



Brand Performance Check

FOND OF GmbH

Publication date: December 2022

This report covers the evaluation period 01-08-2021 to 31-07-2022

About the Brand Performance Check

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

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

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

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

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

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

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

FOND OF GmbH

Evaluation Period: 01-08-2021 to 31-07-2022

Member company information	
Headquarters:	Cologne , Germany
Member since:	2016-10-31
Product types:	Garments, clothing, fashion apparel; Sports & activewear; Bags; Footwear; Luggage & other travel
Production in countries where Fair Wear is active:	China, Myanmar, Romania, Turkey, Viet Nam
Production in other countries:	Bosnia and Herzegovina, Lithuania, Portugal
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	95%
Benchmarking score	82
Category	Leader

Summary:

FOND OF has shown progress and met most of Fair Wears' performance requirements. With a benchmark score of 82 points, FOND OF again retains its status. The monitoring threshold is non-applicable due to COVID-19, but FOND OF still managed a monitoring threshold of 95% of its supply chain.

Corona Addendum:

FOND OF GmbH (FOND OF) has a split financial year. For this performance check, we looked at the period between 1 August 2021 and 31 July 2022. 69% of FOND OF's FOB comes from Vietnam. At the beginning of its financial year, Vietnam was in lockdown, which highly influenced FOND OF's production. In response to this situation, the company has decided to split large orders for its most popular products to ensure stable production.

Besides the lockdown in Vietnam, the global supply chain crises also influenced FOND OF's business. The company invested in ensuring higher stock levels to maintain its supply to retail customers. This impacted the company's liquidity. However, the company was able to financially support its Vietnamese production locations with a contribution to higher wages as well as with some prepayments to maintain liquidity levels.

In the past financial, FOND OF received several complaints from its production location in Myanmar. During the remediation process, the company realised that the current political situation makes it almost impossible to address worker concerns. This resulted in the decision to withdraw from Myanmar in the current financial year. However, before that decision was officially taken, FOND OF was confronted with a rush order they had placed with one of their Chinese production locations, which was then moved to a one of the group's factories based in Myanmar. The nature of the order made it impossible for the company to cancel. This case showed the limits of its own process including due diligence in its sourcing decisions.

In the past financial year, FOND OF improved its human rights due diligence and onboarding process. This will be implemented in the current financial year. It started drafting an exit strategy inspired by Fair Wear's guidance.

The request to production locations to discuss the topic of living wages was met with reluctance because of the lack of alignment within the brand in its messaging around prices and wages. Production locations indicated it is confusing to be asked to provide the most competitive price and realise higher wages simultaneously. Fair Wear recommends FOND OF to make sure the company creates clarity internally about its goals and willingness to contribute financially. This will also make it easier to communicate with production locations about the link between prices and wages.

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.	92%	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.	4	4	0

Comment: FOND OF has seven different brands, that mainly are selling bags, and various other accessories. The assortment has in the two most recent years also expanded into some selected apparel styles such as jackets and hats and shoes.

Whenever possible the company tries to use the same supplier for several brands to ensure supply chain consolidation.

In the past financial year, 92% of FOND OF's production volume came from production locations where the company buys at least 10% of the factory's capacity.

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.	10%	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.	3	4	0

Comment: In the past financial year, 10% of the production volume came from production locations where FOND OF buys less than two percent of its total production capacity. This is a decrease of three percentage points compared to the previous financial year. The production locations described in this indicator are known as the so-called "tail-end".

The focus of FOND OF is to consolidate its supply chain and limit the tail-end as much as possible, however the need to align and adjust this along with the expansion strategy of adding ever more new product groups, is a balance FOND OF is doing its best to maintain.

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.	61%	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: FOND OF values long term relationships with their suppliers. In the past years, this has meant the company has been looking into possibilities of expanding its existing supplier relationships and expanding to different production locations belonging to the same main supplier.

In the past financial year, there was a business relationship, longer than five years, with suppliers responsible for 61 % of the brands total production volume.

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: FOND OF receives a signed copy of the questionnaire from each production location prior to starting production at a new supplier. All questionnaires are uploaded to the Fair Wear database, including those of the new production locations that were started up in the past financial year. FOND OF has incorporated the Fair Wear questionnaire into its Code of Conduct, which needs to be signed and returned before bulk production can take place.

