



## BRAND PERFORMANCE CHECK

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Odd Molly International AB

PUBLICATION DATE: APRIL 2019

this report covers the evaluation period 01-01-2018 to 31-12-2018

## ABOUT THE BRAND PERFORMANCE CHECK

Fair Wear Foundation 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. FWF, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's member companies. The Checks examine how member company management systems support FWF'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 FWF 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 FWF 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 FWF'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.

## BRAND PERFORMANCE CHECK OVERVIEW

Odd Molly International AB

Evaluation Period: 01-01-2018 to 31-12-2018

MEMBER COMPANY INFORMATION	
Headquarters:	Stockholm, Sweden
Member since:	01-06-2009
Product types:	Fashion
Production in countries where FWF is active:	Bulgaria, China, India
Production in other countries:	Italy, Lithuania, Morocco, Portugal, Spain, Sri Lanka
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	90%
Benchmarking score	63
Category	Good

## Summary:

In 2018, Odd Molly met most of FWF's performance requirements. The company had 90% of its purchasing volume under monitoring, meeting the required monitoring threshold. The company has a benchmark score of 63, which places Odd Molly in the 'Good' category.

A sustainability council that meets monthly, was set up in 2018 at Odd Molly to help with the implementation of Odd Molly's overall sustainability strategy across departments. The council, composed of one representative from each department, has proven to be beneficial in the dissemination of the company strategy towards sustainability, which includes FWF membership. Additionally, a representative from each relevant department (design, production, logistics, assortment manager etc) is involved in supplier evaluation in relation to compliance with the FWF Code of Labour Practices. Through these people, Odd Molly now has a systematic evaluation procedure which integrates every department's input in the decision-making process. This resulted in significant progress towards resolving existing Corrective Action Plans. The remediation process was organised in a more structured way with the formulation of specific and detailed Corrective Action Plans for the production locations, visits that include more general and in-depth discussions about progress and adequate follow-up of complaints. Odd Molly maintains regular contact with suppliers as well as intermediaries, to follow up on external audits and uses the FWF quality assessment tool to assess them and develop a CAP from which to follow-up.

Odd Molly can still make improvements to the timeline of follow up on remediation and complaints. FWF recommends Odd Molly to especially follow up on complaints and critical findings within CAPs in a timely manner.

Whilst Odd Molly has started a costing analysis for their products and is in initial discussions on wages with their suppliers, further steps can still be made with regards to improving wages. The company still needs to set target wages together with suppliers to work towards the payment of a living wage. With the help of external consultants, FWF Costing Sheets and labour minute value calculations, Odd Molly can gain more insight into their pricing policy and be able to demonstrate the link between their buying prices and wage levels in production locations. Odd Molly should initiate more WEPs and encourage suppliers to attend supplier seminars where possible, in order to help their suppliers gain more of an understanding of compliance issues within garment production.

## 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 FWF's belief that member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF 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.	41%	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.	2	4	0

**Comment:** In 2018, Odd Molly bought 41% of its production volume from production locations where it buys at least 10% of production capacity.

**Recommendation:** FWF recommends the member to consolidate its supplier base where possible, and increase leverage at main supplier(s) to effectively request improvements of working conditions. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	23%	FWF 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 FWF.	0	4	0

**Comment:** In 2018, Odd Molly reduced the range of products focusing on specialising in specific products. This meant that Odd Molly bought 23% of its production volume from production locations where it buys less than 2% of its total FOB.

**Recommendation:** FWF recommends Odd Molly to continue to evaluate their suppliers and consolidate its supply base and limiting the number of supplier in its 'tail end'. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way.

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.	59%	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.	3	4	0

Comment: Odd Molly bought 59% of its production volume from production locations where a business relationship has existed for at least five years.

Recommendation: FWF recommends the member to maintain stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.

