



Brand Performance Check

Fundmate

Publication date: June 2023

This report covers the evaluation period 01-01-2022 to 31-12-2022

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. The online [Brand Performance Check Guide](#) provides more information about the indicators.

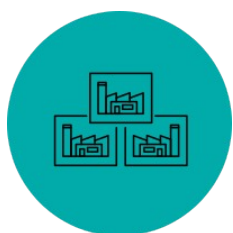
Scoring overview

Total score: 118

Possible score: 190

Benchmarking Score: 62

Performance Benchmarking Category: Good



Sourcing strategy

64%



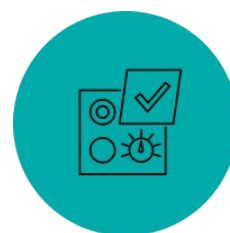
Identifying continuous human rights risks

73%



Responsible purchasing practices

62%



Quality and coherence of prevention and remediation system

60%



Improvement and prevention

48%



Communication, transparency and evaluation

82%

Summary:

Fundmate has shown progress and met most of Fair Wear's performance requirements. With a total benchmarking score of 62, the member brand is placed in the Good category.

Despite COVID-19 and the economic situation in 2022, which continued to impact Fundmate's business, the member brand still had a successful financial year. The extreme increase in costs did, however, greatly impact the small company.

Fundmate's sourcing strategy shows the company's commitment to long-term relationships and jointly improving labour conditions. To date, Fundmate's sourcing strategy has yet to mention a preference for countries where workers can freely form or join a trade union and bargain collectively.

In 2022, Fundmate developed a risk analysis aligned with the OECD requirements, focusing on the different sector risks. The analysis includes the sectoral risks and compares them for each country with the risks in the factory. In addition, Fundmate has completed a scoping of the business and sourcing model risks as well as product-specific risks. Fundmate has also started to analyse the collected gender-disaggregated data related to every Code of Labour Practices at the factory and country levels. Together with the Turkish supplier, Fundmate started to rework the anti-harassment policy. In addition, Fundmate focused strongly on ensuring that women are also part of the worker representatives and participate in regular meetings with the brand and factory management.

In 2022, Fundmate started working on a solution in dialogue with the supplier from Türkiye to do the labour minute costs for the machine production of socks. Due to the specialised manufacturing of socks and the difficulty of calculating labour minutes per style, Fundmate has done extensive research to develop various calculations. Fair Wear recommends that Fundmate continues its living wage project.

In 2023, Fair Wear implemented a new performance check methodology aligned with the OECD guidelines on HRDD. This new methodology raises the bar and includes new indicators, which may result in a lower score for member brands. Because this is a transition year, Fair Wear lowered the scoring threshold for this year only.

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.

Company Profile Fundmate

Member company information

Member since: 1 Jan 2018

Product types: Promotional wear and accessories

Percentage of CMT production versus support processes 0%

Percentage of FOB purchased through own or joint venture production 0%

Percentage of FOB purchased directly 100%

Percentage of FOB purchased through agents or intermediaries 44%

Percentage of turnover of external brands resold 13%

Are vertically integrated suppliers part of the supply chain? No

FLA Member No

Member of other MSI's

Number of complaints received last financial year 1

Basic requirements

Definitive production location data has been submitted for the financial year under review? Yes

Work Plan and projected production location data have been submitted for the current financial year? Yes

Membership fee has been paid? 1

Production countries, including number of production locations and total production volume.

Production Country	Number of production locations	Percentage of production volume
Türkiye	1	50
China	2	44
Slovakia	1	6

Layer 1 Foundational system's criteria

1.1 Member company has a Responsible Business Conduct policy adopted by top management.: Yes

Comment & Requirement: Fundmate needs to improve its Responsible Business Conduct Policy, to ensure better alignment with the OECD guidelines.

1.2 All member company staff are made aware of Fair Wear's membership requirements.: Yes

1.3 All staff who have direct contact with suppliers are trained to support the implementation of Fair Wear requirements.: Yes

1.4 A specific staff person(s) is designated to follow up on problems identified by the monitoring system, including complaints handling. The staff person(s) must have the necessary competence, knowledge, experience, and resources.: Yes

1.5 Member company has a system in place to identify all production locations, including a policy for unauthorised subcontracting.: Yes

1.6 Member company discloses internally through Fair Wear's information management system, in line with Fair Wear's Transparency Policy.: Yes

Comment & Requirement: Fundmate discloses 100% of production locations internally through Fair Wear's information management system.

1.7 Member company discloses externally on Fair Wear's transparency portal, in line with Fair Wear's Transparency Policy.: Yes

Comment & Requirement: Fundmate discloses 100% of production locations externally on Fair Wear's transparency portal.

1.8 Member complies with the basic requirements of Fair Wear's communication policy.: Yes

Layer 2 Human rights due diligence, including sourcing strategy and responsible purchasing practices.

Possible Points: 84

Earned Points: 56

Indicators on Sourcing strategy

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.1 Member company's sourcing strategy is focused on increasing influence to meaningfully and effectively improve working conditions.	Intermediate	Fair Wear expects members to adjust their sourcing strategy to increase their influence over working conditions. Members should aim to keep the number of production locations at a level that allows for the effective implementation of responsible business practices.	Strategy document; consolidation plans, examples of implementation.	4	6	0

Comment: Fundmate has a sourcing strategy addressing influencing labour conditions, as the decision where to source depends on its country and factory risk assessments. The member has three active suppliers and one subcontractor in 2022. 44% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. 56% of the production volume comes from suppliers where Fundmate buys less than 2% of its total FOB. Fundmate's sourcing strategy generally focuses on increasing influence through consolidation and/or active cooperation with other clients.

