



# **Brand Performance Check**

## **Fundmate**

This report covers the evaluation period 01-01-2019 to 31-12-2019

## 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.

# Brand Performance Check Overview

## Fundmate

**Evaluation Period: 01-01-2019 to 31-12-2019**

Member company information	
Headquarters:	Freiburg , Germany
Member since:	2017-12-31
Product types:	Promotional wear and accessories
Production in countries where Fair Wear is active:	China, Turkey
Production in other countries:	Germany, Slovakia
Basic requirements	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
Scoring overview	
% of own production under monitoring	98%
Benchmarking score	62
Category	Good

## **Disclaimer**

*This modified version was applied consistently to all members' performance checks starting their financial year in 2019 in order to maintain fair and comparable data.*

*Fair Wear will evaluate the members' response to the Corona-crisis in the performance check about the financial year starting in 2020. For members having financial years starting in April or later, parts of their response can already be reflected in the current performance check report, although their overall response will be evaluated in the next performance check.*

## Summary:

Fundmate has shown progress and met most of Fair Wear's performance requirements. With a monitoring percentage of 98% and a score of 62 points, the brand goes well beyond the requirements after two years of Fair Wear membership. The member is therefore awarded the 'Good' category.

In 2019, the brand changed its name from Neue Masche to Fundmate. Its business model is to support fundraising groups with sustainable products that it can sell to raise funds for their projects. The brand works with 5 suppliers. It has one main producer of socks, located in Turkey.

Fundmate has shown good progress as a second year member. The brand further developed and strengthened its management systems. It improved its due diligence to select new suppliers, properly assessed and discussed the employment of Syrian refugees with its Turkish suppliers, and changed its strategy and procedures towards ordering from other brands.

The brand has shown a clear commitment and a further professionalisation towards (living) wages and its pricing policy. It has made steps to increase transparency in its pricing and discussed the topic of living wages on several occasions with its suppliers. The brand has made first calculations to understand what the cost of reaching a living wage would be.

Fair Wear encourages the brand to continue working as positively and at the same pace in making progress towards improving its management systems and improving working conditions at suppliers.

## 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.	60%	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.	3	4	0

**Comment:** Fundmate has a relatively small supplier base. Most of their socks come from a Turkish supplier. Another Chinese and Slovakian supplier produce socks for Fundmate. The brand also sells trunks which are produced at a Turkish supplier and gym bags that are produced in a production location with sheltered employment in Germany.

At its suppliers, the member has low leverage. Even at its main Turkish supplier, the leverage is not bigger than 10%.

**Recommendation:** Fair Wear recommends Fundmate to consolidate its supplier base where possible, and increase leverage at main production locations to effectively request improvements of working conditions. Increasing leverage can also exist out of working with other (FWF) brands. Furthermore, FWF recommends Fundmate to consider the leverage it can have over a supplier when selecting new suppliers.

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.	2%	Fair Wear provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to Fair Wear.	3	4	0

**Comment:** At two suppliers, Fundmate purchases a small amount of trunks and gym bags.

**Recommendation:** Fair Wear recommends Fundmate to consolidate its supply base by limiting the number of production locations in its 'tail end'. To achieve this, Fundmate should determine whether production locations where they buy less than 2% of their FOB are of strategic relevance. 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.	0%	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.	0	4	0

**Comment:** Fundmate is a brand (founded in 2013), focusing on supporting fundraising groups by selling gifts. The brand started business relationships with most suppliers in 2017, after having phased out production with their former German agent who was not sufficiently willing to cooperate on improving working conditions. Fundmate values long-term relationships and understands that long-term relationships are the basis for trust and working together to improve working conditions.

