



# **Brand Performance Check**

## **Anchor Workwear BV**

**Publication date: September 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](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

## Scoring overview

Total score: 92

Possible score: 202

Benchmarking Score: 46

Performance Benchmarking Category: Good



### Summary:

Anchor Workwear has shown some progress and met some of Fair Wears' performance requirements. With a total benchmarking score of 46, the member is placed in the Good category.

The member has scored insufficient on some repeated non-compliance indicators. These need to be resolved in the next performance check, else Anchor Workwear will be automatically placed in Needs Improvement.

Anchor Workwear has a sourcing strategy aimed at addressing and influencing labour conditions. On the one hand, the brand owns three production locations based in the Netherlands, Bulgaria and Viet Nam covering 51% of its FOB. On the other hand, the brand sources from additional suppliers and one external brand for products that cannot be produced internally. The sourcing strategy explicitly focuses on long-lasting business relationships and includes a consolidation process. The brand's sourcing strategy does not explicitly privilege countries where Freedom of Association is possible. In the past year, Anchor Workwear conducted a country risk assessment and evaluated the risks at almost all its suppliers, except for China.

Anchor Workwear has prioritised the risks assessed at its own production locations in Bulgaria and Viet Nam by using the Corrective Action Plan based on the audit findings. The brand has yet to develop concrete action plans for all its suppliers. At the same time, the brand continues to monitor its supply chain with different monitoring tools, such as audits and visits. However, the brand did not conduct risk assessment nor any monitoring activity for its new Chinese supplier. Even though this supplier was added for one order only, Fair Wear expects its members to conduct a thorough risk scoping before placing orders and to select the appropriate monitoring tools based on the supplier risk profile.

As the brand owns three production locations, the member has a good understanding of the wage levels in its factories and, therefore, can link its buying prices to the wage levels. While the brand has not yet set a target wage for any of its production locations, it discusses wages with some of its suppliers and has made adjustments in its pricing to cover the inflation experienced by the workers in Bulgaria. Especially since Anchor Workwear owns three production locations, Fair Wear expect more progress on living wage.

Anchor Workwear has insights into the production capacity of its three own production locations and has booked 100% of their capacity. The brand monitors the production weekly and produces stock items in low peak season to free production capacity during high-peak season and reduce overtime.

Fair Wear recommends Anchor Workwear include all its suppliers in its factory risk assessment. The brand is strongly advised to start prioritising actions for improvement for all its suppliers based on its risk assessment and to create time-bound action plans, including improvement and preventive actions, training and the needed budget.

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 some 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 Anchor Workwear BV

## Member company information

Member since: 1 Jan 2009

Product types: Workwear

Percentage of CMT production versus support processes 100%

Percentage of FOB purchased through own or joint venture production 23.77%

Percentage of FOB purchased directly 24%

Percentage of FOB purchased through agents or intermediaries 0%

Percentage of turnover of external brands resold 2%

Are vertically integrated suppliers part of the supply chain? No

FLA Member No

Number of complaints received last financial year 0

## 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? Yes

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

Production Country	Number of production locations	Percentage of production volume
Viet Nam	2	53
Bulgaria	3	34
China	1	13
Netherlands	1	0

# Layer 1 Foundational system's criteria

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**Possible Points: 8**

**Earned Points: 7**

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

**Comment:** Anchor Workwear has a Responsible Business Conduct Policy, but some elements need improvement to be aligned with the OECD guidelines. In particular, the Code of Conduct does not articulate the enterprise's expectations regarding the use of subcontractors by direct suppliers, outsourcing to homeworkers, and a clear commitment to hear and address all complaints against the enterprise regarding its own operations.

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.: No

**Requirement:** Anchor Workwear needs to have a policy regarding subcontracting.



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

**Comment:** Anchor Workwear discloses 50% of production locations internally through Fair Wear's information management system. Fair Wear does not disclose Chinese factories on its website yet, and therefore is lenient when members do not disclose Chinese factories.

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

**Comment:** Anchor Workwear discloses 50% of production locations internally through Fair Wear's information management system. Fair Wear does not disclose Chinese factories on its website yet, and therefore is lenient when members do not disclose Chinese factories.

