Waschbaer has not yet done the full calculations to determine what the wage gap (gap between current and target wage) is and how much money is needed to finance the closing of this gap.

As explained under 1.8, Waschbaer has investigated whether its prices are sufficient to pay their share of a living wage benchmark. However, as Waschbaer is not the only client at its facilities, wages are still below living wage. Therefore, the company is ready to further contribute to wage increases when useful and engages with factory managements to make sure that the good prices translate to wage increases.

**Recommendation:** To support companies in analysing the wage gap, Fair Wear has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models. Furthermore, in case Fair Wear members are interested to develop a joint approach to improve wages at a shared supplier, Fair Wear can give advice on measures that need to be taken by Waschbaer GmbH to ensure compliance with anti-trust/anti-competition legislation in relevant jurisdictions.

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

**Comment:** Waschbaer was not able to demonstrate payment of living wages is taking place at its suppliers in 2020 or that target wages for 2020 were met this year. Waschbaer met its target wage at the Bosnian supplier in 2019, but did not continue moving up the ladder in 2020.

Target wages were set at suppliers in Turkey and North Macedonia, but Waschbaer could not demonstrate higher wages were paid at this supplier in 2020. It should be noted here that Waschbaer has a significant part of its production in low-risk countries such as Germany and Austria.

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

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## **Purchasing Practices**

**Possible Points: 52**

**Earned Points: 38**

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## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	67%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	19%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Member meets monitoring requirements for tail-end production locations.	Yes	
Total monitoring threshold:	86%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.1 Specific staff person is designated to follow up on problems identified by monitoring system.	Yes	Followup is a serious part of Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

**Comment:** Waschbaer has dedicated CSR staff members to follow up on problems identified by the monitoring system.

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

**Comment:** Member makes use of FWF audits and/or external audits only.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	Yes	2 part indicator: Fair Wear audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1

**Comment:** Fair Wear audit reports findings and Corrective Action Plans (CAPs) are shared with factory management and followed up during (video) calls, email or visits. Corrective actions are discussed during these meetings, and it is agreed which ones need to be addressed immediately. Depending on what the supplier explains they agree on a time-bound plan. The CSR team checks in due time whether this plan is followed. Waschbaer also requests the information to be shared with worker representation, but finds it challenging to really involve worker representation in follow-up (see also 2.4).

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Intermediate	Fair Wear considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	6	8	-2

**Comment:** Waschbaer has a systematic and well-organized process in place to follow-up on CAPs. Waschbaer is cooperating with suppliers to remediate the issues identified in the CAPs, addressing both the issues that are easily solved as well as the more complex topics. Where there is very little progress on issues and Waschbaer finds little ownership to work on social compliance at the supplier, this is a reason for Waschbaer to consider exiting this supplier.

The brand has detailed knowledge of the situation at their main suppliers and is willing to find factory specific (root) causes to understand why issues are not yet improved. In 2020, several audits were cancelled due to COVID-19. Waschbaer monitored the situation at its suppliers by regularly calling them. As the contact was already very frequent and structural, Waschbaer did not do a supplier survey. Waschbaer addressed Covid-19 issues during videocalls, as they had also been included in the Health & Safety letter which was sent to the suppliers at the start of the pandemic (see 1.4). Waschbaer ensured the companies did not have any issues paying wages to the workers by not cancelling orders and in some cases establishing a prepayment agreement to financially support the suppliers. Waschbaer's supply chain management was appointed the one department which kept constant contact with the suppliers in order to avoid everyone contacting the suppliers for individual issues. This way the overview was kept as well.

In addition to regular (video) calls and e-mail contact, Waschbaer started organizing 'roundtable meetings' with its suppliers in 2020, during which more complex/sensitive topics were discussed with all staff relevant to the topic at Waschbaer and the supplier.

Waschbaer does not yet systematically involve worker representation in the remediation process but is working on ways to make this a more imbedded approach in its CAP remediation strategy. Waschbaer found this to be extra challenging in 2020, as it was not possible to travel to the suppliers and meet worker representatives. Generally, Waschbaer expressed it is challenging to effectively involve worker representation in CAP follow-up because of language barriers and cultural differences. Waschbaer is also mindful of not imposing in the process of worker-management dialogue as a client, as this is not always appropriate and can negatively impact the ownership of the worker representatives.