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.	Intermediate	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.	2	4	0

Comment: FOND OF has done a risk assessment on country level, where it created an overview of the OECD risk and an overview with the gross risks, based on external indices. As a next step the company looked at net risks, based on its own mitigation activities.

When onboarding new production locations, FOND OF checks relevant information such as capacity, minimum order quantities, lead times as well as quality procedures and working conditions. Before adding a new supplier, all involved teams (purchasing, quality, and CR) need to approve. For CR this means collecting information on subcontractors, compliance systems, upstream suppliers, and existing audit reports. In addition, it tries to ensure in discussions that the supplier understands its aspirations in terms of sustainability. For any supplier FOND OF chooses to do business with, there needs to be a history of social audits at the factory. If possible FOND OF prefer suppliers that are already working with Fair Wear members and are showing willingness to work on the Corrective Action Plans (CAPs).

The on-boarding process would normally include a visit by the brand to check up on the working conditions in person. However since onsite visits for the most part have not been an option during the recent financial year as a result of COVID-19 related travel restriction, FOND OF has had to rely on desk-research and other communication channels.

In the past financial year, the company added three new production locations. Two were production locations used as part of a design collaboration with another brand. The company collected all necessary information. One factory was in Myanmar, where the decision to produce was forced by the main supplier. For this production location the company deviated from its own policy, and CR advice was overruled.

In the past financial year, FOND OF worked on renewing the onboarding process, which will come into effect in the next financial year. This new onboarding process feeds into factory specific risk assessments.

Recommendation: It is advised to uphold the process of assessing working conditions at potential new suppliers in a sourcing strategy agreed upon with top management/sourcing staff.

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: FOND OF evaluates the compliance of all its production locations in a structured and consistent manner. FOND OF has developed a supplier evaluation system in which it grades the overall performance of its suppliers.

The methodology has both content and process-related CSR elements. The grading is done every six months and results in a spider diagram, which enables FOND OF to track how the social compliance at each production locations develops over time. The grading is used to discuss the performance of a production location during the regular meetings between purchasing, quality and CR. FOND OF is planning to start sharing the information with suppliers in the next financial year.

The CR weight in the supplier evaluation is 20%, and influences sourcing decisions. For example, one of its main products is produced in two different factories. Based on the positive supplier evaluation one factory was granted a larger part of the order.

In the past financial year, FOND OF stopped producing at several production locations, for most this was because the main supplier decided to produce products in-house rather than using subcontractors. For one FOND OF decided to stop producing due to quality issues. In exiting the production locations FOND OF did not follow Fair Wear's suggested exit strategy, but did use the experience to draft a company exit strategy for future cases.

Recommendation: Fair Wear encourages FOND OF GmbH to implement a responsible exit strategy and ensure all relevant staff is informed about this.

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: Each of FOND OFs' brands has a different production cycle, depending on collection frequency.

There is a system in place with a 12-month cycle of production planning, which is repeated twice a year. There are three to six delivery deadlines for each order. At the start of an order cycle, the supplier receives a forecast with specific quantities for each delivery deadline. FOND OF discusses the planning with the supplier and checks the long-term capacity. The process of design and product development for all seven brands is done in collaboration with the suppliers who eventually will be producing the products. FOND OF pays for the sample products, including a percentage to cover development costs.

In the past financial year, the company conducted a survey to find out factories' capacity throughout the year and FOND OF's percentage of capacity covered. Based on the outcomes of this survey the company rearranged some of its orders to allow production during low season. In addition, the company developed several Never out of Stock (NOS) items that do not have a strict delivery date and can be produced at low production times.

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: Several audits indicated excessive overtime, which is also supported by the risk assessment FOND OF has conducted. On a case-by-case basis the company discusses the findings and worked on remediation together with the production location. To better understand the root causes of excessive overtime in general, FOND OF conducted a survey asking suppliers about peak and low times in production. To reduce pressure on the suppliers, the company intended to adapt order timing, where possible, to the low production periods. The results of the survey influenced orders for the current financial year.

In addition, as a preventive measure, FOND OF discussed with production locations that they should let the company know when order timings prove to be too tight, making excessive overtime necessary. Then, a joint solution can be found to prevent that.