**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: 90**

**Earned Points: 36**

### 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:** Anchor Workwear has a sourcing strategy aimed at addressing and influencing labour conditions. In particular, the brand aims to consolidate its supply chain as much as possible and maintain long-term business relationships, which proved critical to improving working conditions. The brand has seven active suppliers and is not looking for additional production locations. Of these seven, the brand owns two production locations in Europe and another factory in Vietnam. The brand has added one new supplier based in China in 2022 as it did not find any other supplier that could deliver the production in its sourcing countries: Bulgaria, the Netherlands and Viet Nam. 90% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. Less than 1% of the production volume comes from suppliers, where Anchor Workwear buys less than 2% of its total FOB.

**Recommendation:** Anchor Workwear could include in its sourcing strategy a plan to increase influence on suppliers by 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.	Intermediate	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.	4	6	0

**Comment:** Anchor Workwear has a sourcing strategy that focuses on maintaining long-term relationships. While the brand does not commit to long-term contracts, the brand owns three production locations, which shows long-term commitment. In total, 82% of its FOB volume comes from suppliers with whom Anchor Workwear has had a business relationship for at least five years.

**Recommendation:** Anchor Workwear is advised to embed long-term contracts in its sourcing strategy.

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.	Insufficient	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.	-2	6	-2

**Comment:** Anchor Workwear conducts risk scoping on sourcing country level and has included all eight labour standards. The member has yet to include the sector, business and sourcing models and product levels risks in its risk scoping. The brand has used the MVO risico checker and Fair Wear country studies to conduct the risk scoping.

The member conducted risk scoping only for two of its sourcing countries: Bulgaria and Viet Nam. Regarding Bulgaria and Viet Nam, the main risks in its sourcing countries are suppression of freedom of association, excessive overtime (in particular, if workers are piece-rate paid), discrimination against women and LGBTQI+ persons, low wages, and poor health and safety standards. Forced labour and child labour were also scoped for Viet Nam. In addition, the member did not assess the likelihood and the severity of these risks. As a result of the pandemic, in 2022 Anchor needed to find a new location for an order, which was found in China. Before it started production with this factory, the brand did not do a risk scoping for the country.

The brand has yet to collect workers' voices.

**Requirement:** Please note that following Fair Wear's policy for repeated non-compliance, members that receive an insufficient score on this indicator for the second year in a row, will be placed in the 'needs improvement' category.

Anchor Workwear must include all sourcing countries in its risk scoping. The brand must consider the impact and prevalence of the risks in its sourcing countries.

**Recommendation:** Fair Wear recommends Anchor Workwear to include all risk factors in its risk scoping. In addition, Fair Wear urges the brand to use the HRDD facilitation tool (Member Hub) or at least an Excel sheet to have a better overview of the risks.

The member is also recommended to include input from workers and other stakeholders in its risk-scoping exercise.

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.	Intermediate	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.	2	4	0

**Comment:** It is the standard process for Anchor Workwear to inform new suppliers about Fair Wear membership by visiting the factory and engaging in a dialogue about Fair Wear membership. Before placing its first order, the brand requires the suppliers to sign the Code of Labour Practices and to hang the Worker Information Sheet on the factory wall.

The brand added a new supplier based in China during the last financial year. Due to travel restrictions to China, the brand did not visit the new factory. However, the brand shared the Code of Labour Practices with the supplier and the Worker Information sheet was hung on the factory's premises.

**Recommendation:** Fair Wear recommends that Anchor Workwear engages in a dialogue with the supplier about Fair Wear requirements and how to cooperate in implementing these.

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.	Basic	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.	2	6	0

**Comment:** Anchor Workwear collects human rights information of potential new suppliers by discussing the Code of Labour Practices with the suppliers, collecting existing audit reports and visiting the factory. While the brand does not even place its first order unless the suppliers accept to abide by the international labour standards, the member's sourcing strategy does not mention a preference for suppliers where workers are free to form or join a trade union and/or bargain collectively.

The brand has added a new supplier based in China in 2022. Anchor Workwear did not conduct risk scoping and/or assessment before placing its order at the Chinese supplier, meaning that the human rights situation in the country did not lead to adjusted sourcing decisions.