**Recommendation:** To facilitate the involvement of worker representation in CAP follow-up, Waschbaer GmbH could consider:

- Hiring a local consultant to assist factory in developing an action plan and to assist factory management in investigating root causes.
- Organising supplier seminars.
- Providing factory training (when possible again considering COVID-19 measures).
- Providing financial support to the supplier for implementing improvements.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	not applicable	Due to the Covid-19 pandemic, brands could often not visit their suppliers from March - December 2020. For consistency purposes, we therefore decided to score all our member brands N/A on visiting suppliers over the year 2020.	Member companies should document all production location visits with at least the date and name of the visitor.	N/A	4	0

**Comment:** This indicator is n/a for all Fair Wear members, because of the global travel restrictions due to the Covid-19 pandemic in 2020.

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

**Comment:** The majority of Waschbaer's production facilities has been audited by Fair Wear. A few external audits were still valid in 2020. Generally, Waschbaer uses external audits as a part of its due diligence and monitoring. The audits are assessed using the Quality Assessment Tool and discussed with the production locations.

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

**Comment: ABRASIVE BLASTING**

All suppliers have signed and ensured they will not use abrasive blasting and this is part of the onboarding process, conform Waschbaer's policy. This topic is also covered in the article passport, a document Waschbaer developed for each style which includes (environmental) information on materials and the different (chemical) processes. Many countries where Waschbaer sources, legally do not allow sandblasting.

## TURKEY

Following last year's recommendation, Waschbaer formally created and shared with these suppliers its policy on working with migrant workers in 2020. The policy is not only applicable to Turkey but also to other countries, as discrimination of migrant workers is not limited to Syrian workers nor to Turkey. Waschbaer discussed the policy with its suppliers, which do not employ any migrant workers at the moment. Waschbaer thinks this may have to do with the fact that the suppliers are located far from the Syrian border.

Waschbaer also took advanced steps to map out all of its supply chain. A large mapping of all production steps for each product (not only Turkey) was created, linking each step to the involved suppliers/subcontractors. See also indicator 5.1.

## OTHER/COVID-19

When the COVID-19 pandemic started, Waschbaer first ensured its suppliers that cancelling orders would be treated as a last resort. As Waschbaer's sales went up quickly after that, Waschbaer did not cancel any orders. Waschbaer shared health & safety guidelines with its suppliers, which also included information on workers rights, i.e. right to leave when ill, right to payment of wages, etc. As a consequence, one of Waschbaer's main suppliers increased the number of shuttle buses, which are used to transport workers to and from work, in order to decrease the number of workers in one bus. Some factories also took steps like spreading the lunch moment over several hours, so not all workers lunched at the same time. Waschbaer already shared this guidance with its suppliers before Fair Wear's guidance was published and therefore did not make use of Fair Wear's Health & Safety Checklist and related documents. Suppliers shared photos, videos and presentations of safety measures with the brand.

Waschbaer discussed with the suppliers that no workers were dismissed because of COVID-19 and that wages were paid during the short periods of factory closures (max. 2 weeks). Waschbaer kept track of all different situations and measures in the production countries through collaborating with other member brands (see indicator 1.4).

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

**Comment:** Waschbaer works very actively with other Fair Wear members and other brands in general on monitoring, visiting and remediation of Corrective Action Plans at shared suppliers.

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

**Member undertakes additional activities to monitor suppliers.:** Yes (1)

**Comment:** Waschbaer sources from 16 factories in Germany, Greece, Slovakia, Poland, Lithuania and Spain. Waschbaer received and uploaded the Fair Wear questionnaire in the data management system along with the worker information sheets as proof that they are posted in all locations. Most of these suppliers are also GOTS certified and some German suppliers received full audits.

