



# **Brand Performance Check**

## **Fundmate**

**Publication date: August 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

## Fundmate

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

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	100%
Benchmarking score	61
Category	Good

## Summary:

Fundmate has shown progress and met most of Fair Wear's performance requirements. With a monitoring percentage of 100% and a score of 61 points, the brand maintains its status in the 'Good' category.

## Corona Addendum:

In the first half of 2020, Fundmate saw a 70% decrease in sales compared to the previous year. Fundmate's staff were on furlough, and the brand also changed CSR staff in the same year. The brand did not cancel any orders but has postponed some orders in agreement with suppliers.

Fundmate has set up a country risk catalogue to map out specific labour violation risks per country and closely tracked any COVID-19 related risks. Due to factory closures, a supplier in China had difficulties with delivery dates, and Fundmate accepted the considerable delay. To help, Fundmate postponed the order delivery dates for two months. The brand also verified that workers were paid their regular wages during factory closures.

In Slovakia, Fundmate's supplier received an order to produce face masks that took up its full production capacity. To avoid contributing to excessive overtime, the member did not place an order currently. In Turkey, their supplier was facing financial issues, for which Fundmate agreed to switch to a partial prepayment to support the supplier. The brand also kept in close contact to inform them about any governmental support on available payments and verified whether workers were compensated during their leave in factory closures.

## 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.	55%	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 are sourced from a Turkish supplier, the remaining from a Chinese and Slovakian supplier. The brand produces gym bags in a production location with sheltered employment in Germany.

At its suppliers, the member has low leverage. Only at its main Turkish supplier, the leverage is 10%. To further consolidate its supply chain, Fundmate has included potential leverage and production capacity in its supplier selection process.

**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. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

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.	1%	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 one supplier in Germany, Fundmate purchased a small amount of shorts and gym bags in 2020. To further limit production in the tail-end, Fundmate has reduced its sourcing at this supplier and is phasing out in dialogue with the factory.

**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. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

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:** The brand has the longest business relationship with a supplier in Slovakia since 2016 where it buys approximately 19% of its FOB. The brand started business relationships with most suppliers in 2017, after having phased out production with its 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. It is advised to describe policies regarding maintaining long term business relationships in a sourcing strategy that is agreed upon with top management/sourcing staff.

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 2020. All existing production locations have signed and returned the questionnaire.

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:** Since 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 Fair Wear Code of Labour Practices is signed after the test run. Fundmate usually conducts Fair Wear 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 due to high risks of labour violations, and also added several country specific risks to the supplier checklist. The COVID-19 related risks are added to this process. Fundmate is looking to start sourcing in Portugal and is looking for suppliers where other Fair Wear members are also active. 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.

In 2020, Fundmate developed a country risk catalogue to be aware of all risks in the countries where it sources which is completed through different sources. It collects country information through Clean Clothes Campaign (CCC) reports and Fair Wear country studies. The brand incorporates this information in the questionnaire for new suppliers and supplier evaluation. Additional COVID-19 related risks are also added and tracked in monthly updates. Risks were cross checked with information given by suppliers. These risks are also added to the supplier assessment and the policy for new suppliers along with capacity and leverage.

During the pandemic, Fundmate kept regular contact with its suppliers over email to check in on the situation and the impact of COVID-19. The answers were kept in risk assessment sheets. Fundmate's suppliers in Turkey and China were particularly engaged and communicated openly about the situation in the factories. One of the risks it found was unpaid leave due to chronic diseases of some workers who wanted to take unpaid leave voluntarily in Turkey. The brand informed the suppliers about the new measures in each countries and supported spreading resources on government support for workers in Turkey. Workers received 60% of their wages from governmental support and the factory covered the rest. The communication was slightly more challenging with Fundmate's Slovakian supplier. It was not clear for the supplier what Fundmate's interest was to check in so often on the situation. All suppliers filled out the COVID-19 Health and Safety checklist. Fundmate received visual evidence for the safety measures in the factory.

In 2020, Fundmate only conducted external audits as the Fair Wear audits were cancelled due to COVID-19. Fundmate did attend several webinars and invited suppliers, who joined on relevant topics.

**Recommendation:** If Fundmate receives an existing audit report it is advised to check the follow up status of the issues mentioned in the report. This can give an idea about the suppliers' commitment to remediate CAP findings. This would be particularly relevant for potential new suppliers.

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:** 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. In 2020, Fundmate also implemented a feedback survey for suppliers to evaluate Fundmate's sourcing decisions and its impact on suppliers. 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.

