



# **Brand Performance Check**

## **Teamdress Holding GmbH**

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

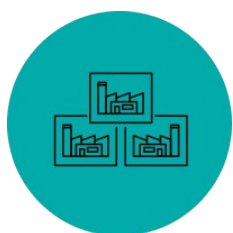
## Scoring overview

Total score: 88

Possible score: 202

Benchmarking Score: 44

Performance Benchmarking Category: Good



Sourcing strategy

41%



Identifying continuous human rights risks

47%



Responsible purchasing practices

54%



Quality and coherence of prevention and remediation system

27%



Improvement and prevention

46%



Communication, transparency and evaluation

46%

### Summary:

Teamdress Holding GmbH (hereafter: Teamdress) has met most of Fair Wear's performance requirements. With a total benchmarking score of 44, the member brand is placed in the Good category.

Teamdress' sourcing strategy focuses on long-term relationships, high leverage, and collaboratively improving labour conditions. The member brand uses a supplier framework as an onboarding tool, including a clear commitment to the Code of Labour Practices. Teamdress is recommended to put its sourcing strategy in writing, ensuring better alignment with the OECD guidelines.

Scoping of country-specific risks is part of Teamdress' sourcing strategy. A colour code system indicates each risk as low, medium, or high. Factory-level risks are assessed on an ad-hoc basis. The concise supply base allows Teamdress to visit each factory frequently and to maintain contact by email to identify significant risks. Yet, applying it more systematically and linking it to sourcing decisions is recommended. Creating a follow-up plan is recommended to implement an improvement and prevention programme based on the brand's risk assessment outcome.

In 2022, Teamdress began collecting living wage data for its production locations in Moldova to understand the wage levels at its suppliers better. Fair Wear recommends continuing this process and systematically implementing financing approaches.

With the small supply base, intensive, longstanding business relationships, and frequent factory visits, Teamdress learns about issues on the ground throughout the year and follows up on ensuring that Corrective Action Plan (CAP) issues were done. Teamdress has a strong planning system, enabling proper responses to unforeseen crises, such as the Russian invasion of Ukraine. Three production locations are based in Ukraine, including one owned factory. Teamdress demonstrated a commitment to social compliance monitoring and supported its suppliers as much as possible to ensure their safety and that wages were properly paid.

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, possibly resulting in a lower member score. 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 Teamdress Holding GmbH

## Member company information

Member since: 1 Jan 2019

Product types: Workwear

Percentage of CMT production versus support processes 100%

Percentage of FOB purchased through own or joint venture production 13.63%

Percentage of FOB purchased directly 100%

Percentage of FOB purchased through agents or intermediaries 32%

Percentage of turnover of external brands resold 7%

Are vertically integrated suppliers part of the supply chain? No

FLA Member No

Member of other MSI's Partnership for Sustainable Textiles, Grüner Knopf,

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

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

| Production Country     | Number of production locations | Percentage of production volume |
|------------------------|--------------------------------|---------------------------------|
| Republic of Moldova    | 3                              | 36                              |
| Ukraine                | 3                              | 28                              |
| Bosnia and Herzegovina | 2                              | 16                              |
| Poland                 | 1                              | 9                               |
| Albania                | 1                              | 7                               |
| North Macedonia        | 1                              | 2                               |
| Uzbekistan             | 1                              | 2                               |

## Layer 1 Foundational system's criteria

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

**Comment:** Teamdress has a Responsible Business Conduct Policy, but some elements, such as gender lens and risk assessment process, need improvement.

**Requirement:** Teamdress 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.: No

**Comment:** Teamdress discloses 17% of production locations internally through Fair Wear's information management system. According to Fair Wear's transparency policy, at least 50% is required for 2022.

**Requirement:** Fair Wear requires Teamdress to disclose its production locations to other member brands 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.:** No

**Comment:** Teamdress discloses 0% of production locations externally on Fair Wear's transparency portal.

**Requirement:** Fair Wear requires Teamdress to disclose its production locations 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: 90**

**Earned Points: 42**

### 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:** Teamdress' sourcing strategy focuses on high leverage and influencing labour conditions is made explicit by including risk assessments as a crucial step in the process. Teamdress keeps its supplier list short to monitor working conditions, and its vast majority of suppliers are based in Europe.