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.	Yes	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.	2	2	0

Comment: Odd Molly had eight new suppliers in 2018, all of which signed and returned the questionnaire with the Code of Labour Practices before first bulk orders are placed. This is part of Odd Molly's general agreement with suppliers before first orders that includes general purchasing practices, compliance to chemical standards and compliance to the FWF Code of Labour Practice.

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:** In previous years, Odd Molly developed a risk assessment routine in the form of a check list in order to assess potential production locations. In 2018 however, Odd Molly integrated this routine check into the final decision making process before first orders are placed. Odd Molly finds it beneficial that sustainability and social compliance responsibilities fall under the production team, headed by the production manager. This assures that any new suppliers are thoroughly assessed at an early stage of selection.

Odd Molly collects any existing audits at suppliers, and makes use of other supplier and agent referrals to gather information on new locations. The FWF country studies, Swedish stakeholder organisations and ILO resources also provide additional information for them before entering a new country.

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:** Odd Molly uses a traffic light system to evaluate suppliers based on economic, environmental and social aspects. Suppliers' results in audits, WEP trainings or complaints, as well as their willingness to cooperate when responding to compliance are factored into their evaluation, and colour coded (leader, good, needs improvement). Further evaluation of suppliers is also done by the buying and logistics departments, and where final decisions of where orders will be placed are made. Odd Molly rewards well performing suppliers when possible and to diminish production at production locations unwilling to improve.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.6 The member company's production planning systems support reasonable working hours.	General or ad-hoc system.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	2	4	0



**Comment:** In 2018, Odd Molly started calculations of the labour minute values for their simple styles. However, Odd Molly offers a large range of knitted products that have more alternating time ranges for per product, therefore, Odd Molly has less insight into the production rate for some of the more complex product groups. Odd Molly gathered the monthly capacity at each supplier, and combines it with the estimated production minutes, in order to have an overview of their planning and its influence over working hours at factories.

Odd Molly uses the factory capacity information for their own internal production planning and for discussions with suppliers when agreeing upon booking dates, lead and delivery times. Where possible, Odd Molly has introduced mid-orders in order to spread production. Production timelines are then set and finalised in collaboration with individual suppliers. Odd Molly sees this as a first step to developing a forecasting system.

**Recommendation:** FWF recommends Odd Molly to further integrate this initial forecasting system into their planning system in order to have insight into potential peak times and develop strategies to alleviate overtime during peak production periods.

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:** FWF conducted two audits at production sites where Odd Molly was active in 2018. Issues related to overtime were found at both factories, including issues of unclarity and inconsistency at one of the locations which did not allow the audit team to establish a clear picture on the situation.

Odd Molly had discussions with suppliers on causes of overtime and collected factory capacity overview for each of their suppliers to gain insight on where orders were over booked. Odd Molly has some flexibility with their planning, and is able to shift some of their recurring orders to less booked months as a starting solution to this.

Odd Molly is focusing on supporting planning at suppliers and strengthening communication with suppliers throughout the entire production timeline in order to foresee any potential delays or production pressure. Odd Molly discusses overtime with suppliers, and potential solutions, however feels like their leverage at these suppliers is quite small, therefore they have limited influence in changing the suppliers production planning.

**Recommendation:** FWF recommends Odd Molly to conduct further root cause analysis at its suppliers. The outcomes of the root cause analysis can be used for identifying strategies that minimise the impact of its sourcing practice on working hours at other factories. At brand level, Odd Molly could further investigate how the production planning strategy is being implemented, and how it could improve planning. Besides discussing it with the supplier and assessing root causes, FWF strongly recommends Odd Molly to actively take measures when excessive overtime is found. Taking measures to ensure that the brand knows and shows whether excessive overtime takes place at a supplier is key in resolving the issue. Measures such as regular checks by the local technician, documents checking and interviewing workers help assess whether excessive overtime takes place.