**Recommendation:** Fair Wear recommends Fundmate to maintain stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.

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.	2nd years + member and no new production locations selected	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.	N/A	2	0

**Comment:** No new suppliers were added in 2019.

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

**Comment:** In 2019, Fundmate improved their due diligence for new suppliers. During an on-site visit, the brand discusses the cooperation to improve working conditions and checks health and safety issues with the Fair Wear OHS check. Before test runs, Fundmate requests the factory to send reports of previous audits. The FWF Code of Labour Practices is signed after the test run. The member would like to do a FWF audit after test runs have been completed, but before deciding on whether they would like to establish a relationship with the factory. The brand has developed a checklist for new suppliers which contains indicators on price, quality and CSR. The member has excluded several sourcing countries, and also added several country specific risks to the supplier checklist.

The CSR manager and the director take decisions on new suppliers and also include the information collected on social standards in their decision. Social standards are an important aspect of the decision-making.

**Recommendation:** Fair Wear encourages Fundmate to continue developing its current good practice of supplier due diligence and to formalize it in a sourcing policy. In such a sourcing policy, the member could also describe how it approaches the selection of new suppliers taking into consideration the size of the brand, the (possible) issues at a supplier and the influence and impact the member can have to change working conditions.

Furthermore, Fair Wear recommends Fundmate to continuously update the checklist with more country specific risks.

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	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.	1	2	0

**Comment:** Fundmate set up a supplier evaluation system, which includes indicators on price, quality, communication and progress on corrective actions. The brand evaluates its suppliers on a yearly basis. Because of the limited amount of orders that the brand can shift between suppliers, the member does not have the option to reward factories with more orders.

The brand is slowly phasing out production at its Slovakian supplier. In 2019, Fundmate had a significant reduction of its total production volume. Besides the reduction of the total volume, it further reduced orders at its Slovakian supplier, keeping 1/3 of production compared to 2018. The leverage of the brand is low (<1%) and according to the brand, the factory had already indicated that the gap in production will be filled with the orders of other customers.

**Recommendation:** Fundmate is encouraged to make more explicit how social compliance in the supplier rating system in which quality, relationship, price, and planning are assessed is weighted and how compliance with CoLP leads to production decisions. Furthermore, Fundmate could compare progress of suppliers with each other and share outcomes of the evaluation with the supplier.

As it is not always possible to reward suppliers with more volumes, Fundmate could look into other incentives that reward supplier's commitment towards the CoLP. An example would be to offer training for skill building/capacity development or price increases.

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:** Fundmate has two different collections (spring/summer and fall/winter) and 70% of their garments are Never-Out-of-Stock items. The brand rarely changes its product assortments. Sampling is limited to mostly colour and pattern changes rather than design changes.

The member forecasts almost one year forward. Fundmate orders products of their collection twice a year, providing the factory 5-6 months to deliver the products. Their main peak season is Christmas. The member knows the production volume of their main supplier and calculated that it would cost the factory about 1-2 weeks to produce the order. The brand does not know the production capacity during the production of the order at its other suppliers, although the needed capacity is small compared to the total production capacity of the factories.

In case changes to the production planning need to be made, the brand discusses with the factory whether the delivery dates are still feasible. Fundmate has a warehouse facility on site allowing them to absorb any delays or unexpected orders.

**Recommendation:** Fair Wear recommends Fundmate to further discuss with suppliers how its orders impact the suppliers' production planning, especially during peak periods.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.7 Degree to which member company mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	3	6	0

**Comment:** An audit report at a Chinese supplier showed excessive overtime. The brand is aware that excessive overtime is a significant risk in Chinese factories as excessive overtime occurs on a regular basis.

Fundmate discussed the overtime with the supplier and learned that the workers prefer to do overtime to earn more money towards Chinese New Year. The factory management indicated it fears losing its workforce in case it reduces working hours. Furthermore, management indicated that the overtime is caused by urgent orders from customers.

The brand also reached out to another FWF member producing socks to learn more about their approach in tackling excessive overtime.

**Recommendation:** FWF strongly recommends Fundmate to work with other customers in addressing the excessive overtime. The brand is more likely to help solve the issue if it manages to work with other customers. Furthermore, FWF recommends the brand to assess whether the worker representation is active and independent. Depending on this assessment, the brand should consider how the worker voice can be included in coming to terms, also taking the link with worker turnover and living wages into account.

