



Member Guide

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Fair Wear is an independent, non-profit organisation dedicated to improving conditions for garment workers around the world. For more than 15 years, Fair Wear has evaluated and publically reported on the human rights compliance efforts of its nearly 100 member brands. Fair Wear member brands are based in ten European countries, and their garment production is concentrated in 11 priority countries, primarily in Asia. Fair Wear is jointly governed by business associations, trade unions and NGOs. For more information, please visit www.fairwear.org.

This member guide is a working document that will be updated as both the industry as Fair Wear and its members develop. It replaces the earlier 'Manual for Affiliates' document.

The member guide describes all of the fundamental requirements of Fair Wear membership. This guide aims to clarify the roles and responsibilities of Fair Wear members and Fair Wear itself. Fair Wear members should consider this guide as the starting point for any questions they may have.



Government of the Netherlands

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Introduction

Fair Wear is an independent, not-for-profit foundation headquartered in Amsterdam, the Netherlands. Our mission is to cooperate with brands, factories and stakeholders in improving working conditions globally within the clothing and textile industries. Since being founded in 1999, we at Fair Wear have collaborated our mission with the expertise of trade unions, non-governmental organizations (NGOs) and business associations to achieve sustainable and replicable **improvements within the clothing and textile industries.**¹

We strive to implement our own [Fair Wear Code of Labour Practices](#)² within the garment industry. However, we do not claim to offer quick fixes to complex problems. Our approach to remedy supply chain injustices is to focus on long-term sustainable results, while involving all participants, including our own Fair Wear member brands, as well as garment workers, factories and trade unions.

In order to pursue this long-term sustainability, Fair Wear participates with more than 80 member companies (representing over 130 brands) based in Europe, with member products sold in over 20,000 retail outlets within 80 different countries.

Change requires a major joint effort. We therefore invite brands to join Fair Wear and make a difference.

¹ This member guide is an extended version of earlier guidelines. It replaces the '2009 Manual for Affiliates' and describes all of the fundamental requirements of Fair Wear membership. This guide aims to clarify the roles and responsibilities of Fair Wear members and Fair Wear itself. Fair Wear members should consider this guide as the starting point for any questions they may have. This guide is comprised of three parts: 1) a section of basic information for new members, 2) a record of members' activities and commitments and 3) Fair Wear's verification of member commitments. This guide will be continuously updated with new policies. These new developments will be communicated before the Brand Performance checks take place.

² a model based on the International Labour Organization (ILO) conventions and the United Nations' Universal Declaration of Human rights.

2. Terminology

A guide to help you navigate the terminology used at Fair Wear.

Agents sourcing agents, production agents or intermediaries that coordinate production between brands and factories.

Annual work plan an important tool submitted by Fair Wear members that describes a brands' purchasing practices, supplier relations and due diligence activities for the upcoming financial year.

Brands member brands are referred to as 'brands' to distinguish them from factories and agents.

Brand Performance Check assesses how brands have integrated social compliance into their core business practices.

Corrective Action Plan (CAP) a plan made after an audit that describes realistic steps for improvement within a clear time frame.

Code of Labour Practices (CoLP) a human rights model that is the foundation for all work between factories and brands, and the first step in developing a commitment to improvement; the CoLP is based on the ILO Conventions and the United Nations' Universal Declaration of Human Rights.

Committee of Experts (CoE) experts in the fields of garment production, trade, labour law and social development; the CoE advises the Fair Wear board on

matters related to the problems and challenges of sustainable development. **Corporate social responsibility (CSR)** a self-regulating business model that helps brands be socially accountable – to itself, its stakeholders, and society; a CSR model checks to make sure a brand is operating in ways that improve society and the environment, instead of hurting it.

Complaints mechanism Fair Wear's complaints procedure enables Fair Wear member companies to provide access to remedy for workers in their supply chains. It allows workers, their representatives, including trade unions and civil society organisations to present complaints about working conditions and violations of the Fair Wear Code of Labour Practices at factories supplying Fair Wear members.

Civil society organizations (CSO) Non governmental organisations and labour unions that shape policies that help brands improve workers' lives.

Cut-make-trim (CMT) an integral part of the production process where garments are actually assembled – normally by sewing, but sometimes by using other techniques like gluing. designer collaborations designers that work with Fair Wear members for a specific product or style; products

carry both labels and brand logos. due diligence knowing and mitigating risks in members' supply chains.

Factories production locations that actually make garments.

Free on board (FOB) the full business price that is paid to a supplier. **Freedom of association (FOA)** trade union rights can be exercised in normal conditions, in a climate free of violence, pressure, fear and threats of any kind.

Garment industry garment industry spans from cotton fields and oil refineries to shops and internet delivery services; it's an industry that has created millions of jobs and is a major economic engine, but has done so at the cost of the wellbeing of many of its workers.

Greenwashing a form of marketing that deceptively presents its products and claims as environmentally friendly.

Grievance system designed to protect workers, a system that allows workers to report issues related to working conditions. See 'complaints mechanism'.

International Labour Organization (ILO) an international agency dealing with labour problems, focused particularly improving labour standards for all.

International Trade Union Confederation (ITUC) promotes workers' rights through international cooperation with trade unions, global campaigning and advocacy with other global institutions.

Leverage the influence a brand has with suppliers; an important tool to affecting change.

Licensees independents that operate through their own production and distribution channels.

Monitoring threshold a minimum percentage of production that must be under monitoring.

Multi-Stakeholder Initiative (MSI) seeks to bring stakeholders together to discuss common problems or goals.

Production location data a list of production locations that must be submitted to Fair Wear along with a work plan as a step toward membership.

Supply chains the movement of goods and services from production to consumption.

Supply chain tails The tail end that typically shows a number of production locations where small orders are placed. Commonly not part of a brand's main supplier base.

Transparency process of disclosing information about the manufacturing process of garment based on a business value that includes honesty, exposure and vulnerability'.

Workplace Education Programme (WEP) aims to provide factory managers and workers with the tools they need to start an open dialogue about issues and opportunities within the workplace, as well as how to improve working conditions within the factory.

Fair Wear's approach

Traditional efforts to improve working conditions have focused primarily on the factory. However, we at Fair Wear take an unconventional, practical approach. Fair Wear believes that improving conditions for apparel factory workers requires change far beyond the factory. The bottom line is that factory conditions are directly related to the purchasing practices of brands.

Fair Wear therefore both investigates the working conditions in the factories supplying member brands and verifies the member brand's practices and their effectiveness in preventing and addressing labour violations. We also provide helplines accessible to workers and local stakeholders, while offering training for workers and factory managers.

The Fair Wear membership base does not cover the entire industry, but we believe our members are the forerunners establishing good practices that will influence the rest of the industry. We at Fair Wear see ourselves serving an important leadership role in showing how improvements can be made. Together with our members, we are uniquely positioned to help lead the way forward, working alongside brands in improving conditions for those employed within this industry, while changing practices that will continue to affect the daily lives of millions around the world.

FAIR WEAR'S PROCESS APPROACH

The key to successful membership is demonstrating progress over time, which is measured in how the Fair Wear Code of Labour Practices are being implemented. This process approach also means that we do not certify brands, factories or garments as "100% fair" because we are aware of the countless challenges within the garment supply chains, making it disingenuous to promise such a guarantee. Although brands are not expected to provide perfect supply chain conditions in order to be a member, they are expected to make continuous progress.

Fair Wear requires our brands to make yearly improvements. The goal is to ensure that brands improve aspects of their own business practices to improve working conditions within their supply chain. We believe that the only way to achieve sustainable improvements in supply chains is to change the business culture. Meaningful, on-going engagement between brands and suppliers is essential to achieve this goal.

FAIR WEAR'S MULTI-STAKEHOLDER APPROACH

At every level of activity, from decision-making to workplace verification and code implementation, we at Fair Wear bring business associations, trade unions and NGOs together as equal partners. Each stakeholder group has an important role to play in improving working conditions, and together they can achieve a much greater impact.

Fair Wear invests significant time and resources in our relationships with local partners in production countries, because ultimately we depend on local stakeholders to effect change locally. We involve local stakeholders in every aspect of our work, from auditing to remediation and complaints handling, to the development of our Fair Wear country strategy. Given the impact that global brands have on conditions in their supply chains, engagement with European and international stakeholders is essential in addressing the root causes of many problems within supply chains.

This is why we are in a unique position to help members with their due diligence requirements. Fair Wear effectively guides members to the places where the risks are highest and the changes most urgent, whilst relying on the local stakeholders' input. This reliance enhances the members' impact, as stakeholders are crucial players in the efforts needed to achieve sustainable change.

Working with Fair Wear comes with the added benefit that we are not a business-centred organization. Our Fair Wear members are held accountable and verified by an independent and qualified organization, guaranteeing credibility and transparency.

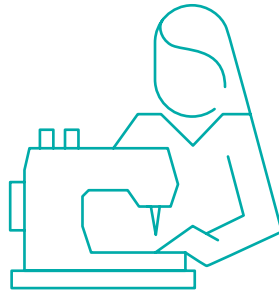
The necessity of Fair Wear requirements

As an industry that has created millions of jobs and been a major economic engine, the garment industry has done so at the cost of the well-being of many of its workers.

Apparel factories and the governments who regulate them are primarily responsible for ensuring that workers' **rights are respected**, which sadly, is not often the case. Influenced by a complex mixture of economic, social and political issues, the failure to respect workers' rights is often traced back to either problems within the production countries themselves, or to the practices of apparel brands, or both.



At its core, Fair Wear's work is designed to bridge the gap between the way workers' rights should be respected in the garment industry, and the way workers are actually treated. When it comes to human rights, the underlying principle of Fair Wear's work, and the main international agreements on responsible supply chains,¹ is that regardless of what should be happening in a particular factory or country, brands are responsible for knowing what actually is happening, and responding appropriately. If brands choose to do business in situations where there are documented human rights risks, they are responsible for identifying risks to workers at their suppliers and working with those suppliers to ensure that rights are respected.



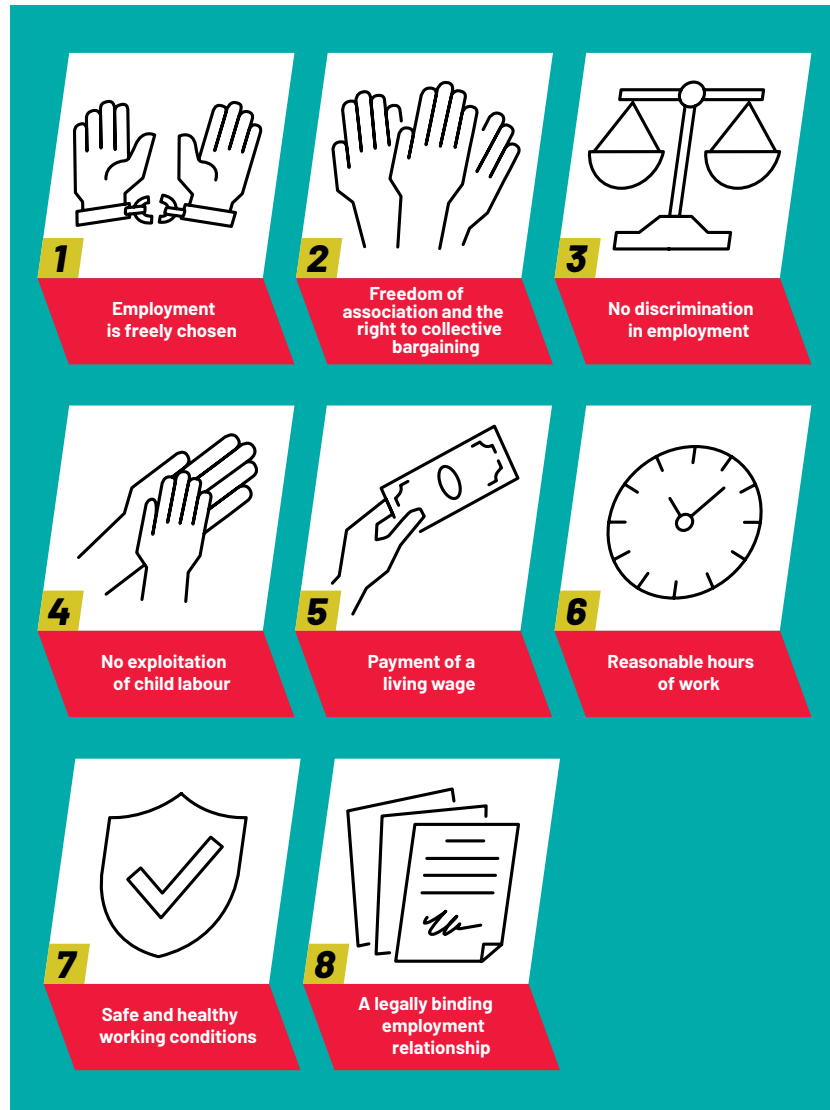
In principle, this responsibility applies to all workplaces, at all levels of supply chains. The guidance of the UN Framework on Business and Human Rights holds businesses responsible both for their own actions, and for relationships with business partners, entities in its, value chain, and any other entity directly linked to its business operations, products or services.

At the same time, both the UN Framework and Fair Wear recognise that a brand's ability to effect change is influenced by a number of factors, including the nature of their relationship with the supplier, and how much influence they have. The prioritizing of higher-risk situations is an important part of Fair Wear's approach, as is the UN guidance. The boundaries of Fair Wear's requirements for its members are influenced by these concepts.

Clearly, doing business responsibly in the major garment-producing countries requires a different set of skills and knowledge than doing business in the home countries of most brands. Some of the main benefits of Fair Wear membership is the guidance we at Fair Wear provide in identifying risks and solutions, our help in developing the skills and knowledge within member brands, providing local stakeholder organizations with specific expertise and in helping to create solutions where none yet exist.

¹ UNGP, OECD

The Fair Wear code of labour practices



Part 1

Fundamentals of Fair Wear membership

Participants

What kinds of brands can join Fair Wear?

Membership is available to brands that market and produce apparel, such as garments, footwear, bags, belts, tents, sleeping bags, luggage and home textiles. We welcome a wide range of brands, operating in many different markets. In most cases, brands contract with factories to produce their goods, and our work at Fair Wear focuses on those brand-factory relationships.

To be eligible for joining Fair Wear membership, a brand needs to meet the following criteria:

- €10 million euro minimum annual turnover
- More than 50% production in countries where Fair Wear is active and/or on Fair Wear's low risk list
- At least 50% of own production meaning all goods commissioned by the Fair Wear member, directly or through an agent or other intermediary, for all (sub) brands owned or managed by the member. As opposed to external production where members re-sell other brands



See for more information on product ranges and product process that fall within Fair Wear's membership in the [scope section](#).

ONCE ELIGIBILITY IS ESTABLISHED A BRAND CAN BECOME A MEMBER WITH:

- An approved work plan
- A completed list of production location data
- An accountant statement from the past financial year
- A signed confidentiality agreement

To have a successful membership, Fair Wear considers several additional elements in the new membership process. These elements will be considered and discussed with each prospective company, as Fair Wear strongly believes that these will affect the performance of a member company:

- Advanced management systems, innovation and due diligence (explained in the work plan and presented to Fair Wear with relevant evidence)
- High corporate social responsibility (CSR)-related ambition (i.e. CSR budget, plans to change internal systems, innovative projects) shown through endorsement of the company's top management
- Willingness to both share their monitoring activities and work collaboratively on complaints with other brands
- Willingness to make their supplier register public to other Fair Wear members (and in aggregated form to the general public)
- Open to advanced communication about Fair Wear membership

CAN FACTORIES JOIN FAIR WEAR?

No. Fair Wear's members are brands that source their garments from factories located in a wide range of production countries and work together with these factories to improve labour conditions. We engage with factories primarily through our members. A few years ago, Fair Wear accepted a small number of factories as members as part of a pilot programme. However, we are not accepting new factory members as this pilot programme has come to an end. Future developments with regards to this programme are still being evaluated, and we will be sure to communicate this on our website.

CAN MULTIPLE BRANDS OF THE SAME HOLDING COMPANY HAVE A FAIR WEAR MEMBERSHIP?

In the event that a holding company with multiple brands becomes a Fair Wear member, all brands will fall under membership. The Code of Labour Practices is signed on a holding level*, indicating that all brands are subject to the same Fair Wear requirements. In the event that the holding company acquires new brand(s) during the time it is a member of Fair Wear, the new brand(s) are also included in Fair Wear membership. Consequently, business practices for each brand should be monitored and will be verified on an annual basis.

* Please see [acquiring new brands](#) for the exact requirements. Page 71.

The monitoring system depends strongly on how sourcing within the company is organized – either done centrally or per brand. Fair Wear members are advised to inform us of their plans to acquire new brands at the earliest stage possible in order to discuss the consequences for Fair Wear membership requirements.

Locations

WHERE IS FAIR WEAR ACTIVE?

Fair Wear's work links the activities of member brands in Europe with the countries where their garments are produced. Our main offices are in Amsterdam, with staff also based in Germany. We at Fair Wear are active in production countries where most of the volume produced for Fair Wear members originates. As noted above, new members must source at least 50% from these 11 countries and/or countries on Fair Wear's 'Low Risk' list.

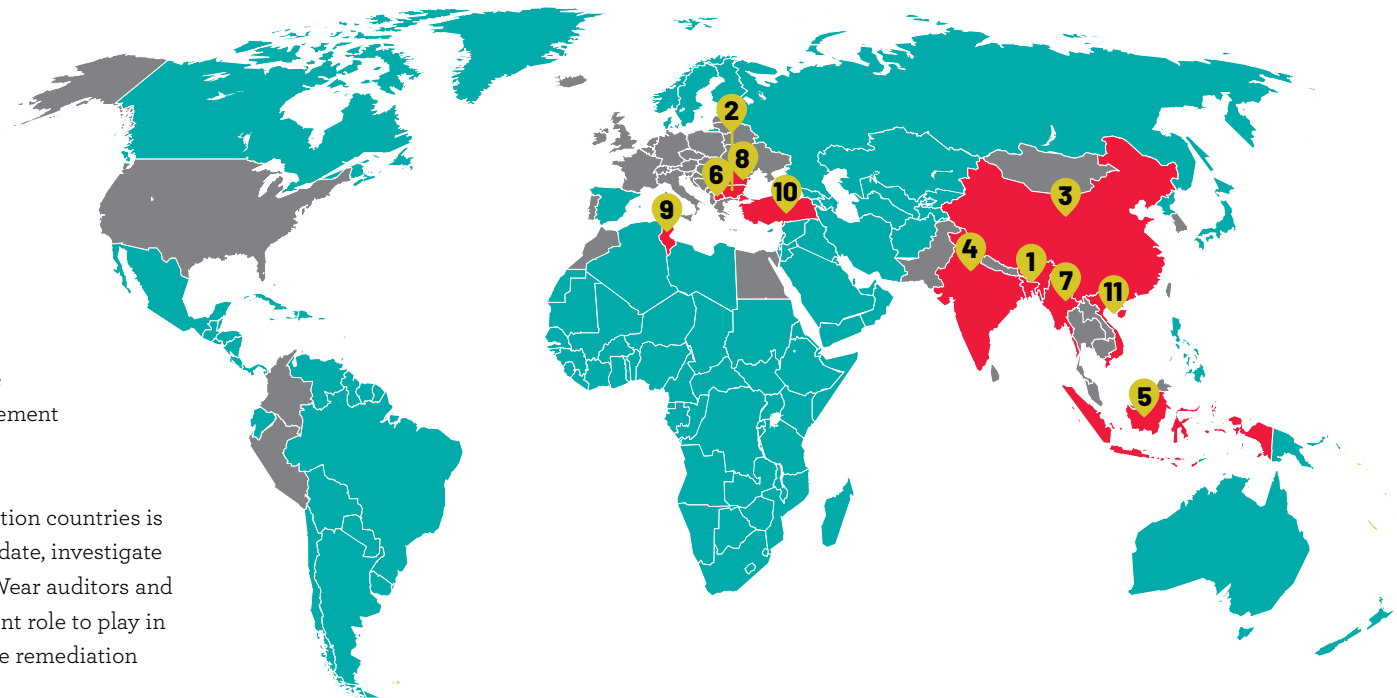
WHEN FAIR WEAR IS ACTIVE IN A COUNTRY IT MEANS THE FOLLOWING:

- local audit teams are in place
- a local complaints handler is operative
- Fair Wear has local stakeholder engagement

Fair Wear's stakeholder network in production countries is crucial to keep country information up-to-date, investigate complaints and provide guidance to Fair Wear auditors and brands. Stakeholders also have an important role to play in determining and executing the appropriate remediation when problems are found.