Recommendation: Fundmate could increase influence on suppliers by actively cooperating with other buyers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Member company's sourcing strategy is focused on building long-term relationships.	Basic	Stable business relationships underpin the implementation of the Code of Labour Practices and give factories a reason to invest in improving working conditions.	Strategy documents; % of FOB from suppliers where a business relationship has existed for more than five years; Examples of contracts outlining a commitment to long-term relationship; Evidence of shared forecasting.	2	6	0

Comment: Fundmate has a sourcing strategy that focuses on maintaining long-term relationships. 56% of the member's total FOB volume comes from suppliers with whom Fundmate has a business relationship for at least five years. The member does not commit to long-term contracts yet.

Recommendation: Fair Wear recommends Fundmate to commit to long-term contracts.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Member company conducts a risk scoping exercise as part of its sourcing strategy.	Intermediate	Human rights due diligence, according to the OECD guidelines, requires companies to undertake a scoping exercise to identify and mitigate potential human rights risks in supply chains of potential business partners.	HRDD policy; Sourcing strategy linked to results of scoping exercise; HRDD processes, including specific responsibilities of different departments; Use of country studies; Analysis of business and sourcing model risks; Use of licensees and/or design collaborations.	4	6	-2

Comment: Fundmate developed a risk analysis in line with the OECD requirements. Fundmate conducts risk scoping and includes all risk factors. The analysis includes the sectoral risks and compares them for each country with the risks in the factory. Some of the remedial measures already taken are also listed in the overview. In addition, Fundmate has done a scoping of the business and sourcing model risks as well as product-specific risks. In addition, Fundmate conducted a risk scoping exercise about the COVID-19 situation in its sourcing countries and per supplier. The risk scoping includes a gender lens for all eight labour standards.

Fundmate uses a traffic light system to identify and prioritise particularly high risks. However, risks that are rated as unknown are prioritised less. Also, Fundmate assessed the prevalence of the risks on freedom of association and bonded labour too low in China.

The member adjusts its sourcing strategy based on the risk scoping, as outcomes of the scoping are included in decision-making. To date, Fundmate's sourcing strategy does not mention a preference for countries where workers can freely form or join a trade union and bargain collectively.

Recommendation: Fundmate is urged to assess the risk of forced labour and/or limited freedom of association and social dialogue in its supply chain. It is also recommended to adjust the prioritisation of the risks.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.4 Member company engages in dialogue with factory management about Fair Wear membership requirements before finalising the first purchase order.	Advanced	Sourcing dialogues aim to increase transparency between the member and the potential supplier, which can benefit improvements efforts going forward.	Process outline to select new factories; Material used in sourcing dialogue; Documents for sharing commitment towards social compliance; Meeting reports; On-site visits; Reviews of suppliers' policies.	4	4	0

Comment: Fundmate established a standard process to inform new suppliers about Fair Wear membership. The supplier selection approach includes country and product-specific questions and personal impressions. The attitude of the supplier management towards CSR, and the willingness to change, is an important decisive factor. In addition, the factory management will receive detailed documentation about the Fair Wear membership, Fundmate's onboarding process, Code of Conduct, consent to transparency and the Worker Information Sheet. Before the final onboarding of the potential new supplier, more digital meetings will take place to discuss any questions and open points. In the first year of collaboration, a Fair Wear audit and an onsite-visit is planned. In 2022, Fundmate did not onboard a new factory.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Member company collects the necessary human rights information to inform sourcing decisions before finalising the first purchase order.	Intermediate	Human rights due diligence processes are necessary to identify and mitigate potential human rights risks in supply chains. Specific risks per factory need to be considered as part of the decision to start cooperation and/or place purchasing orders.	Questionnaire with CoLP, reviewing and collecting existing external information, evidence of investigating operational-level grievance system, union and independent worker committee presence, collective bargaining agreements, engaging in conversations with other customers and other stakeholders, including workers.	4	6	0

Comment: Fundmate collects human rights information of potential new suppliers by using different kinds of sources such as external audit reports, certificates, and dialogue with the factory management. Once all information is considered sufficient to build a relationship, Fundmate plans a Fair Wear audit within the first year of business and visits the production location to check the factory setup in detail. Fundmate has a checklist for purchasing to ensure all criteria are met at the right time. The checklist also includes information collection on grievance mechanisms and freedom of association. The brand's CEOs are included in the decision-making process. Based on the risk analysis and collected information, Fundmate has decided not to produce in Egypt as planned in 2022. The company does not collect information from workers or stakeholders before the first order is placed.