In the past financial year, Teamdress worked with 12 production locations, and at each of these locations, Teamdress bought more than 2% of its total FOB. The production volume sourced at suppliers where Teamdress has at least 10% leverage is 96%.

The sourcing strategy has yet to include active cooperation with other buyers to influence labour conditions. In addition, the sourcing strategy is not available in one written file but scattered throughout different documents.

**Recommendation:** Fair Wear recommends the member to put the sourcing strategy in writing and to include SMART goals. Teamdress 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. | 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:** Teamdress values long-term business relationships reflected in long-term contractual agreements with the suppliers. 64% of the total production volume comes from suppliers with whom Teamdress has had a business relationship for over five years. Due to unforeseen circumstances, such as the war in Ukraine and COVID-19, Teamdress has been forced to move out of several production locations. Therefore this percentage is lower than the previous financial year (76%). Sourcing starts with an extensive check and trial process one year in advance, after which a contract with a forecast is signed for 12 or 18 months.

Committing to long-range (at least five years) contracts does not yet occur.

**Recommendation:** Teamdress 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. | Basic  | 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:** Before entering a new sourcing country, Teamdress carries out a risk assessment using external sources, which include but are not limited to, Human Rights Watch, ILO and OECD. The CSR manager keeps track of social developments within the sourcing countries and updates the risk assessment form when issues occur. This risk assessment form monitors the eight human rights and several ecological risks and prioritises topics for discussion during frequent visits to the production locations. In 2022, Teamdress specifically assessed the risk related to the Ukrainian war.

Scoping of human rights risks on the product level occurs through standard Personal Protective Equipment (PPE) monitoring, monitoring the use of specific chemicals and glues. Risk scoping on sector, business, and sourcing models does not yet occur. A gender lens is not applied, and the risks of sexual harassment and gender-based violence are not included.

To date, Teamdress' sourcing strategy does not mention a preference for countries where workers can freely form or join a trade union and/or bargain collectively. In practice, this risk is included in the scoping at the country and factory level, yet it is not made explicit in writing yet.

**Recommendation:** Fair Wear recommends Teamdress to include all risk factors in its risk scoping.

Fair Wear strongly recommends Teamdress to privilege countries where workers can freely form or join a trade union and/or bargain collectively and make this explicit in its sourcing strategy.

| 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:** Teamdress has a standard process to inform new suppliers about Fair Wear membership by sharing the company's Code of Conduct, including Fair Wear's Code of Labour Practices (CoLP). This process was followed for both of the new suppliers in 2022. The supplier contract contains an explicit requirement to commit to the CoLP and is used as a basis to accept or decline a potential supplier. The CSR manager reports to the CEO and can veto a potential factory based on the company's code of conduct.

Teamdress has yet to engage in dialogue with factory management before finalising the first purchase order.

**Recommendation:** Fair Wear recommends that Teamdress 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:** Teamdress collects human rights information through self-assessments and informal checks during factory visits before finalising the first purchase order. In 2022, questionnaires with the CoLP were collected and received. One potential supplier in Uzbekistan refused to commit to implementing the CoLP. Teamdress decided not to continue the onboarding process.

Conversations with other customers and stakeholders are not held before the first purchase order. Teamdress does not discuss grievance mechanisms and trade unions; the brand indicates this requires a steady business relationship first.

**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. | 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:** Teamdress informs new suppliers about Fair Wear's CoLP and the complaints helpline within the first year of business as part of the onboarding process. The Worker Information Sheet (WIS) has been posted at the new supplier in North Macedonia.

All other production locations have a WIS posted on visible spots in the factories. Teamdress' suppliers have yet to be enrolled in Fair Wear's Workplace Education Programme (WEP). The CSR manager discussed training programme for production managers of its suppliers about the Fair Wear CoLP. Yet, specific training sessions still need to be rolled out.