The current list of countries in which Fair Wear is active:

- | | |
|---------------------|-------------------|
| 1 BANGLADESH | 7 MYANMAR |
| 2 BULGARIA | 8 ROMANIA |
| 3 CHINA | 9 TUNISIA |
| 4 INDIA | 10 TURKEY |
| 5 INDONESIA | 11 VIETNAM |
| 6 MACEDONIA | |



Fair Wear periodically reviews the 'Active Country' list and may adjust it based on changes in the following areas:

- The number of factories and members active in each country
- Free on board (FOB) volume sourced by Fair Wear's members
- The number of Fair Wear members with production in each country
- Specific risks or opportunities related to each country

A certain number of factories need to be supplying to Fair Wear members before Fair Wear can consider becoming active in a new country. At minimum, there must be enough factories for stakeholders to be willing to invest their time in a relationship with Fair Wear, creating 'sufficient' work for local audit teams to function.

LOW RISK COUNTRIES

Fair Wear applies adapted monitoring requirements for production locations based in countries considered less risky. 'Low risk' countries are not primarily determined by the standard of the labour conditions, but by the presence and proper functioning of institutions (trade unions, works councils, labour legislation and labour inspection), which can guarantee compliance with ILO standards, or provide effective access to remedial action when violations do occur. With the exception of Bulgaria and Romania, all 25 present member states of the European Union (EU), as well as member states of the European Free Trade Association (EFTA) Iceland, Liechtenstein, Norway and Switzerland, are currently classified as low risk countries.

Adapted monitoring requirements are applicable to low risk countries. [Please click here to find out more.](#)

Fair Wear member benefits

We at Fair Wear provide members with a number of benefits as part of membership, including guidance on making improvements, giving public assessments of their performance as well as support in identifying and remediating risks in supply chains. These benefits are included with the Fair Wear membership fee. [Detailed information is provided throughout this guide](#), but the main benefits that are included in the membership fee:

- 1 Brand Liaisons.** Each brand is paired with a Fair Wear brand liaison whose role is to inspire change, answer questions, facilitate audits and trainings and review work plans, social reports and factory data. They also give guidance on matters such as possible risks, due diligence and practical changes a brand might implement in their supply chain.
- 2 Verification Audits.** Fair Wear performs verification audits on a small sample of each members' supply chain. The results will help members to further improve labour conditions in the factories they source from.
- 3 Brand Performance Check.** Fair Wear gives advice on how brands can improve purchasing practices and other systems at head quarter level. This includes general advice on best practices, as well as specific feedback for each member through the Brand Performance Check system.
- 4 Support for risk assessment and due diligence in supply chains.** Fair Wear produces a range of informational material to help members identify and mitigate risks. This includes, for example, country studies and risk assessments that can be used to establish what is required in order to implement the Code of Labour Practices in a factory in a specific country. We also provide a source of information to perform due diligence throughout your supply chain.
- 5 Complaints Mechanism.** Fair Wear's complaints procedure enables Fair Wear member brands to provide access to remedy for workers in their supply chains. It allows workers, their representatives, including trade unions and civil society organizations to present complaints about working conditions and violations of the Fair Wear Code of Labour Practices at factories supplying Fair Wear members.

As trade unions are the best placed organisations to help/support workers with problems, our complaints system is a 'last-resort' mechanism: only when the internal/local procedure does not exist or does not function effectively can workers or their representatives use the Fair Wear procedure. If a complaint is filed, we will draw up an investigation plan and the Fair Wear member is responsible for remedying the complaint. This allows for concrete contributions to the implementation of good labour conditions in the factories.

6 Civil Society Consultation. Fair Wear cooperates with a range of (civil society) organizations in production countries, allowing us to compile and expand knowledge on local labour conditions. We have invested significant time and resources in relationship-building with local partners in production countries, and information from the stakeholders helps to inform all of Fair Wear's policies.

7 International Cooperation. Fair Wear collaborates with other international organizations in order to harmonise efforts being made towards the improvement of labour conditions. We are increasingly looking to cooperate with other initiatives to improve effectiveness for members as well as to reduce duplication of efforts.

8 External Communications. Fair Wear provides support to our members for external communication of Fair Wear membership (logo use, press releases and website texts should all be approved by Fair Wear).

9 Pilot and Research Project Opportunities. Fair Wear often works with our member brands to test out new ideas or to draw lessons from their experiences that help create new strategies for more sustainable supply chains. Through innovation and research, we help members to become the forerunners in the field of sustainable change.

10 Informed Customers. Fair Wear informs customers on both sustainable purchasing and member progress by posting relevant material on our website, Facebook and Twitter—including Brand Performance Checks and social reports, as well as regular highlights on members who have done exceptional work in specific areas.

ADDITIONAL SERVICES AND RESOURCES AVAILABLE TO MEMBERS

In addition to activities provided standard as part of membership, we offer a number of activities, programmes and trainings that are available to Fair Wear members. [Please see the individual sections](#) in the member guide for further information.

1 Fair Wear monitoring audits. We select and train our own audit teams in 11 countries. These audit teams can be hired (for a supplementary fee) to perform factory audits, removing the cost and trouble of training your own team or finding external audit teams. Find more information here about working with Fair Wear audit teams. [Please click here to find out more.](#)

2 Fair Wear member seminar. We organise member seminars and stakeholder meetings every year. These seminars are designed for members who are working on implementing the Fair Wear Code of Labour Practices in their supply chain. During the seminars, we at Fair Wear showcase our wide range of implementation tools, emphasizing how to best apply the Fair Wear Code of Labour Practices.

3 Training or workshop. We occasionally organise thematic (training) activities at the request of member brands. These can range from a corporate social responsibility (CSR) awareness training to a training for purchasers. Fair Wear provides workshops and trainings for members upon request.

4 Fair Wear Workplace Education Program (WEP). Fair Wear's WEP aims to move brands beyond auditing and corrective action, and towards workplaces where issues are raised and resolved through open communication. The WEP's goal is to provide factory managers and workers with the tools they need to start an open dialogue about issues and opportunities within the workplace, as well as how to improve working conditions within the factory. Together with functioning grievance systems, increased awareness about labour standards contribute to the improvement of working conditions. We provide both general and country specific WEP modules.

5 **Local support in remediation.** Upon request, we facilitate support through our local stakeholder network. In the event that specific remediation support is needed, Fair Wear investigates whether individuals or organizations within its network are able to offer their services.

The roles of Fair Wear members

We at Fair Wear and our member brands are committed to respecting workers' rights and improving working conditions, each with different roles to play.

Fair Wear members are responsible for the following actions:

- 1** Managing their supply chains in a way that supports the Code of Labour Practices, and respect for human rights.
- 2** Monitoring conditions in supply chains.
- 3** Remediating problems when they are found.

Fair Wear has three main roles as an organization:

- 1** We provide guidance² to members on supply chain risks and good practices to mitigate them.
- 2** We verify whether members³ are taking appropriate steps to improve social compliance in their supply chains, and we evaluate member performance.
- 3** We provide evidence to the rest of the industry on how innovations that support human rights can be implemented, based on the experience of Fair Wear member brands.



We at Fair Wear provide guidance and evaluation, but Fair Wear members do the actual work of improving conditions within their own supply chains.

² More information can be found in the section: part 3: guidance and verification

³ The specific membership requirements are outlined under part 2: commitments and requirements of members

Fair Wear governance

We at Fair Wear use a multi-stakeholder approach, which is represented in both the way we are governed and in our financial organization. The highest decision-making body of Fair Wear is the board, made up of eight stakeholders from four categories, each with equal voting rights: the garment retailers' sector, the garment suppliers' sector, trade unions and NGOs. Our multi-stakeholder approach brings these key stakeholders together to discuss policy issues and help define Fair Wear strategy, which helps maintain equality between the different stakeholders and promotes transparency. The board sets general policy and is responsible for the work carried out by the committee of experts (CoE) and the staff. The CoE is composed of the same four categories as the board, and the representatives from these organizations are experts in the fields of garment production, trade, labour law and social development. The CoE advises the board on matters related to the problems and challenges of sustainable development. This forms the base for Fair Wear policy.


Fair Wear members pay an annual membership fee based on their turnover, which funds part of Fair Wear's work. At the same time, Fair Wear needs to remain financially independent so that we may speak honestly about brand performance and terminate memberships if necessary. Our strategy is to ensure a balance between a budget derived from member brands and additional sources. Details on Fair Wear's funding and governance are provided in Fair Wear's annual reports.

An overview of the current composition of the governing bodies (e.g. the board and the committee of experts) can be viewed at [fairwear.org](https://www.fairwear.org).

Five steps to becoming a Fair Wear Member

Steps towards becoming a Fair Wear member include the following:

- 1** Initial discussions with Fair Wear staff
- 2** Drawing up a work plan (including a complete list of production locations)
- 3** Signing the **Fair Wear Code of Labour Practices** and **confidentiality agreement**
- 4** Communicating Fair Wear membership
- 5** Paying the annual membership fee



We at Fair Wear provide extensive support to brands in the process of becoming a member. This includes providing templates and tools, individual meetings and presentations at the company, and providing feedback on the work plan. Becoming a member is a process that can take several months to several years, depending on both how developed corporate social responsibility (CSR) activities are in the company and knowledge of all production locations.

Step 1. INITIAL DISCUSSIONS

When a company is first interested in becoming a member, we encourage them to begin with a thorough read of the **About** section on the Fair Wear website and Part 1 of this member guide. We then advise a phone call or meeting to go through in greater detail the make up of their business and products and production locations to better understand the brand after meeting the basic requirements.

A brand can start at any time of the year, however discussions with each new member are necessary to ensure they are not overburdened or disadvantaged in their first year due to start date.

Step 2. THE FIRST ANNUAL WORK PLAN AND PRODUCTION LOCATION DATA

The annual work plan is a central tool in the working relationship between Fair Wear and its members. It describes the brands' purchasing practices, supplier relations and due diligence activities. It also describes when and how labour in factories will be monitored and what steps will be taken if instances of non-compliance are discovered. Such a plan is necessary to ensure that adequate time and resources will be given in implementing the Code of Labour Practices (CoLP). A work plan cannot be approved without submitting a list of production locations. Members' work plans are treated confidential by Fair Wear and must be submitted every year.

Fair Wear provides the format for prospective members to prepare the annual work plan and list of production locations. Our staff will provide feedback to the work plan and production locations. Several rounds of feedback may be needed before it can be approved. If necessary, a meeting can be scheduled to discuss the work plan and production location list in detail. Membership can only begin after the work plan and production location list is approved. A work plan cannot be approved without submitting a list of production locations.

To have a successful membership, Fair Wear considers several elements in the assessing the work plan. **These elements will be considered and discussed with each prospective company, as we strongly believe that the following affects a member company's performance:**

- Advanced management systems, innovation and due diligence (explained in the work plan and presented to Fair Wear with relevant evidence)
- A high CSR-related ambition (e.g. CSR budget, plans to change internal systems, innovative projects) shown through endorsement of the company's top management
- The willingness to share monitoring activities, and work collaboratively on complaints with other brands
- The willingness to be transparent about production locations to other Fair Wear members
- An openness to advanced communication about Fair Wear membership

Please click [here](#) to find out more details about the work plan.

Step 3. SIGNING THE CODE OF LABOUR PRACTICES (COLP)

No communications about Fair Wear membership are allowed until the Code of Labour Practices is signed. Preparing to join Fair Wear is a process that can take many months as prospective members review their work processes and engage in the planning necessary to become a member. **Before joining Fair Wear, brands are not allowed to publicly communicate their intention to join Fair Wear.** Statements like “BRAND X is in the process of joining Fair Wear” are prohibited. They cause confusion about which brands are actually members of Fair Wear, and some brands have been ‘in the process of joining’ for many years. It would not be fair for brands that have not yet fulfilled membership criteria to get positive publicity using Fair Wear. They are therefore not allowed to use the Fair Wear logo in any of their communications.

That being said, Fair Wear strongly encourages the marketing and/or communications managers of potential members to join meetings early in the process of becoming Fair Wear members. Their colleagues in the supply chain and departments will be working hard to make membership happen, and their brand should get credit for it. **Getting the marketing and communications staff involved early will help them understand the following:**

- The communication opportunities and requirements for members
- The Fair Wear process of public reporting about brands
- Ways to incorporate Fair Wear membership into brand messaging

Once the first work plan and production location list has been submitted and approved, a new member can officially join Fair Wear by signing an agreement, which includes the Code of Labour Practices. The agreement is signed by the CEO of the new member company and by the director of Fair Wear and is a moment to celebrate!

Step 4. COMMUNICATING MEMBERSHIP

Once the work plan and list of production locations has been approved by Fair Wear, a brand can become member. Fair Wear aligns its assessment and reporting cycle with the financial year of each individual member brand. This means that Fair Wear processes will mirror the financial and reporting cycles of each member and all assessments will be carried out over 12-month periods.

Because Brand Performance Checks are based on financial year data, new members are strongly encouraged to align the start of their membership with that of their financial year. Please click [here](#) to find out more about the membership cycle and its deadlines.

If new members join Fair Wear after the start of their financial year, they will have to achieve all the first-year membership requirements in a shorter period of time (i.e. if an member chooses to start membership six months into their financial year, they will only have an additional six months to fulfil their first year requirements).

When a brand officially becomes a member, they are assigned a brand liaison. The brand liaison will read the member brand’s approved work plan and review their production location data. They will have further comments and questions that the case manager and member brand can go through together. This is a more in-depth process than the initial work plan review. A meeting can be arranged for the brand liaison and brand to get to know each other and discuss the first-year activities.

New members are asked to contact all production locations to announce Fair Wear membership and obtain commitment to the Code of Labour Practices. Every factory must complete and sign the Fair Wear questionnaire and display the Fair Wear worker information sheet. Brands are able to download both the questionnaire and locate the Fair Wear worker information sheets in multiple languages through the [member hub](#).

In their first year of membership, members must monitor 40% of their production volume. What is needed to ensure that the monitoring percentage is met is described in the work plan and can be discussed in detail with the brand liaison. It is important for brands to plan their audits in a timely manner. Each member can hire the Fair Wear audit team to conduct these audits or they may use an external audit team. Please click [here](#) for detailed information on audit quality and requirements.

Fair Wear will provide the new member with access to the member hub, which gives brands access to many tools and guides. The member hub also allows members to manage their own member page details on Fair Wear's website.

Fair Wear will also arrange a Skype meeting to introduce the new member to the database. In the database, a brand is able to update their production location data, request an audit and review its monitoring data. For more information, please refer the user manual [here](#):

Next to announcing the membership on the website, the member also has the possibility of issuing a press release, announce it in company newsletters, as well as adding the Fair Wear logo on letter heads and business cards.

For further details regarding external communication by Fair Wear members, please read the [member communication guide](#). This guide contains communication policies and rules for instance about Fair Wear logo use, on-garment communication and communication by resellers as well as inspirational ready-made texts and sample social media posts for use, along with some great examples from other brands.

Fair Wear also informs the public about new members on our website and in our newsletter. We also post members' brand logos and offer each member one page on the Fair Wear website. We keep in touch with members through updates via the member hub and send out separate mailings when important issues need to be addressed.

When a company becomes a member of Fair Wear, it is obligated to make its Fair Wear membership public within two weeks of signing the CoLP. Fair Wear member brands have the following options:

- Each brand must publish their Fair Wear membership on their website (please see the member communications guide for more on this)
- In addition, member brands may use press releases, Facebook, Twitter, company newsletter, vlogs or blogs. Members can also put the Fair Wear logo on letterheads, business cards etc. The content of the new member press release must be approved by both the member and Fair Wear to ensure that both organizations' information is accurate
- Fair Wear will announce the membership of the brand on the Fair Wear website, as well as in a news item and on Facebook and Twitter (Fair Wear also posts its members' logos on the brands page)

A seminar for members

We strongly encourage prospective members to send their key sourcing, purchasing and CSR staff to Fair Wear's Seminar for Members before membership begins. The seminar provides detailed training that explains our expectations of members, provides practical examples of how to support improvements in a supply chain and outlines how Fair Wear's verification and assessment systems work.

A checklist for joining Fair Wear:

- An information package is sent by Fair Wear upon joining
- A work plan and production location information is approved by Fair Wear
- The CoLP is signed
- All relevant company staff contact details are given to Fair Wear, including the correct addresses and emails.
- Company announces its membership to suppliers and the outside world (see how and when below) We expect the brand to be proud of their membership and to make a public announcement via social media or on their website.
- A first appointment is set with a brand liaison
- A log-in for the Member Hub is created
- Company is introduced to Fair Wear's online information management system Database for managing production location data
- Attendance for Fair Wear's seminars for new members is scheduled

Step 5. THE COSTS OF FAIR WEAR MEMBERSHIP

Membership fees

Fair Wear member brands pay an annual membership fee based on their turnover levels, which funds part of Fair Wear's work. Membership fees are calculated according to annual turnover. The fee scale is set each year and is [published](#) on the Fair Wear website.

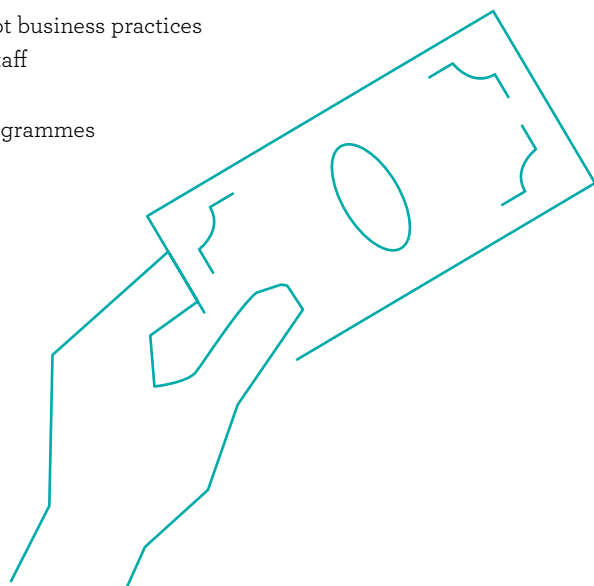
Members must submit the most recent consolidated annual financial report, accompanied by an accountant's statement. If this statement differentiates turnover between those products included in Fair Wear's 'Scope of Membership' lists and other types of products, the fee will be set according to the turnover of products covered under Fair Wear membership.

These fees pay for a portion of the work Fair Wear does with members: providing guidance, conducting Brand Performance Checks, verification audits, stakeholder networks, the complaints network as well as other benefits members receive.

Operational costs

Fair Wear members also need to consider the costs of monitoring and making improvements in their supply chains. The annual work plan must include an assessment of expected costs. Fair Wear needs to ensure its members have a realistic view of the costs involved in being an Fair Wear member, and they have allocated appropriate amounts to fulfil their obligations. These may include:

- Factory visits
- Investments to adapt business practices
- Labour costs CSR staff
- Monitoring audits
- Factory training programmes



Audit fees

The audit fee depends on the country and several other factors, including:

- The standard daily fees of the audit team members, which is based on the income categories of the production countries
- Travel and accommodation costs which are based on historical data of invoices submitted by Fair Wear auditors
- The number of workers in the audited factory, which determines the time spent by the audit team on an audit
- Handling costs of Fair Wear headquarter staff for time spent on the audit and for the costs of bank transfers

Please find the Fair Wear financial terms for service providers [here](#), which set out the classification of countries, daily working fees for members of the audit team and the necessary time investment of the audit team based on factory size.