In 2020, Fundmate has slightly increased the weight of CSR related scores from 14% to 16%. A negative outcomes could lead to either leaving the supplier or decreasing production. Fundmate has made the consequences of the evaluation explicit to suppliers. As the communication with one Slovakian supplier was difficult, the result was to decrease the volume. The brand has been slowly phasing out production at this supplier. 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:** 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 (NOS) 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 in advance. Fundmate orders products of its collection twice a year, providing the factory 5-6 months to deliver the products. Fundmate's main peak season is Christmas. The member knows the production volume of its 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 not discovered how its planning system leads to overtime, but is aware the production planning of the suppliers during peak season can be a challenge due to other costumers.

In 2020, Fundmate frequently checked in with its suppliers to see if there was an additional risk of overtime due to COVID-19. The brand was flexible in delivery dates and accepted order delays. One supplier received significant additional orders for medical masks and asked to delay the shipment of Fundmate's order, which was accepted. Fundmate also accepted partial deliveries. In China, the supplier was back at full production capacity halfway through the year and did not face any issues to continue as usual. The Slovakian supplier requested to postpone orders as they received a significant order to sew face masks which took up 100% of its production capacity and Fundmate agreed.

**Recommendation:** Since often the capacity and leverage of Fundmate is quite low, Fair Wear recommends Fundmate to discuss with the factories how to deal with planning of production during peak season to prevent excessive overtime.

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:** A Fair Wear audit report showed excessive overtime occurred at Fundmate's Chinese supplier. The brand is aware that excessive overtime is a significant risk in Chinese factories as excessive overtime occurs on a regular basis.

No orders were cancelled, but one order was delayed. In Turkey, excessive overtime was also found in an audit of 2020. According to Fundmate, the supplier did not need an earlier order placement as this was not the cause. Instead, in dialogue with the supplier, the supplier divided its workforce to work in three shifts instead of two, and closes on Sundays. The supplier is also considering to hire more workers to increase capacity and to reduce the amount of excessive overtime hours. This is still in the implementation phase and the result is yet to be evaluated.

Currently due to the impact of COVID-19, there has not been any overtime due to a slower production schedule and less orders. Fundmate expects this will pick up again when orders increase as before. Fundmate discussed the issue of overtime with the supplier. Management indicated that the overtime is caused by urgent orders from customers. The factory also informed Fundmate that the workers prefer to do overtime to earn more money towards Chinese New Year. The factory management indicated it fears losing (part of) its workforce when reducing working hours. The brand has suggested an increase in wage as a potential solution, but the supplier thinks this would not decrease the wish to work overtime hours.

**Recommendation:** Fundmate could discuss with factory management on the causes of excessive overtime and provide support to manage overtime. If necessary, Fundmate could hire local experts to analyse root cause of excessive overtime in cooperation with the supplier. Fair Wear could recommend qualified persons upon request. Fair Wear recommends cooperating with other customers at the factory to increase leverage, when trying to mitigate excessive overtime hours.

It could also be a possibility to pilot a more tailored solution to the overtime issue in China, such as a bonus instead of a wage increase. Fair Wear recommends to include worker representatives when mitigating excessive overtime.

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:** In 2019 Fundmate worked with two 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. In 2020, Fundmate was not able to further progress with this but kept the dialogue going with the suppliers.

At the other supplier, the brand achieved a level of transparency which gave insight in costs of 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. It would be most useful to start with the supplier who shows commitment to pilot this with.

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 2020, no legal minimum wage issues were found. Fundmate checked in regularly to verify whether workers were paid during factory closures and lockdown periods. Fundmate requested to see pay slips and shared information on potential government support. At its supplier in Turkey, the workers took unpaid leave voluntarily and worked short time due to COVID-19. Fundmate informed the supplier about governmental support available for workers and verified workers received this allowance up to 100% of their wages.

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:** Fundmate did not have any late payments. Upon request of its Turkish supplier, the member prepaid 30% of its orders.

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:** The brand discusses living wages with its suppliers. An audit in 2019 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 completed 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 has increased 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. In 2020, Fundmate conducted a worker survey in Turkey to gain insight into the cost of living for workers. The next step Fundmate plans to take is to increase the transparency from suppliers and to gain the necessary information and calculations.

**Recommendation:** Fair Wear encourages Fundmate to discuss with suppliers about different strategies to work towards higher wages.

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.

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 the payment of a target wage.

---

## Purchasing Practices

**Possible Points: 50**

**Earned Points: 25**

---

## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	81%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	100%	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	
Requirement(s) for next performance check		
Total monitoring threshold:	100%	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 Fair Wear 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 present in discussing the outcomes of the report.

**Recommendation:** Before an audit takes place, Fundmate 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 prioritisation 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.	Basic	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.	4	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. In 2020, no CAPs of audit reports remained open. Some issues were identified and followed up from previous years. Together with suppliers, a prioritisation was made on topics that were urgent to follow up and which ones could be followed up later due to the priorities of COVID-19.

