



# **Brand Performance Check**

## **Fundmate**

This report covers the evaluation period 01-01-2021 to 31-12-2021

## About the Brand Performance Check

Fair Wear Foundation (Fair Wear) believes that improving conditions for apparel product location workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the product location. Fair Wear, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

Fair Wear's Brand Performance Check is a tool to evaluate and report on the activities of Fair Wear's member companies. The Checks examine how member company management systems support Fair Wear's Code of Labour Practices. They evaluate the parts of member company supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

In most apparel supply chains, clothing brands do not own product locations, and most product locations work for many different brands. This means that in most cases Fair Wear member companies have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of member companies. Outcomes at the product location level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of Fair Wear member companies cannot guarantee results.

Even if outcomes at the product location level cannot be guaranteed, the importance of good management practices by member companies cannot be understated. Even one concerned customer at a product location can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a product location can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of Fair Wear's work.

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with member company employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at [www.fairwear.org](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

*This year's report covers the response of our members and the impact on their supply chain due to the COVID-19 pandemic which started in 2020. The COVID-19 pandemic limited the brands' ability to visit and audit factories. To ensure the monitoring of working conditions throughout the pandemic, Fair Wear and its member brands made use of additional monitoring tools, such as complaints reports, surveys, and the consultation of local stakeholders. These sources may not provide as detailed insights as audit reports. To assess outcomes at production location level, we have included all available types of evidence to provide an accurate overview of the brands' management systems and their efforts to improve working conditions. Nevertheless, brands should resume verifying working conditions through audits when the situation allows for.*

# Brand Performance Check Overview

## Fundmate

**Evaluation Period: 01-01-2021 to 31-12-2021**

Member company information	
Headquarters:	Freiburg , Germany
Member since:	2017-12-31
Product types:	Promotional wear and accessories
Production in countries where Fair Wear is active:	China, Turkey
Production in other countries:	Slovakia
Basic requirements	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
Scoring overview	
% of own production under monitoring	100%
Benchmarking score	69
Category	Good

## Summary:

Fundmate has shown progress and met most of Fair Wear's performance requirements. With a benchmark score of 69, Fundmate is again placed in the 'Good' category. Although the monitoring threshold does not determine the category this year, Fundmate has fulfilled the monitoring requirements at suppliers providing 100% of its production volume.

## Corona Addendum:

In 2021, Fundmate was still affected by the effects of COVID-19. All employees were on short-time work from February to May, and contact restrictions limited the number of fundraising campaigns, especially in the first half of the year. The situation stabilised in the second half of the year 2021.

The brand did not cancel any orders. Fundmate has set up a country risk catalogue to map out specific labour violation risks per country and closely tracked any COVID-19-related risks by being in regular contact with its suppliers over email to check in on the status and the impact of COVID-19.

The effects of COVID-19 were still present in Turkey, where the member brand sources from one supplier. Some employees were on unpaid leave until July 2021 due to chronic diseases. Since then, all factory workers have been back at work. The brand informed suppliers about the new measures in each country and provided support to help them distribute the government support among workers in Turkey. Workers received 60% of their wages from governmental support, and the factory covered the rest. Furthermore, the supplier has been facing financial issues since 2020, for which Fundmate agreed to switch to a partial prepayment to support the supplier.

In 2021, Fundmate was able to focus on joint projects again. The brand mainly worked on living wages and developed an approach that should be implemented in cooperation with the Turkish supplier.

## Performance Category Overview

**Leader:** This category is for member companies who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

**Good:** It is Fair Wear's belief that member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of Fair Wear member companies—are 'doing good' and deserve to be recognized as such. They are also doing more than the average clothing company, and have allowed their internal processes to be examined and publicly reported on by an independent NGO. The majority of member companies will receive a 'Good' rating.

**Needs Improvement:** Member companies are most likely to find themselves in this category when major unexpected problems have arisen, or if they are unable or unwilling to seriously work towards CoLP implementation. Member companies may be in this category for one year only after which they should either move up to Good, or will be moved to suspended.