The following flat fees are based on the factors mentioned above. Fair Wear has assigned the eleven active countries to three categories: low, middle and high income.

Fair Wear MONITORING AUDIT FEE 2019					
Country income level	Size of factory (# of workers)				
	5-25	26-50	51-500	501-1000	>1001
LOW INCOME Bangladesh, India, Myanmar and Vietnam	€1720	€2140	€2460	€2610	€3080
MIDDLE INCOME Bulgaria, Macedonia, Romania, Thailand, Indonasia and Tunisia	€1890	€2310	€2830	€2830	€3350
HIGH INCOME Turkey and China	€2040	€2510	€2930	€3080	€3660

Wep training

WEP Basic training module Fair Wear's Introduction to workplace awareness and grievance mechanisms			
# Workers	Management session (2 hours)	Worker session (2 hours)	Fee
0-50	1	1	€1030
51-500	1	2	€1140
501-1000	1	4	€1350
1001-1800	1	6	€1560
>1801	Please contact your brand liaison for the required number of sessions and price details.		

TRAINING MODULE	FEE
Fair Wear's WEP violence prevention capacity building module	€1500

TRAINING: WEP COMMUNICATION MODULE PER COUNTRY	FEE
Indonesia	€ 1400
Myanmar	€ 1300
Vietnam	€ 1300

Please see [WEP available modules and fees](#) for an entire overview with modules and fees:

Fair Wear seminar

The cost for a Fair Wear member seminar is

€ 510 euro per person for members and

€ 820 euro per person for prospective members

Training or workshop by Fair Wear

Workshops and trainings are invoiced per half or full day. The cost for a full day of training is € 820 euros and half day is € 410 euros

The scope of Fair Wear membership

From cotton fields to stores, we at Fair Wear believes that businesses have a responsibility for human rights compliance across their supply chains, at all levels. However, in order to provide the greatest benefit to the most workers, we have chosen to limit the scope of our work, believing we can be most effective by doing a limited number of things well.

The choices pertaining to the limiting of this scope are complex and are therefore periodically reviewed as part of Fair Wear's consultations with stake-holders. We are fully aware that there are countless needs to be considered, and the choice to limit our reach is driven by pragmatic considerations of how and where, given current conditions, we at Fair Wear can do the most good.

FAIR WEAR'S FOCUS AND SPECIALISATION

Within the scope of Fair Wear's work, our focus is on human and labour rights, as defined by the eight core standards in the Fair Wear Code of Labour Practices. This means that our staff has advanced and specialised knowledge of key industry practice and trends, enabling our focus to be relational, as strong working relationships are the focal point for sustainable change in the garment industry.

We at Fair Wear have made the decision not to expand our scope into the environmental realm, an area which requires a significantly different set of skills, and often applies to stages of the garment supply chain out of Fair Wear's line of expertise. We do, however, encourage members to work in partnership with organizations that support achieving environmental sustainability.

1 The assembly stage

Fair Wear's chosen focus is the assembly stage, the stage in garment supply chains where products are assembled, and commonly referred to as the 'everything after fabric' stage.

There are several reasons for this decision, but at the heart is Fair Wear's desire to do the greatest good for the greatest number of workers.

The ways in which this plays out includes the following:

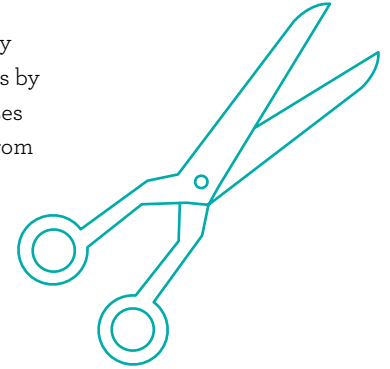
- Within the supply chain, the assembly stage is the stage where the largest number of workers are employed
- The number of employers in this stage alone is huge, an estimated more than 100,000 factories worldwide
- The assembly stage is where human rights violations are frequently and widely reported
- The assembly stage is the stage in which the business relationships between brands and suppliers are the most direct, and where brands therefore have the most leverage, and therefore the most ability to affect change
- It is the part of the industry where Fair Wear has been able to build expertise on risks and remediation strategies
- It is the stage where Fair Wear has developed an effective methodology for assessing and reporting on member behaviour

Fair Wear uses an ‘everything after fabric’ definition to define the scope of requirements. This refers to all production locations that are involved in the steps of product assembly after the production of fabric, leather, trims or other component parts.

Within the assembly stage of garment production, Fair Wear distinguishes between two groups of production processes, the Cut-make-trim (CMT) process and the support processes.

CUT-MAKE-TRIM (CMT)

Is the main process where garments are actually assembled – normally by sewing, but sometimes by using other techniques like gluing. In those cases where the finished product is created directly from raw materials, e.g. extruded footwear, or some knit products, the production location of the item falls under Fair Wear’s requirements.

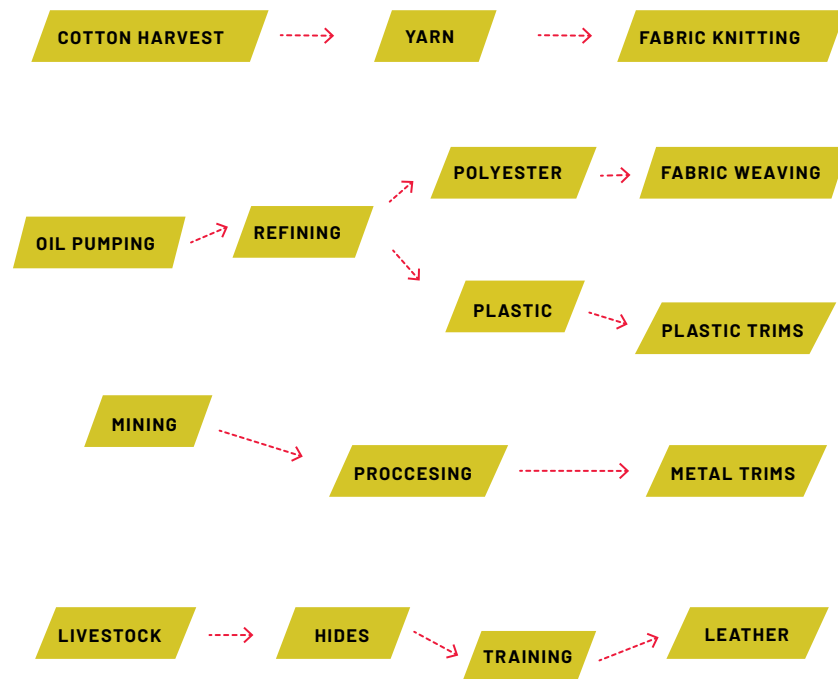


SUPPORT PROCESSES

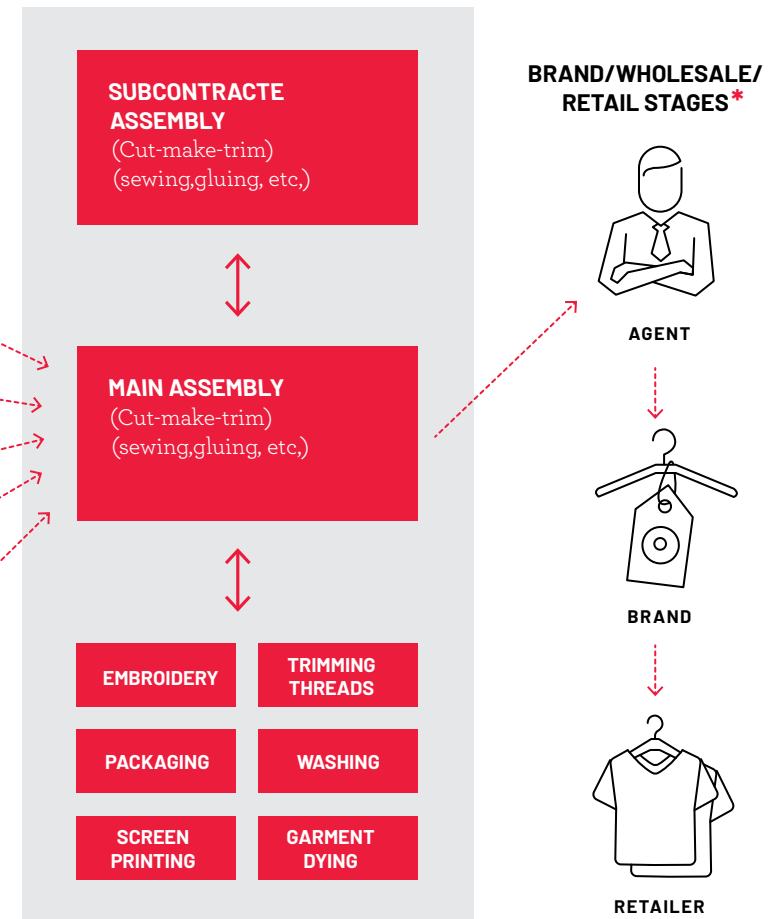
Include cutting, embroidery, screen printing, washing, ironing, garment knitting, packing, finishing and any other related processes used to transform raw materials into finished garments.

The 'everything after fabric' concept

'BEFORE FABRIC'*



SCOPE OF FAIR WEAR'S WORK: 'AFTER FABRIC'



* Simplified for illustration purposes

2 Types of suppliers

Although in the apparel industry the term ‘supplier’ can stretch to include buying offices, agents and factories, Fair Wear uses ‘supplier’ to reference the factories and other locations where garments are actually produced. Knowing where products are made, and therefore where workers are employed, is a fundamental first step of Fair Wear membership.

Supply chains take many different forms, however there are generally two main types of suppliers that most brands work with: Main or First Tier suppliers, and Subcontractors. The distinction has to do with what the factory makes, and how it relates to brands.

Main or First Tier suppliers are usually CMT factories that sell finished garments to brands. They are commonly involved in both production and orchestrating subcontractors for certain processes when needed. Brands may have either a direct relationship with main factories, meaning they directly exchange money for finished goods, or a mediated relationship with main factories, where brands use an agent or intermediary to contract with the factory, with a documented exchange of money for goods.

In both cases Fair Wear requires members to provide clear documentation of the financial transactions with their main suppliers (e.g. FOB paid). This information is used in Fair Wear’s verification process.

Subcontractors may provide CMT or other support services. Nearly all supply chain models involve some kind of subcontracting, either for specific processes, or for extra production capacity. And nearly all subcontractors have an indirect relationship with brands – they are hired and managed by factories or agents, and there is no direct exchange of money for goods with a brand.

Fair Wear distinguishes between two types of authorized subcontractors:

I. AUTHORIZED CMT SUBCONTRACTORS.

Factories (or agents) often have agreements with CMT subcontractors to provide extra CMT capacity. Fair Wear requires brands to provide financial information on payments via main suppliers or agents to CMT subcontractors as part of the verification process. Such a requirement is unusual in the industry, and can require negotiations with main suppliers or agents in order to be created.

II. AUTHORIZED ‘SUPPORT PROCESS’ SUBCONTRACTORS.

Factories or agents may make arrangements with other factories who provide specific services – washing or embroidery, for example. A combination of poor record-keeping systems and resistance from main factories and agents means that financial information about support process subcontractors is often unavailable. Fair Wear requires those production locations to be disclosed to Fair Wear, but the required details and monitoring requirements are different depending on the type of business relationship.

III. UNAUTHORIZED SUBCONTRACTORS

Some main factories or agents may outsource production to subcontractors without the knowledge or permission of the brand. These unauthorized subcontractors may be used to deal with production peaks or to lower costs, and because of their lack of documentation, the risk of labour code and human rights violations is much higher. Unauthorized subcontracting is a significant risk in many garment-producing countries, and Fair Wear members should take steps to prevent its use. Although members may not even know this type of subcontracting takes place, they are required to remediate problems when unauthorized subcontractors are discovered. Fair Wear requires those production locations to be disclosed, to determine the required monitoring actions.

Agents or intermediaries play a role in organizing transactions between brands, main factories, and subcontractors. Agents are not normally affiliated with products directly, but rather coordinate production, especially in countries where brands do not have their own staff. The ways in which main suppliers, subcontractors and agents can be organized to produce garments is outlined in the next section.

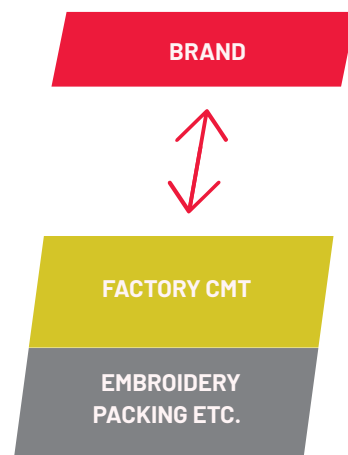
3 Production clusters

Although it is common to speak of ‘garment factories’, it is usually more accurate to talk about ‘production clusters’ where the various support processes in apparel assembly are coordinated, such as Cut-make-trim (CMT) work. Fair Wear has updated several of its policies to reflect the use of production clusters within the industry. Three common models are described here, but there are many variations and hybrid systems, all of which are covered under Fair Wear requirements.

VERTICALLY INTEGRATED FACTORIES

Suppliers that include multiple processes (e.g. CMT garment assembly, embroidery, packaging, etc.) in a single location under one management. These factories may also include spinning and fabric mills. Some factories can offer all necessary services, but many do still need to outsource specific processes (e.g. screen-printing) to other factories.

Vertically Integrated Factories
CMT and support processes are owned by the same company, and located in the same factory though often in different buildings in a single complex.

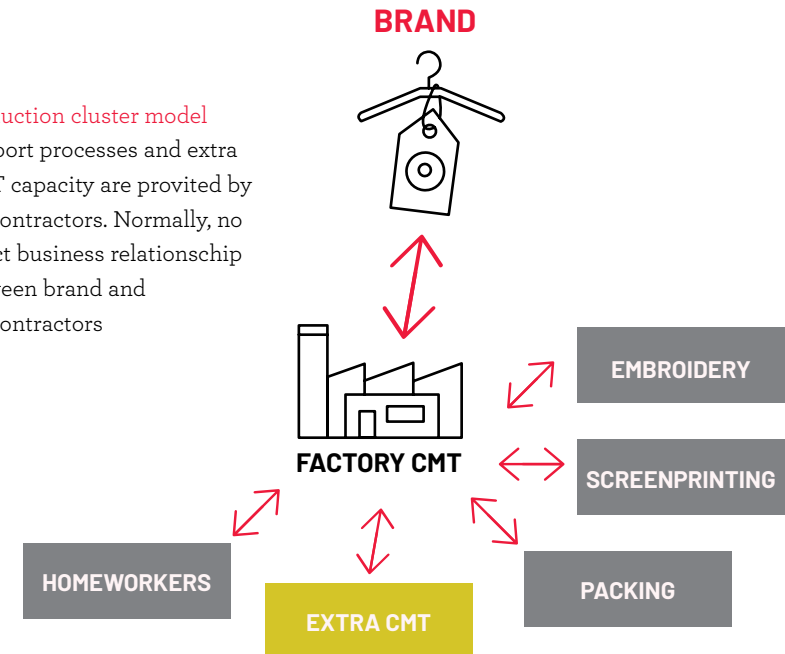


LOCAL PRODUCTION CLUSTERS

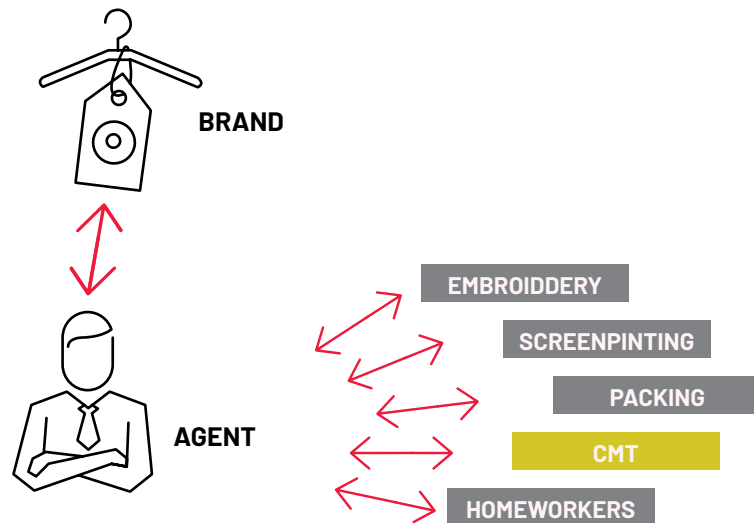
Brands contract with a lead factory, usually a CMT garment assembly factory. In turn, they work with a relatively stable network of other factories who provide services like embroidery, dyeing, packaging or extra CMT capacity. These production locations are often located close to each other, each with a different owner.

Production cluster model

Support processes and extra CMT capacity are provided by subcontractors. Normally, no direct business relationship between brand and subcontractors

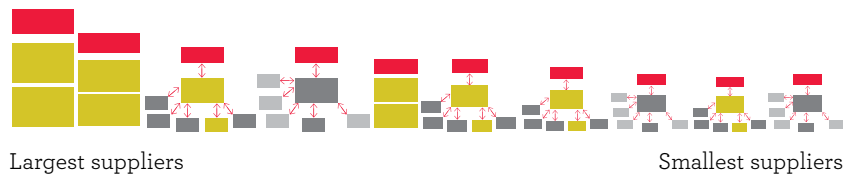


Agent-based network orchestration. Brands contract with an agent who has relationships with a network of factories that provide CMT and other services. The constellation of factories may change from one order to the next, and often brands may not know where their garments are being produced.



Agent network. An agent arranges to have product moved from factory to factory. The agent itself does not produce anything, but uses a network of factories to complete each order.

Example of 10 factory supply chain with multiple factory models



What do members need to know about their supply chains?

It is common for brands to have a mix of different apparel assembly models in their supply chains. Regardless of the models, Fair Wear members are required to know the actual production locations of every factory involved in the assembly of their goods and report this to Fair Wear. This includes both main factories and all subcontractors involved in the assembly of garments. This is the 'Everything after Fabric' principle illustrated in figure above. The full monitoring requirements for each type of factory are described in Part 2.

4 The kinds of products included

Fair Wear membership includes garments, footwear, bags, belts, tents, sleeping bags, luggage, home textiles and related products made from fabric, leather or other textile materials serving the same purpose.

Fair Wear has drawn the boundaries of our membership requirements based on a few criteria and has chosen to focus our scope on a limited number of products in order to develop a greater level of expertise. This results in our ability to provide better guidance to members as well as useful, focused guidance to the rest of the industry.

The products covered by membership have similar production processes and supply chain structures, which means Fair Wear is able to identify the risks in these supply chains, and to create tools like audits and Brand Performance Checks which assess the risks and measure the improvements. Products like jewellery, for example, have different supply chain structures and different risks outside of Fair Wear's expertise.

Fair Wear's main interest is for members to monitor production and take responsibility for everything sold. Fair Wear places limits on included product types for pragmatic operational reasons, not because risks do not exist for those products. Our general policy on borderline products is to include them in the membership requirements.

We at Fair Wear have adopted the 2017 World Customs Organisation Harmonized System of product codes as the basis for the types of products covered by membership. **These codes** should be familiar to the logistics departments of most member brands.

Fair Wear membership includes any products under the following categories (regardless of country of manufacture):

Chapter 42: Articles of leather; saddles and harness; travel goods, handbags and similar containers.

All products, all codes under the following headings:

42.01 Saddles and harness for any animal, etc. All products, all codes

42.02 Trunks, suit-cases, etc. All products, all codes

42.03 Articles of apparel and clothing accessories, of leather or of composition leather

42.05 Other articles of leather or of composition leather

Chapter 43: Fur Skins and artificial fur; manufactures thereof.

All products, all codes under the following headings:

43.03 Articles of apparel, clothing accessories and other articles of fur skin

43.04 Artificial fur and articles thereof; any assembled products

Chapter 61: Articles of apparel and clothing accessories, knitted or crocheted.