Recommendation: Besides discussing it with the supplier and assessing root causes, Fair Wear strongly recommends FOND OF to actively take measures when excessive overtime is found. Taking measures to ensure that FOND OF 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: When price negotiations start, purchasers will check with the CR department whether wages have gone up since the last order and with designers to understand the potential additional time that is required for production to ensure both are reflected in the price. However, since production locations only share labour costs as a bulk item as part of the Bill of Materials, FOND OF cannot explicitly link its prices to wages.

Recommendation: FOND OF is encouraged to provide buyers (or other employees involved in price negotiations with suppliers) training on cost breakdown, for example using the Fair Price app.

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, 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.	0	0	-2

Comment: In the past performance check it turned out that FOND OF did not properly follow up on a finding of wages below legal minimum wage at one of its subcontractors. During the pandemic this subcontractor was not producing for FOND OF, because the main production location did all production in-house. During the last financial year this subcontractor was not used. However, the main production location indicated it would like to start using the subcontractor again in the future. This meant FOND OF could remediate the initial finding. It checked current payroll data to ensure all workers receive at least the legal minimum wage and checked that the outstanding payments during work stoppages were paid as well. Only after this was verified did FOND OF allow production to start again.

In 2021, Vietnam was in lockdown, which highly impacted workers wages. FOND OF closely monitored the wage situation in its Vietnamese factories. They closely cooperated with other Fair Wear members sourcing in Vietnam and Fair Wear country staff to be able to verify information provided by factories. In the process, it closely followed Fair Wear's guidelines. It turned out some factories were unable to provide workers with at least legal minimum wage. FOND OF made a financial contribution to close the wage gap in its factories, either as a part of workers wages or through in-kind contributions. FOND OF closely monitored the situation and was able to show the wage gap for most factories was closed. For one factory there is still a difference between the wage workers received and the legal minimum wage. The company is discussing how to best contribute to closing this gap.

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: FOND OF paid all invoices on time. During the last financial year, some of its Vietnamese production locations had liquidity issues due to lockdowns and supply chain disruptions. To ensure continuity, FOND OF prepaid some of its orders.

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: FOND OF collects wage information from its production locations and identifies the gap between the current wage and a possible living wage. In the past financial year, it has reached out to four of its main production locations to discuss the topic of living wages. However, the production locations indicated that they doubts about the initiative. The main argument was that production locations received mixed messages from FOND OF, on the one hand the initiative to raise wages and on the other hand the request to not increase prices. FOND OF has taken this feedback serious and will redesign its strategy to address living wages with its production locations.

Recommendation: Fair Wear encourages FOND OF to discuss with suppliers about different strategies to work towards higher wages. It is advised to start with suppliers where the member is responsible for a large percentage of production and long-term business relationship. In addition, Fair Wear recommends FOND OF to ensure different brand representatives talking to production locations convey the same message regarding the support for living wages.

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: In its wage gap analysis FOND OF uses living wage estimates provided by the Global Living Wage Coalition as target wages. In the past financial year it set aside a budget to raise wages at production locations. However, as production locations were reluctant to discuss raising wages (see indicator 1.11), FOND OF used the budget to contribute to maintaining legal minimum wage in Vietnam, where workers were receiving less wages due to lockdowns (see indicator 1.9).

Recommendation: Fair Wear advises companies to avoid the concept of a one-time charitable contribution. We strongly recommend members to integrate the financing of wage increases it into its own systems, herewith committing to a long-term process that leads to sustainable implementation of living wages.

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.	31%	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.	4	6	0

Comment: In one of FOND OF's production locations, the mode wage (including benefits) is at the same level as the living wage estimate provided by the Global Living Wage Coalition. This production location is responsible for 31% of FOB.

Purchasing Practices

Possible Points: 52

Earned Points: 35

2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	95%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.		
Member meets monitoring requirements for tail-end production locations.	Yes	
Requirement(s) for next performance check		
Total monitoring threshold:	95%	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: FOND OF has a CR department responsible for follow up on problems identified by the monitoring system.