**Recommendation:** Fair Wear strongly recommends Anchor Workwear to privilege suppliers where workers can freely form or join a trade union and/or bargain collectively and make this explicit in its sourcing strategy. Fair Wear recommends the brand to investigate whether an operational grievance mechanism exists.

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.	Basic	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.	2	6	0

**Comment:** In the last financial year, Anchor Workwear added one supplier based in China. The member has shared information about Fair Wear's Code of Labour Practices and the complaints helpline within the first year of doing business. The Worker Information Sheet has been posted. The brand has not organised onboarding sessions for its new supplier to raise awareness about the Fair Wear Code of Labour Practices, the complaints helpline, or the importance of social dialogue.

**Recommendation:** Anchor Workwear is recommended to organise onboarding sessions specifically focusing on the Code of Labour Practices and the complaints mechanism within the first year of doing business.

## 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.	Insufficient	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.	0	6	0

**Comment:** In the last financial year, Anchor Workwear does not have a sound system in place to identify and monitor risks at its suppliers. While the brand relies on audits and visits to some of its suppliers, the risk assessment does not yet include an evaluation of the likelihood and severity of these risks and therefore does not indicate priorities where to focus on first when creating a follow-up plan. Furthermore, Anchor Workwear did not select any monitoring tools for the new Chinese supplier added in 2022.

**Requirement:** Please note that following Fair Wear's policy for repeated non-compliance, members who receive an insufficient score on this indicator for the second year in a row will be placed in the 'needs improvement' category. Anchor Workwear must have a monitoring system to identify risks in its entire supply chain. In addition, Anchor Workwear must include its sourcing countries with higher risks in its monitoring.



**Recommendation:** Fair Wear recommends Anchor Workwear to approach monitoring systematically, identifying the appropriate monitoring tool and frequency depending on the outcome of the risk scoping and risk assessment.

We also recommend the member to include the likelihood and severity of its factory risk assessment and 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).	Basic	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.	2	6	0

**Comment:** Anchor Workwear has mapped the risks to freedom of association in Bulgaria and Viet Nam and can explain the main risks per country. The risks identified are the suppression of trade union members, attempts to eradicate trade union organisations, and the unwillingness to sign collective bargaining agreements at both sector and company levels. Furthermore, some key provisions are not being enforced even with signed collective bargaining agreements. These include the withdrawal of social benefits, failure to increase wages, non-payment of overtime, and violations of labour laws. Additionally, workers claim that trade union members are paid less. At the same time, governments and/or companies frequently interfere with collective labour rights or fail to guarantee critical aspects of these rights. The brand has also assessed deficiencies in the law or certain practices that allow regular violations.

However, the brand did not conduct risk scoping for China and the Netherlands. As such, the brand is not aware of the risks to freedom of association and social dialogue in these countries.

Anchor Workwear did not include risks specific to women workers who may want to join or join trade unions or are worker representatives.

**Recommendation:** Anchor Workwear is strongly recommended to map the risks to freedom of association and social dialogue to all its sourcing countries. Anchor Workwear is also recommended to use the Supplier Questionnaire from Fair Wear’s freedom of association Guide to assess and understand the risk regarding the violation of freedom of association at its suppliers. Anchor Workwear should include risks specific to women workers in its risk assessment regarding freedom of association at its suppliers.

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.	Insufficient	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.	0	6	0

**Comment:** Anchor Workwear has only partially included gender in its risk scoping. In particular, the brand has only mapped the risks that women workers face about discriminatory practices (e.g., lower wages for work of equal value) but has not included gender risks for each Code of Labour Practices.

**Requirement:** Anchor Workwear must include gender in its risk scoping and assessment.

**Recommendation:** Fair Wear strongly recommends Anchor Workwear to enroll in the Introduction to Gender Equality programme on Fair Wear’s learning platform. Fair Wear also recommends the member to collect country-level gender risks for each Code of Labour Practices.

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.	Intermediate	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.	2	4	0

**Comment:** Anchor Workwear does evaluate its suppliers' human rights performance by collecting audits. Occasionally, the outcome of this evaluation influences purchasing decisions. As an example, the brand decided not to continue with the Chinese supplier added in 2022 as the factory management was not transparent.