**Suspended:** Member companies who either fail to meet one of the Basic Requirements, have had major internal changes which means membership must be put on hold for a maximum of one year, or have been in Needs Improvement for more than one year. Member companies may remain in this category for one year maximum, after which termination proceedings will come into force.

Categories are calculated based on a combination of benchmarking score and the percentage of own production under monitoring. The specific requirements for each category are outlined in the Brand Performance Check Guide.

# 1. Purchasing Practices

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	58%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	3	4	0

**Comment:** Fundmate has a small supplier base. Most of the products are sourced from a Turkish supplier, the remaining from a Chinese and Slovakian supplier. The brand buys other products, such as dishtowels, from external brands, some of them from Germany. At its suppliers, the member has low leverage. Only at its main Turkish supplier the leverage is 10%.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	0%	Fair Wear provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to Fair Wear.	4	4	0

**Comment:** Due to the small number of suppliers and the focus on the main supplier for socks in Turkey, Fundmate has no tail-end production.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	8%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	1	4	0



**Comment:** The brand has had the longest business relationship with a supplier in Slovakia since 2016, where it buys approximately 8% of its FOB. The brand started business relationships with the other two suppliers in 2017 and 2018. Fundmate values long-term relationships and understands that long-term relationships are the basis for trust and working together to improve working conditions. In 2021, the Fundmate team developed a written sourcing strategy. Here, the company focuses on long-term relationships with production partners.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.3 All (new) production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	2nd years + member and no new production locations selected	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	N/A	2	0

**Comment:** No new suppliers were added in 2021. All existing production locations have signed and returned the questionnaire.

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

**Comment:** Fundmate developed a country risk catalogue to be aware of all risks in the production countries, which are completed through different sources. It collects country information through various sources, like the ILO, Clean Clothes Campaign, MVO Nederland and Fair Wear country studies. The risks are classified according to economic, political, ecological and labour rights factors. Additional COVID-19-related risks are also added and tracked in monthly updates. Risks were cross-checked with the information given by suppliers. These risks are also added to the supplier assessment and the policy for new suppliers.

In 2021, FUNDMATE introduced a structured risk approach to onboard new suppliers. The supplier selection approach includes country and supplier-specific risks. The selection criteria for recent production locations are based on elements like the quality of the products, price, CSR audit reports, transparency and quality of communication, and the supplier's commitment to the Fair Wear Code of Labour Practices. If a new supplier will be onboarded, Fundmate has defined several steps that need to be taken. In the first screening, the first contact is made via video call, in which the responsible person for CSR and purchasing joins. The first step also includes an analysis of country-specific risks and the political situation in the country. The CSR staff collects requests for existing documents, such as audit reports and certificates (e.g. GOTS). The supplier's product quality and technical equipment are evaluated in the second step. In the third step, Fundmate mainly evaluates the relationship with the supplier, like communication and commitment to social standards. After the evaluation of the new supplier is made and all steps are fulfilled, the first order can be placed.

During the pandemic in 2021, Fundmate maintained regular contact with its suppliers over email to check in on the impact of COVID-19. One of the risks the member identified was unpaid leave due to chronic diseases, such as COVID-19, of some workers who wanted to take unpaid leave voluntarily in Turkey. The brand informed the suppliers about the new measures in each country and supported spreading resources on government support for workers in Turkey. Workers who could not work because of chronic diseases received 60% of their wages from governmental support, and the factory covered the rest.

**Recommendation:** Fair Wear recommends including onsite visits in an earlier step before placing the first order to get a better insight into the situation in the factory.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes, and leads to production decisions	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	2	2	0

**Comment:** Fundmate created a structured approach for assessing the suppliers' performance to get to an integrated decision-making process. The evaluation includes price, quality, delivery, communication and Corporate Social Responsibility (CSR) indicators. All those criteria are weighted the same, except CSR, which has the highest weighting in this scorecard. The supplier's CAP follow-up is included here. The evaluation is done once a year with purchasing, the director and CSR and is also shared and discussed transparently with the suppliers.