All products, all codes

Chapter 62: Articles of apparel and clothing accessories, not knitted or crocheted.

All products, all codes

Chapter 63: Other made up textile articles, etc.

All products, all codes under the following headings:

63.01 Blankets and travelling rugs.

63.02 Bed linen, table linen, toilet linen and kitchen linen.

63.03 Curtains (including drapes) and interior blinds; curtain or bed valances.

63.04 Other furnishing articles.

63.05 Sacks and bags, of a kind used for the packing of goods.

63.06 Tarpaulins, awnings and sun blinds; tents; etc.

63.07 Other made up articles, etc.

63.08 Sets consisting of woven fabric and yarn, etc.

Chapter 64: Footwear, gaiters and the like; parts of such articles.

All products, all codes

Chapter 65: Headgear

All products, all codes under the following headings:

65.01 Hat-forms, hat bodies and hoods of felt, neither blocked to shape nor with made brims; plateaux and manchons (including slit manchons), of felt

65.02 Hat-shapes, plaited or made by assembling strips of any material, neither blocked to shape, nor with made brims, nor lined, nor trimmed

65.04 Hats and other headgear, plaited or made by assembling strips of any material, whether or not lined or trimmed

65.05 Hats and other headgear, knitted or crocheted, etc.

65.06 Other headgear, whether or not lined or trimmed

Chapter 94: Mattress Supports:

All products, all codes under the following headings:

9404.10 Mattress supports

9404.21 Of cellular rubber or plastics, whether or not covered

9404.29 Of other materials

9404.30 Sleeping bags

9404.90 Other

5 The added complexity of agents and homeworkers

Despite the fact that the relationships between brands and main suppliers are easier to manage, the prevalence of agents, subcontractors and homeworkers creates extra complexity, adding to the human rights risks in garment supply chains. The following points are important in understanding the implications of Fair Wear membership for supply chain relationships:

MANAGING AGENT RELATIONS

Prospective members often find that they have information about agents and intermediaries in their systems, but not the actual production locations. Fair Wear members are required to obtain actual production location information, but agents may be reluctant to provide this information for fear of being 'cut out' of supply chains. Members are required to obtain this information from agents before they may begin membership. There are a number of examples of how Fair Wear members have been able to negotiate agreements with agents to alleviate these concerns, allowing them to continue their business relationship with their agents while meeting Fair Wear requirements. Prospective members should contact Fair Wear for more information if they have questions about managing agent relationships.

MONITORING HOMEWORKERS

Homeworkers employed in garment assembly have to be monitored by Fair Wear member brands. However, the process of auditing homeworker locations and the requirements are different than for normal factories. See the [Guidance on home-based](#) work for detailed requirements.

6 Commissioning the product

As Fair Wear's approach is based on shared responsibility between brands and factories, two main factors in the scope of Fair Wear membership is maintaining appropriate working conditions and determining who commissions products to be made. This is also called the 'own production' concept.

Fair Wear's requirements primarily encompasses a member's own production, including all goods commissioned by the Fair Wear member, either directly or through an agent or other intermediary, as well as all (sub)brands owned or managed by the member. The working conditions at sites making their 'own production' goods is a part of Fair Wear's required monitoring and remediation. The vast majority of apparel sold by Fair Wear members is 'own production'.

'Own production' includes the following:

- Any production bearing the name or logo of a brand owned or managed by the member
- Any unbranded product designed for resale to another brand
- Any so-called 'Private Label' items (i.e. any brand that is owned by the retailer company or the distributor and is sold only in its own outlets; also called in-store brands)
- Any product rebranded for or by an end consumer that is not a clothing brand (e.g. airline uniforms, concert t-shirts, governments uniforms, etc.)
- An unbranded, ready-made product bought from a third-party, when the member's name (or customer name) is added at the last stage

In this last point, when a brand buys unbranded goods, Fair Wear acknowledges that meeting the monitoring requirements will be more challenging. However, members need to be aware of the risks entailed in having productions of unknown production sources carrying their name. Fair Wear encourages members to avoid such products, and to commission production directly. In situations where a Fair Wear member buys unbranded products from another brand, Fair Wear encourages the member to buy that product from other Fair Wear members, which Fair Wear then considers to be monitored.



In short, Fair Wear members are responsible for all products carrying their brand logo, or any product the member commissions to be produced.

7 Other types of products and production agreements

External production. The finished, branded goods that are bought by member brands from other brands for resale in a retail or wholesale (web)shop owned by the member.

Typically, members will manufacture the majority of the goods they sell, but they may also resell other brands' products as part of their retail/wholesale assortment. Fair Wear encourages members to resell goods from another Fair Wear member or a member of Fair Labour Association.

Unlike own production, external production are goods sold under a brand/label not owned or controlled by the Fair Wear member. External production is excluded from the monitoring threshold. Efforts to obtain relevant information from external brands and efforts to resell brands that are members of Fair Wear or a similar organisation are assessed in performance check indicators 2.11 and 2.12.

Licensees. Independents that operate through their own production and distribution channels, producing and selling under a member's logo for certain agreed markets, or include subsidiaries that purchase apparel and other sewn articles directly from factories.

Member brands generally have limited influence over the sourcing behaviour of licensees. However, Fair Wear believes it is important for member brands to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place. For this purpose, the member should send a questionnaire to their licensees to collect necessary information, including details of the production locations used by the licensee.

Designer collaborations. Designers that work with Fair Wear members for a specific product or style. The product is sold with both labels and carries both brand logos (e.g. Little Liffner for Filippa K). The production arrangements can vary depending on the partnership. In some cases the co-brand owns the entire production and uses their own supply chain. The co-brand may be reluctant to share the production locations. In other cases the co-brand is only involved in the designer stage and the Fair Wear member may lead the production process.

Fair Wear upholds its principle of applying the 'own production' concept to all products that carry the Fair Wear member brands' logos, and therefore applies the same monitoring requirements to designer collaborations. If applicable, please discuss the details of collaboration with your brand liaison. Fair Wear encourages members to set up designer collaborations with brands that are a member of Fair Wear, FLA or any other credible initiative.

Basic Fair Wear membership requirements

All Fair Wear member brands must meet certain basic membership requirements each year. No member can be effective in improving its supply chain without fulfilling the following requirements. Failure to meet these requirements means a Brand Performance Check cannot be conducted. This will therefore lead to Suspended status, and can eventually also lead to termination of Fair Wear membership.

1 Submit next year's work plan and production location data

The work plan is a core requirement developed annually by each member and **must be submitted** to Fair Wear **two months** before the start of a new financial year. This plan is necessary to ensure that adequate time and resources are committed to the implementation of the Fair Wear Code of Labour Practices (CoLP). A production location list must be prepared together with the work plan. Fair Wear uses a web-based information system for managing production location data. Member brands are expected to update their list of production locations by indicating current and new production locations. See the [Fair Wear work plan](#) and [production location data](#) for information.

2 Submit the definitive production location data for the previous financial year

Three months after the end of each financial year, members must **confirm their list of production locations** and provide relevant financial data for the closed financial year. This includes a complete and accurate list of all factories, including subcontractors, that have been involved in the production of finished garments. Supplier information must include the actual locations where garments are produced. See section on production location data for more information on what must be included.

3 Pay membership fees

Member fees provide for part of Fair Wear's operations, as well as the services and benefits provided to members. Fees must be paid in a timely manner at the beginning of each calendar year. For more information see our section on [Fair Wear membership costs](#).

Failure to meet any of these requirements leads to **suspended** status, and can eventually lead to termination of Fair Wear membership. See the section on membership status for more details. For more information see our section on [membership termination](#).

Timeline and deadlines

Fair Wear aligns Brand Performance Checks with the financial years of individual member brands. This means that Fair Wear's processes will mirror the financial and reporting cycles of each member and all assessments will be done over 12-month periods. The following cycle applies to all member companies:

Minimum 60 days before end of financial year:

Work plan and projected production location information for upcoming financial year due at Fair Wear.

Maximum 90 days after end of financial year:

Actual production location information, financial documents and social report for closed financial year due at Fair Wear.

90-120 days after end of financial year:

Brand Performance Check is carried out.



The work plan templates can be found **on the member hub**.

The prospect work plan template is available on the About section of the Fair Wear website

The Fair Wear production location data

Improving working conditions starts with knowing where products are actually made. For some members, familiarising themselves with all production locations provides valuable insight into their supply chain*. It may well be that many more production facilities and subcontractors are involved in the manufacture of products than previously known. The better understanding a brand has of the full supply chain, the more likely the brand will be able to improve working conditions and lower the risk of unexpected human rights violations.

WHEN SHOULD PRODUCTION LOCATION DATA BE UPLOADED?

Members are required to enter production location data at two points during each reporting cycle. The list of production locations* for the upcoming financial year is submitted with the annual work plan; and the closed financial years' list of actual production locations must be submitted before the annual Brand Performance Check.

Fair Wear strongly encourages members to keep production location information as up-to-date as possible throughout the year. Members are strongly encouraged to notify Fair Wear throughout the year of changes to their planned production location list. New production locations must be reported to Fair Wear immediately in order to check for possible shared locations with other Fair Wear members, in order to assess and mitigate possible risks. Keeping the factory list up-to-date also helps to ensure that in case of an emergency at a factory, Fair Wear can quickly determine whether members source there, and can provide support to those members as quickly and effectively as possible.

* Please see the Scope of [Fair Wear Membership section](#) for details on which production locations need to be reported to Fair Wear.

What production location information is required, and how is it to be submitted?

Fair Wear uses a web-based information system to manage production location data. Upon becoming a member, a log-in is created and introduction to the information management system database is given by our Fair Wear staff.

For the upcoming financial year, every production location must contain the following:

- The factory name, address and contact information of the production location
- The process that happens at the factory (CMT or other support process)
- The year the business relationship began
- Whether it will be a factory that will be used in the upcoming financial year (i.e. will this factory be invoiced next year?)
- The number of workers
- Whether the location has been visited or not
- A list of agents/intermediaries used for each production location

Each external production record must contain the following:

- The brand name and address
- Information on whether the brand is affiliated to Fair Wear or the Fair Labour Association (FLA)

For the closed financial year, every active⁴ production location must contain:

- The factory name, address and contact information of the production location
- The process that happens at the factory (CMT or support process)
- The year the business relationship began
- The number of workers
- Whether the location has been visited or not
- Whether the Code of Labour Practices has been signed and returned or not
- Whether the Worker Information Sheet is posted or not
- A list of agents/intermediaries used for each production location

In addition, for main CMT factories, CMT subcontractors and subcontractors with direct business relationships must submit the following:

- The value of production (normally FOB figures) for the previous financial year (i.e. every order that has been invoiced in that financial year)
- The percentage of the factory's production capacity used by member (submit an estimate, if not known) Each external production record must contain:
- Brand name and address
- Value of production (e.g. FOB figures or retail value)
- Information on whether the brand is affiliated to Fair Wear or the Fair Labour Association (FLA).

⁴ i.e. has this factory been invoiced in the past financial year?

Free On Board (FOB) data

Fair Wear uses free on board (FOB)⁵ data of members to learn about relationships between different factories (importance per production location). We recognize that there are different ways to learn the share of production (e.g. by looking at the number of pieces). However, the majority of members use FOB which allows Fair Wear to verify the actual production locations by looking at the members' payment overviews.

In some cases, brands only pay the CMT price and provide the fabrics/material themselves for a few suppliers while paying the full price for other suppliers. For calculating the monitoring threshold correctly and for an equal assessment of the performance check indicators, it is crucial to use one value consistently throughout the supplier base. It cannot be a mix as this will give an uneven representation of the supplier base and as such impacts the monitoring threshold and indicator calculations. For that reason, in the cases where a member uses both CMT (excluding material/fabric costs) and FOB values (including material/fabric costs) throughout their supplier base, Fair Wear asks members to convert the minority value. For instance when ten per cent of your suppliers are paid only for CMT costs and the remaining 90% is FOB, the material/fabric costs need to be added to the ten per cent CMT suppliers in order to make it consistent with the remaining 90%. Contact your case manager for more information.

⁵ By FOB we mean the full business price that is paid to a supplier.

Confidentiality and transparency

Fair Wear is fully committed to transparency. Fair Wear also realizes, however, that certain information required of its brands within Fair Wear membership is considered sensitive. For full accountability in supply chains, transparency is necessary at three levels: the workplace, the company and the organization.

Stakeholder input and guidance from the UN, OECD and other major international agreements have identified several potential benefits from greater supply chain transparency, including the publication of production location information. Although traditional business thinking might consider sharing as posing a competitive risk, Fair Wear believes that transparency is needed to comply with human rights standards. These three arguments are especially relevant:

1 Audits are not enough. Audits can provide a snapshot of a production location's conditions at one moment, but many problems tend to arise between audits. Even more, some problems, like gender-based violence, are almost impossible to detect with audits. There is a compelling argument that the easier it is for workers, trade unions and civil societies to alert you to problems at your production locations, the faster you can fix the problem, and the lower your risks are for serious violations lingering in your supply chain. This is the rationale behind Fair Wear's worker information sheets and WEP trainings. Publishing the supply chain data online is the next logical step.

2 Shared responsibility is better for everyone. The math is simple: the more a factory's customers cooperate, the more likely it is that problems will be solved. Factories get the message that brands are serious about improvements, workers get better conditions and brands can share costs and workload. But the first step to cooperation is knowing who else is sourcing from the same factory.

3 Consolidated production location lists = lower risks. Fair Wear wants to make it easier for members to collaborate on production locations with other Fair Wear members (perhaps even other responsible brands outside of Fair Wear) or brands that are part of other initiatives, allowing for greater cooperation. This could reduce risks as well as the costs of audits, complaints, training and other activities.

Please see section 7 on Transparency & Communication for more information and requirements.

Membership termination

Under certain conditions, Fair Wear may suspend the membership of a brand. The conditions are linked to a member's Brand Performance Check result. For more information on Brand Performance Check, please [click here](#) for the online guide. Based on the final score of the performance check and monitoring threshold, each member company is assigned into a performance category:

- LEADER
- GOOD
- NEEDS IMPROVEMENT
- SUSPENDED

The existence of the bottom two categories 'Needs Improvement' and 'Suspended' is essential to protect Fair Wear's legitimacy and prevent charges of 'greenwashing'. Fair Wear does not allow underperforming brands to retain membership, as this would undermine the credibility of both Fair Wear as an organization as well as the individual Fair Wear member brands. The categories provide a clear path for underperforming brands to either improve or exit Fair Wear.

SUSPENDED MEMBERSHIP IS FOR MEMBERS WHO:

- 1** Have been in the category 'Needs Improvement' for more than one year.
- 2** Have failed to meet one of the basic requirements [Basic Fair Wear membership requirements](#)
- 3** Have seriously violated one of Fair Wear's policies and has directly damaged Fair Wear's reputation

After being suspended for one year, the following procedure is followed to terminate the membership:

- 1** The brand liaison informs Fair Wear's director and the member concerned about the termination of membership with three months' notice, including the reason for termination.

- 2** The Fair Wear board will enforce the decision to terminate membership in the first upcoming board meeting.
- 3** The Fair Wear member receives a letter from Fair Wear's director with the reason and date of termination.
- 4** Fair Wear publicly reports the termination of membership, including the reason for termination. The company (and its brands) will be taken off of the brands page of the Fair Wear website. In addition, the company will be listed a dedicated page for former members on Fair Wear's website.
- 5** The member loses all communications benefits and must remove any reference to Fair Wear membership from its website, catalogues, (online) stores, products and all other communication channels with the exception of any communication about termination* of membership that the Fair Wear communication team has approved.

VOLUNTARY TERMINATION OF MEMBERSHIP

Although Fair Wear does not want to see any of our members go, there may be valid reasons for a Fair Wear member to terminate membership. The member must submit the reason for termination to Fair Wear in writing with three months' notice. The date of the Fair Wear board decision determines the date of termination.

When a membership is terminated, the member is required to pay the Fair Wear membership fee for the full calendar year in which the termination comes into force. Given the three month notice, when a membership is terminated per the 1st of November, the full membership fee of that calendar year must be paid plus the month January of the next year. Similarly, when a membership is terminated per the 1st of December, membership fee must be paid for the full calendar year plus January and February of the next year.

* Please click [here](#) for full procedure.

Part 2

Commitments and requirements of members

Introduction

We at Fair Wear are pioneers in the area of supply chain responsibility, helping to influence major international agreements like the UN Framework on Business and Human Rights, as well as the OECD Guidelines for Multinational Enterprises. We are a proud supporter of these agreements, and continue to evolve based upon member experiences. While remaining a frontrunner in the development of more effective strategies for responsible supply chain management, our aim at Fair Wear is to help lead the industry towards a full respect for human rights within all supply chains.

The guidance in this section is based on the latest data and research available to Fair Wear, and is designed to provide a coherent general approach that member brands can adapt to their individual situations. While some elements are required of all members, Fair Wear's stance is one that allows for customization and innovation in response to the wide range of business situations that our members operate within.

We at Fair Wear focus on eight areas where brands can take action to improve conditions for workers. As part of Fair Wear's integrated supply chain approach, these eight areas cover steps that need to be taken both at the brand and the factory level:

- 1** Brand management
- 2** Monitoring of suppliers
- 3** Remediation of (audit) findings
- 4** Worker helpline promotion and remediation of complaints V. Training, capacity building and prevention
- 5** Information management
- 6** Transparency and communications
- 7** Evaluation

Each of the eight steps will be outlined in the following sections.

1 Brand management: improvements start at the head office

The garment industry's first response to the problems of worker rights, a problem that first began to emerge in the 1990s, was to start auditing factories. This approach was based on quality control thinking, and assumed that factories had the skills and financial incentive to ensure rights were respected. The assumption was that factories just needed to understand the expectations of customers laid out in codes of conduct, and that auditors would be needed point out the instances when the codes were not met. The theory was that with clear guidelines and occasional auditing checks, the factories would fix themselves.

What has become clear over the last 20 years, however, is that an audit-only approach simply does not work. Most factories are audited repeatedly, and while some issues improve, many others often don't. [Placing responsibility solely on the shoulders of the factories is not working.](#)

Research indicates a number of reasons why an audit-only approach is not very effective, including the following:

- The corporate social responsibility (CSR) and purchasing departments at a brand give conflicting messages; the CSR's says its aim is to respect rights, but purchasing is not willing to pay for the associated costs
- There is an overall lack of skills, knowledge and resources at factories
- Some brands are willing to support better conditions, but others are indifferent
- There is a lack of long-term customer commitment

HUMAN RIGHTS DUE DILIGENCE

Fair Wear has long promoted a shared-responsibility approach to supply chains, with brands and factories both playing a role. The examples cited here illustrate why no amount of auditing will improve conditions at a factory if, for example, purchasing department behaviour contradicts the messages being delivered by auditors. Brands therefore need to think about a coherent strategy for human rights in these two directions:

Horizontally. All departments at a brand need to understand the CoLP and how their decisions affect conditions at suppliers. There needs to be a coherent internal policy across all departments.

Vertically. Brands need to ensure that their suppliers understand the requirements of the CoLP, to know where the risks of code violations exist in their supply chain and to have a realistic understanding of what is needed to remediate or prevent problems. Leaving it all to the factory is rarely a successful strategy.

A coherent approach that coordinates work both across a brand's departments as well as up and down the supply chain, is essential in order to improve working conditions in supply chains.

The brand management area covers Fair Wear's requirements and best practice recommendations for how brands manage themselves and interact with their suppliers. It contains three sections: a) purchasing practices; b) human rights due diligence and c) supplier selection and management; knowing and mitigating risks in members supply chains.

A) Purchasing practices: how day-to-day decisions affect factory conditions

The Code of Labour Practices (CoLP) must be actively integrated into policy through all levels of the company, while also supported by internal education, training and documentation. Having a responsible sourcing strategy in place not only mitigates various financial and ethical risks in the value chain, but provides the foundation for a stable, effective and responsive supply chain. Long-term cooperation with the right amount of suppliers increases quality and delivery performance, while reducing transaction cost for customers.

