

# **Brand Performance Check Beckmann Norway**

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

#### **About the Brand Performance Check**

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

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

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

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

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

This report is based on interviews with member company employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at <a href="https://www.fairwear.org">www.fairwear.org</a>. The online <a href="https://www.fairwear.org">Brand Performance Check Guide</a> 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**

# **Beckmann Norway**

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

Member company information	
Headquarters:	Kristiansand , Norway
Member since:	2020-04-01
Product types:	Bags; Accessories; Luggage & other travel accessories
Production in countries where Fair Wear is active:	China, India
Production in other countries:	
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	99%
Benchmarking score	63
Category	Good

#### **Summary:**

Beckmann Norway has shown progress and met most of Fair Wears' performance requirements. With a benchmarking score of 63, Beckmann is placed in the Good category. Although the monitoring threshold does not determine the category this year, Beckmann has monitored 99% of its production volume.

#### **Corona Addendum:**

2021 has been an eventful year for Beckmann. The brand was acquired by a large well-known Chinese stationary group company. The acquisition gives the brand, which is sourcing 99% of its FOB volume in China, access to additional local support resources. Businesswise, 2021 has been a successful year for Beckmann. Sales grew further as consumers increased their interest in high-quality products such as school backpacks.

In 2021, Beckmann started production at one new supplier in China. The reason for the extension of the supplier base was that Beckmann's current main supplier, who produced 80% of the brand's FOB volume, took the unilateral decision to end the business relationship. As a result, the brand had to start moving most of its production to the new supplier. The brand showed good practices concerning the onboarding of its new main supplier. Order placements and capacity planning were agreed on mutually in various steps. Delivery delays were accepted at all times to reduce the risk of excessive overtime. Nevertheless, this significant change in moving production greatly impacted the work of the brand's operations and procurement team.

Travelling possibilities remained limited in 2021 due to COVID-19. End of the year, Beckmann hired one Chinese-based employee for supply chain management support to secure and assist in a closer follow-up of its suppliers.

Like in 2020, the pandemic did not affect Beckmann's purchasing practices. The brand did not cancel or reduce any orders as the sales volume was not affected due to COVID-19. The brand accepted partial and delayed shipment in all cases to support its suppliers.

Since the COVID-19 pandemic, Beckmann kept track of the situation at the suppliers in China during regular calls and online meetings. Beckmann shared the health and safety information with the suppliers in 2020 and checked if these were still in use in 2021. The brand focused on the follow-up in China but also reached out to the two tail-end suppliers in India to get updated information on the impacts of the pandemic in India concerning lockdowns and health and safety. Like last year, the monitoring of both Indian suppliers needs to be improved.

Beckmann could not make further progress on living wages in 2021, as this was planned with the former strategic supplier. The brand focused on building a solid partnership with the new strategic supplier. Beckmann should focus on wage transparency with its new supplier in the upcoming year.

## **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.	99%	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: In 2020, Beckmann sourced 80% of its total FOB at its main supplier in China. Beckmann had 16% leverage at this supplier. Three suppliers where Beckmann also has over 10% leverage were responsible for the other 19% of the FOB counted towards this indicator. Beckmann checks its leverage at suppliers by asking them, in combination with a plausibility check of these figures based on its experience with the supplier, knowledge about the supplier's capacity and information about other customers at the same supplier. Beckmann has five direct suppliers, of which three are located in China and two in India.

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.	1%	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	o

Comment: In 2021, Beckmann sourced 1% of its production volume from production locations where it buys less than 2% of its total FOB. The percentage decreased compared to 2020 (4%) as Beckmann exited two tail-end suppliers in the last year. Beckmann follows a responsible exit strategy for this process (see 1.5). Beckmann still has two remaining tail-end suppliers based in India, which produce leather bags that are only a very small part of Beckmann's product base. On management level, Beckmann will reevaluate again in 2022 if these suppliers will be phased out in future.

It is Beckmann's strategy to limit the number of suppliers, i.e. to work with only a few main suppliers and to avoid subcontracting as much as possible. On the other hand, the brand is planning to strategically build a solid supplier base to prevent the risk of relying solely on one main supplier, as previously done.

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.	81%	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.	4	4	0

**Comment:** Long-term relationships are essential to Beckmann. The company has been working with its main supplier for fifteen years. Beckmann considers finding new suppliers a significant investment. Being a small company, Beckmann carefully assesses whether this investment is needed before onboarding a new supplier. Beckmann's sourcing strategy includes the goal of the company to work in the long term with suppliers.