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

**Comment:** Waschbaer has conducted two audits in 2019 at tail-end suppliers in Romania and one in North Macedonia in 2018.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	Yes, and member has collected necessary information	Fair Wear believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of Fair Wear or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	2	2	0

**Comment:** Waschbaer's approach towards external brands is comparable to own production: the brand has sent and received the questionnaire and other relevant information and will also have collected audits or conducted audits at the external brands suppliers. Waschbaer also financed the auditing of an external producer in 2020.

Waschbaer does not work with external brands if they do not agree on sharing production data.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	8%	Fair Wear believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in Fair Wear's information management system. Documentation of sales volumes of products made by Fair Wear or FLA members.	1	3	0

**Comment:** Waschbaer resells products of 4 Fair Wear member brands and 2 brands that are a member of FLA, jointly responsible for 8% of the external sales volume of 2020.

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

**Comment:** Waschbaer does not work with licensees.

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## Monitoring and Remediation

**Possible Points: 31**

**Earned Points: 29**

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

**Comment:** At Waschbaer the CSR team are designated to address worker complaints.

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

**Comment:** Waschbaer has uploaded evidence of hanging worker information sheets (WISs) in the factories into the Fair Wear information management system.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline.	49%	After informing workers and management of the Fair Wear CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, Fair Wear's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	4	6	0

**Comment:** 49% of Waschbaer's production volume was covered by actively raising awareness of the Fair Wear Code of Labour Practices and the complaint hotline through WEP Basic training programmes conducted in the past three years.

Due to the COVID-19 pandemic, it was not possible to do any training programmes in 2020. Waschbaer chose not to make use of the Fair Wear COVID-19 workers' rights videos, because the company did not want to ask the suppliers to gather the workers in a time when group meetings were highly discouraged. Waschbaer considered asking factories to send the videos to workers' cell phones, but decided against this as it may create a precedent of reaching out to workers on private phones about work tasks.

Part of the general content of the videos was included in the health & safety checklists for suppliers, but Waschbaer did not verify if suppliers informed the workers directly about this. However, suppliers did follow the guidance, for example allowing workers to stay home to take care of children.

**Recommendation:** As the pandemic situation is slowly improving, Waschbaer can consider still sharing the Fair Wear COVID-19 videos that were made available for Macedonia, Indonesia, India, Romania, Bulgaria, Turkey and with its suppliers. Waschbaer can check with Fair Wear which videos are still relevant.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure.	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	N/A	6	-2

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers.	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the Fair Wear member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	0

## Complaints Handling

**Possible Points: 9**

**Earned Points: 7**

## 4. Training and Capacity Building

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

**Comment:** Regular internal training on sustainability topics and Fair Wear specifically takes place throughout the year at Waschbaer. A leaflet on basic facts about Fair Wear and specific training of the customer service relations team is also carried out by the CSR department.

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

**Comment:** Staff in direct contact with suppliers receive additional training by the CSR team, including country-specific information. In 2020, they were also kept informed about COVID-19 risks during weekly internal meetings.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes + actively support COLP	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, Fair Wear audit findings.	2	2	0

**Comment:** The agents Waschbaer is working with are trained on Fair Wear requirements and support Waschbaer on following up on remediation and improvements.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.4 Factory participation in training programmes that support transformative processes related to human rights.	9%	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. Fair Wear has developed several modules, however, other (member-led) programmes may also count.	Training reports, Fair Wear's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	1	6	0

**Comment:** Waschbaer had planned to do several advanced trainings in 2020. Due to COVID-19, these all had to be postponed and could not take place in 2020.

In 2019 a WEP Factory Dialogue training was conducted at one of Waschbaer's suppliers in Turkey. Since 2020, Fair Wear considers WEP Factory Dialogue an 'in-between training', because it may not lead to the long-lasting and large-scale impact desired by Fair Wear but does more than just awareness raising of the WEP Basic. Therefore, half the FOB from factories where this training took place counts towards this indicator. In 2020, Waschbaer sourced 13% of its FOB at this supplier, meaning 7% is counted toward this indicator.