Because of the limited amount of orders that the brand has, the member does not have the option to reward factories with more orders. An adverse outcome could lead to either leaving the supplier. Fundmate has made the consequences of the evaluation explicit to suppliers. Communication with the Slovakian supplier was difficult, so Fundmate decided to reduce the production volume. The brand has been slowly phasing out production in agreement with the supplier. The leverage of the brand is low (<1%), and according to the brand, the factory had already indicated that the gap in production would be filled with the orders of other customers.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.6 The member company's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	4	4	0

**Comment:** Fundmate has two collections (spring/summer and fall/winter), and 70-80% of the garments are never out of stock (NOS) items. The brand rarely changes its product assortments. Sampling is limited to mostly colour and pattern changes rather than design changes. This gives the factory more time for production.

The member forecasts almost one year in advance. Fundmate orders products of its collection twice a year, providing the factory 5-6 months to deliver the products. Fundmate's main peak season is Christmas. The member knows the production volume of its main supplier and calculated that it would cost the factory about 1-2 weeks to produce the order. The leverage of Fundmate is small compared to the total production capacity of the factories.

Fundmate has its warehouse, which is used as a buffer for changes in demand, so the brand didn't need to change orders or cancel them during the COVID-19 pandemic. If changes to the production planning need to be made, the brand discusses with the factory whether the delivery dates are still feasible. Fundmate has not discovered how its planning system leads to overtime but is aware the production planning of the suppliers during peak season can be a challenge due to other customers.

In 2021, Fundmate was in constant contact with its suppliers to evaluate if there was an additional risk of overtime due to COVID-19. The brand was flexible in delivery dates and accepted order delays, e.g. due to high COVID-19 infections in the factories. The COVID-19 situation in the factories was significantly more stable than in 2020. The factories where Fundmate sourced were not affected by lockdowns in 2021.

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

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

Fundmate is aware that excessive overtime is a significant risk in Chinese factories as excessive overtime occurs regularly. Excessive overtime was found in the Fair Wear audit report from 2019 and in other external audit reports. In Turkey, excessive overtime was also found in an audit. According to Fundmate, the supplier did not need an earlier order placement as this was not the cause. Instead, in dialogue with the supplier, the workforce is divided into three shifts instead of two and closed on Sundays. The supplier is also considering hiring more workers to increase capacity and reduce the excessive overtime hours. This is still in the implementation phase, and the result can be evaluated in the planned audit for 2022.

**Recommendation:** Fair Wear recommends cooperating with other customers at which factory to increase leverage when trying to mitigate excessive overtime hours. It is recommended to include worker representatives when mitigating excessive overtime.

Fundmate can also use Fair Wear's "Fair Working Hours Guide", available on the Member Hub.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.8 Member company can demonstrate the link between its buying prices and wage levels in production locations.	Intermediate	Understanding the labour component of buying prices is an essential first step for member companies towards ensuring the payment of minimum wages – and towards the implementation of living wages.	Interviews with production staff, documents related to member's pricing policy and system, buying contracts.	2	4	0

**Comment:** Fundmate has open costing included in its sourcing strategy. Fundmate receives final prices from suppliers that are not negotiated. Fundmate knows the raw material and packaging prices and the cost for production but does not have isolated labour costs in calculations.

Fundmate argues that since most of the sock making is done by machine and many socks can be made simultaneously on one device, the process is different from cut make trim. Therefore, Fundmate was working on a solution in dialogue with the supplier from Turkey to do the labour minute costs for the machine production of socks. There was no concrete solution found in 2021. Fundmate has an overview of the wage information based on analysed pay slips and wage rates of audit reports.