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:** Odd Molly has an overview of the price breakdown of its different styles, however, does not have the exact labour cost. At some supplier, Odd molly has provided information to calculate the open costing, however, not all suppliers have provided this information. Therefore, based on internal costing knowledge, Odd Molly was able to estimate the percentages of their prices that goes to labour. These breakdowns were not yet been confirmed by all their suppliers. Odd Molly started to explore the link via pricing break down and calculations together with one of its supplier using the FWF costing tools.

**Recommendation:** FWF recommends Odd Molly to expand their knowledge of cost break downs of all product groups. A next step would be to calculate the labour minute costs of its products to be able to calculate the exact costs of labour and link this to their own buying prices. First priority would be to make sure this level of transparency can be achieved with all their suppliers.

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.	Yes	If a supplier fails to pay minimum wage or minimum wage payments cannot be verified, FWF 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, FWF Audit Reports or additional monitoring visits by a FWF auditor, or other documents that show minimum wage issue is reported/resolved.	0	0	-2

**Comment:** One of the FWF Audit conducted in 2018 revealed inconsistent documents, the audit team was therefore unable to verify minimum wages were paid at this factory. Odd Molly discussed the importance of transparency of documentation with the supplier, and was able to prove during the performance check of the follow up on the wage issue. In an ongoing CAP from an audit from 2017, showed a similar state of inconsistent false documentation. Odd Molly has actively addressed this issue with the different production locations requesting confirmation for wage increases and wage slips to confirm improvements. Odd Molly was able to provide evidence of improvement but further verification is still needed.

**Recommendation:** FWF strongly recommends Odd Molly to always verify whether legal minimum wage issues have actually been resolved in case factory management claims so. Odd Molly could hire a local consultant or plan a monitoring visit of one of FWF's auditors to check whether the issue has actually been resolved.

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

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.	Insufficient	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach	Evidence of how payment below living wage was addressed, such as: Internal policy and strategy documents, reports, correspondence with factories, etc	0	6	0

**Comment:** In 2018, Odd Molly began discussions with suppliers on living wages as part of their CAP follow up following FWF audits. This discussion proved to be difficult at one of the suppliers due to the rest of their clientele having no interest in the topic. Further wage discussions with other suppliers have been slowed down by discussions on quantities, and evaluating possibilities for Odd Molly to increase production volumes. Overall, although Odd Molly has an overview of the price breakdown of its different styles, they are yet to make a clear root cause analysis for lower wages than living wages in production locations.

**Requirement:** Odd Molly must assess the root causes of wages that are lower than living wages, taking into account its leverage and effect of its own pricing policy. Odd Molly is expected to take an active role in discussing living wages with its suppliers. The FWF wage ladder can be used as a tool to implement living wages, to document, monitor, negotiate and evaluate the improvements at its suppliers.

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 a member company's score.	Supplier information provided by member company.	N/A	2	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.13 Member company determines and finances wage increases	None	Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach.	Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc.	0	4	0

**Comment:** The analysis of buying prices impact on wages is still at its initial stages, however after discussions with suppliers in 2018, Odd Molly was informed of increased hourly wages at one of its suppliers. Odd Molly is still yet to get more insight of this increase until the planned verification audit takes place.

Odd Molly worked on gathering the initial wage calculations within specific product groups and at other factories, to calculate the gap towards living wages benchmark. More analysis is still needed into calculating the average wage increase needed, especially when taking into account the product range. Odd Molly also had initial discuss with factory to get the available information, however has not discussed a strategy on how to finance this wage gap.

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

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%	FWF 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	3	0

**Comment:** Odd Molly started discussions on wages, however no clear target wage has been set.

**Requirement:** Odd Molly should progress these conversations with suppliers and start outlining plans for wage increases in agreement with suppliers. Odd Molly is expected to begin setting a target wage for its production locations.