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:** Beckmann uploaded all signed questionnaires in Fair Wear's internal database. This was confirmed during the brand performance check. New suppliers are required to sign the questionnaire at the very start of the onboarding process.

**Recommendation:** Beckmann needs to ensure that all new printing and embroidery production locations are added to the Fair Wear database on time.

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: Generally, Beckmann follows a standard process when considering adding a new supplier. Beckmann starts by sharing a first introduction letter, including the Fair Wear questionnaire, with the CoLP. The brand then requests documentation related to the financial situation at the supplier, social compliance and chemical/environmental compliance (audit reports, certifications). Beckmann usually requests this information from several factories to compare which meets the brand's standards. Beckmann then proceeds to order samples at the factories which meet these standards. When the quality of products, price and social and environmental compliance match, the brand visits the factory. During this visit, the previously shared documentation has been verified. After this visit, the brand decides whether or not to start working with the supplier.

The CSR manager at Beckmann is also the purchasing manager and, therefore, directly involved in this process. The CSR manager, the design team and the CEO decide to work with a supplier. Working conditions are always considered in this process, for example, by collecting audit reports. The brand does not yet explicitly include a risk assessment with specific labour rights elements in its sourcing strategy. As Beckmann plans to focus its sourcing entirely on China, and Beckmann's CSR and sourcing manager is a Chinese national, Beckmann has a strong understanding of the country-specific risks. Beckmann tries to mitigate the risks by sourcing in facilities located near each other within China to avoid dealing with all kinds of labour rights risks (for example, forced labour is a significant risk in the northeast, less in the south of China). The company has two main risks for China, i.e. lack of freedom of association and occurrence of excessive overtime, on its radar (see also 2.7).

In 2021, Beckmann started production at one new supplier in China. The reason for the extension of the supplier base was that Beckmann's current main supplier, who produced 80% of the brand's FOB volume, took the unilateral decision to end the business relationship. As a result, the brand had to start moving most of its production to the new supplier with which they were in the onboarding process, including trial developments since 2018. All steps according to the standard process were followed, the questionnaire was signed, and the Worker Information Sheet was posted. From the beginning, the brand had an open dialogue about its situation and scheduled several in-person meetings. As soon as Beckmann was clear to move production to the new supplier, the brand planned a Fair Wear audit to have a clear picture of the social compliance level at the supplier. The brand also scheduled a WEP training as a follow-up of the audit, which was postponed to 2022.

Since the COVID-19 pandemic, Beckmann has kept track of the situation at the suppliers in China through regular calls and online meetings. Beckmann shared the health and safety information with the suppliers in 2020 and checked if these were still in use in 2021. The brand focused on the follow-up in China but also reached out to the suppliers to get updated information on the impacts of the pandemic in India concerning lockdowns and health and safety. Beckmann's orders were placed and produced (as every year) only in autumn/winter. In this period, no lockdowns occurred.

Generally, Beckmann used the country information Fair Wear provided. Beckmann had the new Chinese supplier audited in 2021 by Fair Wear and continued to work on CAPs from external audits done in 2019 and 2020.

**Recommendation:** A risk analysis as part of the decision-making process of selecting new production locations is an important step to mitigate risk and prevent potential problems. Fair Wear recommends Beckmann to clearly define preventive actions for identified risks and connect them to sourcing decisions. This also includes strategies to tackle structural risks such as low wage levels in the country, limited freedom of association and restricted civil society that are beyond the brand's individual sphere of influence.

For the time being, as Beckmann is still sourcing in India, it should include this country in its due diligence processes. Although Beckmann sources a small part of its total order volume at the Indian suppliers, it has a responsibility towards these factories which are partially reliant on Beckmann. Beckmann can cooperate with local stakeholders to further investigate the situation in a specific country, particularly with regards to India. Fair Wear can offer information on local stakeholders.

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	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.	1	2	0

**Comment:** Beckmann evaluates its suppliers on an ongoing basis. As the CSR manager is also responsible for purchasing, the evaluation includes labour conditions and suppliers' willingness to work on improving conditions. This process has not yet been institutionalized into a formal process, i.e. a rating system which explicitly includes Fair Wear labour standards. Currently, the information about suppliers' performance on the CoLP is tracked via the CAP report progress.