**Recommendation:** Teamdress is recommended to organise onboarding sessions specifically focusing on the CoLP and the complaints mechanism within the first year of 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. | Basic  | 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. | 2     | 6   | 0   |

**Comment:** To monitor human rights risks in its supply chain, Teamdress uses a predesigned format for risk analysis on the country level.

For risk assessment per factory, Teamdress uses a checklist with basic information such as production capacity and production processes and also includes health and safety indicators. This checklist is used during factory visits to gather information and crosscheck with relevant documents. Teamdress has yet to include input from workers, suppliers and stakeholders.

Monitoring the factory level is done more on a case-by-case basis. Risks are flagged using a factory checklist created by Teamdress for visits, and follow-up actions are defined. In the country risk analysis, Freedom of Association (FoA) is mentioned for Albania and Bosnia as a medium risk, yet this needs to be covered in the monitoring on the factory level.

Teamdress has read ETI and Fair Wear's heightened due diligence guidance concerning production in Ukraine during the Russian invasion. Teamdress works with three Ukrainian production locations (the member brand owns one of the locations). All three locations are outside the war zones, and production could continue throughout the year. Teamdress has been in close contact with each supplier, scoping risks and checking needs. In a few cases, Teamdress has made prepayments and provided loans to relieve possible financial pressure. Prices have been increased to cover the raised energy costs. Delays caused by power cuts, for example, have all been accepted.



At the end of 2022, Teamdress noticed a rise in COVID-19 infections among workers at production locations in Eastern Europe. Teamdress supplied tests and other health and safety measures to cover these extra costs.

Even though the CSR manager keeps track of the status and has a clear social compliance overview of each factory, a systematic process needs to be included. According to Teamdress, the WeTrace technology will be used as a structured monitoring tool in 2023 once the implementation process is finalized.

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

| 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:** Teamdress has mapped the risks to Freedom of Association for each production country through its countrywide risk analysis. Teamdress could show a basic understanding of Freedom of Association per country. Teamdress addresses the topic during meetings with factory management, and with the help of a local consultant, the situation is checked via informal conversations with workers.

**Recommendation:** Teamdress is strongly recommended to deepen its understanding of risks to FoA in its supply chain. Teamdress is recommended to use the Supplier Questionnaire from Fair Wear's FoA Guide to assess and understand the risk regarding violation of FoA 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:** Teamdress' risk assessment does not yet include a gender analysis.

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

**Recommendation:** Fair Wear 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:** Human rights performance is occasionally included in purchasing decisions. Monitoring is done, and corrective actions are followed up, yet human rights performance throughout the years or seasons is not considered systematically. Teamdress focuses on a continuous, trouble-free production process, which according to Teamdress, leads to an improvement in the situation of the workers and considers this performance in its purchasing decisions.

In 2022, Teamdress ended its business relationship with one of its suppliers in Uzbekistan (not the same as the one described under indicator 2.5) due to social compliance issues. The supplier refused to put up the Worker Information Sheet. There were repeated issues with the quality of the products, and factory management was reluctant to cooperate with improving working conditions.

**Recommendation:** Fair Wear encourages Teamdress to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions.

| 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. | Advanced | 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. | 4     | 4   | 0   |

**Comment:** Teamdress has demonstrated considerable efforts to identify all production locations. In its supplier contracts, Teamdress has included a clause which forbids subcontracting unless written permission is acquired beforehand. Secondly, Teamdress has created a document showing information from suppliers, such as production capacity and production processes, which is used as a check to ensure that Teamdress' orders can be produced at the location of the supplier. Teamdress double-checks this during factory visits. Finally, Teamdress' orders are based on weekly production capacity in minutes available at each supplier and orders are increased or decreased based on the supplier's needs. This is discussed during weekly production planning calls.

There is no evidence of missing first-tier production locations in the database.

| Performance indicators   | Result   | Relevance of Indicator   | Documentation  | Score | Max | Min |
|--|----------|--|--|-------|-----|-----|
| 2.12 Member company extends its due diligence approach to homeworkers. | Advanced | 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. | 4     | 4   | 0   |

**Comment:** Teamdress has identified no homeworkers in their production lines and processes. Through the capacity checks described under 2.11, Teamdress showed it has a solid policy for this.