## PURCHASING PRACTICES

Possible Points: 47

Earned Points: 20

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	66%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	24%	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.)
Meets monitoring requirements for tail-end production locations.	No	FWF members must meet tail-end monitoring requirements. Implementation will be assessed during next Brand Performance check.
Requirement(s) for next performance check	For the tail end, Odd Molly needs to make sure that all factories must be visited at least once every three years. During visits, labour conditions and the use of subcontractors must be discussed, outcomes of the discussion must be documented and the FWF health and safety checklist must be completed.	
Total of own production under monitoring	90%	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 FWF 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: Odd Molly's team of buyers, in close cooperation with the production manager, are responsible for the follow up of CAPs.

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 FWF teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for FWF 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: FWF 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: After an audit the CAP is first shared with the factory, then progress is monitored through email and when Odd Molly visits the factory they discuss the follow-up on the findings. Odd Molly discusses and sets timelines for the CAP together with management. However due to a large number of findings, more urgent issues such as payment below a legal minimum wage were prioritised, therefore sometimes causing slower CAP follow-up for other findings.



Recommendation: FWF recommends Odd Molly to ensure CAPs and audit reports are shared with worker representatives, when applicable.

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	FWF 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: Odd Molly worked with their audited suppliers throughout 2018 to follow up on noncompliance issues and make remediation based on the CAPs. Odd Molly was able to demonstrate resolution in the health and safety issues found at the factories. Additionally, Odd Molly was able to show narrative reports of going discussions with suppliers on wages, and wage slip records provided by suppliers as a basis to resolve minimum wage issues found during audits. Although there is some progress to the remediation, they are still quite slow with resolving some issues as well as addressing overtime and increasing wages towards living wages.

Odd Molly uses a colour coded spread sheet system to keep track of the progress of the corrective action plans. Each non-compliance is given a a colour based on completeness, green to yellow. A majority were still in the yellow phase of discussion rather than green for resolved. The CAPs progress is updated based on communication with suppliers who demonstrate changes using photos and payslip samples, but also various members of staff from Odd Molly who visit location provide input on CAP via the sustainability council.

**Recommendation:** To facilitate remediation, Odd Molly could consider:

- Hire a local consultant to assist factory in developing an action plan and to assist factory management in investigating root causes.
- Organise supplier seminars.
- Provide factory training.
- Share knowledge/material.
- Provide financial support to the supplier for implementing improvements.

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.	79%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0

**Comment:** In 2018, Odd Molly (representatives) visited production locations responsible for 79% of its production volume. This is a decrease in comparison to the previous year, due to the increase of smaller tail end suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes and quality assessed	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	2	3	0

**Comment:** Odd Molly gathered any existing audits at factories and used the FWF quality assessment tool to create and follow-up on corrective action plans.

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 FWF membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. FWF requires member companies to be aware of those risks and implement policy requirements as prescribed by FWF.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	5	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Advanced			6	6	-2
Compliance with FWF guidance on risks related to Turkish garment factories employing Syrian refugees	Policies are not relevant to the company's supply chain			N/A	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

**Comment:** Odd Molly has a good understanding of risks in its supply chain and has started to act systematically on addressing them. In India, Odd Molly incorporates discussions with suppliers on gender discrimination and violence against women during visits to production locations. At one supplier Odd Molly initiated a training on prevention of gender-based violence, which resulted in the set up of an internal anti-harassment committee at the supplier.

Odd Molly makes use of the FWF country study to stay informed on activities in India, as well as outcomes of audits. Whilst Odd Molly is aware of the risks of home based workers in India, they are yet to have further insight on how best to address it. Odd Molly has a non-subcontracting policy with its suppliers which includes homeworkers, unless agreed upon earlier. Based on this agreement, Odd Molly can have discussions on homeworkers, however is still dependent on audits and factory visits to identify any unreported homeworkers. Odd Molly makes use of the FWF home-based workers questionnaires along side regular checks to discuss home based workers with supplier, however it has not developed an elaborate internal policy yet.

**Recommendation:** Odd Molly should further develop their homeworkers policy and elaborate this within its sourcing strategy.

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.	Active cooperation	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.	2	2	-1

**Comment:** Odd Molly shares a few factories with other FWF member companies. In 2018, Odd Molly continued to actively cooperate with other FWF member companies to resolve corrective actions at shared suppliers.