As described above, Beckmann has exited one supplier based in India because the product they make, leather bags, gradually discontinued due to decreasing sales figures. In addition, the brand faced severe product quality issues with the supplier. Beckmann followed a responsible exit strategy based on the guidance from Fair Wear. The exit was a joint decision between both parties and started early in 2020. Included in its responsible exit strategy are several questions to the suppliers, including what kind of support the factory needs and whether the reason to exit is labour rights issues. This was not the case.

Beckmann started to end the business relationship with its main Chinese supplier, who, in 2021, still produced 80% of the brand's production volume. The exit was a unilateral decision by the supplier and started mid of 2021. This change significantly impacted the brand's overall operation in the last business year. Large order volumes were moved to another supplier, which will be the strategic partner for the future.

Also, in 2021, Beckmann did not cancel or reduce any orders as the sales volume was not affected due to COVID-19. The brand accepted partial and delayed shipment in all cases to support its suppliers.

**Recommendation:** Fair Wear encourages Beckmann to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions. Such a system can show whether and what information is missing per supplier and include outcomes of audits, training and complaints.

As an additional step on the supplier evaluation, Beckmann could consider giving suppliers the tools to conduct a self-evaluation. Furthermore, it could ask its suppliers to evaluate the purchasing practices of Beckmann.

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: Most of Beckmann's production volume is sourced from suppliers in China, where excessive overtime is a common finding. Beckmann's production cycle is simple, with one collection per year. This collection is delivered in three drops throughout the year. This gives opportunities to Beckmann to mitigate the risks of excessive overtime. Thanks to this system, the impact of COVID-19 was also limited. Generally, Beckmann places significant orders in the low season (June/July/August), which mitigates the occurrence of excessive overtime.

The process of production planning starts a year before the product goes into production. The planning as such takes place in direct consultation with this supplier. In the past, Beckmann used to discuss production planning only with its leading strategic supplier in person. But with the drastic shift of moving production to a new supplier in 2021, Beckmann had several in-person meetings with the new supplier at the headquarter to ensure the supplier has sufficient capacity for their products without a negative impact on the supplier's production planning (e.g causing excessive overtime). From the beginning, the brand had an open dialogue about its situation and discussed together how its orders can be integrated into the supplier's production planning. After four months, the actual orders were placed in September 2021. Still, due to the big overall volume, Beckmann accepted delivery delays, which also led to sales delays for the brand.

The general process of production planning remained valid also during this supplier shift in 2021: A draft timeline for the entire year is shared with the factory management, which is then asked to check this planning with their production capacity. The planning is adapted if the capacity does not allow for the envisioned planning. The result is for the supplier to have a yearly calendar to plan the entire year. In this process, lead times are also discussed, in case a supplier needs more time to finish a particular order. Usually, the order is split, and part of it can move to one of the other shipment moments. Beckmann aims to reduce the occurrence of excessive overtime with this collaborative process.

Last-minute changes in design happen very rarely and are always discussed with the supplier. If it is not feasible for the supplier, the difference is moved to the following year. In case of delays in materials, the lead time is extended, and orders are split. Beckmann and the factories decide on this together. The brand accepted any delays due to COVID-19.

**Recommendation:** Beckmann should ensure to include all suppliers in its production planning process and roll out the process as well with other production partners.

Beckmann could make use of Fair Wear's guidance on excessive overtime to get more insight into how the brand can make sure to avoid pressuring the factory, which may lead to excessive overtime.

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: In 2021, Beckmann actively followed up on findings of excessive overtime in the audit CAPs and continues to work on this topic. One of the root causes identified by their second largest supplier (FOB volume), which was audited in 2020, was that the workforce reduced since the pandemic. In response, Beckmann extended the lead times significantly. Beckmann discusses the findings related to overtime in the CAP report and stimulates the supplier to work on solutions to this issue but acknowledges the rather small leverage (10% at this supplier). Furthermore, Beckmann offers flexible delivery dates for this supplier as the products from this partner are not timebound to its sales calendar like e.g. back to school items from other suppliers. And Beckmann offers to split its orders if this works better for production planning.

Excessive overtime was also identified at the new strategic partner in China, but as the audit report was only shared in December 2021, the follow-up will be reviewed in the next Brand Performance Check.