## 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:** Teamdress could show a signed framework agreement with its manufacturers, which forms the basis of all orders. Payment agreements are made separately as a contract amendment. Teamdress' Code of Conduct accompanies the framework agreement, and an explicit reference is made to the CoLP. Yet, there are only clear definitions of expectations regarding payment terms. Overall, these contracts do not support human rights due diligence because an unequal burden is placed on the suppliers by for example a penalty of 30.000 euros in case of unauthorized subcontracting and liability is not defined in the documents.

Agreements on individual orders are made separately in a term sheet, which also states the payment terms. The framework agreements state a payment term of 14 days after receipt of the goods.

**Requirement:** Teamdress 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:** Teamdress 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:** Teamdress is a small company with short communication lines. Relevant information is available through the internal database for all staff involved. Important CSR information is shared before visiting a factory via the weekly meetings with the production team and CSR manager and during the day-to-day contact. Critical audit findings are shared with top management whenever relevant and close dialogue on responsible business practices exists between CSR, production and the CEO.

**Recommendation:** Teamdress 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:** Teamdress is in direct contact with suppliers about production planning. The member company has a good insight into capacity per production location, which is contractually agreed upon by both parties. Given its suppliers' high leverage, Teamdress can make an accurate production plan. All products are defined in sewing minutes, and orders are placed based on the available production capacity at each factory. A total of 2,000 production minutes per week (the equivalent of some 33 hours) per sewing worker is taken as a basis for planning, which supports reasonable working hours and ensures suppliers a steady supply of work. A space of 20% capacity is built into the plan in case of rush orders. Teamdress can also control the flow of orders through its stock program, reducing the risk of overtime. The CEO of Teamdress must approve any request for overtime at its suppliers before it is forwarded to the factories.

Teamdress has fabric in stock at its warehouse in Poland, enabling accommodation of any possible fabric delay. When orders suddenly need to be increased because of customer demands, Teamdress tries to find a solution that doesn't affect working hours, such as splitting orders. It is contractually agreed that changes are not made in running orders. Future orders are negotiated.

Since the Russian invasion of Ukraine (February 2022), Teamdress acted responsibly. The member brand accepted delays immediately and frequently contacted its three production locations in Ukraine to check needs and issues. Some orders already placed were moved to other countries in close dialogue with the factories. The raw material was transported to those locations at the member brand's risk. Also, Teamdress provided loans and raised prices to cover additional costs and avoid any extra pressure on the factories in these stressful times.

| 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. | Basic  | 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. | 2     | 6   | 0   |

**Comment:** Teamdress works with standard minutes, and contracts with suppliers are based on minutes instead of pieces. Calculations for pricing per minute are based on sampling done at Teamdress' location in Poland. Teamdress has insights into how these standard minute prices relate to wages paid to workers at its owned factories but not at its CMT suppliers. Furthermore, when legal minimum wages are increased in the production countries, Teamdress sees this reflected in the price. In the contract, it is agreed that prices are negotiated annually if necessary, for example, related to inflation, legal minimum wage or expenses due to disasters. In Ukraine, wages were increased due to the increased cost of living as a direct consequence of the war. The price per minute of production was raised by an average of 13% for 73% of the production capacity in 2022. This was done to cover currency fluctuations, inflation and other influencing factors in the production plants. Teamdress covered this significant increase by accepting and increasing its prices accordingly.

**Recommendation:** Teamdress is recommended to investigate wage levels in production countries and at 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. | 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:** In 2022, Teamdress worked with one intermediary for its production location in North Macedonia. This intermediary was informed about the requirements of the CoLP, and this information was shared with the supplier. Active support of the intermediary to CoLP implementation could not be shown.

**Recommendation:** Fair Wear recommends Teamdress to enable its intermediaries to support CoLP implementation actively.

## 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. | Basic  | 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. | 2     | 6   | 0   |

**Comment:** As described under layer 2, Teamdress understands country-level risks well but has yet to identify factory-specific risks systematically. Teamdress showed prioritisation and a follow-up plan matching the risk scoping for one factory. Two of the member's production locations were in the exit process, so plans could not be discussed. Teamdress follows a more case-by-case approach for the remaining production locations, with informal checks during factory visits.