Recommendation: Fair Wear encourages the member to collect worker and stakeholder input before placing the first order.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Member actively ensures awareness of the Fair Wear CoLP, the complaints helpline, and social dialogue mechanisms within the first year of starting business.	No production locations in the first year of business.	This indicator focuses on the preliminary mitigation of risks by actively raising awareness about the Fair Wear Code of Labour Practices and complaints helpline. Discussing Fair Wear’s CoLP with management and workers is a key step towards ensuring sustainable improvements in working conditions and developing social dialogue at the supplier level.	Evidence of social dialogue awareness raised through earlier training/onboarding programmes, onboarding materials, information sessions on the factory grievance system and complaints helpline, use of Fair Wear factory guide, awareness-raising videos, and the CoLP.	N/A	6	0

Comment: In the previous financial year, Fundmate has not added any new suppliers.

Indicators on Identifying continuous human rights risks

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.7 Member company has a system to continuously monitor human rights risks in its supply chain.	Intermediate	Members are expected to regularly evaluate risk in a systematic manner. The system used to identify human rights risks determines the accuracy of the risks identified and, as such, the possibilities for mitigation and remediation.	Use of risk policies, country studies, audit reports, other sources used, how often information is updated.	4	6	0

Comment: Fundmate has a systematic approach to identifying human rights risks in its supply chain. It has determined the appropriate monitoring tool and frequency per country. Fundmate includes the eight Code of Labour Practices in its supplier risk assessment and the gender lens. Based on the factory risk assessment, the member brand has created a monitoring plan per factory, which includes monitoring audits, external audits, surveys, regular digital meetings with the suppliers, onsite visits and meetings with worker representatives.

For the production countries China and Türkiye, which account for 94% of the total FOB, Fundmate conducts Fair Wear audits. Fundmate has no detailed risk assessment for the factory in Slovakia. This is because the production site was already informed in 2021 about the exit in 2022.

Recommendation: Fair Wear recommends Fundmate to assess whether the member causes, contributes or is linked to the identified risks.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company's continuous monitoring of human rights risks includes an assessment of freedom of association (FoA).	Advanced	Freedom of association and collective bargaining are 'enabling rights.' When these rights are respected, they pave the way for garment workers and their employers to address and implement the other standards in Fair Wear's Code of Labour Practices - often without brand intervention.	Use of supplier questionnaire to inform decision-making, collected country information, and analyses.	6	6	0

Comment: Fundmate has mapped the risks to Freedom of Association (FoA) in its three sourcing countries and can explain the main risks per country, including the risks to women workers. The risks identified are, for instance, that the worker representatives can be fired if they are deemed to be violating an employer's rules and regulations. Also, low-power positions make negotiating contracts difficult for women workers, reinforcing the value of collective bargaining agreements for women. 44% of Fundmate's production comes from China, where FoA is heavily restricted. Fundmate uses this information to understand what the risks at its suppliers are and inform itself how to engage with its suppliers on this topic. The member has supplier-level monitoring in place to assess and understand the risk at suppliers. Fundmate knows that none of its suppliers has trade unions and CBAs in place. In 2022, started to prepare a survey for all suppliers to fill in, including information about FoA and worker representation even better to understand the factory risks.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Member company includes a gender analysis throughout their continuous monitoring of human rights risks, to foster a better understanding of gendered implications.	Intermediate	Investing in gender equality creates a ripple effect of positive societal outcomes. Members must apply gender analyses to their supply chain to better address inequalities, violence, and harassment.	Evidence of use of the gender mapping tools and knowledge of country-specific fact sheets.	4	6	0

Comment: Fundmate has started to analyse the collected gender-disaggregated data at the factory and country levels. The member could show it understands the basic gender risks for its sourcing countries. Fundmate collects gender data per production country and partly on factory level related to every Code of Labour Practices. For instance, it identified a gender pay gap of around 13% and a motherhood pay gap of around 30% as important risks prevalent in Türkiye. Fundmate also identified gender-based violence as a high risk in Türkiye. Fundmate started to improve the dialogue with the factory and the worker representatives by addressing these topics in frequent digital meetings. The member has not yet specifically looked into how its business practices affect gender at its suppliers.

Recommendation: Fair Wear recommends the member to start analysing the gender data collected at country and factory levels and connect them. Fair Wear's gender instruments can be helpful.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.10 Member company considers a production location's human rights performance in its purchasing decisions.	Advanced	Systematic evaluation is part of continuous human rights monitoring. A systematic approach to evaluating production location performance is necessary to integrate social compliance into normal business processes and to support good decision-making.	Supplier evaluation format, meeting notes on supplier evaluation shared with the factory, processes outlining purchasing decisions, link to responsible exit strategy.	4	4	0

Comment: Fundmate has a strong and systematic evaluation system for assessing suppliers' human rights performance. All supplier information, from audits, visits, training and surveys, is evaluated based on a set framework. The evaluation includes price, quality, delivery, communication and Corporate Social Responsibility (CSR) indicators. All those criteria are weighted the same, except CSR, which has the highest weighting in this scorecard. This information is shared with other relevant teams and CEOs to guide production and sourcing decisions. Fundmate has made the consequences of the evaluation explicit to the suppliers. Communication with the Slovakian supplier was difficult, so Fundmate reduced the production volume. The brand has been slowly phasing out production in agreement with the supplier.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.11 Member company prevents and responds to unauthorised or unknown production and/or subcontracting.	Intermediate	Subcontracting can decrease transparency in the supply chain and has been demonstrated to increase the risk of human rights violations. Therefore, when operating in higher-risk contexts where it is likely subcontracting occurs, the member company should increase due diligence measures to mitigate these risks.	Production location data provided to Fair Wear, financial records from the previous financial year, evidence of member systems and efforts to identify all production locations (e.g., interviews with factory managers, factory audit data, web shop and catalogue products, etc.), licensee contracts and agreements with design collaborators.	2	4	0

Comment: The member takes measures to prevent unauthorised subcontracting or unknown locations, such as Fair Wear monitoring audits, collecting and analysing external audits and frequent supplier dialogue. During the performance check, one subcontractor was missing in the database, but Fundmate has included it.