**Recommendation:** Besides discussing it with the supplier and assessing root causes, Fair Wear strongly recommends Beckmann to actively take measures when excessive overtime is found. Taking measures to ensure that Beckmann knows and shows whether excessive overtime takes place at a supplier is key in resolving the issue. Measures such as regular checks by the newly hired employee in China, 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.	Advanced	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.	4	4	0

Comment: Beckmann has insight into the detailed cost breakdown of its products made at Chinese suppliers, which includes labour costs. Shortly after joining Fair Wear, Beckmann started working with its Chinese suppliers on connecting the prices the brand pays and the wage levels at the factory. Beckmann had its main suppliers in China fill out the Fair Wear labour minute costing calculators and, based on the output, made the connection between its cost breakdown and the wages at the factory. The brand did not take any further actions since then, as Beckmann wanted to combine the next steps with the introduction of the Fair Price App. But with the end of the business relationship of the main supplier and the significant production shift to the new supplier, the brand decided first to set a stable basis with the new supplier.

Prices did not directly increase due to COVID-19 measures, but Beckmann faced severe price increases related to freight and material costs.

To set the price for the products made in China, Beckmann shares its detailed cost breakdown with the supplier in preparation for the annual planning meeting. Negotiation then takes place mainly on the various material elements of the product, and the product design can be changed to lower the price if needed. The price negotiations with the Indian suppliers are not done this way. Beckmann has been working with these suppliers for a long time and bases these prices on this long experience rather than transparent costing.

**Recommendation:** Fair Wear recommends Beckmann 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, for example by using the FairPrice app. The FairPrice app also enables suppliers to include any COVID-19 related costs. Beckmann could consider offering training by a local representative on FairPrice to its suppliers. Such training is available in all Fair Wear countries.

Beckmann could provide suppliers who don't use open costing, training on product costing and how to quote prices including (direct and indirect) labour costs. FairPrice product owners are available to conduct such training in all Fair Wear production countries.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.9 Member company actively responds if production locations fail to pay legal minimum wages and/or fail to provide wage data to verify minimum wage is paid.	No	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.	-2	O	-2

**Comment:** Inconsistency of wage records and attendance records were reported during a Fair Wear audit at the new strategic partner in China. But as the audit report was only shared in December 2021, the follow-up will be reviewed in the next Brand Performance Check.

Beckmann did not identify any non-payment of legal minimum wages due to the COVID-19 pandemic. The brand checked if lockdowns in India affected wages. Beckmann's orders were placed and produced (as every year) only in autumn/winter. In this period, no lockdowns occurred. The Indian supplier confirmed wages were paid during the lockdown period. However, Beckmann did not verify this information by requesting wage records. The main supplier in China had two weeks of lockdown in 2021 due to COVID-19, but wages were paid as usual, and the proof was provided.

**Requirement:** Please note that following Fair Wear's policy for repeated non-compliance in Fair Wear's Brand Performance Checks, members that receive an insufficient or -2 score on this indicator for the second year in a row, will be placed in the 'Needs Improvement' category.

Regarding the 2021 audit at the Chinese supplier, if a supplier is not transparent about wages and working hours, Beckmann is expected to respond as if minimum wages have not been paid. Beckmann is required to start an investigation into the causes of the incomplete data, discuss this with the supplier and collect evidence of payment of legal minimum wage. Factory visits with a documents check or additional verification by Fair Wear may be needed to verify remediation.

**Recommendation:** Beckmann should ensure to follow its due diligence continuously and request documentation as proof in cases there has been the risk of unpaid wages, e.g. during the lockdowns in India.

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:** During the performance check, Beckmann's finance manager was able to demonstrate all payments were made on time. Generally, Beckmann tailors its payment terms to the needs of the suppliers. With its Indian suppliers, 30-50% of the order is prepaid. The Chinese suppliers do not need this as they are financially more solid.

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	O

Comment: Beckmann knows the wage levels at its suppliers from third-party (BSCI) audits and is aware of a gap between the wages paid and the living wage levels. During the Fair Wear audit at the new strategic partner, no wage ladder could be established as reliable data on working hours was missing. Beckmann is currently focusing on that finding to develop a solid base and start working with the Fair Price App in the future. Beckmann has not yet started actively working on uncovering root causes for wages being below living wages. In general, Beckmann has started addressing the topic of living wages in the CAP reports but has not yet taken it up as a separate issue. Living wages will become a focus from 2022 onwards, by increasing transparency and defining a target wage.

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

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

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

Comment: Beckmann does not own any factories.