Our approach at Fair Wear is based on the idea that a brand's behaviour has an enormous impact on conditions for workers. As [the UN Framework](#) explains, even though brands do not employ garment workers directly, as the lead firms in supply chains they have a responsibility to ensure the rights of workers are respected.

Fair Wear works with member brands to find a new model of shared responsibility between factories and brands. The specifics will vary from issue to issue, and supply chain to supply chain, but the behaviour of brands is always part of the equation.

The way brands choose and interact with suppliers is critical, with the sourcing department taking the lead in Fair Wear membership. However the rest of the business, from marketing to design to sales, all have roles in improving conditions for workers.

[The following sections outline the major areas of focus for brands in establishing and improving systems that support better conditions for workers.](#)

LONG TERM BUSINESS RELATIONSHIPS AND CONSOLIDATION.

Members should aim to establish long-term partnerships with their suppliers, continuously assessing their supplier base to ensure it fulfils the sustainable and strategic goals of the company. The supply base should be as small as possible and as big as necessary to ensure transparency, effective risk management, as well as express a genuine willingness to improve labour standards. For example, all brands have a 'supply chain tail' with production locations that manufacture less than two per cent of the total volume; members need to question how long the tail is and whether it is necessary.

A RESPONSIBLE SOURCING STRATEGY.

A responsible sourcing strategy differs based on each member's business model as well as the internal and external characteristics of their enterprise, market and value chain. Despite these differences, it should incorporate the following aspects:

- Allows members to gain enough transparency and obtain sufficient information about their value chain to enable responsible sourcing and buying decisions.
- Integrates CSR into the company's organizational structure in such a way to allow interaction and input between various departments.
- Describes the process of supplier selection and management, whilst detailing how working conditions influence this process. [Please click here for our section on supplier selection and management.](#)
- Provides a transparent, systematic pricing process as far as the factory will participate.
- Plans collaboratively along the entire supply chain that includes realistic and agreed-upon timetables (from product creation to customer) in order to enable suppliers to plan and manage their production during regular working hours, thus preventing excessive overtime
- Is accepted by all relevant company staff including top-level management

B) Human rights due diligence

Due diligence is a common business concept, especially in finance. Before investing in a company, certain due diligence questions like the following should be considered in assessing the risks: What do the company financial statements look like? Are the owners trustworthy? What are the risks and opportunities facing the company? The UN Guiding Principles on Business and Human Rights borrowed the concept of financial due diligence and applied them to human rights in supply chains. They set an expectation that brands understand and compensate for the human rights risks in their supply chains.

Fair Wear's membership requirements are a set of tools that allow brands to conduct human rights due diligence, while aligning with the UN Guiding Principles' across four activity areas:

- assessing actual and potential human rights impacts
- integrating and acting on the findings
- tracking responses
- communicating how impacts are addressed

Due diligence is based on two important ideas, and members should design their activities with these in mind:

RISK

Brands need to understand the risks of violating the Fair Wear Code of Labour Practices in the factories and countries they source from. No country has a perfect human rights compliance record, but there are significant differences from country to country in the chances of violations happening, and the ability of workers to remedy violations.



We at Fair Wear have observed significant human rights risks in all the major low-cost garment producing countries, for a variety of reasons. The risks vary from country to country and factory to factory, but brands should operate on the assumption that problems exist within their supply chains until proven otherwise.

Fair Wear and its network of civil society organizations [provides guidance](#) on many of the known risks in the countries where Fair Wear is active.

It is also important to acknowledge that many of the risks currently found in garment-producing countries are driven in part by the behaviour of brands. For example, many factories and governments justifiably fear that if laws were better enforced, costs would go up and they would lose their industries to competing countries. Risk assessments need to consider not only local conditions, but also the influence of global supply chains which hinder improvement.

ADDITIONAL RESOURCES:

- The gender dimensions of the guiding principles on Business and Human Rights. [click here](#)
- Fair Wear has developed a toolkit which provides more country specific information on gender to take into account. [click here](#)
- The CSR Risk Check tool helps to identify risks in international supply chains. [click here](#)

LEVERAGE

The other important due diligence concept, introduced by the UN Guidelines, is 'leverage' – the influence that a brand has with suppliers. This is an important concept in an industry like apparel, where most brands don't own their factories and often share those factories with other brands. This means brands have various types of influence on suppliers, but not direct control.

Leverage is a useful way to talk about a brand's responsibility for and effect on human rights at a supplier, even though they may not own that supplier. It is often linked to the amount of a factory's production that a brand buys, but it can also be linked to stable, long-term business relationships, or reputational influence. Members must consider their level of leverage in relationship with suppliers; brands with a larger share of a factory's production will have more leverage with factory managers to influence working conditions.

C) Supplier selection and management

A responsible sourcing strategy incorporates three main phases: a selection of new suppliers, management of existing suppliers and ending relationships with suppliers. Each phase is described below:

1 Selecting new suppliers

Members are required to investigate risks and evaluate the supplier's willingness to improve labour standards before embarking on a new business relationship. The process for assessing working conditions when selecting new suppliers, including which instruments and information are needed, should be described in detail. No business relationship should be established without a personal visit of the member's brand representatives to support reliable due diligence and risk assessment.

The same measures should also be applied to subcontracting; unless Fair Wear members know exactly where their products are manufactured, it is impossible to ensure acceptable standards. To help assess new suppliers, Fair Wear provides several instruments, such as [country studies](#), [country risk policies](#), [guidelines for health and safety](#) and [tools to assess the quality of existing audit reports](#). The outcome of each assessment should be documented, and should influence the decision on whether or not to start working with a supplier, as well as include additional measures needed to mitigate potential risks. The sourcing strategy should clearly describe how much the labour rights assessment was involved in the decision, including the quality of products, pricing, communication and lead times.

2 Managing existing suppliers

Member brands should invest in supplier relationship and quality development to strengthen business ties, while optimising and standardising business processes. Factories should provide manuals outlining expected deliverables and quality standards to promote mutual understanding. Direct, stable and long-term business relationships provide an incentive for factories to invest in improving working conditions. Member brands are advised to seek consolidation. Additionally, compliance with the Code of Labour Practices needs to be systematically incorporated into the evaluation process of manufacturing partners.

3 Ending relationships with suppliers

Ending a supplier relationship, for whatever reason, should only be done through a fair and planned exit strategy that provides sufficient time for the supplier to plan and make necessary arrangements. Advance notice and a planned phasing out of capacity, which takes the needs of suppliers and their workers into consideration, should be part of such a process. See Fair Wear's guidelines on a [Responsible Exit Strategy](#).

ACQUIRING NEW BRANDS DURING FAIR WEAR MEMBERSHIP

In the event that a holding company with multiple brands becomes a Fair Wear member, all brands fall under membership. The Code of Labour Practices is signed on holding level, indicating that all brands are subject to the same Fair Wear requirements. In the event that the holding company acquires new brand(s) during its time as a Fair Wear member, the new brand(s) are also included in Fair Wear membership. Consequently, business practices for each brand will be monitored and verified on an annual basis.

CHALLENGES AND RISKS

There are several challenges and risks that members should be aware of before entering the process of acquiring new brands. In the supplier base, there is a high risk of not knowing where production takes place, especially when the brand taken over sources via agents/intermediaries. The member must put in a great amount of effort obtaining the data needed during the performance check. Additionally, suppliers from the brand taken over are basically new suppliers to the Fair Wear member. All required due diligence steps to assess and inform new suppliers of the Code of Labour Practices need to be taken before the next performance check. Another risk is within the monitoring system. The changes to the internal system depends upon whether the new brand taken over applies to the staff or only the label itself. Also important is whether the sourcing and production is done centrally or is per brand. For example, the production planning system of a Fair Wear member that promotes reasonable working hours and wages might not be yet implemented at the moment of the brand take over. Depending on how long the brand has been a Fair Wear member and the amount of "new" suppliers, the monitoring threshold will be very challenging to reach. New suppliers must be visited and information collected before the next performance check.

In the above scenario, some important questions to consider could include: Is the internal staff informed and have they been made aware of membership requirements? Are there any changes that need to be communicated to the person responsible for CSR? Communication about Fair Wear membership must be extended to the newly acquired brand. Therefore, Fair Wear members are advised to inform Fair Wear of their plans to acquire new brands at the earliest stage possible in order to discuss the consequences for Fair Wear membership requirements.

2 Monitoring suppliers

Fair Wear members must establish a coherent programme to monitor the implementation of the Code of Labour Practices in all supplying factories. The monitoring system is an important part of each members' human rights due diligence.

While we expect all members to meet certain monitoring requirements, Fair Wear also understands that different supply chains have different types of needs and risks, and the design of the monitoring requirements takes these differences into account.

The monitoring system has several goals, including:

- To ensure that members know which factories are in their supply chains
- To assess human rights risks at those factories and progress towards Code of Labour Practice implementation
- To assess the degree of influence (leverage) members have at factories
- To facilitate sharing of responsibilities between brands and factories for improving conditions and remediation problems

Fair Wear's monitoring requirements are designed to focus efforts on factories where risks are highest to the largest number of workers, and where members have the greatest ability to influence conditions. Fair Wear actively promotes smaller and more stable supply chains as the best way to reduce risks and increase leverage at suppliers.

Fair Wear's monitoring and remediation requirements go well beyond many normal industry corporate social responsibility (CSR) practices and require the identification and monitoring of not only main or 'First Tier' CMT factories, but also require members to include CMT subcontractors and support process subcontractors in their monitoring systems.

The specific monitoring tools and the requirements for their uses in different parts of member supply chains are outlined in the following sections.

Core elements of a coherent monitoring system

A 'coherent' system means that together, the different monitoring activities provide each member with understanding of the risks and opportunities within their supply chain. Monitoring should contribute to the overall goal(s) formulated in the work plan, and reinforce each other. For example, a product manager who visits a factory should know if an audit has been performed, what the outcomes were and be up-to-date on the status of the ensuing corrective action plan.

A coherent monitoring programme involves numerous elements, which are described in detail below. The promotion of and response to the worker complaints system is a critical part of the monitoring system, and is covered separately.

1 INFORMING SUPPLIERS ABOUT FAIR WEAR MEMBERSHIP

The Code of Labour Practices is the foundation for all work between factories and brands, and the first step in developing a commitment to improvement. Upon becoming a Fair Wear member, member brands are required to inform all production location about their membership and send the questionnaire with the Code of Labour Practices.

The questionnaire must be filled out and signed by each production location including all subcontractors. By filling out and signing the questionnaire, manufacturers confirm that they accept the labour standards and are prepared to work towards their implementation. Signing the questionnaire must be considered a first step and a starting point between Fair Wear member and its supplier as it does not yet guarantee compliance towards the labour standards. In addition, the questionnaire is a tool to gather information and filling in production location data. The data that is collected through the questionnaire is used to complete the required information in Fair Wear's information management system. The questionnaire will also provide insight into other auditing/monitoring activities that have taken place. If a supplier refuses to return the signed questionnaire, the Fair Wear member should contact the production location to ascertain* that the meaning of the document is well understood. If the supplier persists in refusing to provide the information, after consultation with Fair Wear the member will ultimately have to disengage from this supplier.

* See questionnaire



Any new supplier that is selected in the future must go through a similar process.

2 THE WORKER INFORMATION SHEETS AND CARDS

Fair Wear provides worker information sheets containing the Code of Labour Practices for distribution to suppliers. Members are responsible for sharing the worker information sheets with suppliers and for ensuring the supplier posts the sheet at a place accessible to workers. For countries where Fair Wear is active, the contact information of Fair Wear's local complaints handler is given on the worker information sheet. In countries where Fair Wear is not active, a general contact email address is provided. Fair Wear provides the [information sheet](#) in the appropriate languages.

Members should ensure that the worker information sheets are displayed in the factories. The sheets need to be printed in A4, preferably coloured A3 and posted at (several) places within the factory well accessible and readable to the workers. This could be the production floor and bathrooms, for example. Even though this does not guarantee the sheet is posted at all times, members can ask for proof by having pictures sent or check during visits. The worker information sheet should be considered as an important first step for raising awareness among workers and factory management on the implementation of the Code of Labour Practices and Fair Wear complaint system. However, experience has shown that additional steps are needed to develop trust among workers so that they feel safe in using the system and become familiar with the Code of Labour Practices. Fair Wear recommends members to actively inform factory management, HR staff and if possible worker representatives on the content of the worker information sheet and the Code of Labour Practices. It is further advised to have factory management staff or worker representatives inform all workers about the content and the poster location(s).

During factory audits, Fair Wear checks whether workers have been informed about the labour standards. Additionally, auditors and trainers share [‘workers information cards’](#) which serve as a take away flyer of the worker information sheet. Members are free to additionally print such worker information cards and share them with factory management and workers as much as they want or need to do so.

3 GOOD QUALITY FACTORY AUDITS

A good audit should reflect the reality of working conditions in the factory. It should include not only the point of view of the management, but also the employees and relevant civil society organizations involved. Audits should be considered an assessment of the current situation and serve as a starting point for a long term process of collaboration between Fair Wear and the factory, in which realising improvements is a shared responsibility. An audit is important, therefore, to provide guidance to the factory and brands on further actions to improve labour conditions.

Fair Wear requires audits in the following locations:

- Main CMT factories
- Subcontractor CMT factories
- Subcontractor support process factories with a direct business relationship to the member

Audits may also be required at tail-end* production locations where complaints have been received by the Fair Wear complaints system and/or where specific high-risks are presented.

4 FAIR WEAR AUDITS

The purpose of factory audits is to determine the degree to which factories comply with the labour standards. For any non-compliance with the Fair Wear Code of Labour Practices, the Fair Wear auditor gives requirements and recommends steps for improvement, which are discussed with the management of the factory. The requirements and recommendations of the audit team form the basis of a Corrective Action Plan (CAP), which contains realistic steps for improvement within a clear time frame.

* See [tail-end monitoring requirements](#).

Our audit methodology at Fair Wear may be different from other audits that you may have encountered. Fair Wear audits contain several unique features that help detect issues often missed by commercial audits and certifications, and that support a more effective remediation of problems when found.

The core features of Fair Wear audits include the following:

- **No pass or/fail judgement.** Fair Wear believes that although there is no perfect factory, there is always room for improvement. Our audit methodology is designed to set a clear path for this improvement. It is not an exam that factories can pass or fail. Fair Wear believes that improvements can only be realised in a sustainable manner if both buyers and suppliers contribute to the same goal. Instead of ‘cut and run’, we expect our members to continuously support remediation at the supply level when the Code of Labour Practices is not met with immediate compliance.
- **Announced audits with offsite worker interviews.** We at Fair Wear find that managers are generally more open to collaboration and workplace improvements if audits are announced. Announced audits also ensures that the appropriate managers and documents are accessible on the days of the audit. However, we are fully aware of the prevalence of double book keeping in production countries. In order to have authentic information, our staff always interviews workers outside of the factory prior to or following an audit. The offsite worker interviews not only address the common pitfalls in audits, but also ensure that the worker’s voice plays an important role in the audit.
- **Five sources of information.** Conclusions, requirements and recommendations that are stated in the Corrective Action Plan (CAP) are based on five different sources of information: on and offsite worker interviews, interviews with management, document inspection, visual inspection of the work place and local stakeholder information. A conclusion in the CAP is only given when the first four sources corroborate the finding. The fifth source of information, received from the local stakeholder, is then compared with issues in the larger garment industry relevant to that specific country or region. This enables the reader to place the findings in a certain context and ensure the reader develops a feeling for the issues at stake in the local garment industry.

■ **Trade union and stakeholder interviews.** Prior to the audit, local stakeholders such as trade unions, NGOs, business associations and local government authorities are interviewed. These interviews are usually conducted by our Fair Wear staff or by a local contact person and are published in the relevant country studies and audit report.

Fair Wear requires auditors to interview a trade union (when applicable) and/or worker representatives during the audit. Trade union representatives are also invited to participate in the audit exit meeting, during which audit outcomes and improvements to workplace conditions are discussed.

A Fair Wear audit can take up to 13 days including preparation, offsite worker interviews and reporting. The Fair Wear audit normally takes between one to two days onsite, depending on the size of the factory. Before the audit, auditors hold a meeting to analyse the information collected during off-site worker interviews to identify the most relevant risks and set priorities during the audit. Additional time is also spent on worker interviews and meetings with local stakeholders. After the first day, the audit team meets in the evening to cross check information that was collected during the first day and discuss the priorities for the second day. After the audit, one to two days are spent writing the final audit report.

FAIR WEAR AUDIT TEAMS

Fair Wear's multi-specialist audit teams are composed of three members who are experts in accounting/document inspection, health and safety, and labour rights. One of the team members is also the audit supervisor in charge of managing the team, conducting the planning and preparation, and the reporting writing. Fair Wear audit teams employ highly-skilled, specifically-trained individuals with extensive knowledge about local law and international standards. They are trained to provide fair and objective assessments of factory conditions and to be able to communicate appropriately with workers and managers.

ACTIVITY	5 – 25 workers	26 – 50 workers	51 – 500 workers	501 – 1000 workers	> 1000 workers
Preparation by supervisor	0.5 day	0.5 day	0.5 day	0.5 day	1 day
Off-site worker interviews incl. preparation and written report	1.5 days	2 days	3 days	3 days	4 days
Factory visit supervisor	1 day	1.5 days	1.5 days	1.5 days	2 days
Factory visit documents inspector/OHS	1 day	1.5 days	1.5 days	1.5 days	2 days
Factory visit worker interviewer	1 day	1.5 days	1.5 days	1.5 days	2 days
Report by supervisor	1 day	1 day	1.5 days	2 days	2 days
Total	6 days	8 days	9.5 days	10 days	13 days

SCHEDULING AND PREPARING A FAIR WEAR AUDIT

Fair Wear expects its member brands to have taken appropriate steps before the audit in supporting the audit team by ensuring factory management is prepared and aware of the Fair Wear audit methodology. In preparation for an audit, the member company is expected to make its way through the following steps:

- 1** Inform the supplier about the Fair Wear Code of Labour Practices and explain that they are expected to work towards compliance.
- 2** Agree with factory management on a preferred month to conduct the audit.
- 3** Ensure all factory details are up to date in the database, including:
 - Factory address
 - Number of workers
 - Contact name
 - Email address
 - Telephone number
- 4** Request the audit through the database.
- 5** Indicate all relevant information for planning in the comment box, such as:
 - Preferred specific dates or timeframes, keeping in mind factory openidays and hours
 - Preferred alternative dates or timeframes
 - Whether a member representative will be present during the audit
 - If the factory is to be contacted via an intermediary
- 6** Discuss the audit process and methodology with the supplier using the information provided in this guide.
- 7** Send the [‘Letter to announce factory audit by Fair Wear team on behalf of member’](#).
- 8** The Fair Wear audit planning team will then forward the request to the local audit team, who will coordinate directly with the factory to select a date. The member company will be informed once a date is confirmed.