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.	50-100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. FWF has defined minimum monitoring requirements for production locations in low-risk countries.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	2	3	0

Comment: Odd Molly buys 24% of its production volume from low-risk countries. Odd Molly fulfilled monitoring requirements for all but one locations. Because it is very small supplier Odd Molly choose not to visit the production location and instead opted to meet them at their offices in Stockholm.

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	FWF 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 FWF 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.	No external brands resold	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	N/A	2	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	No external brands resold	FWF 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 FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	N/A	3	0

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	FWF 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: 30

Earned Points: 25

### 3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	7	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	4	
Number of worker complaints resolved since last check	3	

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 FWF 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 production manager is responsible to address worker complaints, received through the FWF complaints system.

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 FWF 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: Odd Molly requires all suppliers to return a photo of the posted Worker Information Sheet. In addition, all staff visiting takes a photo of the posted Worker Information Sheet. Odd Molly was able to show evidence of this during the performance check.

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.	14.26%	After informing workers and management of the FWF CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue.	Training reports, FWF's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes.	4	6	0

Comment: Odd Molly initiated WEP basic at three of their main suppliers.

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	Yes	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.	3	6	-2

Comment: In 2018, Odd Molly received eight complaints, five of which came from the same company and the remediation is still ongoing. Complaints filed all pertained to either wage or overtime issues that occurred within the factories in India.

Odd Molly addressed the complaints in accordance with the FWF Complaints Procedure, albeit response being slow. Odd Molly has followed FWF recommendation and planned a WEP, where all five complaints originated as a preventive step as well as a way to verify remediation.



**Recommendation:** In addition to organising a WEP at the factories to inform the workers of labour codes and grievance mechanism, Odd Molly could seek the assistance of a local consultant to assist in a wage and overtime analysis at the factories to provide extra support to supplier in addressing these issues. Where applicable, Odd Molly could also request the involvement of worker representation when discussing the remediation plan.

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 FWF 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:** In 2018, Odd Molly was in communication with another FWF member also sourcing at the supplier where a complaint was filed. This complaint was resolved, however for the remaining complaints Odd Molly was the only FWF member present in the factory. Odd Molly was not able to get in touch with other non-FWF customers at the suppliers, therefore has not managed to cooperate with other customers in addressing worker complaints.

**Recommendation:** FWF recommends Odd Molly to investigate whether cooperation with other customers is possible for enhancing the efforts to resolve the complaint. The use of their shared agents could be a starting point for exploring this.

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## COMPLAINTS HANDLING

Possible Points: 15

**Earned Points: 10**

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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 FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	0

Comment: Odd Molly hosts weekly update meetings with their entire team, where company activities are shared, these meetings are also used to share FWF membership updates.

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 FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

Comment: Sustainability and CSR are integrated into the production department, therefore all production staff are aware of working conditions in factories. Similarly through the newly formed sustainability council, staff are informed of FWF requirements, as well as progress of CAP follow-up as it is a joint responsibility.

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, FWF audit findings.	2	2	0

**Comment:** Odd Molly uses agents in China and India and they are actively involved in ensuring compliance with the CoLP. In previous years, Odd Molly trained its agents via a company presentations on its FWF membership commitments. Odd Molly works closely with agents, especially with regards to doing check for subcontracting, as per the restricted subcontracting agreement made with suppliers.

In 2017, the company provided presentations for their agents, including FWF membership requirements. Odd Molly considers their agents to be of added value, because they can actively monitor the suppliers and can support Odd Molly with local knowledge. Odd Molly uses the local knowledge to evaluate new potential suppliers, and make sure they fall in line with not only Odd Molly's company code including FWF membership requirements. During visits to factories, agents can also check whether Worker information sheets are posted, and convey this information back to Odd Molly.