**Recommendation:** Fair Wear recommends Teamdress to ensure more factories have a follow-up plan that matches their 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:** Teamdress has not yet started to collect gender data per factory; therefore, improvement and prevention programmes do not include a gender lens.

**Requirement:** Teamdress must start including a gender lens in the implementation of improvement or 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. | Insufficient | 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. | 0     | 6   | 0   |

**Comment:** Teamdress must still include steps to encourage FoA and effective social dialogue in its improvement or prevention actions.

**Requirement:** Members must include steps to promote FoA and social dialogue in its improvement or prevention actions. This should be linked with its assessment of risks to FoA and social dialogue as part of its human rights monitoring (see indicator 2.8). Examples of steps that could be included can be found in Fair Wears brand guide on FoA and collective bargaining.

| 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:** Teamdress supports internal grievance mechanisms at its long-term suppliers. During factory visits, Teamdress addresses the importance of grievance mechanisms and has conversations with workers to understand more about the internal grievance mechanism. Teamdress highlights the difficulty in monitoring the effectiveness of the tools, as no grievances have been filed at any of the production locations.

Monitoring the effectiveness of internal grievance mechanisms is yet to be done.

**Recommendation:** Fair Wear recommends Teamdress to always involve suppliers and worker representatives in the assessment of the internal grievance mechanism, and to share and discuss the outcome of the assessment with the above stakeholders, who should be encouraged to lead a discussion on how the mechanisms can be improved.

| 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. | Intermediate | 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. | 4     | 6   | 0   |

**Comment:** Teamdress does not have any shared suppliers at the moment. Teamdress works together with other customers of the production locations to respond to findings. In 2022, Teamdress collaborated with a non-Fair Wear brand to provide a power generator at a factory in Ukraine after the war started.

Teamdress has yet to start cooperation on taking preventive measures.

**Recommendation:** We recommend Teamdress 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. | 45%    | 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:** In the past financial year, Teamdress received one audit report as part of the STeP (Sustainable Textile and Leather Production) by Hohenstein- certification at a supplier in Moldova. One other external audit was planned in 2022 at a Ukrainian supplier but had to be postponed due to the war. At several other production locations, the CSR manager of Teamdress conducted informal audits.

During the performance check, Teamdress could demonstrate with a sample that up to two third of the CAP issues requiring improvement actions have been followed up. Teamdress collects documentation and factory feedback, which is filed and followed up during factory visits. With a small supply base, intensive, longstanding business relationships, and frequent visits, Teamdress learns about issues on the ground throughout the year. These issues are addressed immediately; advance payments (in the case of Ukraine), factory investment through qualification by external audit parties, and health and safety-related matters.

The remaining corrective actions from audits and risk assessments are more complex and structural and need more time to remediate (e.g. worker representation, FoA and violence and harassment).

| 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:** Teamdress has identified some root causes of the CAP issues and discussed these with its suppliers. Teamdress concluded that the main root causes were a shortage of workers in the branches and poor performance of factory management. Concrete preventive actions have yet to be defined to address these root causes.

**Requirement:** Teamdress should identify root causes of CAP issues and discuss these with its suppliers. The member needs to start developing preventive actions to address these root causes.

**Recommendation:** Fair Wear recommends Teamdress 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. | Intermediate | 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. | 4     | 6   | 0   |

**Comment:** Teamdress is in regular contact with its suppliers - the majority is in Europe - and developments regarding human rights are discussed by email and during annual factory visits. Worker representatives and local unions are not included in these discussions.

Teamdress keeps itself informed on risk developments per country by consulting relevant resources such as MVO and ILO and closely following local news (in the case of Ukraine and Moldova's Transnistria developments, for example). The brand could not yet show regular contact with worker representatives or local unions to discuss possible human rights risks.