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	6	0

**Comment:** In 2020, Beckmann started its living wage work by getting insight into the labour minute value at its former main suppliers (see 1.8) but has not yet defined a target wage or a plan to finance wage increases. With the end of the business relationship of the main supplier and the significant production shift to the new supplier in 2021, the brand decided first to set a stable basis with the new supplier.

**Requirement:** As soon as the base with the strategic partners is set, Beckmann should analyse what is needed to increase wages and develop a strategy to finance the costs of wage increases.

**Recommendation:** Beckmann should start setting a target wage. It is recommended to consult the Fair Wear living wage policy, which includes recommended living wage estimates, in this process. In determining what is needed and how wages should be increased, it is advised to involve worker representation.

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

**Comment:** Being a second-year member, Beckmann has not yet been able to demonstrate it contributes to the payment of a living wage at its factories. As Beckmann has not yet set a target wage, it also has not yet been able to demonstrate reaching a target wage.

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

# **Purchasing Practices**

**Possible Points: 52** 

**Earned Points: 29** 

# 2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	99%	
% 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:	99%	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:** The CSR manager is responsible for following up on problems identified by the monitoring system. End of 2021, a new colleague joined who is based in China to follow up on sourcing and CSR matters on site.

**Recommendation:** Fair Wear recommends to support the new team member based in China with continuous training on the Code of Labour Practise and Fair Wear.

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.	No Corrective Action Plans were active during the previous year	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.	N/A	2	-1

**Comment:** Beckmann received the external CAPs from the supplier and, as such, did not need to share them with the supplier. After receipt of the CAP, the factory and brand agree on a timeline for remediation. Beckmann has a monthly meeting with its main suppliers where CAP follow-up is discussed. The brand is not in direct contact with worker representatives to share CAPs but is aware that worker representatives are supporting the CSR team at one supplier.

**Recommendation:** Before an audit takes place, Beckmann is recommended to check with the supplier whether worker representatives are active. In this way, they can be involved from the start of an audit and be invited to the audit opening and exit meeting. Including workers when following up on audit reports gives them the opportunity to be informed of issues in the factory and have a voice in the prioritization of issues.

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.	Basic	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.	4	8	-2

**Comment:** Beckmann keeps track of progress on the Corrective Action Plan with the help of CAP excel sheets. The factories include follow-up in the CAP document, which Beckmann can comment on and ask questions about. These documents are shared back and forth via e-mail. Beckmann requests documentation to verify follow-up has taken place. In addition, the brand regularly discusses CAP finding progress in a call with the factories.

In 2021 Beckmann had the first Fair Wear audit at the new strategic supplier based in China. But as the audit reports were submitted to the brand only in December 2021, the follow-up on the findings will be reviewed in the next performance check. Two more CAPs for audits in 2020 and 2019 at two Chinese suppliers were still active in 2021. At one supplier, Beckmann followed up monthly on findings of living wage and excessive overtime. The report stated that social insurance was not paid to all workers. Within three months of remediation, the supplier purchased commercial insurance for all workers (ca 15%) who did not want to participate in the social insurance system as both employer and employee contribute financially. Beckmann did not follow up on the other active CAP further than May 2021 as the factory did not reply anymore to Beckmann's CAP requests after the end of the business relationship was official.

Generally, CAP follow-up focuses mainly on requesting CAP status from the factory. Beckmann is not yet very actively involved in remediation. Beckmann has not yet been able to apply worker representation in its CAP follow-up. Beckmann's CSR manager has daily contact with Chinese suppliers via Wechat and phone calls.

Beckmann's follow-up on COVID-19 risks was focused on China and only superficially included the suppliers in India, with which Beckmann is not in such regular contact. All suppliers confirmed that Health and Safety measures remained in place since the pandemic's start.

**Recommendation:** Fair Wear encourages Beckmann to continue strengthening their system to analyse how they might have contributed to findings and what changes they can make in their purchasing practices. Beckmann should be actively involved in remediation, not only require information on CAP status. COVID-19 related issues can be included in outstanding CAPs to facilitate monitoring.

Beckmann should actively include its suppliers in India in its monitoring and follow-up of CAPs, especially concerning COVID-19.

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 in 2021.

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	o

Comment: In 2020, Beckmann collected existing BSCI audit reports and assessed the quality by consulting Fair Wear's verification coordinator. Beckmann continued to work on the follow-up of these audits in 2021 (see 2.4).