Additionally, in 2019 an external communications training was conducted at Waschbaer's two Romanian suppliers, which account for little over 2% of the company's FOB. This training was arranged by another Fair Wear Member sourcing in the same two factories and the two brands collaborated on this.

**Recommendation:** Fair Wear recommends Waschbaer to schedule the postponed advanced trainings of 2020 when training is possible again.

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

**Comment:** Waschbaer followed up on the training at the Turkish supplier by visiting, together with another Fair Wear member, and identifying steps to be taken in 2019. Follow-up was continued, but the final checking of improvements could not take place in 2020 due to travel restrictions related to COVID-19. The training in Romania was followed up on by including the relevant points in the factory's CAP.

## Training and Capacity Building

**Possible Points: 13**

**Earned Points: 8**

### Additional comments on Training and Capacity Building :

Aside from the training programmes recognized by Fair Wear as transformative trainings, Waschbaer undertook its own capacity building at its carpet supplier in India. Waschbaer worked together with a local NGO called STEP to install health camps. At these camps, workers received access to and training on basic healthcare. This included physio exercises and eyesight tests.

## 5. Information Management

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

**Comment:** In 2020, Waschbaer created a complete mapping of all product groups and all production steps needed for the making of this product, linked to the relevant suppliers. This includes tiers beyond tier 1. This mapping overview allows Waschbaer to easily identify if a product includes a process for which no supplier has been identified. Additionally, Waschbaer uses article passports to keep track of a products origin and all production locations and processes involved.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1

**Comment:** In the Supplier Management Project group, the suppliers are discussed in the weekly meetings. The CSR team is part of this project group and actively share information about working conditions and other relevant issues.

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## Information Management

**Possible Points: 7**

**Earned Points: 7**

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## 6. Transparency

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

**Comment:** Waschbaer communicates about membership in catalogs, brochures and on its website. The communication is in line with the Fair Wear Communication policy.

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

**Comment:** Waschbaer's website(s) contain the latest Fair Wear Brand Performance Check reports and Social Reports. Waschbaer discloses over 50% of its suppliers on the Fair Wear website. Waschbaer is planning to disclose all suppliers on its own website.

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

**Comment:** Waschbaer has submitted its social report to Fair Wear and has published the report on its website.

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## **Transparency**

**Possible Points: 6**

**Earned Points: 6**

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## 7. Evaluation

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management.	Yes	An annual evaluation involving top management ensures that Fair Wear policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

**Comment:** Head of departments are in regular contact with top management and also with the suppliers. Fair Wear is considered an important partner and gets the full attention of top management.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	No requirements were included in previous Check	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	N/A	4	-2

## Evaluation

**Possible Points: 2**

**Earned Points: 2**

## Recommendations to Fair Wear

Waschbaer recommends Fair Wear to go deeper into the supply chain, for example by extending the complaints mechanism to suppliers in tier 2. Furthermore, Waschbaer recommends Fair Wear not to differentiate so strongly between low-risk and high-risk countries, as serious labour violations can also be found in so-called low-risk countries. Waschbaer would appreciate more continuity in its performance checker, so the performance check can be more about process made and less repetitive.

Waschbaer finds Fair Wear is sometimes expanding its work while some of the basics are not yet fully covered, for example by making a country high-risk while there is not yet a local office in place.

Finally, Waschbaer found Fair Wear could have been a bit more considerate about the (working) situation at the brands in the COVID-19 year. Waschbaer recommends Fair Wear to consider a bonus points system for brands which are doing a lot on sustainability which is not rewarded in the Brand Performance Check system (environmental/ecological, tiers 2 and beyond).

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	38	52
Monitoring and Remediation	29	31
Complaints Handling	7	9
Training and Capacity Building	8	13
Information Management	7	7
Transparency	6	6
Evaluation	2	2
Totals:	97	120

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

81

### Performance Benchmarking Category

Leader

## Brand Performance Check details

Date of Brand Performance Check:

03-05-2021

Conducted by:

Paula de Beer

Interviews with:

Joscha Hoffman, Jonas Münzer, Luisa Denter, Martine Becker, Katharina Hupfer, Barbara Engel