There was also an issue regarding the worker representatives at this supplier as they were chosen by the factory management. Fundmate followed up and discussed with the supplier how to hold the elections. In May 2020 the second election took place, the worker representatives were elected democratically. Fundmate checks in on this regularly and asks for meeting minutes to see the topics that are discussed.

There were similar concerns for the payment of wages during the pandemic at Fundmate's Turkish supplier as mentioned in indicator 1.9. There were several health and safety findings of a 2019 audit still open which were followed up in 2020. According to the requirements, the place of the lightning conductor had to be changed. The supplier hired external experts, but no solution was found yet. Fundmate will follow up in 2021 to see whether it needs to contribute financially. There was a finding that there was no grievance mechanism for harassment issues or was ineffective. Fundmate urgently followed up on this in a meeting with the HR worker at the supplier. Fundmate set up an anti-harassment policy together with the supplier. Furthermore, an awareness raising training is planned for 2021 including the topic on violence and harassment prevention. According to the findings of the audit in 2019, some issues remained open with workers who were ill. The workplace doctor was replaced three times in a year and medical and first aid kits were not installed properly. Chronically ill, pregnant, and disabled workers did not get appropriate support. Fundmate has followed up to confirm that there is now a permanent doctor and needs of workers are tracked as required and collected visual proof of installed medical facilities.

In 2020, Fundmate's supplier in China had to stop production in February due to COVID-19 and Fundmate was not sure wages could be paid to workers. Through its Chinese agent, the brand was able to check if wages were being paid and verify this with document proof. Health and Safety checklists were also conducted and followed up accordingly. There was a regular check to see if face masks, disinfect stations and social distancing. Worker representatives were included in the Health and Safety committee and took part in meetings.

**Recommendation:** The feedback and supportive evidence that is sent by suppliers can be complex and difficult to interpret when unfamiliar with the local laws and expertise. Fundmate can use Fair Wear's local team to verify the supportive evidence in case that is desirable.

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:** As travel was restricted due to the COVID-19 pandemic, this indicator is not applicable in 2020 for all Fair Wear members.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	Yes and quality assessed	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	2	3	0

**Comment:** In 2020, Fundmate received a BSCI and ILS report for its Chinese supplier. The findings of the audit reports are added to the CAPs follow up overview and follow up is done accordingly.

**Recommendation:** Fair Wear recommends Fundmate to assess the quality of the external audit report and immediately discuss with the supplier what information is missing and how to collect that information.

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:** In 2020, one Syrian refugee was employed at a Turkish supplier. The brand has discussed this with the supplier. Although the supplier does not have a written policy concerning the employment of Syrian refugees, the supplier included the matter in a non-discrimination policy. Fundmate collected evidence to ensure the supplier hires Syrian refugees in line with the Fair Wear policy. The Turkish supplier was invited to a Fair Wear webinar, which they attended. 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 its due diligence for new suppliers. The brand sent the worker information sheet (Arabic) and other relevant information to the supplier. The member has yet to enrol the Turkish supplier in training.

The member is aware of risks in China including the excessive overtime, absence of freedom of association and forced labour.

In 2020, Fundmate added COVID-19 specific issues to its due diligence process as described in 1.4. The country risk catalogue is structured per suppliers to add any known risks. This also served to track monthly COVID-19 updates. It also helped to verify any factory updates with external resources. Fundmate has rated the risks based on urgency to make prioritisation on COVID-19 related issues. In Turkey, the unpaid leave during factory closures was identified as a priority risk. Fundmate followed up with the supplier to ensure workers were paid the government support to add to the reduced wage.

Fundmate shared the Fair Wear Health and Safety guidance and invited suppliers to Fair Wear webinars. The worker information videos were also shared in Turkey. Fundmate received visual proof of the safety measures which were implemented at its suppliers. In the general follow up on risks, worker representation was not included to identify risks and/or verify remediation.

**Recommendation:** Knowing the country specific risks facilitates the starting point for discussing this with suppliers. Member companies can agree on additional commitments that are required to mitigate risks. Fundmate can provide additional measures for support and integrate that in the monitoring system. Additionally, it could include sources and input coming from trade unions and/or worker representatives to capture relevant risks in the country specific risk catalogue. Fair Wear recommends the member to enrol its Chinese suppliers in the ILO Score module Workplace Cooperation and its Turkish suppliers in transformative training for migrant and refugee workers.

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:** In 2020, there were no CAPs active which were shared with other Fair Wear members.