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:** Fundmate started discussing transparency in pricing with their suppliers and worked with 2 main suppliers towards a cost breakdown. The cost breakdown at its main Turkish supplier enabled the brand to identify the costs for raw material and CMT. The brand has estimated the labour cost for the knitters and machine operators. However, the brand came to the conclusion that more research was necessary as the estimates showed that the figures provided by the factory did not lead to a correct estimate.

At the other supplier, the brand achieved a level of transparency which gave insight in the categories raw material, personnel, energy and overhead.

At the Chinese factory, the brand only orders small volumes. The brand does not negotiate prices but will adjust design, materials, etc. if the quoted price would be too high. The brand has not yet established the relationship between their prices and labour costs at this supplier.

**Recommendation:** Fair Wear recommends Fundmate 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. First priority would be to make sure this level of transparency can be achieved with their suppliers.

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:** In 2019, two FWF audits were conducted. The reports did not show any legal minimum wage issues.

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 late payments were found during Fair Wear audits.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.11 Degree to which member company assesses and responds to root causes for wages that are lower than living wages in production locations.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach	Evidence of how payment below living wage was addressed, such as: Internal policy and strategy documents, reports, correspondence with factories, etc	4	6	0

**Comment:** Already in its second year of FWF membership, the brand took steps towards living wages. The brand used their time to get a better understanding of the concept of living wages, study the FWF wage ladders, participate in FWF seminars and learn how wages can be raised. It also contacted another FWF-member that produces socks to understand how the member is taking steps towards living wages.

The brand started discussing living wages with its suppliers. An audit at its main Turkish supplier showed that workers already earned the living wage estimate for a single person. The living wage estimate for a family of four is almost three times as much as what the workers earn right now. The supplier already did a living wage survey to better understand what level of wages the workers need.

Fundmate made calculations to understand how much it would cost to pay living wages. Furthermore, the brand started to increase its own prices to create room to absorb costs for the payment of living wages.

The brand has not yet discussed the root causes of living wages with its suppliers, such as low prices, productivity issues, etc. The brand plans to send out a questionnaire to the workers in the Chinese factory to better understand their cost of living.

**Recommendation:** As a next step, Fair Wear recommends Fundmate to discuss with the factories what the root causes of non-payment of living wages are. Based on these discussion, the factory and the brand should develop a plan to start increasing wages. In its discussions, it can use the living wage benchmarks provided by Fair Wear. For its Turkish supplier, Fair Wear specifically recommends to include the worker representation in its discussions and planning.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	N/A	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	None	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.	0	6	0

**Comment:** The member has not yet set target wages with its suppliers.

**Recommendation:** FWF recommends Fundmate to define a target wage with its Turkish supplier, based on the analysis done by the supplier.

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:** The member has not yet set target wages with its suppliers. The member is aware that at its main Turkish suppliers, half of the workers earn the living wage estimate for a single worker, although such data should be compared to the family size of the workers. Therefore, no points at this indicator can be awarded yet.

**Recommendation:** We encourage Fundmate to show that discussions and plans for wage increases have resulted in paying its share of a target wage.

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## Purchasing Practices

**Possible Points: 50**

**Earned Points: 24**

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## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where approved member own audit(s) took place.	0%	
% of production volume where approved external audits took place.	0%	
% of production volume where Fair Wear audits took place.	78%	
% of production volume where an audit took place.	78%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	20%	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.	First or second year member and tail-end monitoring requirements do not apply	1st or 2nd year member and tail-end monitoring requirements do not apply.
Requirement(s) for next performance check		
Total monitoring threshold:	98%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

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

**Comment:** There is a designated CSR manager responsible for FWF membership at Fundmate. The managing director is very closely involved in all things CSR which relate to sourcing and buying decisions.