**Recommendation:** Fair Wear encourages Anchor Workwear to develop an evaluation/grading system for all its suppliers where compliance with labour standards is a criterion for future order placement.

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:** Anchor Workwear uses the outcomes of its human rights monitoring to respond to unauthorised subcontracting. There is no evidence of missing first-tier locations in the database. Additionally, the member actively prevents unauthorised subcontracting by visiting some of its suppliers during production, being aware of the capacity production of its own factories, and asking for pictures of where the items were produced. However, it is not clear how the brand prevented the risk of unauthorised subcontractors for the new Chinese factory.

**Recommendation:** Anchor Workwear 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.

Anchor Workwear is also recommended to inquire about production locations when it receives goods of poorer quality than usual or when the export bill lists a different location.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.12 Member company extends its due diligence approach to homeworkers.	Insufficient	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.	0	4	0

**Comment:** Anchor has a good understanding of the production processes and capacities at its suppliers and is often present during production. It therefore knows that for its Bulgarian, Vietnamese and Dutch production locations no home workers are used. The member company has not got any insight in this risk for the Chinese location it onboarded in 2022, as HRDD steps were not followed.

**Requirement:** Anchor Workwear should identify whether homeworkers are used by its suppliers and assess if there is a risk of exploitation.

**Recommendation:** Fair Wear recommends Anchor Workwear to conduct a capacity analysis looking into specific production processes to validate the suppliers' statements that no homeworkers are used.

## 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:** Anchor Workwear uses contracts with its suppliers. The member has agreements in the form of purchase orders. The payment terms are fixed. Depending on the supplier, the brand pays a first tranche when the order is confirmed (e.g., 30%) and the remaining part once the order is shipped. The liability of both parties in case of last-minute changes to the design, to the late delivery of raw materials etc. is not clearly specified in the contract signed with the Vietnamese supplier. Only the contract with the Chinese factory establishes that the supplier will not be held responsible for force majeure flooding or moth-eaten during storage and in case of late delivery for late payment. In case of disputes, the agreements specify that the parties will try to solve it in a friendly manner and will refer to the arbitration chamber in all the other cases.

These contracts do not yet mention the shared responsibilities of Code of Labour Practices implementation.

**Requirement:** Anchor Workwear should evaluate its contracts to ensure that it does not place an unequal burden on its suppliers or include terms that limit the possibility of implementing the Code of Conduct.

**Recommendation:** Fair Wear strongly recommends Anchor Workwear to include the shared responsibility of Code of Labour Practices implementation in its contracts, including fair payment terms.

Anchor Workwear is advised to review its contracts with suppliers against the principles mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP).

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:** Anchor Workwear actively shares relevant CSR information with other departments. In particular, the CEO and its purchasing manager are the ones in direct contact with suppliers and regularly update each other on working conditions at production locations. The member has not yet included responsible business practices in job role competencies, nor do sourcing and purchasing staff work with key performance indicators (KPIs) supporting good sourcing and pricing strategies.

**Recommendation:** Anchor Workwear 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:** Anchor Workwear has regular contact with its suppliers about production planning. The member knows the production capacity of its main suppliers and knows the standard minutes needed per style at two of its major suppliers, while the brand has agreed on a number of labour minutes that the other suppliers can achieve. Anchor Workwear is able to plan the number of production minutes per supplier based on the available capacity within the factories. Given the high leverage and long-term business relationships at production locations owned by Anchor Workwear, the factories are able to accurately plan orders, taking the production capacity of the respective supplier into account. In the production locations not owned by the member, Anchor Workwear places orders based on the production capacity that each supplier claims to have.

Production is planned from six to eight-week blocks at each of its production locations, taking available capacity into account. The production process from material to end product is clear for persons in the office and working directly with the factories. If, at an early stage in the process, extra time is needed, Anchor Workwear uses the products in stock to avoid overtime.



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:** Anchor Workwear has a strong understanding of the wage levels at its owned production locations and connects this understanding to its own buying prices. The brand also knows the number of actual sewing minutes needed for a style, and buying prices are based on this information. Anchor Workwear knows the labour minute value at most of its own suppliers. Occasionally, the brand includes changes in its buying prices due to inflation.