As there was a case of unauthorised subcontracting in China in 2022, Fundmate adapted its internal process. Since then, Fundmate has included subcontracting in the sourcing strategy and developed a supplier agreement together with its suppliers to develop a system to identify unauthorised subcontracting. In the agreement, the supplier must disclose all information about the actual production locations of every factory involved in the production process. Before the brand starts sampling a new product, the purchasing department sends the sheet to the supplier. Additionally, product-specific risks are identified already during the design phase. The risk assessment also includes subcontracting.

Recommendation: Fundmate is recommended to use the outcomes of its human rights monitoring to prevent unauthorised subcontracting. This can mean the member ensures the supplier is visited during production for locations with a higher risk of unauthorised subcontracting.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 Member company extends its due diligence approach to homeworkers.	Intermediate	Homeworkers should be viewed as an intrinsic part of the workforce, entitled to receive equal treatment and have equal access to the same labour rights, and therefore should be formalised to achieve good employment terms and conditions.	Supplier policies, evidence of supplier and/or intermediaries' terms of employment, wage-slips from homeworkers.	2	4	0

Comment: According to the member, there is a very low risk of homeworkers in its supply chain, because special machines mainly produce socks. However, product-specific risks are additionally analysed and adjusted by design, meaning homework can be almost completely excluded. In 2022, Fundmate did not ask factories explicitly about homeworkers.

Recommendation: Even though machines produce Fundmate's socks, Fundmate is recommended to ask suppliers about homework.

Indicators on Responsible purchasing practices

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.13 Member company's written contracts with suppliers support the implementation of Fair Wear's Code of Labour Practices and human rights due diligence, emphasising fair payment terms.	Insufficient	Written, binding agreements between brands and suppliers, which support the Fair Wears CoLP and human rights due diligence, are crucial to ensuring fairness in implementing decent work across the supply chain.	Suppliers' codes of conduct, contracts, agreements, purchasing terms and conditions, or supplier manuals.	0	4	0

Comment: Fundmate does not use contracts with its suppliers. The member has agreements in the form of purchase orders that stipulate payment terms.

Requirement: Fundmate needs to use written contracts with all its suppliers that include shared responsibilities and support the implementation of human rights due diligence.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.14 Member company has formally integrated responsible business practices and possible impacts on human rights violations in their decision-making processes.	Intermediate	Corporate Social Responsibility (CSR), purchasing, and other staff that interact with suppliers must be able to share information to establish a coherent and effective strategy for improvements. This indicator examines how this policy and Fair Wear membership requirements are embedded within the member company.	Internal information systems, status Corrective Action Plans, sourcing score- cards, KPIs listed for different departments that support CSR efforts, reports from meetings from purchasing and/or CSR staff, and a systematic manner of storing information.	4	6	0

Comment: There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices. The member has not yet included responsible business practices in job role competencies, nor do sourcing and purchasing staff work with KPIs supporting good sourcing and pricing strategies.

Recommendation: Fundmate could adopt KPIs that support good sourcing and pricing strategies within its sourcing, purchasing and design departments.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.15 Member company's purchasing practices support reasonable working hours.	Advanced	Members' purchasing practices can significantly impact the levels of excessive overtime at factories.	Proof that planning systems have been shared with production locations, examples of production capacity knowledge that is integrated into planning, timely approval of samples, and proof that management oversight is in place to prevent late production changes.	6	6	0

Comment: Fundmate has two collections (spring/summer and fall/winter); around 80% of the 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. This gives the factory more time for production.

The member forecasts almost one year in advance. Fundmate orders products of its collection four times a year, giving the factory five to six months to deliver the products. Fundmate's main peak season is Christmas. The member knows the capacities and the peak seasons of its main suppliers in Türkiye and China and calculated how many weeks it would cost the factory to produce the order. The leverage of Fundmate is small compared to the total production capacity of the factories. In some cases, designs or the sampling process have been adapted and standardised in the past to save time in production and to use existing fabrics. For production planning, Fundmate is always in close contact with the suppliers.

In 2022, the supplier in China had free capacities during the low season and due to the economic situation, Fundmate was not able to fill the production capacity in the factory. Because of that, Fundmate asked the Fair Wear brand community if other brands were interested in filling the capacity gap for the supplier.

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 challenging due to other customers. The leverage of Fundmate is very small. In 2022, Fundmate started to contact other customers in the factories and asked for cooperation.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.16 Member company can demonstrate the link between its buying prices and wage levels at 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, cost sheets including labour minutes.	4	6	0

Comment: Fundmate has open costing included in its sourcing strategy. Fundmate does not calculate labour minutes per style. But the brand does collect information about wage levels at all its suppliers using audits and wage surveys.