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

**Recommendation:** Fair Wear recommends that Fundmate expands the knowledge in cost breakdowns of its sock production. Since Fundmate's sock production does not map the CMT process, we recommend a close dialogue with the factory to find other solutions to how to map the labour costs in the purchase prices. For example, Fundmate can start looking at the labour minute costing per order, not per product and compare this information with its leverage. Fair Wear also recommends closer contact with other brands that produce socks to look for standard solutions.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	No problems reported/no audits	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, Fair Wear member companies are expected to hold management of the supplier accountable for respecting local labour law. Payment below minimum wage must be remediated urgently.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show minimum wage issue is reported/resolved.	N/A	0	-2

**Comment:** In 2021, no legal minimum wage issues were found. In Turkey, China and Slovakia, where Fundmate sources, were no lockdowns due to COVID-19 in 2021. Nonetheless, Fundmate checked in regularly to verify whether workers were paid. Fundmate requested to see pay slips or external audit reports. Some sick workers voluntarily took unpaid leave at its supplier in Turkey and worked short due to the COVID-19 infection. Fundmate informed the supplier about governmental support available for workers and verified workers received this allowance of up to 100% of their wages.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

**Comment:** Fundmate did not have any late payments. Upon request of its Turkish supplier, the member prepaid 30% of its orders. Payment terms and conditions are agreed between suppliers and Fundmate.

**Recommendation:** Fair Wear recommends having a written contract with the suppliers regarding the payment terms.

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

**Comment:** Fundmate developed a living wages project and discussed it with its main supplier in Turkey. During the Brand Performance Check, Fundmate could show meeting minutes with its supplier. As a first step, the brand did a survey at the Turkish supplier to ask the workforce about their total monthly expenses. Fundmate decided to increase the wages of the workers at its suppliers constantly. Therefore, the brand wants to pay a premium over the regular price in the long term. Since Fundmate's selling price is fixed due to its specific business model, Fundmate intends to increase prices by decreasing the number of goods sold in one unit. Fundmate also reached out to other Fair Wear member brands to exchange experiences and best practices regarding implementing living wages.

Fundmate calculated how much it would cost to pay its share of living wages. Furthermore, the brand has increased its prices to create room to absorb costs for the payment of living wages. The brand has not yet discussed the root causes of living wages in detail with its suppliers, such as low prices, productivity issues, etc.

**Recommendation:** Fair Wear recommends that Fundmate has a written strategy shared with the supplier. Fair Wear also encourages Fundmate to involve worker representatives and local organisations in assessing the root causes of wages lower than living wages. It is advised that the outcomes of the root cause analysis are discussed internally and with top management to form a basis for an embedded strategy.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.13 Member company determines and finances wage increases.	Intermediate	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	2	6	0

**Comment:** Fundmate has not yet defined a target wage. However, in its living wage project, Fundmate has stated that the target wage should be based on the outcome of the Turkish supplier's living wage survey and external resources such as the global living wage coalition.

**Recommendation:** Fair Wear recommends Fundmate add milestones and set a defined target wage. In determining what is needed and how wages should be increased, it is recommended to involve worker representation. Since Fundmate already has some information on the wage data, Fair Wear recommends following up on this and re-evaluating the situation with an updated wage ladder.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.14 Percentage of production volume where the member company pays its share of the target wage.	0%	Fair Wear member companies are challenged to adopt approaches that absorb the extra costs of increasing wages.	Member company's own documentation, evidence of target wage implementation, such as wage reports, factory documentation, communication with factories, etc.	0	6	0

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

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



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# Purchasing Practices

Possible Points: 50

Earned Points: 29

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## 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	92%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	8%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
Member meets monitoring requirements for tail-end production locations.	N/A	
Requirement(s) for next performance check		
Total monitoring threshold:	100%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

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

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

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

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

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Intermediate	Fair Wear considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	6	8	-2

**Comment:** Fundmate systematically follows up on Corrective Action Plans. Fundmate asks its suppliers to send pictures or documents to confirm improvements. The CSR staff also discusses these findings during online meetings with the suppliers. The member keeps clear timelines and checks in with the factory after a deadline has passed. During the Brand Performance Check, the member brand showed meeting minutes of virtual meetings to discuss the findings. The managing director and purchasing department are frequently involved in discussions.