**Recommendation:** Fair Wear recommends to always request the latest external audit reports in order to ensure the ongoing CAP follow-up is still valid.

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

Beckmann sources almost exclusively from suppliers in China. Therefore the human rights risks in this country are a focal point for the company. Freedom of Association is discussed with all suppliers, audits show if worker representatives are active, and Beckmann, e.g. encourages increasing awareness in the factory of who those representatives are. To further raise awareness, the brand plans further WEP Basic introduction training. Beckmann's code of conduct for suppliers includes the prohibition of forced labour and the importance of freedom of association and discussed those risks with its suppliers. The brand keeps track of the developments in China in various ways, including Fair Wear guidance, but also by following the Chinese news and local contacts. Beckmann is aware that excessive overtime can be strongly connected to living wages but also can be caused by lead times. The brand wants to investigate root causes further to mitigate them. As the CSR manager is Chinese, Beckmann sees many opportunities to bridge cultural differences and further work on effective remediation.

#### INDIA

The brand is aware of risks such as gender-based violence in India but is not actively following up on specific risks with their supplier due to the low volume of products which are repeat orders for many years. Nevertheless, Beckmann acknowledged it should do more concerning CSR, also with those tail-end suppliers.

#### COVID-19

At the start of the pandemic, Beckmann shared health and safety guidance with its suppliers and requested pictures to verify if these were shared with workers. Beckmann verified that workers did get paid during sick leave/required quarantine. No workers were let off. Also, in 2021 Beckmann checked with its suppliers if health and safety measures were still in place. For more information pleas review indicator 1.9

**Recommendation:** Beckmann is advised to include India in their strategic risk assessment and follow-up.

Concerning the brand's work on Freedom of Association, Fair Wear advises using tools provided in the Brand guide: Freedom of Association and Collective Bargaining, available on the member hub.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	No 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.	-1	2	-1

**Comment:** In 2021, Beckmann sourced from one shared factory in China. As the brand did not yet disclose its suppliers to other members in Fair Wear's internal database, Beckmann was unaware of this shared supplier and therefore did not collaborate yet in CAP follow-up.

**Requirement:** To ensure collaboration Beckmann should disclose its suppliers to other members Fair Wear's internal database.

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.	No production in low-risk countries	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.	N/A	2	0

#### Member undertakes additional activities to monitor suppliers.: N/A (N/A)

**Comment:** Beckmann does not have any production in low-risk countries.

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: In 2019, an audit was conducted at one of Beckmann's tail-end suppliers in India.

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.	No licensees	Fair Wear believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

# **Monitoring and Remediation**

**Possible Points: 21** 

**Earned Points: 13** 

# 3. Complaints Handling

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

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

**Comment:** Beckmann's CSR and purchasing manager is responsible for follow-up in case of 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:** Beckmann ensured in 2020 that the Worker Information Sheet (WIS) was posted at all its production facilities. New non-CMT subcontractors in 2021 also posted the Worker Information Sheet (WIS). Photos of the WIS posted at the facility where uploaded in Fair Force.

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.	80%	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 workermanagement 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.	6	6	0

**Comment:** In 2020, Beckmann ensured its main supplier (80% of production volume) enrolled in the basic module of the Fair Wear Worker Education Programme. The factory confirmed this programme improved its understanding of worker-management dialogue. As the brand is finalising the exit of this supplier, no further follow-up has taken place in 2021. A planned WEP basic at the new strategic supplier could not take place and was postponed to 2022.

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

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

# **Complaints Handling**

**Possible Points: 9** 

**Earned Points: 9** 

## 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:** The CSR manager regularly updates colleagues during the company's weekly organisational meetings.

**Recommendation:** At the start of Beckmann's membership in early 2020, the brand requested a presentation about Fair Wear by one of the Fair Wear staff members. As new employees joined the company within the last two years, Fair Wear recommends having an introduction about Fair Wear as part of the onboarding program for new employees.

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

Comment: The CSR manager at Beckmann is also responsible for buying and, therefore, one of the key people in touch with the supplier. Generally, the CSR and purchasing manager, as well as the design, development and operations team, are most often in direct contact with the suppliers. Everyone is informed about Fair Wear requirements. When visiting suppliers, the company's CSR manager also plans to make sure colleagues are aware of CoLP requirements. In 2021, due to the travel restrictions related to COVID-19, still, no travel took place.