Fundmate receives final prices from suppliers that are mostly not negotiated. Fundmate knows the raw material and packaging prices and the cost for production but does not have isolated labour costs in calculations. Fundmate argues that since most of the sock production is done by machine and many socks can be made simultaneously on one device, the process differs from cut make trim. Therefore, Fundmate is working on a solution in dialogue with the supplier from Türkiye to do the labour minute costs for the machine production of socks. Due to the specialised manufacturing of socks and the difficulty of calculating labour minutes per style, Fundmate has done a lot of research to develop various calculations. Fundmate started to break down the percentage of labour costs for a standard style, which are incurred in the respective production steps and the operation of the machines. For example, Fundmate found that the most labour costs are incurred in the packaging production step. Then they set up different scenarios to better understand how big the living wage gap is and how the brand can link that to its buying prices. To learn more and continue with the project, Fundmate plans to travel to Türkiye in 2023.

Recommendation: Fundmate could provide suppliers training on product costing and how to quote prices including (direct and indirect) labour costs. Fair Price product owners are available to conduct such training in all Fair Wear production countries.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.17 All sourcing intermediaries play an active role in upholding Fair Wear's Code of Labour Practices and ensure transparency about where production takes place.	Intermediate	Intermediaries have the potential to either support or disrupt CoLP implementation. It is members' responsibility to ensure production relation intermediaries actively support the implementation of the CoLP.	Correspondence with intermediaries, trainings for intermediaries, communication on Fair Wear audit findings, etc.	2	4	0

Comment: Fundmate works with one sourcing intermediary in China. Fundmate has informed its intermediary of Fair Wear requirements and could show it informed production locations. Next to that, the intermediaries actively support the implementation of the CoLP by actively involving the intermediary in CAP follow-up and the Fair Wear WEP basic training at the factory onsite to gain more knowledge about grievance mechanisms.

The member does not check if its intermediaries uphold the purchasing practices as mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP).

Recommendation: The member is recommended to check if the intermediary's purchasing practices are fair and if the intermediary has adequate systems to ensure payments are made on time.

Layer 3 Remediation and impact

Possible Points: 84

Earned Points: 44

Indicators on Quality and coherence of prevention and remediation system

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.1 Member company integrates outcomes of human rights risk identification (layer 2) into prioritisation and follow-up programmes according to the risk profile.	Intermediate	Based on the risk assessment outcomes, a factory risk profile can be determined with accompanying intervention strategies, including improvement and prevention programmes.	Overview of supplier base with accompanying risk profile and follow-up programmes.	4	6	0

Comment: Based on the risk identification as described in chapter two, Fundmate has started to partly link factory risks to appropriate follow-up for the two main factories covering 94% of FOB. However, the follow-up plan has not yet been completed yet.

Recommendation: Fair Wear recommends the member to further complete its follow-up plans.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company's improvement and prevention programmes include a gender lens.	Intermediate	The prevention and improvement programmes should ensure equitable outcomes. Thus, a gender lens should be incorporated in all programmes regardless of whether or not the programme is specifically about gender.	Proof of incorporation of the gender lens in follow up programmes, including stakeholder input.	4	6	0

Comment: Fundmate has started to include a gender lens in its improvement and preventive actions. A Fair Wear audit analysed gender-related risks such as wage payment, verbal harassment, or maternity issues at the supplier in Türkiye. Additionally, Fundmate started to identify risks that included a gender lens for all eight labour standards (see indicator 2.9). Together with the supplier, Fundmate started to rework the anti-harassment policy for the Turkish supplier. In addition, Fundmate focused strongly on ensuring that also women are part of the worker representatives and also participate in regular meetings with the brand and factory management. Fundmate would like to further strengthen the dialogue with the supplier and the worker representatives in the future regarding this topic.

Recommendation: Fundmate could extend its gender lens to follow-up on both improvement and prevention actions.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.3 Member company's improvement and prevention programmes include steps to encourage freedom of association and effective social dialogue.	Intermediate	Freedom of Association and Collective Bargaining are enabling rights. Therefore, ensuring they are prioritised in improvement and prevention programmes can help support improvements in all other areas.	Available prevention and improvement programmes, including stakeholder input.	4	6	0

Comment: Fundmate included steps to encourage FoA and effective social dialogue in its improvement or prevention actions, mainly for the Turkish supplier. Fundmate is in regular contact with worker representatives of the Turkish supplier and has involved them in the follow-up of the CAP. Fundmate had several conversations with the Chinese supplier, pushing the supplier to organise a worker committee election. In 2019, the worker representative was announced by factory management. Fundmate requested a democratically elected worker representation. In the following years, there have been elections for worker representatives at the Chinese supplier, and one woman represents the workers in the factory. She is also included in digital meetings with the factory. The brand's prevention programme includes plans for social dialogue training at this supplier and onsite meetings with the worker representatives.

Recommendation: Fair Wear recommends Fundmate to be more comprehensive and include more steps to promote FoA and effective social dialogue in its improvement and prevention actions.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 Member company actively supports operational-level internal grievance mechanism.	Intermediate	Fair Wear's complaints helpline is a safety net in case local grievance mechanisms do not provide access to remedy. Members are expected to actively support and monitor the effectiveness of operational-level grievance mechanisms as part of regular contact with their suppliers.	Communication with suppliers, responses to grievances, minutes of internal worker committees, evidence of democratically elected worker representation, evidence of handled grievance, review of factory policies, and proof of effective social dialogue.	4	6	0

Comment: In 2022, Fundmate collected information on internal grievance mechanisms and their effectiveness. Additionally, the company discusses this topic regularly with its suppliers, closely following up on the meeting minutes with the worker representatives.