Anchor Workwear does not yet know the wage levels of all the production locations that are not owned by the brand.

**Recommendation:** Anchor Workwear is recommended to investigate wage levels at all its suppliers. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages.

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.	Advanced	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.	4	4	0

**Comment:** Anchor Workwear does not make use of sourcing intermediaries.

## Layer 3 Remediation and impact

**Possible Points: 86**

**Earned Points: 34**

### 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.	Insufficient	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.	0	6	0

**Comment:** Anchor Workwear has not yet drafted follow-up plans.

**Requirement:** Anchor Workwear is required to draft follow-up plans and to ensure that prioritisation in follow-up matches the factory's risk profile.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.2 Member company's improvement and prevention programmes include a gender lens.	Insufficient	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.	0	6	0

**Comment:** As mentioned in the indicator above, the member has yet to create follow-up programmes and therefore has not been able to apply a gender lens.

**Requirement:** Anchor Workwear must start including a gender lens in the implementation of improvement or prevention actions.

**Recommendation:** The member is encouraged to include a gender lens in all its 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.	Basic	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.	2	6	0

**Comment:** Anchor Workwear partially included steps to encourage freedom of association and effective social dialogue in one follow-up action based on the audit's findings. In particular, the brand supported the election of one worker representative in its production location in Viet Nam.

**Recommendation:** Anchor Workwear is recommended to, together with the supplier, distribute non-retaliation letters to workers, ensuring workers know they will not be punished for joining or forming trade unions. Fair Wear also recommends Anchor Workwear to be more comprehensive and include more steps to promote freedom of association 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.	Basic	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.	2	6	0

**Comment:** Anchor Workwear does not assess its suppliers' internal grievance mechanisms at the start of a business relationship. However, Anchor Workwear follows up on issues related to factory-level grievance mechanisms when they come up in audits. In particular, the brand followed up with one of its Vietnamese suppliers, and workers now have access to a suggestion box.

**Recommendation:** Fair Wear recommends Anchor Workwear to support and monitor the internal grievance mechanisms at all its suppliers.

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.	Insufficient	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.	0	6	0

**Comment:** Anchor Workwear does not cooperate with other Fair Wear members (as it did not have shared suppliers in the last financial year). The brand has yet to initiate cooperation with other customers of its suppliers.

**Requirement:** Cooperation among Fair Wear members is required. If there are no suppliers shared with other Fair Wear members, it is even more important to collaborate with other customers. Anchor Workwear should identify other clients and their commitment to improving working conditions. Involving more customers increases leverage, the chances of successful outcomes and long-term improvements.

**Recommendation:** We recommend Anchor Workwear to also work together on preventing human rights violations.

## 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.	69%	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.	6	6	-2

**Comment:** In the past financial year, Anchor Workwear has received two audit reports. During the performance check, the member could demonstrate that more than two-thirds of the corrective action plans (CAPs) issues requiring improvement actions have been followed up. Examples of improvement actions that were taken include the communication of the Code of Labour Practices to one subcontractor, the dissemination among workers of a written policy against discrimination, the retroactive payment of nine workers who did not receive the legal minimum wage during Covid-19 in Viet Nam and occupation health and safety preventive measures. The CAP issues that require improvement actions and are still open are issues that are more complex or structural (e.g., living wage) and therefore need more time to be remediated.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.7 Degree of progress towards implementation of prevention programme.	Intermediate 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.	4	6	-2

**Comment:** Anchor Workwear has started identifying the root causes of the factors impeding freedom of association and poor occupational health and safety.

When it comes to freedom of association in its own factories, the brand assessed that workers do not join trade unions or there were no worker representatives because the workforce is limited in number, and the factory management has set a so-called 'open-door' policy for complaints.

The main root causes for poor health and safety in the factory in Viet Nam are the lack of knowledge of the factory management on such matters and its lack of capacity.

In the last financial year, Anchor Workwear has supported the suppliers by hiring a service provider in Viet Nam to follow up on health and safety-related findings. The member has supported the election of a worker representative in its Bulgarian production location. However, it not clear if this worker representative has been democratically elected.