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

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

**Comment:** When Fundmate receives an audit report it is reviewed and passed on to the supplier. The CSR manager agrees on timelines together with the factory. Audit findings are also discussed at managing director level during factory calls and/or visits. The audit findings were shared with worker representation and at one factory, the worker representative was also present in discussing the outcomes of the report.

**Recommendation:** Fair Wear encourages Fundmate to continue their practice of including worker representatives and encourages the brand to further develop ways in which worker representatives can support in prioritizing improvement measures. Furthermore, Fair Wear recommends to do an analysis of the independence of worker representatives in the Chinese factory.

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:** Fundmate actively follows up on CAPs. The brand regularly discusses the CAP with the supplier and keeps track of the progress made in the CAP. The member keeps clear timelines and checks in with the factory after a deadline has passed.

Their Chinese agent actively supports following up on audit results, verification and reporting back on progress made by their Chinese supplier.

In 2019, Fundmate recorded improvements made by suppliers related to occupational health and safety, worker representation and living wages. Some of these improvements were also verified through a FWF audit at a Turkish supplier.

**Recommendation:** Fair Wear recommends Fundmate to discuss with suppliers how and when verification of the progress made should be done. It could be agreed with the supplier that after several corrective actions have been made that cannot be verified through pictures or on-site visits of the member, a monitoring visit by a local third party or FWF local staff takes place. Furthermore, the brand could offer additional support through training and the hiring of local experts to improve conditions at the factory.

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.	20%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	1	4	0

**Comment:** In 2019, Fundmate visited their Chinese and German supplier.

**Recommendation:** Regular visits should be made for production sites (including subcontractors and production locations in low-risk countries). Regular visits provide opportunities to discuss problems and corrective actions in the time period between formal audits. Fair Wear has developed a Health & Safety Guide that can be used during these visits.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	Yes	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.	1	3	0

**Comment:** At one small Turkish supplier Fundmate requested and received the BSCI-audit report. As the member is reducing production volume at this supplier, it did not further follow up on the audit results.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.7 Compliance with FWF risk policies.	Average score depending on the number of applicable policies and results	Aside from regular monitoring and remediation requirements under Fair Wear membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. Fair Wear requires member companies to be aware of those risks and implement policy requirements as prescribed by Fair Wear.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	5	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	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	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Advanced			6	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

**Comment:** Fundmate has a system in place to check for country specific risks. It collects country information through CCC reports and Fair Wear country studies. The brand incorporates this information in the questionnaire for new suppliers and supplier evaluation. It is aware of the common risks in China.

At one of their Turkish suppliers, three Syrian refugees are employed. The brand has discussed this with the supplier. The FWF- audit at the supplier showed that two of them took Turkish citizenship and all of them have the legal right to work. Although the supplier does not have a written policy concerning the employment of Syrian refugees, the audit report shows that the supplier does hire Syrian refugees in line with the FWF policy.

The brand also discussed the topic with the other Turkish supplier. Audits showed that no subcontracting took place at these suppliers. The brand assessed the risks of Syrian refugees being hired by its suppliers and also integrated such a risk assessment in their due diligence for new suppliers. The brand sent the worker information sheet (Arabic) and other relevant information to the supplier.

**Recommendation:** FWF encourages and recommends Fundmate to further develop their system to identify country specific risks. The brand could further expand its knowledge on specific risks, such as freedom of association and gender based violence. Furthermore, the brand could consider what additional support it needs to remain continuously updated on specific risks.

Although the Turkish supplier is already following FWF Guidance on Syrian refugees, FWF recommends Fundmate to ensure that the factory documents their policy.

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.	No CAPs active, no shared production locations or refusal of other company to cooperate	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.	N/A	2	-1

**Comment:** At its Slovakian supplier another FWF-member had placed a small order. Although some information was shared, no further follow up between the two brands took place. Due to the combination of the size of the order and the fact that the factory is in a low risk country, the indicator is rated N/A.