Recommendation: Fair Wear recommends Fundmate to further support and monitor the internal grievance mechanisms at the suppliers. Fair Wear also recommends Fundmate to ensure that the evaluation of internal grievance mechanisms of its suppliers is systematically considered in purchasing decisions.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Member company collaborates with other Fair Wear members or customers of the production location.	Basic	Cooperation between Fair Wear members increases leverage and the chances of successful outcomes. Cooperation also reduces the chances of a factory needing to conduct multiple improvement programmes about the same issue with multiple customers.	Communication between different companies.	2	6	0

Comment: Fundmate cooperates with other Fair Wear members at its shared suppliers, responding to CAPs and complaints. Fundmate has not yet cooperated with customers that are not Fair Wear members.

Recommendation: Even though Fundmate already works together with other Fair Wear members, Fair Wear recommends to also collaborate with other customers.

Indicators on Improvement and prevention

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.6 Degree of progress towards implementation of improvement programme per relevant factory.	39%	Fair Wear expects members to show progress towards the implementation of improvement programmes. Members are expected to be actively involved in the examination and remediation of any factory-specific problem.	Progress reports on improvement programmes.	4	6	-2

Comment: During the performance check, Fundmate could demonstrate that 39% of the Corrective Action Plan (CAP) issues requiring improvement actions have been addressed. Improvement actions relate mostly to health and safety findings but also internal grievance mechanisms, and the fact that workers did not know about the worker representatives.

Recommendation: Fair Wear recommends Fundmate to immediately check the received evidence with Fair Wear not to lose momentum.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.7 Degree of progress towards implementation of prevention programme.	Basic progress	Fair Wear expects members to show progress towards the implementation of prevention programmes. With this indicator, Fair Wear assesses the degree of progress based on the percentage of actions addressed within the set timeframe.	Update on prevention programmes.	2	6	-2

Comment: Fundmate has identified some root causes of the CAP issues and discussed these with its suppliers. The member has started to develop some preventive steps addressing these root causes.

Recommendation: Fair Wear recommends Fundmate to translate its root cause analysis into concrete preventive actions as part of the risk profiles.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.8 Member company validates risk profile and maintains regular dialogue with factories where no improvement or prevention programme is needed.	No factories in the respective risk profile	When no improvement or prevention programme is needed, Fair Wear expect its member companies to actively monitor the risk profile and continue to mitigate risks and prevent human rights abuses.	Use of Fair Wear workers awareness digital tool to promote access to remedy. Evidence of data collected, worker interviews, monitoring documentation tracking status quo.	N/A	6	0

Comment: Fundmate sourced at one supplier in Slovakia. Last orders were placed in 2022. Due to the brand's consolidation, the cooperation with the supplier was terminated in 2022.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.9 Degree to which member company mitigates root causes of excessive overtime.	Intermediate	Member companies should identify excessive overtime caused by the internal processes and take preventive measures. In addition, members should assess ways to reduce the risk of external delays.	This indicator rewards self-identification of efforts to prevent excessive overtime. Therefore, member companies may present a wide range of evidence of production delays and how the risk of excessive overtime was addressed, such as: reports, correspondence with factories, collaboration with other customers of the factory, use of Fair Wear tools, etc.	4	6	0

Comment: Fundmate annually asks its suppliers for feedback on its production planning system. The aim is to integrate the suppliers' feedback into the production planning. The brand is flexible with accepting delayed orders due to the high amount of never-out-of-stock items.

Fundmate is aware that excessive overtime is a significant risk in Chinese factories as excessive overtime occurs regularly. Excessive overtime was found in the Fair Wear audit report from 2022. According to Fundmate, the supplier did not need an earlier order placement, as this was not the cause. Instead, the brand is in constant dialogue with the supplier. The supplier is also considering hiring more workers to increase capacity and reduce the excessive overtime hours.

Recommendation: Fair Wear recommends cooperating with other customers at the factory to increase leverage when mitigating excessive overtime.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.10 Member company adequately responds if production locations fail to pay legal wage requirements and/or fail to provide wage data to verify that legal wage requirements are paid.	Intermediate	Fair Wear members are expected to actively verify that all workers receive legal minimum wage. If a supplier does not meet the legal wage requirements or is unable to show they do, Fair Wear member companies are expected to hold the management at the production location accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show the legal wage issue is reported/resolved.	2	4	-2

Comment: In 2022, the region in China where the factory is located was on lockdown. Fundmate was in close contact with the supplier, and the production was still running. During the Fair Wear audit in 2022, it was mentioned that workers were not provided with any payment when the downtime period was four days or less. For instance, it was noted that ten knitting workers experienced a downtime period of around six days in March 2022 because they had no yarn to knit. Due to that, the workers did not receive the legal minimum wage. Fundmate responded to this finding via exchange in CAPs, and together with the intermediary, the brand is still discussing a solution.

During the Fair Wear audit in 2022, it was determined that the factory in Türkiye did not make any payments during the COVID-19 period in 2020. The factory was closed for one month during that time. Fundmate followed that up with the factory and asked for pay slips to understand the situation better.