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: FOND OF shared Fair Wear audit reports with factory management and, where possible, also with the worker representation. It discusses Corrective Actions Plans during visits and via emails and Skype. It ensures that suppliers know that FOND OF values quick and accurate follow-up.

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: With the help of a continuous follow-up and remediation measures, FOND OF improved most of the findings in cooperation with the suppliers. During the follow-up process of the audits, transparency on working hours could be improved, for instance through implementation of fingerprint attendance recording systems. Some 'Health and Safety' findings could also be easily solved, particularly findings regarding missing emergency lighting or missing safety guards on machines. FOND OF does not go into detail yet on root causes of different findings.

Regarding COVID-19 follow-up, the company closely monitored wages and health and safety issues and contribute to remediation.

Recommendation: Fair Wear encourages FOND OF to continue strengthening its system to analyse how it might have contributed to findings and what changes it can make in its purchasing practices.

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: As travel was restricted due to the COVID-19 pandemic, this indicator is not applicable for the past financial year.

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: FOND OF collects existing audit reports from other sources as part of its due diligence process and uses these reports to follow up on remediation efforts.

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	Intermediate			3	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 the past financial year, FOND OF produced in two production locations in Myanmar, responsible for 2% of FOB. Both production locations have been audited. None of the them received training. In one production location FOND OF has been producing over a longer period of time, and closely monitors the situation, together with another Fair Wear member. The second production location is part of a Chinese Group, where FOND OF produces in one of their Chinese location and was selected by the group to produce a rush order. At the time FOND OF was informed that production would happen in Myanmar the company was not able to cancel the order. After the order was finished FOND OF made clear this was an unwanted situation.

FOND OF has one production location in Turkey, responsible for 0.4% of FOB in the past financial year. There is another Fair Wear member active at this production location as well. FOND OF is closely following the other member's activities related to due diligence and the enhanced monitoring requirement, but does not have its own policy regarding Turkey.

FOND OF closely monitors the specific country-risks as part of its general due diligence process (see indicator 1.4), such as excessive overtime and freedom of association in China and Vietnam. For China, the company did not take additional steps to mitigate these risks. For Vietnam, the largest production country for FOND OF, the company is working with BetterWork to conduct factory level training. FOND OF is monitoring the Social Dialogue meetings in the factories, that are mandatory by law. Minutes and recordings of these meeting are received and FOND OF is checking with the help of Fair Wear, that meaningful dialogue is taking place. The company maintained a separate overview of COVID-19 related risks, which was especially relevant for production in Vietnam, where the highest risk was around wages. This was assessed and addressed as described under indicator 1.9.

Recommendation: FOND OF needs to take guidance with regard to production in Myanmar into account.

Fair Wear recommends FOND OF to ensure it monitors and conducts due diligence in Turkey independently of other Fair Wear members.

Fair Wear recommends FOND OF to expand its prevention and remediation activities in China and Vietnam.

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: FOND OF actively cooperates with other Fair Wear members whenever possible.

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.: No (o)

Comment: FOND OF produces in two production locations in Portugal and one in Lithuania. The locations have been visited, and necessary information has been collected.

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).	Yes	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.	2	2	0

Comment: FOND OF has conducted audits at several 'tail-end' production locations.

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	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.	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	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.	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.	Yes, and member has information of production locations	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.	1	1	0

Comment: In the past financial year, FOND OF started a design collaboration. It has shared the Fair Wear membership requirements with the other brand and has collected all necessary information on production locations.

Monitoring and Remediation

Possible Points: 27

Earned Points: 23

3. Complaints Handling

Basic measurements	Result	Comments
Number of worker complaints received since last check.	5	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 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 CR Team at FOND OF is addressing worker complaints.

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: FOND OF ensures the Worker Information Sheet is posted in all production locations. In addition, the company encourages production locations to include information on labour rights and the Fair Wear helpline during orientation programmes for new workers. Some pictures from production locations showed that old Worker Information Sheets were posted.

Recommendation: Fair Wear recommends FOND OF to ensure all production locations post the latest Worker Information Sheet.