In 2021, some issues were followed up on from previous years. Together with suppliers, a prioritisation was made on topics that were urgent and which ones could be postponed later due to the priorities of COVID-19. Health and safety issues were found at the Turkish and Chinese suppliers. These were discussed with the suppliers directly.

The CAP follow-up with the Turkish supplier showed that several health and safety findings of an audit from 2019 are still open. For example, the fire escape still must be renewed, and according to the requirements, the place of the lightning conductor had to be changed. The supplier hired external experts, but the supplier couldn't invest due to high construction costs. Fundmate will follow up in 2022 to see whether it needs to contribute financially.

Its Chinese agent verifies the document proofs for the CAP follow-up with the Chinese factory. Fundmate is in close exchange with the agent. In 2021, Fundmate and the agent followed up on COVID-19-related issues in the factory. Worker representatives were included in the Health and Safety committee and held meetings. More complex findings related to working hours or living wages are still in progress.

**Recommendation:** It is recommended to involve worker representatives more closely in the CAP follow-up.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	not applicable	Due to the Covid-19 pandemic, brands could often not visit their suppliers from March - December 2020. For consistency purposes, we therefore decided to score all our member brands N/A on visiting suppliers over the year 2020.	Member companies should document all production location visits with at least the date and name of the visitor.	N/A	4	0

**Comment:** Travel was restricted due to the COVID-19 pandemic, so this indicator is not applicable in 2021 for all Fair Wear members.

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

**Comment:** In 2021, Fundmate received external audit reports for its Chinese and Turkish suppliers. Fundmate does assess the quality of the audit reports. The findings of the audit reports are added to the CAPs follow-up overview, and follow-up is done accordingly.

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

**Comment:** In 2021, Fundmate worked on establishing a comprehensive risk catalogue, using country studies from Fair Wear for this, apart from other reports of known organisations. Next to the country risk catalogue, Fundmate is also creating an overview showing the CAP findings per supplier to include this in the country risk catalogue.

#### Turkey:

In 2020, one Syrian refugee was employed at a Turkish supplier of Fundmate. The brand has discussed this with the supplier. In 2021 the Syrian refugee got Turkish citizenship. Although the supplier does not have a written policy concerning the employment of Syrian refugees, the supplier included the matter in a non-discrimination policy. Fundmate collected evidence to ensure the supplier hires Syrian refugees in line with the Fair Wear policy. The Turkish supplier was invited to a Fair Wear webinar, which they attended. Audits showed that no subcontracting took place at this supplier. The brand assessed the risks of Syrian refugees being hired by its supplier and integrated such a risk assessment into its due diligence for new suppliers. The brand sent the supplier the worker information sheet (Arabic and Turkish). The supplier enrolled in Fair Wear training in 2019.

#### Other risks:

##### China:

Approximately 33% of Fundmate's production in 2021 came from China. The member brand is aware of country-specific risks such as limited freedom of association. Fundmate also looks at potential forced labour risks, which an external inspection agency checks.

##### COVID-19:

In 2021, the effects of COVID-19 were still present in Turkey. Some employees were on unpaid leave until July 2021 due to chronic diseases. Since then, all factory workers have been back at work. The brand informed suppliers about the new measures in each country and provided support to help them distribute the government support among workers in Turkey. Workers received 60% of their wages from governmental support, and the factory covered the rest.

**Recommendation:** Fundmate is recommended to set up a written policy together with its Turkish supplier to address the risks around Syrian refugees. Fair Wear also recommends planning more specific training in Turkey focused on improving worker/management dialogue.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	No CAPs active, no shared production locations or refusal of other company to cooperate	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	N/A	2	-1

**Comment:** In 2021, there were no CAPs active which were shared with other Fair Wear members.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. Fair Wear has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of Fair Wear membership; posting of worker information sheets, completed questionnaires.	2	2	0