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.	7.78%	Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. FWF has developed several modules, however, other (member-led) programmes may also count.	Training reports, FWF's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes.	1	6	0

**Comment:** Odd Molly initiated a training on prevention of gender-based violence at one of their suppliers in India. The training was deemed successful and an internal committee was also elected at the factory.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Degree to which member company follows up after a training programme.	Active follow-up	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.	2	2	0

Comment: Odd Molly followed up with the management at two suppliers where training took place; this was done via email and during a visit to the supplier where training was discussed at length and feedback was gathered.

## TRAINING AND CAPACITY BUILDING

Possible Points: 13

Earned Points: 8

## 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:** Odd Molly started to map more of their subcontractors as per FWF's new additional requirements for mapping non-CMT production locations. Odd Molly could show that all subcontractors identified during audits were added into their FWF supplier register.

Odd Molly considers homeworkers under the same category of subcontractors, in which production locations are expected to disclose information if products are not made in-house. In previous years, Odd Molly was able to track homeworkers from their production location in Morocco, however it has been more difficult to apply this to their suppliers in India.

**Recommendation:** FWF recommends Odd Molly to integrate systematic periodical checks with its agents whether all known production locations are still up to date and use the information coming from questionnaires to update supplier data, including subcontractors.

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: Through the sustainability council, all relevant staff shares information with each other about working conditions at production locations, during weekly meetings. Further information is also shared digitally.

## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

## 6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	FWF's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about FWF are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	FWF membership is communicated on member's website; other communications in line with FWF communications policy.	2	2	-3

Comment: Odd Molly communicates about FWF on its website and in company presentations. FWF membership is also an important part of its CSR policy.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Published Brand Performance Checks, audit reports, and/or other efforts lead to increased transparency.	Good reporting by members helps to ensure the transparency of FWF'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.	1	2	0

Comment: Odd Molly published the performance check on its 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 FWF's communication policy.	Social report that is in line with FWF's communication policy.	2	2	-1

Comment: Odd Molly submitted and published their social report on their website.

## TRANSPARENCY

Possible Points: 6

Earned Points: 5



## 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 FWF policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

**Comment:** At Odd Molly, the production manager, who is mainly responsible for FWF, has regular meetings with top management. Evaluation of membership is integrated alongside completely their annual work plan. In 2018, Odd Molly has added a sustainability council composed of representatives from each department, who also give feedback to this evaluation process.

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.	95%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	4	4	-2

**Comment:** In the previous performance check Odd Molly had an outcome of five requirements from FWF that needed following up. In 2018, Odd Molly developed an initial forecasting system using the capacities provided by all its suppliers. Odd Molly has simultaneously managed to further look into their pricing policy and start analysing their impact on wages in factories.

Furthermore, Odd Molly started the initial discussions on increasing wages towards a living wage together with their suppliers. Odd Molly has started to identify the bottlenecks hindering payment of living wages and is now looking into solutions. Overall, Odd Molly adequately addressed the requirements from 2018, however still needs to conduct a verification audit at some of the suppliers to verify improvements.

Recommendation: Odd Molly following up by conducting a verification audit to make sure it is true.

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## EVALUATION

Possible Points: 6

Earned Points: 6

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## RECOMMENDATIONS TO FWF

Odd Molly would recommend FWF to provide further information and guidance on remediation at suppliers. Furthermore, Odd Molly would appreciate an increase in the variety of languages that the FWF communication tools such as consumer brochures in Swedish.

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	20	47
Monitoring and Remediation	25	30
Complaints Handling	10	15
Training and Capacity Building	8	13
Information Management	4	7
Transparency	5	6
Evaluation	6	6
Totals:	78	124

### BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

63

### PERFORMANCE BENCHMARKING CATEGORY

Good

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

20-02-2019

Conducted by:

Sandra Gonza

Interviews with:

Jennie Högstedt-Björk, CEO

Kristin Roos, Production Manager & Sustainability

Marielle Pantzar, Marketing

Stephanie W. Godee, Marketing