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 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
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure.	Yes + Preventive steps taken	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.	6	6	-2

Comment: FOND OF received five complaints in the past financial year. Four were from Myanmar, where three were similar complaints about production pressure resulting in discriminatory practices towards the workers. The follow-up made it clear that the current situation makes it difficult to follow-up. This made the company realise that for proper remediation there needs to be a certain level of engagement with the production locations possible. This fuelled the decision for FOND OF to exit production in Myanmar. This does not prevent these kinds of specific complaints from happening, but will allow for better support from the company when something similar would happen in the future.

One complaint was from Vietnam and centred around worker-management dialogue. This was reiterated by audit findings and FOND OF has used this information to also update its due diligence overview for Vietnam. In addition, the company has enrolled the factory in the WEP communication and make sure to discuss worker-management dialogue with different Vietnamese production locations.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers.	Active cooperation	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.	2	2	0

Comment: FOND OF actively cooperated with other Fair Wear members in following up on complaints in shared facilities.

Complaints Handling

Possible Points: 11

Earned Points: 11

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: All staff at FOND OF has been introduced to Fair Wear and updated on developments related to the company's Fair Wear membership.

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: There are weekly meetings between the purchasing, quality, and CR department. CR has biweekly meetings with the internal brands, a bi-monthly meeting with a group including purchasing, material, development, design, product management and CR, in which sustainability topics are also addressed when necessary.

In case of detection of a severe human rights violation in one of the production locations, all relevant staff, including the CEO, are informed right away.

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: For a few production locations FOND OF works with agents, who are informed about the Fair Wear Code of Labour Practices. Active support on implementing the CoLP is secured by having its agents in charge of the corrective action plan follow up with the suppliers.

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

Training and Capacity Building

Possible Points: 5

Earned Points: 5

5. Information Management

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
5.1 Level of effort to identify all production locations.	Advanced	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.	6	6	-2

Comment: FOND OF receives information upfront on what is produced where and what the work schedules are. As a quality check, production locations are visited when it is possible, and work schedules are assessed on a weekly basis. Except for the visits, which in most cases could not take place, FOND OF continued its practise surrounding identifying all production locations during COVID-19.

Checking working schedules weekly, together with knowing at what moments its orders are being produced, helps FOND OF mitigate the risk that orders are being subcontracted. FOND OF stressed again with its main suppliers that subcontracting is only allowed in special circumstances and that they need to be transparent about this beforehand.

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: CR informs Purchasing- and Quality-department every two weeks about audit reports, CAP follow-up, and complaints handling at its main production locations and subcontractors.

Information Management

Possible Points: 7

Earned Points: 7

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: The CR department checks all publications of the marketing department regarding Fair Wear. They brief them and repeat from time to time the message to be humble and honest. In addition to this, FOND OF shares anecdotal stories about for example how an audit is done.

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: All of FOND OF's tier-one suppliers are disclosed in the social report. FOND OF discloses all production locations to other Fair Wear member brands and on the website through the Fair Wear system.

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: FOND OF submitted its Social Report to Fair Wear for publication as well as published it on its own company website.

Transparency

Possible Points: 6

Earned Points: 6

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: The CR department meets with one of the CEOs every month. Fair Wear membership is discussed during this meeting. Examples of specific topics discussed with the CEO would be the Brand Performance Check result and how to increase wages in the factories.

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.	100%	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.	4	4	-2

Comment: FOND OF has addressed all requirements from the previous performance check.

Evaluation

Possible Points: 6

Earned Points: 6

Recommendations to Fair Wear

FOND OF recommends Fair Wear to:

- follow-up more quickly on audit and training requests. It has happened in the past that the brand has announced an audit and training and it took a long time before the factory was contacted by the local teams;
- allow for better information management around complaints. At the moment information is stored in different places and sometimes goes missing;
- make guidance more practical, sometimes Fair Wear guidance seems not feasible;
- reconsider using Asia Floor Wage as recommended living wage estimate in audit reports.

Scoring Overview

Category	Earned	Possible
Purchasing Practices	35	52
Monitoring and Remediation	23	27
Complaints Handling	11	11
Training and Capacity Building	5	5
Information Management	7	7
Transparency	6	6
Evaluation	6	6
Totals:	93	114

Benchmarking Score (earned points divided by possible points)

82

Performance Benchmarking Category

Leader

Brand Performance Check details

Date of Brand Performance Check:

03-11-2022

Conducted by:

Anne van Lakerveld