**Member undertakes additional activities to monitor suppliers.:** Yes (1)

**Comment:** The brand has implemented the Fair Wear requirements at its Slovakian supplier. Due to COVID-19, Fundmate could not visit the supplier in 2020 and 2021. Previously, regular site visits took place. Nevertheless, the brand is in exchange with the supplier via video call. The annual feedback survey is also requested, and information is collected for the risk assessment and supplier evaluation. Health and Safety checklists are provided and uploaded to the Fair Wear database.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.10 Extra bonus indicator: in case FWF member company conducts full audits at tail-end production locations (when the minimum required monitoring threshold is met).	No	Fair Wear encourages its members to monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to Fair Wear and recent Audit Reports.	N/A	2	0

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	Yes, and member has collected necessary information	Fair Wear believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of Fair Wear or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	2	2	0

**Comment:** In 2021, Fundmate bought products from other brands. All questionnaires were completed and sent back to Fundmate.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	0%	Fair Wear believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in Fair Wear's information management system. Documentation of sales volumes of products made by Fair Wear or FLA members.	0	3	0

**Comment:** 0% of external brands resold by Fundmate are members of another credible initiative.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	Fair Wear believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

## Monitoring and Remediation

**Possible Points: 29**

**Earned Points: 21**



### 3. Complaints Handling

Basic measurements	Result	Comments
Number of worker complaints received since last check.	0	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved.	0	
Number of worker complaints resolved since last check.	0	

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.1 A specific employee has been designated to address worker complaints.	Yes	Followup is a serious part of Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company has informed factory management and workers about the FWF CoLP and complaints hotline.	Yes	Informing both management and workers about the Fair Wear Code of Labour Practices and complaints hotline is a first step in alerting workers to their rights. The Worker Information Sheet is a tool to do this and should be visibly posted at all production locations.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	-2

**Comment:** Fundmate has a system to check whether the Worker Information Sheet (WIS) is posted at production sites.

Fundmate also distributed Worker Information Cards where relevant.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline.	All production in low-risk countries/training not possible	After informing workers and management of the Fair Wear CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, Fair Wear's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	N/A	6	0

**Comment:** Because COVID-19 restrictions in 2021 limited the possibility of conducting training, this indicator is considered not applicable in this check. Nevertheless, Fundmate organised a WEP Basic training in Turkey in 2019, which is 64% of its total FOB.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure.	No complaints received	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	N/A	6	-2

**Comment:** No complaints were received in 2021.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers.	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the Fair Wear member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	0

**Comment:** No complaints were received in 2021.

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## Complaints Handling

**Possible Points: 3**

**Earned Points: 3**

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## 4. Training and Capacity Building

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

**Comment:** As Fair Wear membership is an essential asset to the fundraising business model of Fundmate, staff has been informed about Fair Wear membership. Every new employee at Fundmate is actively informed about its activities in responsible production and Fair Wear membership by its CSR representative within the first working weeks.

Furthermore, Fundmate created guidelines for its customer service on communicating the Fair Wear membership. The Fair Wear communication guide was shared with the marketing department as well.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement Fair Wear requirements and advocate for change within their organisations.	Fair Wear Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

**Comment:** The managing director is closely involved in all processes. CSR informs in detail about updates in regular meetings. There is also a close exchange with purchasing. Since Fundmate is a small brand, the paths are concise, and everyone is involved in implementing the Fair Wear requirements.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes + actively support COLP	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, Fair Wear audit findings.	2	2	0

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.4 Factory participation in training programmes that support transformative processes related to human rights.	All production in low-risk countries/training not possible	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. Fair Wear has developed several modules, however, other (member-led) programmes may also count.	Training reports, Fair Wear's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	N/A	6	0

**Comment:** Because of travel restrictions in 2021 that limited the possibility of conducting training, this indicator is not applicable in 2021.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Degree to which member company follows up after a training programme.	No training programmes have been conducted or member produces solely in low-risk countries	After factory-level training programmes, complementary activities such as remediation and changes on brand level will achieve a lasting impact.	Documentation of discussions with factory management and worker representatives, minutes of regular worker-management dialogue meetings or anti-harassment committees.	N/A	2	0

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## Training and Capacity Building

**Possible Points: 5**

**Earned Points: 5**

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## 5. Information Management

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.1 Level of effort to identify all production locations.	Intermediate	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	3	6	-2

**Comment:** Since 2020 Fundmate's suppliers have to confirm the production location before production starts on its order placement sheet and are asked in its annual feedback survey for all production locations where they produce. The member brand has also implemented subcontracting in its sourcing strategy. Fundmate's supplier should ideally not use subcontracting or disclose information about subcontractors. Fundmate is working on an agreement for subcontracting with the suppliers.