Recommendation: Fair Wear strongly recommends Fundmate to ensure problems of payments below legal minimum wages are not just prevented going forward but also remediated retroactively.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.11 Degree to which member company assesses and responds to root causes of wages 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.	Member companies may present a wide range of evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, wage data/wage ladders, gap analysis, correspondence with factories, etc.	4	6	0

Comment: Fundmate discusses the topic of wages with 94% of its suppliers. Fundmate has yet to create an overview of the wage levels at its supplier in Türkiye and is working on finding the gap towards the estimated living wage. Fundmate followed up on this and reviewed internally how the member's practices regarding pricing could be altered. For that, Fundmate developed a living wages project and discussed it with its main supplier in Türkiye. As a first step, the brand conducted a survey at the Turkish supplier to ask the workforce about their total monthly expenses.

As in indicator 2.16 described, Fundmate is working on a solution to calculate the labour minute costs for the machine production of socks. The brand set up different scenarios to better understand how big the living wage gap is. To learn more and continue with the project, Fundmate plans to travel to Türkiye in 2023.

Recommendation: Fair Wear encourages Fundmate to further discuss with suppliers about different strategies to work towards higher wages and develop a systemic and time-bound approach. It is advised to start with suppliers where the member is responsible for a large percentage of production and has a long-term business relationship. Fair Wear also encourages Fundmate to involve worker representatives and local organisations in assessing root causes of wages lower than living wages. It is advised that the outcomes of the root cause analysis are discussed internally and with top management, to form a basis for an embedded strategy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.12 Member company determines and finances wage increases.	Insufficient	Member companies should have strategies in place to contribute to and finance wage increases in their production locations.	Analysis of wage gap, strategy on paper, demonstrated roll out process.	0	6	0

Comment: Fundmate has not yet defined a target wage. However, in its living wage project, Fundmate has stated that the target wage should be based on the outcome of the Turkish supplier's living wage survey and the pilot project. For this, Fundmate plans to visit the supplier in 2023.

Requirement: Fundmate should analyse what is needed to increase wages and develop a strategy to finance the costs of wage increases.

Recommendation: In determining what is needed and how wages should be increased, it is recommended to involve worker representation.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.13 Percentage of production volume where the member company pays its share of the living wage estimate.	0%	Fair Wear requires its member companies to act to ensure a living wage is paid in their production locations to each worker.	Member company's own documentation such as reports, factory documentation, evidence of Collective Bargaining Agreement (CBA) payment, communication with factories, etc.	0	6	0

Comment: Fundmate does not contribute to higher wages at any of its production locations.

Requirement: Fundmate is expected to begin setting a target wage for its production locations.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.14 Member addresses grievances received through Fair Wear's helpline in accordance with the Fair Wear Complaints Procedure.	Advanced	Members are expected to actively support the operational-level grievance mechanisms as part of regular contact with their suppliers. The complaints procedure provides a framework for member brands, emphasising the responsibility towards workers within their supply chain.	Overview of supporting activities, overview of grievances received and addressed, etc.	4	4	-2

Comment: Fundmate received one complaint in the past financial year about living wages at its supplier in Türkiye. The complainant stated that a group of workers had problems regarding paid annual leaves. According to their statements, the management decided when the paid annual leaves would be used, and the workers' demands were not considered. After meetings with factory management and worker representatives, the complaint could be resolved, and the holiday period was accepted. As a preventive measure, an annual leave board was established and the regulations in the annual leave policy were updated. The workers have been informed by worker representatives.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.15 Degree to which member company implements training appropriate to the improvement or prevention programme.	Basic	Training programmes can play an important role in improving working conditions, especially for more complex issues, such as freedom of association or gender-based violence, where factory-level transformation is needed.	Links between the risk profile and training programme, documentation from discussions with management and workers on training needs, etc.	2	6	0

Comment: As a result of the risk assessment, the member brand requested a WEP basic training for its Turkish supplier in 2022. This was conducted at the beginning of 2023. More specific training related to social dialogue will be organised in 2023. A WEP basic training is also planned for the Chinese supplier in 2023.

Recommendation: Fundmate is recommended to implement training for all factories where this is part of their improvement and/or prevention programme.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.16 Degree to which member company follows up after a training programme.	Member company did not implement any training	Training is a crucial tool to support transformative processes but complementary activities such as remediation and changes at the brand level are needed to achieve lasting impact	Evidence of engagement with factory management regarding training outcomes, documentation on follow-up activities, and proof of integration into further monitoring and risk profiling efforts.	N/A	6	0

Comment: Fundmate requested a WEP basic training at its Turkish supplier for 2022. Due to capacities at Fair Wear, the training was conducted beginning of 2023.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.17 The member company's human rights risk monitoring system includes a responsible exit strategy.	Advanced	Withdrawing from a non-compliant supplier should only be the last resort when no more impact can be gained from other strategies. Fair Wear members must follow the steps as laid out in the responsible exit strategy.	Exit strategy policy, examples of supplier communications.	4	4	0