**Recommendation:** Fair Wear recommends Anchor Workwear to identify root causes of CAP issues together with its suppliers.

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.	Advanced	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.	6	6	0

**Comment:** Anchor Workwear has one supplier based in the Netherlands where improvement or prevention steps are not needed. This supplier covers almost 1% of the member's total FOB.

The CEO has his own office in this small workshop and meets workers on a daily basis. They check daily the production and they monitor together any changes that may have an impact on human rights risks.



Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.9 Degree to which member company mitigates root causes of excessive overtime.	Advanced	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.	6	6	0

**Comment:** In the previous financial year, no audit reports mentioned excessive overtime. Anchor Workwear has analysed and addressed the root causes of excessive overtime in its previous financial years. In particular, the brand mentioned that poor planning, late delivery of raw materials and factory overbooking are the main causes. Anchor Workwear has taken action to address the root causes. The brand knows the sewing minutes needed to produce each style and has booked 100% capacity of its owned factories. At the same time, the brand produces stock items stored in its warehouse to ensure that workers are not required to do excessive overtime in case of late delivery of raw materials or other issues. Anchor Workwear could show that its efforts reduced overtime at its own production locations. While the brand does not exactly know the production capacity of the other suppliers, they determine the production planning together based on the suppliers' availability.

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.	Advanced	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.	4	4	-2

**Comment:** In the previous financial year (2021), one out of three audits included findings regarding non-payment of legal minimum wage. In particular, during Covid-19, the Vietnamese government allowed factories to remain open only if they could implement the 'three-on-site' (workers had to work, rest and eat at the production locations). In case this was not possible, the factory had to close. As the brand's own production location could not implement such policy, workers remained home and nine of them did not receive any compensation from the factory manager or from the local government. Anchor Workwear responded to this finding by asking the supplier to identify these workers and offered to pay retroactively and at its own costs the legal minimum wages (covering 2.5 months). During the performance check, Anchor Workwear could show that all due wages were compensated.

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:** Anchor Workwear has a basic overview of the wage levels at its own production locations, covering 51% of the total FOB. The brand and these suppliers discuss the topic of wages every year, and, based on inflation or other rising costs, adjustments are made during the financial year.

The brand has made a root causes analysis of the wages lower than living wages. Regarding Bulgaria, the piece rate system does not allow all workers to earn a living wage, as the monthly salary depends on how many pieces are produced. Even if the brand owns the production location, the piece-rate system would be maintained to increase productivity. In Viet Nam, the brand finds it difficult to pay a living wage in its production location because the Asian Floor Wage benchmark is deemed too high, and the member would not be able to remain competitive on the market. The brand has not selected any living wage benchmark for its Chinese supplier.

As the brand work in the procurement sector, its clients would accept no more than one or two per cent increase in the pricing; however, this is not sufficient to cover living wages.

The member has not yet developed a systemic and time-bound approach to get wages increased towards a living wage.

**Recommendation:** Fair Wear recommends the brand to 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 encourages Anchor Workwear to consult Fair Wear's living wage policy for other living wage benchmarks in Viet Nam.

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:** Anchor Workwear has not yet chosen credible living wage benchmarks. In addition, the brand has not yet started thinking about how to finance the costs towards a living wage.

Nonetheless, the cutting and quality controller workers earn the living wage estimate of the Clean Clothes Campaign in one of the brand's production locations in Bulgaria. At the same time, the sewing department and the helpers do not earn a living wage in this production location.

**Requirement:** If Anchor Workwear buys exclusively at a production location or owns a production location, the member company has full influence over the wages and should be able to cost for a living wage for all workers.

**Recommendation:** To support companies in analysing the wage gap, Fair Wear has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models. Fair Wear also recommends Anchor Workwear to enrol in the Living Wage programme on Fair Wear's learning platform.

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:** Anchor Workwear does not contribute to higher wages at any of its production locations.