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.	60%	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

**Comment:** The brand has implemented the FWF requirements at its Slovakian and German supplier. At one supplier, the brand discussed smoke detector issues which the factory followed up on.

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).	No	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.	N/A	2	0

**Comment:** The brand only has one tail-end supplier, located in Turkey. The brand collected the audit report but did not follow up on it as the brand is reducing production volume at its supplier.

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:** Fundmate buys products from 5 other brands. All questionnaires were completed and sent back to Fundmate.

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).	2%	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:** Fundmate sources a small amount of products from one FWF member. In following up on last years' requirement, Fundmate reduced the total size of orders at external brands. The brand prefers to know where it products are coming from and therefore established direct relationships with factories, enabling the brand to follow up on working conditions.

Fundmate worked with the brands towards transparency of production locations by expanding the FWF Questionnaire for External Production. One German brand solely produces in Germany, while another brand uses the same production locations as Fundmate. If available, Fundmate requests audit reports of the production locations.

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

## Monitoring and Remediation

**Possible Points: 32**

**Earned Points: 22**

### 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:** The CSR Manager is designated to address worker complaints. The director is closely involved.

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:** Fundmate has a system in place to check whether the Worker Information Sheet is posted at production sites. Besides checking it on-site, the brand also requests a form of proof via a picture of the posted sheet.

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.	75%	After informing workers and management of the Fair Wear CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, Fair Wear's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	6	6	0

**Comment:** At their main supplier in Turkey, Fundmate organized a WEP-basic. The brand has informed management at suppliers of Fair Wear and the Fair Wear Factory Guide.

**Recommendation:** Fair Wear recommends Fundmate to organize similar WEP-basic sessions at its other suppliers.

Furthermore, Fundmate could consider implementing additional activities to raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint hotline next to providing good quality training. This could include providing the Fair Wear worker information cards to workers during visits or when handing out pay slips, making use of Fair Wear's Factory Guide, stimulating peer-to-peer learning among workers and ensuring factory management regularly informs workers, in particular new workers, about their rights and available grievance mechanisms.

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

**Comment:** No complaints were received in 2019.

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

**Comment:** No complaints were received in 2019.

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## Complaints Handling

**Possible Points: 9**

**Earned Points: 9**

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## 4. Training and Capacity Building

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

**Comment:** Fundmate is a small brand in which information is easily shared. As Fair Wear membership is an important asset to the fundraising business model of Fundmate, staff has been informed about FWF membership. Furthermore, Fundmate organized several workshops to introduce new employees to the topic of sustainability and FWF membership. As customer service regularly receives questions concerning labour conditions, this department is regularly updated on Fair Wear.

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:** As of 2019, Fundmate set up departments specifically for CSR and production planning. The CSR manager is also involved in production planning. The director and CSR manager are well informed of FWF requirements and updates. Besides keeping up to date through emails and the monthly newsletter, staff also participates in FWF webinars, seminars and the FWF meetings in Germany.

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:** In 2019, Fundmate reduced the number of agents. Currently, only one Chinese agent is involved in order placement. The agent received information about FWF, including the Factory Guide and participated in a FWF audit. The agent is involved in the due diligence when selecting new suppliers. Furthermore, the agent monitors progress made by the Chinese factory with regards to corrective actions.

**Recommendation:** Fair Wear recommends to continuously train their agent into becoming an 'agent of change' in improving working conditions for workers.