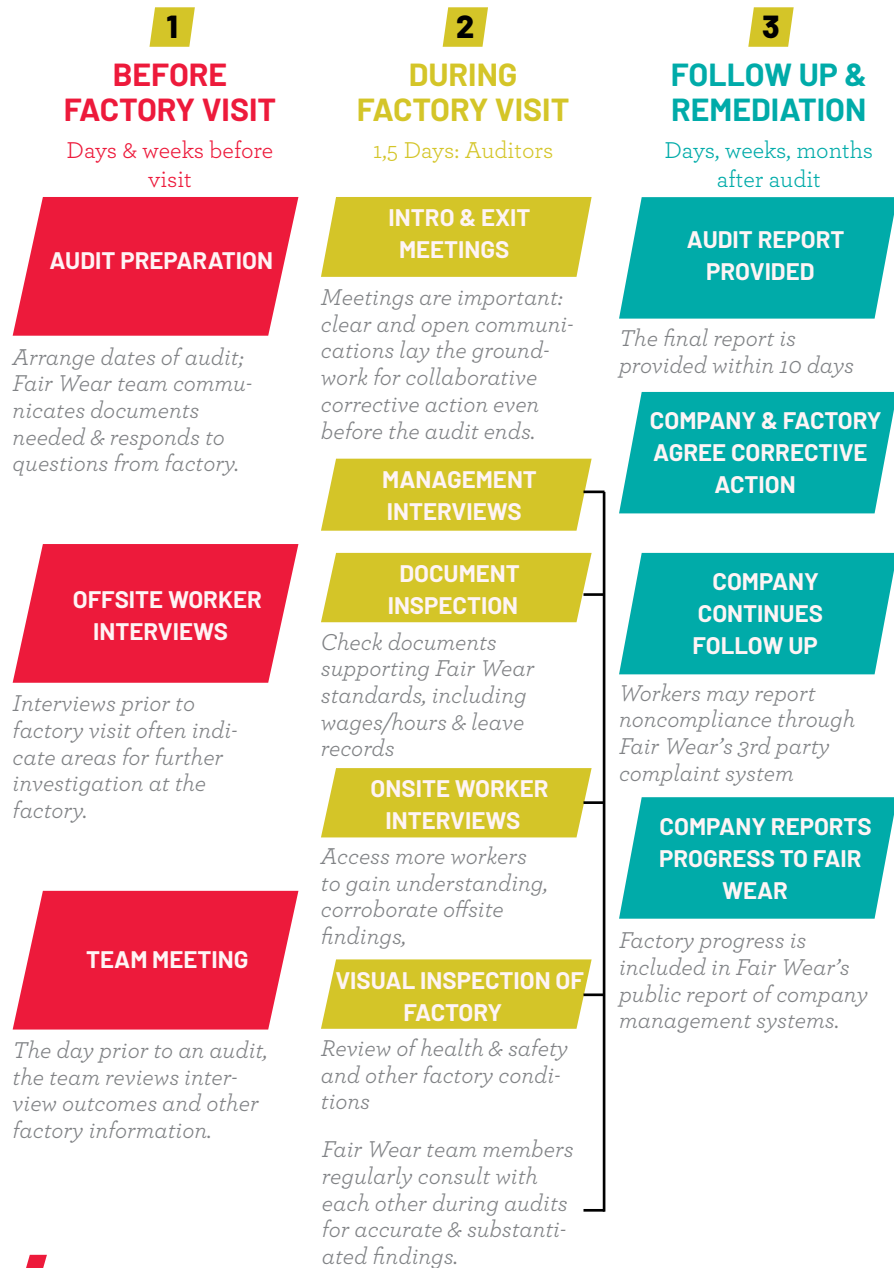
- 9** The audit supervisor will then send an announcement to the factory to introduce the audit team, confirm the audit time and request the factory prepare documents for review.
- 10** Ensure factory management prepare all the requested documents before the audit as well as ensure that the factory management (managing director or general manager) is present during the audit, particularly during the opening and exit meetings. We encourage member representatives to be present during factory audits. In case the member company works with an agent who is in frequent contact with the audited factory, we strongly recommend that the agent is also present during the audit, especially during the exit meeting. Fair Wear is introducing a new information management system, where audit planning and reporting will take place. Fair Wear will update this section once the transition is completed.

CANCELLATION

In the event that a member cancels the audit up to one month prior to the scheduled audit date, 33% of the audit fee is to be paid. In case the audit is cancelled ten work days or less before the audit, the member will be invoiced 66% of the audit fee.

In some cases factories show resistance towards the audit as the audit date draws closer, coming up with several reasons for postponing or cancelling the audit. In Fair Wear’s experience most of these cases can be resolved by again explaining the audit methodology and Fair Wear’s approach. Here it is important to emphasize that the audit is not a ‘pass/fail’, and that the member will not end the business relationship if results are low. It may take several phone calls or emails to address doubts or concerns the factory management may have. Fair Wear has had situations where factory management prohibited Fair Wear’s audit team members from distributing the worker information cards or even refused entrance to the factory. The audit team members will inform Fair Wear immediately, and Fair Wear will contact the member company to solve the issue as soon as possible.

Steps 1-2-3 of auditing



Step 1: Before the audit

Both Fair Wear members and a Fair Wear audit supervisor prepare the factory management for the audit (see section above on preparation).

Days before the audit, offsite worker interviews are conducted. These interviews allow for information to be directly collected from the workers and form a crucial part of the audit. The interviewer, who spends time around the factory, is already forming an impression of the working conditions before the on-site visit. The worker interviews will indicate areas for further inspection and reveal possible discrepancies during on-site factory visit.

The worker interviewer makes a short written report with a consolidated (but detailed) overview of the findings of all interviews. During the audit team's preparatory meeting, the worker interviewer informs the other team members about the most important areas of concern which result from the interviews. During factory inspection the audit team will cross check these issues with the other sources of information (management interview, company books, workplace inspection and consultation of local stakeholders).

Step 2: The factory visit

The audit team members will begin the day with an introductory meeting with factory management representatives to explain the purpose of their visit. The audit supervisor explains the role of Fair Wear members and the purpose of the audit. To get a general picture of the situation, audit team members will walk through the factory accompanied by management representatives, who can answer questions that arise. During the inspection, auditors will walk through the factory several times to inspect the working environment, collect information from documents available in the work space, and talk to individual workers and workers' representatives. Audit team members will examine records and documents (such as the wages book, leave records, etc.). Interviews will be held with representatives of the management and workers.

Depending on the size of the factory, the audit often continues for two days. The audit team holds a meeting after the end of the first day to exchange findings, and to identify main problem areas and possible missing of information. They discuss what is needed on the second day to bring the audit to a close. The audit team formulates conclusions, requirements and recommendations for each labour stan-

dard. The audit team conducts an exit meeting with management representatives and worker representatives to discuss the conclusions, requirements and recommendations and a timeframe for implementation. During the exit meeting the management and worker representatives will have the opportunity to share their feedback. Each team member takes notes, which are given to the team supervisor in order to write the audit report.

Step 3: Completion and sharing of the audit report

Fair Wear aims to provide the audit report to member brands within one month after an audit. The Fair Wear member is required to share the report with the factory management and worker representatives or factory trade union members. The Fair Wear member is additionally required to discuss the outcome of the audit with factory management and come to an agreement on the creation of and timeframe for the execution of the Corrective Action Plan (CAP). [The CAP process is explained in chapter III.](#)

MEMBERS OBSERVING AN AUDIT

Fair Wear encourages brand representatives to observe an audit, emphasising particularly how important it is to be present during the exit meeting. Brand presence increases the members' understanding of Fair Wear's audit process while reiterating the importance the brand gives to this issue towards factory management. It will likely also increase the commitment of factory management as well as provides the opportunity to make agreements on the corrective action plan and timeline.

If attending an audit, member brand representatives must take the following rules into account:

- The role of the brand is the role of an observer only
- The brand representative may not in any way interrupt or delay the process of the audit team, and the audit team is responsible for following correct procedures and for time management
- In case translation is needed, brands must arrange for their own interpreter and not ask one of the audit team members to translate
- The brand representative is not allowed to be present during worker interviews, but being present during management interviews is allowed.

OWNERSHIP OF THE AUDIT REPORT

The audit report is jointly owned by the audited factory and the Fair Wear member(s). If the factory or the member chooses to share the audit report with other parties (such as other customers of the factory), they are free to do so. Fair Wear will not share audit reports with third parties.

COOPERATION WITH OTHER FAIR WEAR MEMBERS

Cooperation is required between Fair Wear members sourcing from the same factory. Fair Wear will inform members when there is overlap in factories. Fair Wear members can jointly request Fair Wear audits and share the costs. In the event that a member begins working with a factory after an audit has already been conducted by another Fair Wear member, the member should make contact with that member and ask for the report, enquiring about the latest CAP status as well as supporting the process of resolving the CAP.

VERIFICATION AUDITS VS. MONITORING AUDITS ON BEHALF OF FAIR WEAR BRANDS

Fair Wear member brands are responsible for monitoring their supply chain and can use Fair Wear's local teams to conduct audits. On top of the members' commitment to conduct audits, Fair Wear is responsible for conducting audits at factories of member brands, together which represent 10% of the member's production over the span of three years. The purpose of these factory audits is to verify improvements that have been made and to check whether the members' monitoring and remediation activities have been effective. Factory audits on behalf of Fair Wear take place at factories that are either selected at random by Fair Wear, or selected to follow up on complaints of non-compliance with the Code of Labour Practices. A factory can also be selected if it is a major supplier to one or several members. Verification audits are paid for by Fair Wear, and commissioned audits are paid for by Fair Wear members. In terms of the methodology, report or auditors used there is no difference.

5 Third party audits

Fair Wear aims to cooperate with as many other initiatives as possible to gain more impact, avoid duplication and lessen the burden on factories. However, the quality of auditing systems can vary. Many commercial audits are brief, conducted by a single person without interviewing workers (particularly no offsite-worker interviews) and cannot be relied upon to provide an honest assessment of factory conditions. Therefore, member brands are expected to assess the quality of collected audits, and consider whether more in-depth audits are required at the production location.

COLLECTING EXISTING AUDIT REPORTS

To gain as much information as possible regarding the implementation of the labour standards in each supplier factory, Fair Wear members should try to obtain the results of audits that have been carried out earlier by others at the factory. As a first step, members can start improving working conditions in cooperation with a supplier by jointly formulating a corrective action plan based on reports of previous audits.

Collecting existing audit reports can be an important step in a member's due diligence when selecting new suppliers as it can give a first insight into the level of labour conditions at the supplier.

In case the collected audit was conducted on behalf of another Fair Wear member, the Fair Wear member should contact the other Fair Wear member to receive the report and cooperate with the member to strengthen each other's actions and achieve improvements.

When the member company assesses the quality of the report, is able to share the conclusions of that assessment, and can demonstrate evidence of follow up and remediation, it will be counted towards the monitoring threshold.

COMMISSIONING NEW THIRD PARTY AUDITS

In countries where Fair Wear is active and has local audit teams, Fair Wear members are strongly encouraged to make use of Fair Wear audit teams. Both the access to a local stakeholder network, as well as the audit methodology and complaints mechanism offer a level of quality that is not guaranteed by other initiatives.

Members should ensure that the audit which they have commissioned to a third party meets Fair Wear's basic requirements. Members could request that Fair Wear audit teams give a training to the third party auditors. In addition, Fair Wear's audit quality assessment tool can be used to check on the report quality. When the member company assesses the quality of the report, is able to share the conclusions of that assessment, and can demonstrate evidence of follow up and remediation, it can count towards the monitoring threshold.

6 Member-led audits

In countries where Fair Wear is not active, or in the event that the number of production locations does not allow for the exclusive use of Fair Wear teams, member brands might opt to use their own auditing system or own local staff to conduct audits.

In those cases the member company needs to invest additional efforts to ensure the quality of the audit methodology by including the following:

- Local stakeholder information
- Offsite) worker interviews
- Management interviews
- A document check
- A visual and document check for occupational health and safety (OHS) issues
- Covers all elements of the Fair Wear Code of Labour Practices

Audits should always be conducted by local people. Audit team members should be knowledgeable of the local language, local labour relations and local laws and regulations.

Audit reports need to include relevant factory data such as name, address, contact person, ownership, workforce (gender), production process, production capacity and subcontracting. It needs to clearly state what has been verified and with what source (i.e. interviews, documents, visuals). Audit findings need to be documented, especially if labour standards are not up to par.

In the event it is a shared supplier, the other Fair Wear member(s) needs to provide access to the report and demonstrate that it has cooperated with the follow up in order for it to count for the monitoring threshold.

In order to align methodology, a member company's auditors should be regularly trained alongside Fair Wear auditors.

Audits conducted by Fair Wear audit teams:

Audit type	Verification audit	Monitoring audit on behalf of Fair Wear brand
Validity	three years	three years
Who choose the factory	Fair Wear	Fair Wear member brand
Who pays for the audit	Fair Wear	Fair Wear member brand
Does it count towards the monitoring threshold of the Fair Wear member brand	yes	yes
Difference in methodology	No difference	No difference

Audits not conducted by Fair Wear audit teams:

Audit type Differences	Member's own audit	Audits commissioned to a third party auditing organization	Existing audit report
Validity	three years	three years	three years
Who conducts the audit	Staff employed by member company	An audit company/ organization or auditor, which is hired by the member company	An external party, which is not hired by the member company. The member company only has access to the report.
Who pays for the audit	Member company	Member company	External party. In some cases the member company needs to purchase the report.
Can the member company and Fair Wear influence the audit methodology?	Yes, to a large extend	Member company and Fair Wear might be able to influence, depending on the agreement with the auditing organization.	No influence
How can members ensure the quality of the audit report?	Regular Fair Wear audit training to auditors; regular check on audit reports using the audit quality assessment tool	Regular Fair Wear audit training to auditors; discuss with the company/organization on Fair Wear requirements before commissioning; regular check on audit reports using the quality assessment tool.	Use the audit quality assessment tool to check if the quality meets basic requirements or by any other experience the member has in assessing the quality.
Counting towards monitoring threshold	Only when the quality is assessed and the member can demonstrate follow up of the audit findings during a performance check	Only when the quality is assessed and the member can demonstrate follow up of the audit findings during a performance check	Only when the quality is assessed and the member can demonstrate follow up of the audit findings during a performance check

SAMPLE AND TEST ORDERS

Test orders are a normal part in the process of working with new suppliers. There is an understandable logic to ensuring that the supplier can make the product you need and is a commercially viable partner before investing heavily in a full due diligence/monitoring assessment. What is important to acknowledge are the potential risks at this stage of production. From a human rights risk perspective, every order, regardless of its size, opens a brand up to risks. Garment workers are making your products and if those happen to be child labourers, it does not matter whether those were sample orders or not.

There are different approaches in assessing product outcome. One is to place test orders at 15 factories to see how those factories compete with each other, while the other is placing test orders at one supplier you are seriously considering working with. Fair Wear requires member brands to include sample production locations in their supplier data including FOB details, as we use the members' financial payment overviews to verify its purchasing and monitoring practices.

ADDED OR CHANGED SUPPLIERS

Members should plan carefully when changing or adding suppliers, as this will affect the monitoring threshold. Stable business relationships reinforce the implementation of the Code of Labour Practices and give factories a reason to invest in improving working conditions. Company structures that allow for frequent supplier changes or rely heavily on agents to determine which production locations are used expose themselves up to enormous risks. Monitoring and improving working conditions become even more challenging in reactive models where orders are moved around different production locations without proper consideration. Moreover, this may cause previously made resources/investments to go to waste. See Fair Wear's guidelines on a [responsible exit strategy](#). At Fair Wear, we incentivise and reward members who consolidate their supplier base, as this makes every other monitoring and remediation effort more effective. New suppliers can only be selected after a thorough due diligence check.

FACTORY RELOCATION VS. OWNERSHIP CHANGE

If a factory relocates, the audit reports are no longer valid. Audits are related to factory sites and the health and safety aspect, in particular, is based on the assessment at a specific production location. Moreover, a move to a new location may result in new workers being hired, making additional or new policies needed. For these reasons, when a factory relocates, the member is required to inform Fair Wear immediately and enter the new location as a new factory in the database. Complaints will remain valid, since the evaluation focuses on the way cases are remediated. WEP trainings only still count if the same workers and managers are employed at the new location.

Additionally, in the event ownership changes, it is advisable to contact Fair Wear. Changes in ownership may affect factory policies and compliance systems which may be reason to adjust the monitoring efforts. As change in ownership may not always lead to different factory practices, it is advisable to discuss this on a case by case basis with your brand liaison.

7 Member staff visits to production locations

THE IMPORTANCE OF VISITS

Audits and other monitoring activities should be complemented by visits from member staff or local representatives. Regular visits are important for several reasons as human rights due diligence is impossible without knowing where garments are actually produced. Visits also reinforce to factory managers that member brands are serious about implementing the Code of Labour Practices, and they provide opportunities to discuss problems and solutions with managers.

Visits also provide an opportunity to identify problems between formal audits. They must be used to discuss the state of affairs with regard to the labour standards in that they can help identify unauthorised subcontracting and document whether or not the information sheet for workers is properly displayed in the workplace.



(Visits can also be conducted by agents or local staff on behalf of the member company.)

DOCUMENTING AND SHARING

Fair Wear advises to always both document the outcomes of visits and systematically share reports with colleagues at the brand level who regularly engage with suppliers. This ensures staff is updated on the latest stage of labour conditions improvements and can serve as input for decision making in sourcing/production. Even for production locations that are exempted from audits (i.e. low risk countries and/or tail-end production locations), visits are required for basic due diligence and risk assessments.

ENSURING BASIC HEALTH AND SAFETY STANDARDS

Every factory visit is an opportunity to check on common health and safety issues, and to make clear to factory managers that its brand takes good working conditions seriously.

Fair Wear provides the use of [guides for member brands](#) to monitor the health and safety of workers in apparel factories. The purpose of these tools is to allow staff or member brands who often visit the factory to do a preliminary scan of elementary health and safety issues. These guides can help to spot health and safety issues between formal audits. However, they are never a substitute for professional audits carried out by trained (Fair Wear) audit teams. There are, however, some important issues that employees with health and safety training can look for during a factory visit. Some of these issues can be addressed directly with factory managers, while others should be investigated through a factory audit.

8 Human rights' risks

When establishing a monitoring programme, Fair Wear advises its members to use information from Fair Wear country studies. Furthermore, Fair Wear members should acquaint themselves with the outcomes of Fair Wear's consultations with local organizations, which are to be included in country studies and audit reports.

Due diligence and becoming aware of the country's or region's specific risks is not a one-time exercise, but a continuous assessment of relevant developments to be integrated in a brand's sourcing practices and decision-making. In monthly updates and other communication channels, it is Fair Wear's aim to include as much country specific information as possible. Members are also encouraged to consult other

information sources. Particularly in the area of wages, for example, members are expected to be aware of changes in minimum wage. In terms of human rights and freedom of association context per country, the ILO and ITUC are good resources.

9 Factory self-assessments

Self-assessments conducted by a supplier are one possible tool to gain insight into the level of working conditions at a particular factory. It is also important to remember that the validity of what the factory will tell a customer depends highly on the relationship between that customer and the supplier. There is pressure on factories to tell their customer what they want to hear, which creates misinformation. As with Fair Wear membership with brands, third party assessments are always better than self-assessments. While self-assessments can be a useful exercise for the factory, it is not an adequate monitoring tool and does not substitute for audits. At most, factory self-assessments may be used as a first step in collecting information (similar to the Fair Wear questionnaire) when the relationship with the supplier has not yet been determined, or in anticipation of an audit.