**Recommendation:** Teamdress is recommended to ensure worker representation/local unions (when appropriate) are included in discussions with factory management on possible 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 year, no audit reports show excessive overtime as a finding in the production countries. In addition, Teamdress' production planning system mitigates the risk of excessive overtime even further. Each of the suppliers is transparent about working hours. During the production delays at the Ukrainian suppliers since the start of the war, Teamdress avoided putting pressure on the factories by accepting longer lead times, splitting orders, moving raw materials to other countries for CMT, and prepayments/provision of loans. Teamdress maintained close contact with the factories to check capacity, risks and needs.



| 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:** Failure to pay legal minimum wage was not a problem reported in the audit conducted in 2022. At almost all of Teamdress' factories, workers receive a fixed salary during the first three months of employment. This fixed salary is based on the legal minimum wage. After three months, when the worker has achieved higher productivity, the worker receives a piece rate payment. The piece rates for workers allow 60% efficiency to earn at least legal minimum wages. The legal minimum wage is guaranteed for workers below 60% efficiency.

With the start of the war in Ukraine, no legal minimum wage issues were identified by Teamdress through dialogue with its suppliers. Teamdress has high leverage at all its suppliers in Ukraine and did not cancel any orders. Orders are based on the factories' available production capacity, and Teamdress increases or decreases these according to the factories' needs. Through local contact persons, Teamdress checks whether workers received wages. During informal audits, this is occasionally verified in conversations with workers, yet not specifically on the level of wage components.

To account for increased legal minimum wages, currency fluctuations, inflation and other influencing factors in the production plants, the price per minute of production was raised by an average of 13% for 73% of the total production capacity in 2022.

**Recommendation:** Fair Wear strongly recommends Teamdress to verify whether legal minimum wage have been paid. Teamdress could hire a local consultant or plan a monitoring visit of one of Fair Wear's auditors to check payslips.

| 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. | Basic  | 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. | 2     | 6   | 0   |

**Comment:** In 2022, Teamdress started to access relevant living wage benchmarks through the Wageindicator, to get an overview of living wages in Moldova, where 35% of the total production volume comes from. General wage levels in Moldova are discussed, and Teamdress has an overview of wages paid in those factories. Yet, no discussions have been held about wages below living wages with factory management, neither were factors affecting wages assessed. Teamdress visited the Moldovan factories in 2022. However, this was before the first steps were taken on wage data collection. Conversations about living wage will be held in person during the next factory visit in 2023.

**Recommendation:** Fair Wear recommends Teamdress to enrol in the Living Wage programme on Fair Wear's learning platform.

| Performance indicators                                      | Result | Relevance of Indicator  | Documentation   | Score | Max | Min |
|---|--------|---|---|-------|-----|-----|
| 3.12 Member company determines and finances wage increases. | Basic  | 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. | 2     | 6   | 0   |

**Comment:** As mentioned under indicator 3.11, Teamdress has started to address the topic of living wage internally by collecting wage data for Moldova through WageIndicator.org and calculating the wage levels for each supplier in Moldova. The wage gap is not yet known, as conversations with the suppliers will be held in person in the next financial year. Strategy on how to address this how to finance wage increase is yet to be created. This topic is led by the CSR manager of Teamdress, with the support of the CEO.

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

**Recommendation:** Fair Wear recommends Teamdress to enrol in the Living Wage programme on Fair Wear's learning platform. 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:** Teamdress uses fact-based costing to ensure its prices support the payment of a living wage estimate at suppliers producing 36% of Teamdress' FOB. Calculations of the WageIndicator are compared with the wage levels at the Moldovan production locations, showing the wage levels meet Living Wage for a standard family. Nevertheless, the wages paid to the workers were not verified through either pay slip inspection or covering it in a third party audit.

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

**Recommendation:** We encourage Teamdress 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. | 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:** Teamdress received no complaints in the past financial year through Fair Wear's helpline.

| 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:** In the previous performance check, Teamdress was recommended to implement training programmes that support factory-level transformation, such as establishing functional internal grievance mechanisms, improving worker-management dialogue and communication skills or addressing gender-based violence. In 2022, Teamdress has not yet done so.