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.:** No (o)

**Comment:** The brand has implemented the Fair Wear requirements at its Slovakian and German supplier.

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

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:** In 2020, Fundmate bought products from three 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).	No external brands resold	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.	N/A	3	0

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: 26**

**Earned Points: 19**

### 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 (WIS) is posted at production sites. In 2020, a supplier moved to a different building and Fundmate ensured the WIS was posted there as well. Fundmate also distributed Worker Information Cards where relevant.

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.	68%	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:** Fundmate organised a WEP-basic training in Turkey in 2019. Fundmate also shared the worker videos in Turkey Fair Wear provided for COVID-19 related labour rights information. Fundmate also verified that workers actually watched it and received feedback that it was useful. There are plans to conduct another training, but the needs still have to be assessed.

**Recommendation:** Fair Wear recommends Fundmate to actively raise awareness about the Fair Wear Code of Labour Practices (CoLP) and Fair Wear complaint helpline among a larger portion of its suppliers. Fundmate should ensure good quality systematic training of workers and management on these topics. To this end, Fundmate can either use Fair Wear's WEP Basic module, or implement training related to the Fair Wear CoLP and complaint helpline through third-party training providers or brand staff. Non-Fair Wear training must follow the standards outlined in Fair Wear's guidance and checklist available on the Member Hub.

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 2020.

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:** 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 Fair Wear membership. Furthermore, Fundmate organised several workshops to introduce new employees to the topic of sustainability and Fair Wear membership. As customer service regularly receives questions concerning labour conditions, this department is regularly updated on Fair Wear. Fundmate also shared the Brand Performance Check and Social Report internally for staff to read.

**Recommendation:** It is advised to develop a standard procedure for all new employees to get familiar with Fair Wear membership. Fair Wear has material available that can be used to inform (sales) staff.

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:** Fundmate set up departments specifically for CSR and production planning with not just one person. The CSR manager is also involved in production planning. The director and CSR manager are well informed on Fair Wear requirements and updates. Besides keeping up to date through emails and the monthly newsletter, staff also participates in Fair Wear webinars, seminars and the Fair Wear meetings in Germany. CSR actively plans meetings with specific topics to discuss.

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:** Fundmate only works with one agent in China who is actively involved in CAP follow up and conducted the COVID-19 checklist. The agent received information about Fair Wear including the Factory Guide and participated in a Fair Wear audit. The agent is involved in the due diligence process when selecting new suppliers. Furthermore, the agent monitors progress made by the Chinese factory with regards to corrective actions and the situation of COVID-19.

**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 organised 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 and structural change to improve working conditions. To this end, Fundmate can make use of Fair Wear's WEP Communication or Violence and Harassment Prevention modules or implement advanced training through external training providers or brand staff. Non-Fair Wear training must follow the standards outlined in Fair Wear's guidance and checklist 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 asked suppliers to sign and commit to not using subcontractors. The supplier also needs to provide evidence that the orders can be produced in house as a requirement for the order placement sheet. This will be fully implemented in 2021. The brand checks on-site whether the factory has the necessary machinery to produce the products for Fundmate. Fair Wear audits at two suppliers confirm that no subcontracting was found.

Fundmate inquires whether new products are possible to produce at existing suppliers. In 2020 there was one case where they decided not to source in order to avoid outsourced production.

**Recommendation:** Fundmate could make agreements with its suppliers 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 before production is started.

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.

---

## **Information Management**

**Possible Points: 7**

**Earned Points: 4**

---

## 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 Fair Wear on its website, Facebook, Instagram and YouTube channels. The product catalogue magazine also includes information on Fair Wear. The communication is in line with the Fair Wear Communications 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:** Fundmate has disclosed production locations. 100% of production volume is disclosed to other members in Fair Force and on the Fair Wear 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:** Fundmate submitted their social report to Fair Wear and published it on its website.

---

## **Transparency**

**Possible Points: 6**

**Earned Points: 6**

---

## 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 Fair Wear membership. Fair Wear membership is integrated in decisions on management level. The managing director and CSR manager meet and reflect on current achievements and learnings from Fair Wear for the year. Fundmate has an evaluation meeting once a year. The outcomes of the Brand Performance Check are used to formulate plans on the coming year. Fundmate also asks its 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.	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

Fundmate took part in webinars and received guidance and information through several other channels. Fundmate recommends Fair Wear to focus on good practise efforts of member brands. The brand also indicated that it's not always clear what local expertise Fair Wear has and where.

## Scoring Overview

Category	Earned	Possible
Purchasing Practices	25	50
Monitoring and Remediation	19	26
Complaints Handling	7	9
Training and Capacity Building	5	11
Information Management	4	7
Transparency	6	6
Evaluation	2	2
Totals:	68	111

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

61

### Performance Benchmarking Category

Good

## Brand Performance Check details

Date of Brand Performance Check:

31-05-2021

Conducted by:

Kathleen Gabriel