10 The internal brand monitoring system

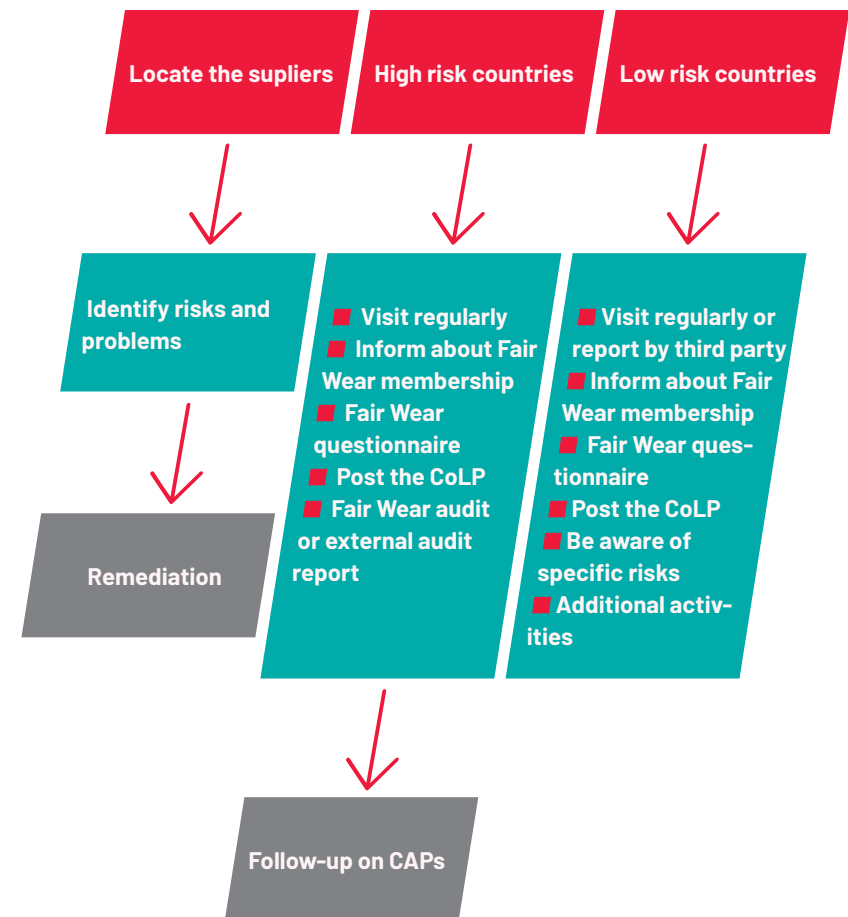
Fair Wear members work hard to develop a monitoring system that enables them progressively cover all suppliers in order to get full insight into working conditions in their supply chain. As mentioned above, a coherent monitoring system means that together, all of the different monitoring instruments and activities work together to contribute to the overall goal(s). This requires several aspects to be present within a member company, including the following:

- **Documentation and evaluation.** Every monitoring effort should have its outcome documented. After visiting suppliers, all important email conversations, etc. should be documented in order to ensure the appropriate follow up. An evaluation system must be set up to track progress of the entire supplier base.
- **Information sharing.** Sustained progress of CAPs requires internal systems that can coordinate efforts between the different departments that have influence over supply chain conditions. A product manager who visits a factory must be aware of whether an audit has been performed, what the outcomes were

and of the status of the ensuing corrective action plan. To allow buyers and/or product managers to make informed sourcing decisions, information on corrective action plans, social compliance at suppliers and other information relevant to sourcing decisions should be readily accessible.

- **Mandate.** The person responsible for implementing Fair Wear membership requirements must have the mandate to follow up on findings and to support factory with necessary means and resources.
- **Local presence.** If there is local staff in production countries (quality control personnel, local offices etc.) they should also have a role in monitoring and remediation, and particularly in managing risks in terms of subcontracting. The member company should set up a system to document and use that information.

MONITORING ACTIVITIES	MATERIALS
Informing factories/factory self-assessment/collecting existing audit reports/update subcontractor information in the database	Fair Wear Questionnaire, CoLP, Workers' information sheet
Visiting factories	Workers' information sheet, Checklist (incl. OSH)
Conducting/commissioning factory audits	Audit announcement letter, factory information sheet
Follow up Corrective Action Plan	CAP, audit report,
Evaluating other audit reports	Audit quality assessment tool
Staying up to date	Fair Wear country studies Member hub, emails, Fair Wear events Other resources



11 Monitoring high and low risk situations

HIGH RISK

Fair Wear regularly develops policies on emerging situations that pose high risks to workers. Fair Wear also revises such policies as the situation evolves and more research becomes available. These policies require member brands to take additional steps to address and remediate the specific risks. Currently, Fair Wear has identified additional risks and devised enhanced monitoring programmes for **Bangladesh, Myanmar and Turkey**. It has also adopted guidelines on eliminating abrasive blasting in denim and other products. [click here](#)

LOW RISK

Factories in so-called 'low risk countries' do not need to be audited, but they must be part of the monitoring programme. Low risk is not the same as 'no risk'.

All present member states of the European Union (EU) except Bulgaria and Romania, which means 25 member states, as well as member states of the European Free Trade Association (EFTA) including Iceland, Liechtenstein, Norway and Switzerland are considered 'low risk countries'.

Low risk countries are determined by the existence of properly functioning institutions such as trade unions, worker committees, labour legislation and labour inspections, which can guarantee compliance with basic standards.

Currently, problems regarding compliance with labour standards are being found in some 'low risk countries', particularly where production takes place in the 'informal sector' and where migrant workers, often from Asian countries, are employed, sometimes illegally. Fair Wear members must be aware that such situations can arise.

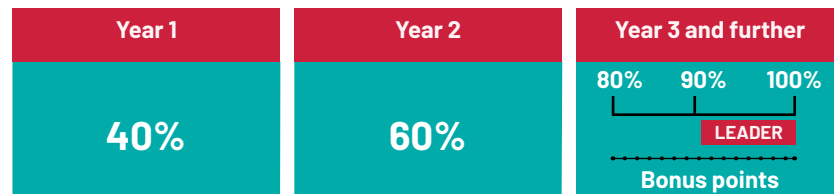
In order for low risk countries to be counted towards the monitoring threshold, all production sites in these countries must do the following:

- Ensure that information on labour conditions is up to date either by a regular visit and/or a report by a third party.
- Demonstrate that the production site is informed of Fair Wear membership and has returned the completed CoLP questionnaire before production orders are placed.

- Become aware of specific risks identified by Fair Wear. See for example risk management done for Portugal and Italy.
- Demonstrate that the Fair Wear Worker Information Sheet is posted in local languages and languages of migrants where applicable.

The monitoring threshold

Fair Wear recognizes that establishing good quality systems takes time and involves a learning curve. For this reason, Fair Wear allows members to phase in their monitoring system over a three-year period. For each year, there is a minimum percentage of production that must be under monitoring. This minimum requirement is known as the monitoring threshold.



- 1 After the first year of membership, factories that supply 40% or more of a brand's total FOB volume must be under monitoring.
- 2 After the second year of membership, the required percentage is 60% or more of FOB volume.
- 3 After three years of membership, the member company is required to monitor its full supply chain. The required monitoring threshold after the third year is different for each member brand, depending on the composition of its supply chain.

COMPLIANCE WITH THE MONITORING THRESHOLD

Fair Wear publishes each member's monitoring threshold as part of the annual Brand Performance Check. This provides stakeholders with an indication that each member is taking monitoring responsibilities seriously. Compliance with the monitoring threshold requirements is a fundamental aspect of the Brand Performance Check.

While monitoring encompasses many activities, the threshold calculation uses audits – the most intensive form of monitoring – as a proxy for the overall monitoring system. Other aspects of the monitoring requirements are covered by Brand Performance Check indicators.

To count towards the monitoring threshold, a factory must have been audited within the last three years by

either

- Fair Wear audit teams
- Third party audits that meet Fair Wear's quality requirements [click here](#)
- The member's own audit teams that meet the quality requirements. [click here](#)

Or

- Be located in a country classified by Fair Wear as low risk
- Where the member has fulfilled low-risk country requirements [click here](#)

One hundred per cent monitoring is the objective, but monitoring can entail different things. Next to auditing, there are other instruments to implement. Please see below section how the monitoring threshold is calculated.

WHICH FACTORIES COUNT TOWARDS THE MONITORING THRESHOLD?

The objective of the monitoring threshold is to provide a fair and comparable assessment to show that each member is monitoring their supply chain appropriately. In order to do this, Fair Wear must be able to document the business relationships between brands and factories. This allows us to ensure that brands are not 'hiding' production. For example, if the brand has purchased €50 million euro worth of garments, but can only demonstrate that €40 million euro worth came from audited factories, then there is unmonitored production happening.

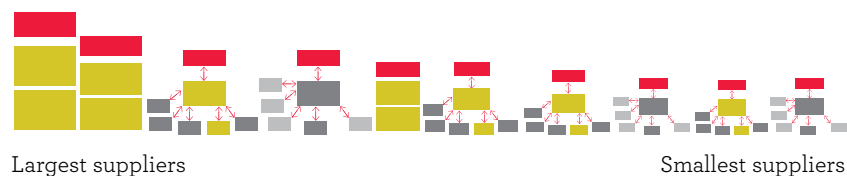
While this approach provides a reliable assessment, it also requires the existence of a 'paper trail' showing the financial relationship between factory and brands. Such paper trails are standard with main CMT suppliers and CMT subcontractors, but normally there is no direct business relationship between brands and other types of subcontractors. This means the documentation Fair Wear needs either does not exist, is unreliable or is impossible for us to access consistently.

For this reason, we at Fair Wear include audits at main CMT factories and CMT subcontractors to calculate the monitoring threshold, as well as in other calculations for the Brand Performance Check. Factories that include both CMT and support processes are counted as CMT factories for monitoring threshold purposes.

SUPPLY CHAIN 'TAILS'

Most garment supply chains have a supply chain tail, meaning that they source a relatively large volume from a relatively small number of production locations, but they may also source small orders from a tail of suppliers.

Example of 10 factory supply chain with multiple factory models



We encourage a 'short tail' and a stable, consolidated supply chain. The more production locations at the tail end, the more social compliance risks clothing brands are exposed to. Both of these criteria are among those assessed in the Brand Performance Check. At the same time, Fair Wear's monitoring thresholds do reflect the business reality that in some cases, the burden of auditing these very small production locations is very high relative to the potential for change at a supplier with whom a member has very little influence.

For that reason, we at Fair Wear have defined lighter 'tail' monitoring requirements for certain production locations at the end of a members' tail. This only applies to members after three or more years of membership.

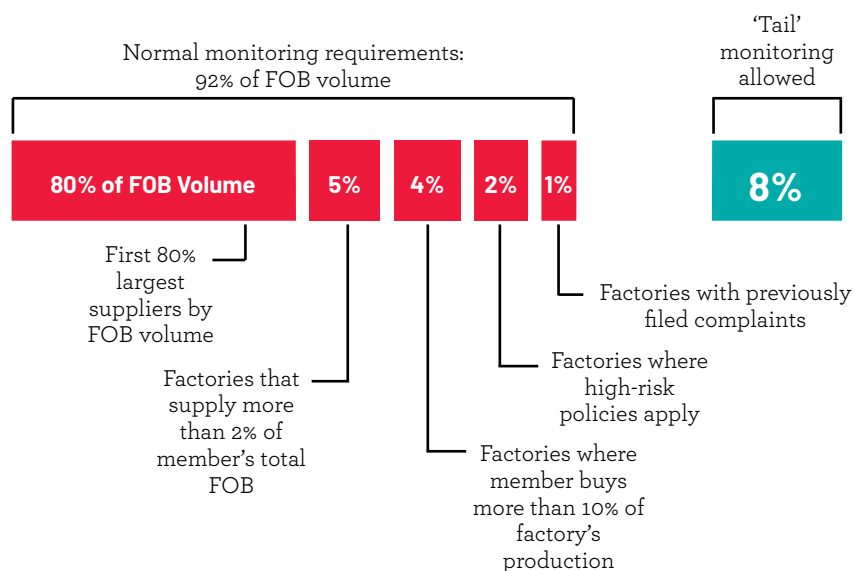
To determine if any factories are eligible for the tail-end monitoring, members must first ensure that the largest 80% of suppliers by FOB volume are covered by regular monitoring requirements. (Failure to meet 80% after three or more years of membership will lead to a Needs Improvement rating.) Second, among the remaining suppliers, regular monitoring must also be done for:

- All production locations that produce more than two per cent of the brand's total FOB (important to the member company)
- All production locations where member brands buy more than ten per cent of the supplier's overall production capacity (high leverage = good potential for change)
- All production locations in specific high risk areas where Fair Wear requires an enhanced programme as stipulated in the Brand Performance Check guide or other policy documents [click here](#).
- All production locations where a complaint was submitted – required follow-up steps are discussed in cooperation with Fair Wear.

When our audits at Fair Wear are not conducted at the above production locations, a requirement will be included in the Brand Performance Check and its implementation will be checked during the following performance check.

Once all of the above has been accounted for, tail end requirements may be applied to the remaining suppliers, to a maximum of 20% of members FOB:

- All factories must be visited by brand staff at least once every three years [and](#)
- During factory visits, labour conditions and the use of subcontractors must be discussed, outcomes of the discussion must be documented, and the Fair Wear health and safety checklist must be completed and filed for Fair Wear to assess during a Brand Performance Check. The Fair Wear member can collect existing audit reports from the production sites in order to ensure most updated information on working conditions.



3 Remediation of (audit) findings

Members' due diligence and monitoring efforts are all aimed toward getting insight into working conditions and identifying possible risks and problems. The process of remediation that members subsequently embark on forms the heart and soul of Fair Wear membership: realising improvements and making a change in the lives of the workers involved in making products. Remediation is everything that follows when you have identified a problem through any monitoring instrument, whether it be an audit, a complaint, a factory visit or something else. Solve the problem and improve the situation.

Following (mostly) an audit or complaint, the remediation process is based on the Corrective Action Plans (CAPs) set up between Fair Wear member brands and suppliers when problems are found at a production location. Fair Wear considers efforts to resolve CAPs and to discuss known problems to be one of the most important actions that member brands can undertake towards improving working conditions.

As member brands have influence but no direct control over production locations, in addition to considering outcomes, Fair Wear places considerable weight on efforts. Member brands must not only require information on the status of CAPs, but also be actively involved in remediation. This ranges from financially supporting the supplier, to implementing an improvement, to organising trainings, hiring a local consultant, or changing something in the member's own business practice. In some cases, member brands have a major role to play in addressing the root cause of an identified problem. Fair Wear expects member brands to examine and address any problems to which they are contributing. It means the responsibility for improvements is not placed solely on the supplier but is a shared responsibility between the Fair Wear member and supplier.

A process of successful remediation begins with **trust building**. Fair Wear members are expected to have on-going dialogue with factory management in analysing the root causes of problems found and in actively supporting the resolution of non-compliance.

Secondly, **cooperation** is needed between Fair Wear members and other clients in the factory. As mentioned before, remediating problems often requires change from several actors. To work on a sustainable solution, ideally both factory management and member clients need to be on board.

Visits are needed to keep the remediation process going. Email communication can be a first step into gaining more insight into a problem. However, most solutions require a visit or additional audits to verify improvements.

Data collection and evidence is needed to monitor the progress towards resolution of the corrective action. For the simpler findings, it might be sufficient to require a picture that demonstrates improvement. Since it can be difficult for a member to assess the submitted evidence, members are encouraged to ask for Fair Wear support or that of other local organizations the member company works with. Regardless of specifics, it is important to be able to ask the right questions and avoid making assumptions. For more complex issues, visits are encouraged for a face to face discussion, as well as enlisting the help of local support, a Fair Wear training or a root cause analysis in order to come up with a plan.

Moreover, it's important to be able to **prioritise**. Resolving a Corrective Action Plan is a process. Start with the most urgent findings with an immediate timeframe. From there, assess whether or not working on the 'easy fixes' first will help in gaining trust and cooperation with factories.

Last, ensure **coherence** within the company; top-management, purchasing and CSR employees all need to be aware of the most recent status when communicating with or visiting suppliers. In addition to being aware, decisions made by different brand employees need to reinforce each other and not be contradictory.

If there is local staff in production countries, they should also have a role in monitoring and remediation. The company should set up a system to document and use that information. They have a role to play to manage and mitigate risks (e.g. with subcontracting).

Steps to be taken after an audit:

- 1** Agree on the Corrective Action Plan (CAP)
- 2** Prioritize based on the timeline in the CAP
- 3** Whenever necessary, do a root cause analysis
- 4** Set up step-by-step goals for remediation
- 5** Revisit own sourcing practices
- 6** Reach out for support from Fair Wear, external experts or other brands
- 7** Evaluate results and make new plans

4 Worker helpline and remediation of complaints

THE FAIR WEAR COMPLAINTS PROCEDURE

Fair Wear's complaints procedure gives workers access to remedy in the case of grievances. It allows workers and their representatives, including trade unions and civil society organizations, to present complaints about working conditions and violations of the Fair Wear Code of Labour Practices at factories supplying Fair Wear members. Questions or complaints can be presented through the local Fair Wear helplines, through local stakeholders in contact with Fair Wear or by contacting complaints@fairwear.org.

The complaints procedure provides a framework for Fair Wear member brands, highlighting their responsibility towards their workers within their supply chain. It is a channel for member brands to receive direct information about possible problems related to working conditions in their production locations, including a clear procedure to solve problems. The system is based on dialogue and engagement.

The following principles guide Fair Wear's complaint procedure:

1 Try to resolve complaints at the factory level first. It is Fair Wear's position that complaints from workers or their representatives against an employer should ideally be handled at the factory level. Appropriate resolution processes may include factory human resource procedures, negotiations with trade unions or using the legal systems available in each country. In practice, however, these options are not always present, functional, trusted or safe for workers to use. The Fair Wear complaints procedure is designed to provide a 'safety net' or backup system when factory-level systems for remediation are not working properly.

2 Support social dialogue and the role of trade unions. It is important to note that the system is not intended to replace or undermine existing functional mechanisms, trade unions in particular. Rather, the system is designed to strengthen local systems and trade unions, creating an enabling environment for constructive social dialogue. A worker's or trade union's decision to use the Fair Wear system is a clear

signal that the factory's internal mechanisms are not functioning properly. Any remediation plan for complaints received by Fair Wear should, therefore, include steps to improve the factory's internal grievance mechanism and compliance with Fair Wear's Code regarding freedom of association (FOA). Respect for FOA means that trade union rights can be exercised in normal conditions, in a climate free of violence, pressure, fear and threats of any kind, and also that workers can join union activities without fear of retaliation and without interference by management.

3 Be transparent. The Fair Wear procedure aims to be as transparent as possible in order to address the public interest concerns at stake. Transparency is also important to worker representatives and businesses, as public reports regarding complaints offer examples of how problems common to other factories may be resolved. Most important is the transparency in filing complaints and the key elements of their remediation. In order to prevent the possibility of retaliation from employers or individual workers, the system is designed to protect the complainant's anonymity when necessary.

4 Share responsibility. The system is based on the principle of shared responsibility between the member brand and the factory, one of the main principles underpinning the Fair Wear approach and on dialogue and engagement. Fair Wear member brands have committed to the implementation of the Code of Labour Practices and to responding adequately to complaints regarding working conditions. The complaint mechanism seeks to facilitate access to effective remedy for workers, through using and increasing the leverage that Fair Wear member brands (together with non-Fair Wear member brands) have at factories to facilitate remediation of non-compliance or violation of the Fair Wear Code of Labour Practices. We at Fair Wear do not have the same mandate over all involved actors to compel action from brands and factories which a legal system could have. Our complaints system has in the past often led to full remedy for the affected workers – and full remedy is and should be the goal of any mechanism that aims to provide access to remedy. However, Fair Wear and its member brands cannot guarantee that full remedy is always achieved, due to constraints in terms of mandate and influence.

The Fair Wear complaints procedure is a clear way for factories to introduce more open communications and learn new negotiation skills gradually. It is also an opportunity to engage customers in the remediation process, as well as to address the role brand behaviour, such as late product changes or extreme price pressure, may have played in contributing to the complaint.

Factories that create an environment in which workers feel comfortable expressing a grievance are factories that take the rights of workers seriously.



- Workers and their legitimate representatives
- Trade unions
- Employers' organizations
- NGOs
- Others (including media) who are concerned about the implementation of labour standards at suppliers of Fair Wear members

Fair Wear members are required to participate in the complaints mechanism. In addition, Fair Wear members are responsible for the following steps specifically related to the complaints procedure:

- 1** Ensuring that all suppliers are notified about the existence of the complaints procedure and commit to cooperating on remediation;
- 2** Promoting the Code of Labour Practices to workers at all suppliers, and informing them of the existence of the complaints helpline;
- 3** Designating a brand employee as point of contact in case complaints are submitted;
- 4** Communicating with the relevant factory in case a complaint is received;
- 5** Communicating with complainant/supporting the factory in its communications with the complainant;
- 6** Ensuring the remediation plan developed by Fair Wear is implemented.

Please click [here](#) for all detailed steps of the complaints procedure.