Comment: In the past financial year, the member stopped with one supplier in Slovakia. The member followed the steps in the responsible exit strategy. The leverage of Fundmate in the factory was around 2%. Fundmate was following the guidelines of the Fair Wear responsible exit and adopted the guidelines to its own internal exit strategy, which is relevant for the purchasing department as well. The decision to terminate the supplier was already taken in 2020, and the orders were therefore reduced step by step. There has been transparent communication with the supplier on this. The last production took place in 2022. There was also a personal meeting between the factory management and the CEO of Fundmate to discuss the termination process. Shortly afterwards, the supplier had problems filling the capacities. Fundmate responded by placing another order to fill the production capacities again temporarily.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.18 Member company's measures, business practices and/or improvement programmes go beyond the indicators or scope.	Member company's activities do not go beyond the indicators or scope.	Fair Wear would like to reward and encourage members who go beyond the Fair Wear policy or scope requirements. For example, innovative projects that result in advanced remediation strategies, pilot participation, and/or going beyond tier 2.	Overview of Human Right risk monitoring, remediation and prevention activities and processes.	N/A	6	0

Comment: Fundmate does not undertake activities related to human rights that go beyond Fair Wear's scope.

Layer 4 External communication, outreach, learning, and evaluation

Possible Points: 22

Earned Points: 18

Indicators on Communication, transparency and evaluation

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.1 Member company actively communicates about Fair Wear membership and its human rights due diligence efforts.	Advanced	Fair Wear membership includes the need for a brand to show its efforts, progress, and results. Fair Wear members have the tools and targeted content to showcase accountability and inform customers, consumers, and retailers. The more brands communicate about their sustainability work, the greater the overall impact of the work of the Fair Wear member community.	Member website, sales brochures, and other communication materials.	4	4	0

Comment: Fundmate communicates accurately about Fair Wear membership on its website. The member also uses other channels to inform customers and stakeholders about Fair Wear membership. Fundmate communicates about Fair Wear on its website, Facebook, Instagram and YouTube channels and therefore actively spreads the Fair Wear message.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.2 Member company sells external brands with a Human Rights Due Diligence system (if applicable).	Intermediate	Some member companies resell other brands, which Fair Wear refers to as 'external production'. These members are expected to investigate the Human Rights Due Diligence system of these other brands, including production locations and the availability of monitoring information.	External production data in Fair Wear's information management system, collected information about other brands' human rights due diligence systems, and evidence of external brands being part of other multi-stakeholder initiatives that verify their responsible business conduct.	2	4	0

Comment: Fundmate sells external brands. The member has collected all relevant information about the human rights due diligence of these brands. None of the external brands resold by Fundmate is a member of another credible initiative.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 Social report is submitted to Fair Wear and is published on the member company's website.	Advanced	The social report is an important tool for member companies to share their efforts with stakeholders transparently. The social report explicitly refers to the workplan and the yearly progress related to the brands goals identified in the workplan.	Social report.	4	4	0

Comment: Fundmate has submitted its social report, which Fair Wear approved. Fundmate has also published the report on its website.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.4 Member company engages in advanced reporting activities.	Intermediate	Good reporting by members helps ensure the transparency of Fair Wear's work and helps share best practices within the industry. This indicator reviews transparency efforts reported beyond (or included in) the social report.	Brand Performance Check, audit reports, information about innovative projects, specific factory compliance data, disclosed production locations (list tier 2 and beyond), disclosure of production locations, alignment with the Transparency Pledge.	2	4	0

Comment: Fundmate published its social report, which includes some factory-level data and remediation results, on its website. Fundmate has yet to disclose its full factory list and its time-bound improvement plans.

Recommendation: Fundmate is recommended to publish a complete factory list on its website or in the social report.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Member company has a system to track implementation and validate results.	Advanced	Progress must be checked against goals. Members are expected to have a system in place to track implementation and validate the progress made.	Documentation of top management involvement in systematic annual evaluation includes meeting minutes, verbal reporting, PowerPoint presentations, etc. Evidence of worker/supplier feedback.	6	6	0

Comment: Fundmate has a system to track progress and check if implemented measures have been effective in preventing and remediating human rights violations. Top management is highly involved in Fair Wear membership. Fair Wear membership is integrated into decisions on the management level. The managing directors, purchasing department and CSR manager meet and reflect on current achievements and learnings from Fair Wear regularly. Fundmate has an evaluation meeting once a year. The outcomes of the Brand Performance Check are used to formulate plans for the coming year. Fundmate also asks its suppliers for feedback through the annual feedback survey.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	No requirements were included in the previous Brand Performance 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 should show documentation related to the specific requirements made in the previous Brand Performance Check.	N/A	4	-2

Comment: In the previous performance check, no requirements were included.

5. Appreciation chapter

5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: [Not applicable](#)

5.2 Member company actively participated in lobby and advocacy efforts to facilitate an enabling environment in production clusters.: [Not applicable](#)

5.3 Member company actively contributed to industry outreach, visibility, and learning in its main selling markets.: [Not applicable](#)

Recommendations to Fair Wear

As Fundmate is a particularly small brand, they would like this to be taken into account in the Brand Performance Check in the future. Especially the transition to the new BPC Guide 2022 was a big challenge for the brand due to the available resources. In general, however, they are very content with Fair Wear membership and the available guidance.

Brand Performance Check details

Date of Brand Performance Check: **25-04-2023**

Conducted by: **Victoria Lauer**

Interviews with: **Klara Brömel** (Managing Director, Sourcing & CSR)

Benedikt Link (Managing Director, Finance)

Sarah Kamp (CSR)

Caroline Hagmann (Sourcing)

Danny Schmidt (Content Marketing)