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.	Member does not use agents/contractors	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.	N/A	2	0

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.

**Recommendation:** Fair Wear recommends Beckmann to implement training programmes that support factory-level transformation such as establishing functional internal grievance mechanisms, improving worker-management dialogue and communication skills or addressing gender-based violence. Training assessed under this indicator should go beyond raising awareness and focus on behavioural and structural change to improve working conditions. As Fair Wear currently does not offer such training in China, Beckmann is encouraged to find another training organisation to conduct this training. Non-Fair Wear training must follow the standards outlined in Fair Wear's guidance and checklist available on the Member Hub.

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: 3** 

**Earned Points: 3** 

## **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: Beckmann's supplier agreement does not allow unauthorised subcontracting. Beckmann does not have extensive systems in place to identify all production locations. Still, as it has a relatively small supply chain, it can check whether the suppliers' capacity matches the order quantity. Beckmann usually visits suppliers to check the capacity and see if the order quantity matches the capacity. End of 2021, Beckmann hired a new employee based in China who will support the process by announced and unannounced factory visits.

**Recommendation:** Fair Wear recommends Beckmann to periodically check whether all known production locations are still up to date and use the information coming from questionnaires to update supplier data, including subcontractors. The brand should involve the recently hired colleague in China to support the checks.

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:** During weekly meetings, the CSR manager shares with colleagues from other departments what the situation at the suppliers is. Since Beckmann's membership started, the staff has not been visiting the suppliers due to COVID-19, and a formal process to inform others about CSR information thus has not yet been developed. With the newly hired local colleague, monitoring reporting will be integrated formally into the weekly updates as of 2022.

# **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	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:** Beckmann communicates about its Fair Wear membership on its website according to the guidelines in the Fair Wear communications policy.

**Recommendation:** Fair Wear encourages the brand to extend their communication about the Fair wear membership and include on garment communication.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	No	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.	0	2	0

**Comment:** Beckmann has not published the first Brand Performance Check or relevant audit reports on its website. The brand also has not disclosed any suppliers on the Fair Wear website.

**Requirement:** Fair Wear requires member brand to disclose production locations to other member brands in Fair Force and on the Fair Wear website.

**Recommendation:** Fair Wear recommends Beckmann to publish the Brand Performance Check Report 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 Fair Wear's communication policy.	Social report that is in line with Fair Wear's communication policy.	2	2	-1

**Comment:** Beckmann submitted its social report to Fair Wear and uploaded it on its website.

# **Transparency**

**Possible Points: 6** 

**Earned Points: 4** 

#### 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 CEO of Beckmann is working very closely with the CSR manager and is directly involved in the Fair Wear membership. As such, it is being evaluated with top management on an ongoing basis.

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.	33%	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.	2	4	-2

Comment: Beckmann had four requirements in their first Brand Performance Check-in 2020, of which one was not applicable anymore at the time of this report. Of the three remaining requirements, one was addressed by the brand. The brand started using two suppliers' labour minute costing tools to work on living wages. Further work was to be done with the switch to the Fair Price App. But due to the exit of the strategic supplier, the work on wages was stopped and will be done in 2022 with the new strategic partner. The requirements regarding determining wage increases were not followed up yet. The requirement of disclosing suppliers to other members still needs to be addressed.

**Recommendation:** Beckmann should further follow up on all open requirements.

# **Evaluation**

**Possible Points: 6** 

**Earned Points: 4** 

#### **Recommendations to Fair Wear**

Beckmann would like to learn more from best practices from other brands, especially those with a similar set-up. Concrete examples and templates would be highly appreciated to shorten the path to reach a goal for the brand. Beckmann would like to connect more with other Fair Wear members in future.

# **Scoring Overview**

Category	Earned	Possible
Purchasing Practices	29	52
Monitoring and Remediation	13	21
Complaints Handling	9	9
Training and Capacity Building	3	3
Information Management	4	7
Transparency	4	6
Evaluation	4	6
Totals:	66	104

Benchmarking Score (earned points divided by possible points)

63

Performance Benchmarking Category

Good

#### **Brand Performance Check details**

Da	ate	of	Brand	Performance	Check:
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16-08-2022

Conducted by:

Julia Kraemer

Interviews with:

Sharon Liu - CSR, Procurement and Quality Manager Simon Hansen - Head of Operations Martin Beckmann - Marketing Manager John Lie - CFO Martin Tordsson - CEO