Fair Wear audits at the two main suppliers confirm that no subcontracting was found. Fundmate inquires whether new products are possible to produce at existing suppliers. In 2021 there was one case where they decided not to source to avoid outsourced production.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1

**Comment:** All meetings between staff and suppliers are recorded in meeting minutes, and CSR internal meetings are also recorded and filed. All staff receive a presentation about production locations.

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## Information Management

**Possible Points: 7**

**Earned Points: 4**

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## 6. Transparency

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	Fair Wear's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about Fair Wear are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	Fair Wear membership is communicated on member's website; other communications in line with Fair Wear communications policy.	2	2	-3

**Comment:** Fundmate communicates about Fair Wear on its website, Facebook, Instagram and YouTube channels. The product catalogue magazine also includes information on Fair Wear. The communication is in line with the Fair Wear Communications policy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Supplier list is disclosed to the public.	Good reporting by members helps to ensure the transparency of Fair Wear's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	2	2	0

**Comment:** Fundmate has disclosed production locations. 100% of production volume is disclosed to other members in Fair Wear's internal database and on the Fair Wear website.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.3 Social Report is submitted to FWF and is published on member company's website.	Complete and accurate report submitted to FWF AND published on member's website.	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with Fair Wear's communication policy.	Social report that is in line with Fair Wear's communication policy.	2	2	-1

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

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## **Transparency**

**Possible Points: 6**

**Earned Points: 6**

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## 7. Evaluation

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management.	Yes	An annual evaluation involving top management ensures that Fair Wear policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

**Comment:** Top management is highly involved in Fair Wear membership. Fair Wear membership is integrated into decisions on the management level. The managing director and CSR manager meet and reflect on current achievements and learnings from Fair Wear for the year. Fundmate has an evaluation meeting once a year. The outcomes of the Brand Performance Check are used to formulate plans for the coming year. Fundmate also asks its suppliers for feedback through the annual feedback survey.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	No requirements were included in previous Check	In each Brand Performance Check report, Fair Wear may include requirements for changes to management practices. Progress on achieving these requirements is an important part of Fair Wear membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	N/A	4	-2

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## Evaluation

**Possible Points: 2**

**Earned Points: 2**

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## Recommendations to Fair Wear

Fundmate stated that the new audit reports were considered very positive because the reports show detailed information and many proofs. Fundmate can work well with the information provided there.

As another point, Fundmate noted that the preparation time between the Brand Performance Check in 2022 and the new Brand Performance in 2023 is very tightly calculated. They now have little time as a company to adapt to the new requirements. Fundmate also noted that many things are hardly implementable for small brands because of the brand's small leverage in the factories.

The member brand mentioned that it would be helpful to have a more extensive Fair Wear training offer for its suppliers.

# Scoring Overview

Category	Earned	Possible
Purchasing Practices	29	50
Monitoring and Remediation	21	29
Complaints Handling	3	3
Training and Capacity Building	5	5
Information Management	4	7
Transparency	6	6
Evaluation	2	2
Totals:	70	102

Benchmarking Score (earned points divided by possible points)
69

Performance Benchmarking Category
Good

## Brand Performance Check details

Date of Brand Performance Check:

05-07-2022

Conducted by:

Victoria Lauer

Interviews with:

Emilia Widmer (CSR)

Benedikt Link (Director)

Caro Hagmann (Purchasing)

Danny Schmidt (Content Manager)