**Recommendation:** Teamdress 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:** Teamdress 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. | 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:** Teamdress' human rights risk monitoring includes a responsible exit strategy, defined in the business contract and Code of Conduct. This procedure is shared through the business contract with all suppliers. If any issues are encountered with a supplier, Teamdress tries to solve these issues; for example, in the case of quality issues at a supplier in Uzbekistan, Teamdress has sent production supervisors to the supplier to help improve the quality of the products. Ending a contract is seen as a last resort when no solutions are possible. In 2022, the business relationship with three suppliers was ended; two in Uzbekistan and one in Portugal. The responsible steps were followed for all three, and a mutual agreement was shown for all during the performance check.

| 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:** Teamdress 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: 12**

### 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. | Intermediate | 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. | 2     | 4   | 0   |

**Comment:** Teamdress communicates accurately about Fair Wear membership on its website. The information on the website is updated yearly. The member does not yet actively engage with its customers and stakeholders.

**Recommendation:** Teamdress could develop materials about Fair Wear membership to share with clients.



| 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:** Teamdress has collected basic information about the human rights due diligence of its external brands. The majority of the brands (8 out of 10) signed the questionnaire for external producers. Two brands are member of Fair Wear, accountable for 38% of the total volume of external brands. The information that Teamdress collects does not influence decision-making on which brands it sells.

**Recommendation:** Teamdress is recommended to collect more information about the human rights due diligence system of its external brands and to use the information in the decision-making on which brands to sell.

| 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. | Intermediate | 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. | 2     | 4   | 0   |

**Comment:** Teamdress has submitted its social report, which Fair Wear approved. The social report has not been published on the company's website.

**Recommendation:** A social report is an important tool for member companies to share their efforts with stakeholders transparently. Therefore, Fair Wear strongly recommends that Teamdress publishes the social report on its website.

| Performance indicators                                       | Result       | Relevance of Indicator  | Documentation   | Score | Max | Min |
|--|--------------|---|---|-------|-----|-----|
| 4.4 Member company engages in advanced reporting activities. | Insufficient | 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. | 0     | 4   | 0   |

**Comment:** Teamdress does not report on factory-level data and remediation results.

**Requirement:** Teamdress should report on factory-level data and remediation results. Good reporting by members helps to ensure the transparency of the member and Fair Wear's work.

**Recommendation:** Teamdress is recommended to include more factory-level data in its reporting and ensure suppliers consent with data sharing.

| Performance indicators  | Result       | Relevance of Indicator   | Documentation  | Score | Max | Min |
|---|--------------|--|--|-------|-----|-----|
| 4.5 Member company has a system to track implementation and validate results. | Intermediate | 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. | 4     | 6   | 0   |

**Comment:** Teamdress has a system to track progress, using the work plan as a tool. Top management is involved through frequent meetings, often weekly.

More generally, an annual management review of implementation and results is done in October by the CEO, shareholders and CSR manager. The CSR manager is in charge of the agenda, and the results of the Brand Performance Check are discussed to set priorities and goals for the following year.

Input from external stakeholders and feedback from workers and suppliers is yet to be included in the evaluation system.

**Recommendation:** The member is advised to include feedback from workers and suppliers in its evaluation system.

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

**Comment:** In the previous performance check, the following requirements were included:

- Fair Wear requires to disclose production locations
- progress should be made on the required changes
- all (new) production locations are required to sign and return the questionnaire
- member must assess the root causes of wages that are lower than a living wage
- member should analyze what is needed to increase wages and finance wage increases
- expected to begin setting a target wage

Teamdress followed up on at least half of the requirements.

**Recommendation:** Teamdress is strongly recommended to address the requirements that are still outstanding.

## 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

- Teamdress highly appreciates the new Fairforce dashboard, as all information and guidance are now accessible on one platform.

# Brand Performance Check details

Date of Brand Performance Check: **11-05-2023**

Conducted by: **Hendrine Stelwagen**

Interviews with: **Annegret Dyck - Quality Management & CSR Management**

**Sasa Glumac - Planning, Logistics and Planning**

**Corinna Horndahl - CEO**