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.	0%	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.	0	6	0

**Comment:** Fundmate has not yet organized a transformative training in one of its factories.

**Recommendation:** Fair Wear recommends Fundmate to implement training programmes that support factory-level transformation such as establishing functional internal grievance mechanisms, improving worker-management dialogue and communication skills or addressing gender-based violence. Training assessed under this indicator should go beyond raising awareness and focus on behavioural change and long-term structures to improve working conditions. To this end, members can make use of Fair Wear's Workplace Education Programme communication or violence prevention module or implement advanced training through service providers or brand staff. Fair Wear guidance on good quality training is available on the Member Hub.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Degree to which member company follows up after a training programme.	No training programmes have been conducted or member produces solely in low-risk countries	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.	N/A	2	0

## Training and Capacity Building

**Possible Points: 11**

**Earned Points: 5**

## 5. Information Management

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.1 Level of effort to identify all production locations.	Intermediate	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.	3	6	-2

**Comment:** Fundmate has invested time and effort in identifying all production locations. Fundmate asks suppliers to sign and commit to not using subcontractors. The brand checks on-site whether the factory has the necessary machinery to produce the products for Fundmate. FWF audits at two suppliers confirm that no subcontracting was found.

**Recommendation:** Members are advised to develop a systematic approach to complete the production location list. Part of the approach can be:

1. Automatically include information from the questionnaire, audit reports and complaints
2. Business relationships with agents include transparency of production locations.
3. Agreements with factories on the use of subcontractors stating clearly that when subcontractors are used, they are included in the monitoring system and information is shared on the subcontracted production process.

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:** All meetings between staff and suppliers are recorded in meeting minutes, CSR internal meetings are also recorded and filed. All staff receive a presentation about production locations; staff are given an opportunity to have a say about sourcing in potential or existing production locations.

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## **Information Management**

**Possible Points: 7**

**Earned Points: 4**

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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:** Fundmate communicates about FWF on its website, Facebook and YouTube channels. The communication is in line with the FWF Communications policy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Published Brand Performance Checks, audit reports, and/or other efforts lead to increased transparency.	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.	1	2	0

**Comment:** Fundmate published the Brand Performance Check report online.

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:** Fundmate submitted their social report to Fair Wear and published it on their website.

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## **Transparency**

**Possible Points: 6**

**Earned Points: 5**

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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:** Top management is highly involved in FWF membership. FWF membership is integrated in decisions on management level. The managing director and CSR manager meet and reflect on current achievements and learnings from FWF for the year. They have an evaluation meeting once a year. The outcomes of the Brand Performance Check are used to formulate plans on the coming year. They also ask their suppliers for feedback through an evaluation form.

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.	75%	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

**Comment:** In the last Brand Performance Check, the member received the following requirements:

- 1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations.
- 1.14 Percentage of production volume where the member company pays its share of the target wage
- 2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).
- 3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline.

Progress made

Fundmate made steps related to all requirements.

1.8 and 1.14: The brand started to assess their pricing policy and strategy. Furthermore, they put some initial thinking in how wages in factories can be raised by the brand.

2.12: The member started sourcing from one FWF member and reduced the number of external producers. The brand favors knowing the production locations and have direct relationships with them. Fundmate also checked where production is taking place of external producers and asked for audit reports of the production sites.

3.3: Fundmate organized a training at its main supplier in Turkey to raise awareness on the FWF CoLP and the complaints mechanism.

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## Evaluation

**Possible Points: 6**

**Earned Points: 6**

## Recommendations to Fair Wear

Fundmate had the following recommendations for Fair Wear:

- Ensure that required efforts and benefits are in line with each other. Sometimes the brand felt that the required costs did not lead to the necessary improvements in working conditions;
- Ensure that the Brand Performance Check sufficiently takes into account the possibilities and limits of smaller brands.
- The brand appreciated the training on living wages because it could directly apply this into its business practices. The member felt that the Brand Awareness Training on Gender could be improved by making it more specific and related to its business practice.

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	24	50
Monitoring and Remediation	22	32
Complaints Handling	9	9
Training and Capacity Building	5	11
Information Management	4	7
Transparency	5	6
Evaluation	6	6
Totals:	75	121

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

62

### Performance Benchmarking Category

Good

## Brand Performance Check details

Date of Brand Performance Check:

14-05-2020

Conducted by:

Wilco van Bokhorst

Interviews with:

Chiara Tröndle

Benedikt Link