**Requirement:** Anchor Workwear is expected to begin setting a target wage for its production locations.

**Recommendation:** Anchor Workwear is encouraged to roll out its approach to other suppliers.

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.	No complaints received	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.	N/A	4	-2

**Comment:** Anchor Workwear received no complaints in the past financial year.

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.	Insufficient	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.	0	6	0

**Comment:** The member has not yet enrolled any of its suppliers in training.

**Requirement:** Anchor Workwear needs to implement training per the requirements in its improvement and prevention programmes.

**Recommendation:** Anchor Workwear is recommended to implement training for all factories where this is part of its 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:** Anchor Workwear did not implement training at its suppliers (NA).

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.	Insufficient	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.	0	4	0

**Comment:** Anchor Workwear's human rights risk monitoring does not include a responsible exit strategy.

In the last financial year, the brand onboarded a new supplier in China only for one order as its Vietnamese supplier had to shut down due to Covid-19. As the brand made clear that it was only one-time order, the brand was not required to follow a responsible exit strategy.

**Requirement:** Anchor Workwear must have human rights risk monitoring that includes a responsible exit strategy.

**Recommendation:** Anchor Workwear could include the responsible exit strategy as part of its suppliers' agreement or contract.

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:** Anchor Workwear 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: 26**

**Earned Points: 22**

### 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:** Anchor Workwear communicates accurately about Fair Wear membership on its website. The member also uses other channels to inform customers and stakeholders about Fair Wear membership. In particular, Anchor Workwear actively spreads the Fair Wear message by sharing its membership in emails, with visits to clients, and in all tendering proposals.

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:** Anchor Workwear sells one external brand that produces footwear. The member has collected some information about this brand's human rights due diligence. In particular, Anchor Workwear has asked the external brand to sign the Code of Labour Practices, has collected information on their due diligence approach by reading the code of conduct and discussed Fair Wear's membership and standards during the visit to the headquarters. However, this external brand is not a member of a credible initiative.

**Recommendation:** Anchor Workwear is recommended to select external brands that are members of a 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:** Anchor Workwear has submitted its social report, which Fair Wear approved. The member 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:** The member does report on some factory-level data, such as the findings of the audits, but no information is disclosed on remediation results. Anchor Workwear has yet to disclose its full factory list and its time-bound improvement plans.

**Recommendation:** Anchor Workwear is recommended to include more factory-level data in its reporting and ensure suppliers consent with data sharing. In addition, Fair Wear recommends the member to publish time-bound plans for its suppliers.

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:** Anchor Workwear tracks progress in the working conditions via audits and calls with its suppliers and requires pictures and additional documentation to validate the implementation of remediation. During factory visits, the brand sets meetings with the more experienced workers or workers' representatives (if any) to triangulate the collected information and asks workers if they have suggestions for improvements. The internal evaluation system involves top management, who has an overview of all the CAPs and visits factories.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	Advanced	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.	4	4	-2

**Comment:** The previous performance check included the following requirement: 'In the context of COVID-19, the member is expected to do its own analysis of the risks related to non-payment of minimum wage in its sourcing countries, and connect the risk (for example, long-term factory closure in a country) to its own suppliers. When suppliers indicate no problem in paying legal minimum wages in a high-risk area, the member is expected to request evidence of wages paid.'

In particular, during Covid-19, nine workers did not receive the legal minimum wage from the supplier, and they did not receive any compensation from the Vietnamese government. After the audit finding, Anchor Workwear set up a call with the supplier and made arrangements to pay to these workers retroactively the legal minimum wage for 2.5 months. The brand asked the supplier for evidence of the payment.

## 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.: Yes

**Comments:** Anchor Workwear participated in the Circular Textile Days in 2022. During the event, the brand actively shared Fair Wear's mission.

## Recommendations to Fair Wear

Anchor Workwear recommends Fair Wear to consider not only the Asian Floor Wage benchmark to set living wages but also other benchmarks. In addition, the member recommends Fair Wear to be more clear on determining the criteria for factory disclosure (number of factories or FOB) and to provide a clear definition of intermediaries and subcontractors.

## Brand Performance Check details

Date of Brand Performance Check: 06-07-2023

Conducted by: Gemma Giammattei

Interviews with: Ben Huijbers - CEO, management, sourcing department department

Lan Jansen - CSR, management, production and sourcing department