FAIR WEAR HAS THE FOLLOWING ROLES IN THE COMPLAINTS SYSTEM:

- Ensuring the Fair Wear complaints system is operational (this involves training and managing complaints handlers in the countries where Fair Wear is active).
- Creating worker-focused promotional materials and trainings to be distributed by members.
- Engaging with civil society organizations (CSOs) and trade unions on a regular basis in identifying and addressing critical issues.
- Communicating with the complainants and other relevant stakeholders (trade unions, CSOs, etc.) throughout the complaints procedure, often through the complaints handler.
- Leading the investigation of complaints as neutral third party.
- When complaints are found to be grounded, formulating a corrective action plan in consultation with complainant.
- Providing guidance to member brands on the process of remediation.
- Publicly sharing the outcomes of the investigation and the remediation plan through the Fair Wear website.
- Verifying the implementation of a remediation plan and engaging with the complainant with regard to the outcomes.
- Assessing the performance of the member brand in ensuring remediation.
- Sharing findings from the system with local institutions, international grievance mechanisms, business associations and trade unions.

HOW IS THE COMPLAINTS PROCEDURE REPORTED?

Not only does Fair Wear want to be transparent about its processes and outcomes in relation to public interest concerns with the complaints procedure, but also wishes to support learning on ways member brands can improve compliance. For this purpose, Fair Wear publishes complaints and the key elements of outcomes on its website.

Fair Wear publishes information about complaints on its website, beginning with an admissible complaint. In its public communication on complaints, Fair Wear shares basic information including the relevant labour standard and country, Fair Wear always includes the name of the Fair Wear member brand(s) sourcing from the factory. Fair Wear will never disclose the name of the complainant in its public reports.

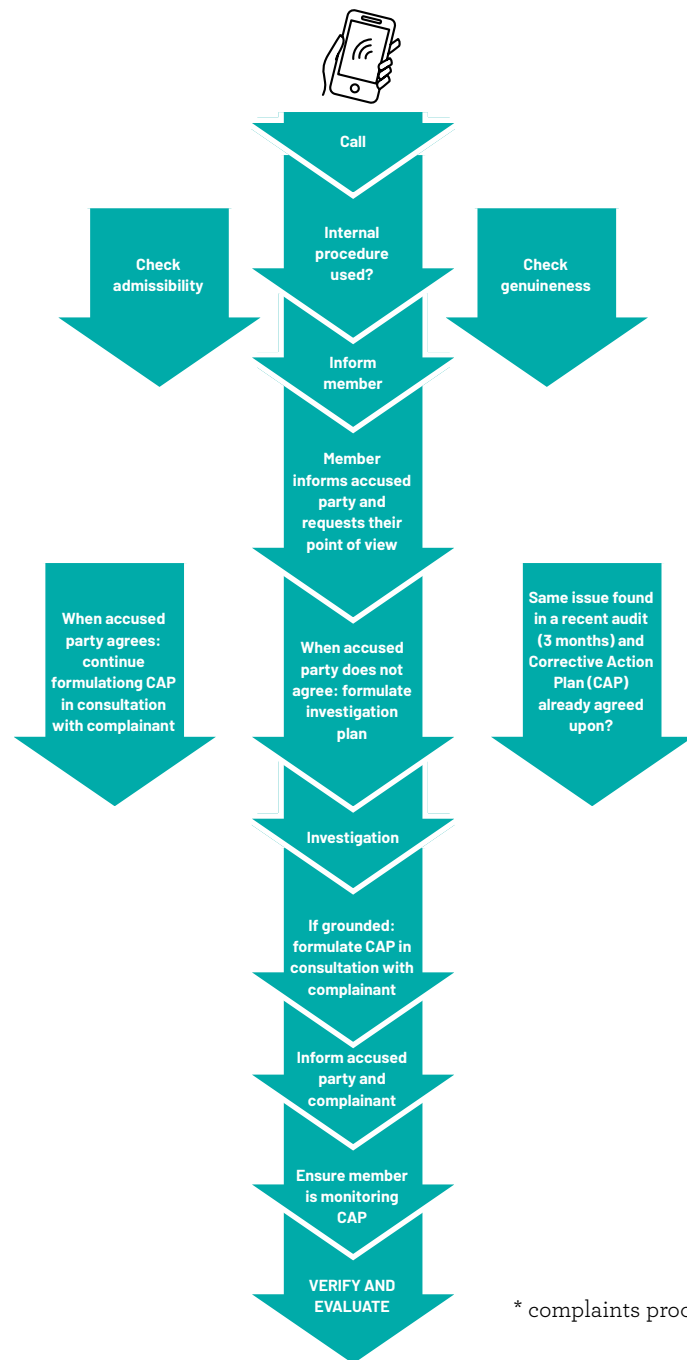
To avoid negative consequences for the workers, the name of the factory for which a complaint is filed is not disclosed during the procedure. When a complaint has been successfully remediated, the involved parties, including the complainants may agree on disclosing the name of the factory. If the parties involved agree, this information will be added to the public information on the Fair Wear website.

WHAT IS THE ROLE OF COOPERATION?

For the remediation of complaints, Fair Wear encourages member brands to cooperate with other customers to ensure that first, their approaches are aligned; second, they can discuss possible root causes together; and finally that they as member brands have increased leverage to monitor remediation. Cooperation between Fair Wear members is mandatory and assessed in the Brand Performance Check.

Fair Wear will discuss with both the complainant and the Fair Wear member to decide whether or not to inform or involve other customers of the factory. To be able to do that, Fair Wear or the member company will need to disclose the relations between the member and the factory involved to the other brands. In the event that other customers are members of another Multi-Stakeholder Initiative (MSI), Fair Wear will contact the MSI to discuss follow-up of the complaint.

For more information about the procedure and the different steps in the handling process, read the [read the Fair Wear complaints policy](#).



* complaints procedure

5 Training, capacity building and prevention

Training and capacity building across the supply chain are important investments that pay off in terms of both better responses when problems are found, and in preventing many labour code violations from happening in the first place. Brands, factories and agents can all benefit from training and capacity building work. The most important required and recommended steps are outlined below. In addition to this, Fair Wear encourages members to explore additional resources for improving the skills and knowledge of all supply chain actors.

Fair Wear member brands

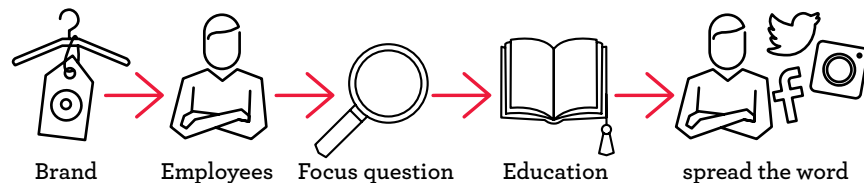
Nearly all brand employees have both direct and indirect effects on factory working conditions, even if those effects are not always obvious. An appropriate level of training on how to support better working conditions, and the requirements of Fair Wear membership should be arranged for each department at your brand.

The Fair Wear [Well Made Project](#) provides some insight on how different roles/departments can support better human rights compliance in your supply chain.

Some suggestions include the following:

- Upon joining Fair Wear, organise an internal presentation, share a press release, and/or include material in internal mailing and newsletters
- Share talking points or FAQs to ensure all staff can answer basic questions about Fair Wear membership
- Make the Fair Wear membership requirements and the Code of Labour Practices part of employee manuals for new staff
- Ensure that staff is responsible for the implementation of the Fair Wear requirements as well as take part in the Fair Wear member seminars.
- Organise a training with management and employees in charge of work plan implementation. (The training should provide information about Fair Wear and discuss the state of affairs concerning implementation of the Code of Labour Practices, with Fair Wear providing inter-company training upon request)
- Report on working with the Code of Labour Practices in internal newsletters or company magazines

- Provide information on the annual evaluation and the goals set for the following period to all staff
- Use the [communication/marketing tools available](#) to help spread the word among employees (encourage them to follow Fair Wear on social media for continuous updates as a free and easy way to engage with many different kinds of employees)



Agents, intermediaries and sourcing contractors

Agents, buying offices and other intermediaries have the potential to either support or disrupt CoLP implementation. Any external agents, intermediaries or other contractors working on behalf of the member should therefore have the same knowledge and commitment in supporting the Code of Labour Practices as individuals directly employed by the brand.

The employees of these agents and offices should be included in education and training schemes, as demonstrated in the graphic above.

Given how difficult it is to improve working conditions, an intermediary makes communication and remediation efforts even more challenging. Fair Wear believes in direct communication between brand and factory management on issues like working conditions. If the member works with agents, it must deploy additional efforts to ensure its agents actively support the implementation of the CoLP.

Training for factory management and workers

Fair Wear envisions factories where workers have a regular and open dialogue with management about working conditions, where grievance mechanisms are in place and systems exist to continuously monitor working conditions. To improve working conditions in factories, educating and developing management and worker capacities is critical in an environment where respect for labour standards is often not guaranteed. Long-term change can only be achieved when management and workers not only have sufficient awareness of labour standards, but act upon these labour standards in an environment that promotes a regular and open dialogue between management and workers. At a minimum, all workers should be informed of their labour rights in order to be able to act upon violations and form worker committees or trade unions to improve working conditions.

It is the member's responsibility to ensure that all factory workers and management are aware of the labour standards and the Fair Wear complaints hotline. This responsibility goes beyond auditing and setting up corrective actions, often requiring additional measures. Training can be an instrument to bring about change, as can hiring a local consultancy or providing financial support. The aim of such factory training is to both prevent and remediate social issues, and change the behaviour of management and workers.

Fair Wear supports members that wish to improve working conditions through training and has therefore developed the Fair Wear Foundation Workplace Education Programme (WEP).

The Workplace Education Programme (WEP)

Fair Wear's Workplace Education Programme (WEP) provides members with the tools to move beyond auditing to achieve lasting improvements.

We have identified three goals that are implemented through the Fair Wear WEP, which include:

- 1** Creating awareness among workers on labour rights and grievance mechanisms, especially focused on the Fair Wear Code of Labour Practices and the Fair Wear worker helpline.
- 2** Supporting transformation processes on a factory-level that are focused on respect for human rights.
- 3** Enhancing the impact of Fair Wear-training by providing guidance to Fair Wear member brands on active follow-up.

BENEFITS OF PARTICIPATING IN THE WEP

1 **Supports member brands.** The WEP is designed to support brands in achieving the goal of improving factory labour conditions by providing brands with the tools needed to inform workers and management in their supply chain about issues such as labour standards, grievance mechanisms and healthy worker-management communication. Training workers and management together to improve working conditions can also help productivity, and give higher worker satisfaction while reducing worker turnover.

2 **Reduces potential risks.** Increasing management and worker understanding of labour standards has shown to reduce workplace violations. Using training to build the skills and capacities of management and workers is the first step in a longer term process in reducing risks within supply chains.

3 **Reduces costs.** Every year, brands and suppliers invest significant resources to perform audits, implement corrective actions and follow-up on complaints. The WEP can act as a catalyst to bring about lasting change by improving communication between management and workers based on labour standards. In the longer term, a functioning social dialogue and operative management systems can serve to reduce the costs of auditing and follow up services.

4 **Receives public acknowledgment.** We at Fair Wear publicly report the performance of member brands in their implementation of the Fair Wear Code of Labour Practices. Participation in the WEP will be logged as an important first step towards building capacity in supply chains. A certificate of participation is provided to factories that complete the training in accordance with programme requirements.

Watch what this [Indian supervisor](#) has to say about the benefits of the supervisor training.

The Workplace Education Programme modules

Please visit the WEP section on Fair Wear's website for a current overview of available modules and training fees. Factory invitations for each module and country can be found under the member login of the Fair Wear website.

General modules

1 WEP BASIC (FAIR WEAR'S INTRODUCTORY MODULE)

This module provides a basic introduction to Fair Wear's Code of Labour Practices as well as the Fair Wear complaints hotline and other grievance mechanisms. It supports brands and factories in fulfilling their basic responsibility to inform workers about their rights and access to grievance systems. Management, supervisors and workers are trained separately in two-hour sessions. At least ten per cent of production workers must receive training in order to meet performance check requirements (indicator 3.3). This means that several worker training sessions might be needed, depending on the size of the factory.

The module is available in Bulgaria, China, India, Macedonia, Myanmar, Romania, Tunisia, Turkey and Vietnam.

2 FACTORY GUIDE (AN ONLINE TOOL)

All factories supplying Fair Wear members can make use of the Fair Wear Factory Guide. This online training tool, designed for factory managers, explains Fair Wear's approach and gives factory managers the information they need to enhance their collaboration with members on improving labour conditions in their factories.

The tool is currently available in English and Turkish. Additional languages will be added. The Factory Guide is available on Fair Wear's website [click here](#).

3 COUNTRY-SPECIFIC MODULES

Fair Wear has designed a number of modules aimed at supporting brands and factories in tackling country-specific challenges.

Bangladesh and India

Brands with suppliers in Bangladesh and India can make use of Fair Wear's [WEP Violence Prevention Capacity Building-module.6](#) The training focuses on establishing and supporting anti-harassment committees. Management, supervisors and workers are trained in separate five-hour sessions. In addition, anti-harassment committee members are trained in a half-day sessions. Regular follow-up is provided afterwards to assist in the development and running of an anti-harassment committee.



Suppliers in southern India may also participate in Fair Wear's [supervisory skill-building training.7](#) The training is focused on improving working relations between line supervisors and workers, as well as on training women workers with the skills needed to become a supervisor.

As part of the training, women workers with potential to become supervisors will work on their technical skills and human resource management. At the same time, current male line supervisors will be trained on supervisory skills and working relationships with workers.

Participants will receive six days of technical and six days of non-technical training over the course of two months.

6. The training includes information on Fair Wear's Code of Labour Practices and the complaint hotline, similar to the WEP basic module, and counts towards performance check indicators 3.3 and 4.4.

7. The module counts towards performance check indicator 4.4.

Indonesia, Myanmar, Vietnam

The two-day module of the WEP

Communication focuses on improving worker-management interaction by developing communication skills with an emphasis on collaborative problem-solving.⁸ Management, a group of workers, as well as a group of worker volunteers or representatives (where applicable) will be trained and engage in dialogue sessions.



The first day of training will focus on priorities for improvement and constructive engagement. The second day of training will take place after several weeks, and will include exercises on interview skills, survey techniques and other tools which could guide factory improvements.

Turkey

Fair Wear member brands sourcing from Turkey are currently facing [additional risks](#) related to large numbers of [Syrian refugees](#) that are being employed in the garment industry, often in conditions that would violate elements of the Fair Wear Code of Labour Practices.



Fair Wear members encountering Syrian refugee workers in their supply chain, or who would like to know more about the legal issues surrounding Syrian refugees, can now enrol their supplier in a WEP Basic module tailored to this specific situation. This module is available both for factories that have or have not already participated in the WEP Basic training.

⁸. This module counts towards indicator 4.4 of the performance check.

Fair Wear will offer the training module in Arabic and in Turkish. Where possible, trainers will facilitate an exchange of the two worker groups during the training. At least ten per cent of the production workers must receive training in order to meet performance check requirements (indicator 3.3). This means that several worker training sessions might be needed, depending on the size of the factory.

As verification activities in Turkish factories often highlight a need for improved worker-management dialogue, Fair Wear has designed [WEP Communication – Turkey](#). This one day module provides a basic introduction to effective communication as a tool for problem-solving. Management, supervisors and workers are trained in separate, two-hour sessions.

How do I get involved?

Fair Wear's Workplace Education Programme is available to Fair Wear members and their suppliers. If you would like to participate, you should first determine which suppliers you would like to involve and consider how this training fits into your company's efforts to improve working conditions at a particular factory.

The WEP Basic as well as the Factory Guide are valuable tools to introduce (new) suppliers to Fair Wear, labour standards and the concept of grievance mechanisms. Trainings such as the Violence Prevention module or the Communication module aim at supporting transformation processes. Fair Wear advises brands to start with basic training before moving towards more advanced training modules.

Before planning a training, discuss the goals and content of the training with your supplier. Getting a commitment from factory management is key to a successful training. When factory management sees the added value of the training, considering it a logical step towards improving working conditions, they can become a partner in increasing the impact of the training.

⁹. This module counts towards indicator 3.3 of the performance check. Fair Wear is continuously working on improving this module and will integrate findings from the WEP Communication pilots in other countries.

Fair Wear recommends considering select factories to which brands are committed, such as strategic production sites or long-term suppliers. Ending a sourcing relationship right after WEP training was provided will undermine its impact in the factory. Fair Wear requests its members to indicate which production locations will be receiving training in their annual work plan for Fair Wear. Training can then be requested through the database. A manual how to request audits and training as well as factory invitations for each module and country can be found under the member login of the Fair Wear website.

Members can also consult their Fair Wear contact person to determine the right module.

What can I do to prepare my supplier?

After a supplier has been enrolled in the WEP, brands can increase the impact of the training if they provide information about the training to the manufacturer and discuss the following relevant points beforehand:

1 Timing is everything. The member brand and supplier should commit to a set time during working hours, avoiding busy production times to minimize interruptions to the flow of business as well as additional costs. Furthermore, this also prevents low worker attendance to the training due to a sudden increase in workload. We strongly recommend checking the preferred month beforehand with your supplier. Planning a training during low season will enable the supplier to have more workers participate in the training sessions than during peak season.

2 Those involved should be paid for their time. Workers and managers should be paid their regular wage for time spent in training. It is critical that Fair Wear member brands and suppliers agree on their approach in advance to ensure that workers do not lose any income for attending training. This means paying their normal hourly wage or, in the case of piece rate payment, their average hourly wage.

3 Confidentiality and trust are key. Production workers and management are trained in separate sessions, unless training is specifically focused on bringing management and workers together to improve dialogue. The training programmes are focused on building sufficient trust to be able to discuss labour issues in the factory openly. Brands must ensure that their suppliers understand and agree to this arrangement for both sessions.

4 The number of those involved. Top and middle management should be involved in all Fair Wear WEP trainings. This includes the general manager, HR manager and (a selection of) managers and line supervisors. For the WEP Basic, at least ten per cent of the workers need to be trained during the worker session to achieve a significant impact, although Fair Wear strongly recommends training as much workers as possible. Up to 30 workers can attend one session. Additional worker sessions need to be organized if the percentage cannot be reached with one session.

5 Support for participating workers. In consultation with elected worker representatives and management, the trainer will select a sample that is representative of the factory population across seniority, skills, gender, and piece-rate/hourly-paid workers. All elected worker representatives should be included in trainings. The brand should ensure that management does not interfere with the selection, as the specific selection procedure depends on the various modules.

6 The positivity of worker complaints. As suppliers are often concerned that participating in the training might lead to worker complaints*, brands should reassure them that worker complaints are considered as positive by the brand and by Fair Wear as long as the factory is willing to investigate and remediate them in an appropriate way.

* See also chapter [IV on complaints handling](#).

7 **The importance of brand representatives.** Creating an open and safe atmosphere where participants trust each other is very important when our Fair Wear trainers discuss labour standards with management and workers. Brand representatives can enforce the message of the training by being present at the start and stating the importance of the training and its values. At the same time, brand representatives should be aware of their role and impact on creating an open and safe atmosphere, and therefore refrain from participating in the remainder of the sessions. They will, however, be invited to the final meeting with management.

What can I do as a member after training?

The effects of a training can be realised if Fair Wear member brands actively follow up on the training. Participation in a WEP training is only the starting point in raising awareness on specific issues like gender-based violence. The brand should discuss the findings and outcomes of the training with factory management and worker representatives. Part of the discussion should also be how to follow up on the training and what kind of additional measures or training are necessary to promote lasting change.

After the training, Fair Wear will send a training report to the brand. The report will give a general overview of the training and its main findings and outcomes. It will not include specific details, guaranteeing discretion to promote trust in the sessions. In the event that severe violations are discovered, Fair Wear **will inform the brand**.

Possible measures to support this process include the actions Fair Wear will take, including the following actions aimed at managers:

- Implementing specific guidance for brand follow-up included in the training report
- Making capacity building on labour standards a standard training for all suppliers
- Monitoring the effects and impact of the training and plan additional measures
- Promoting the use of the Fair Wear Factory Guide
- Encouraging suppliers to participate in additional modules after having completed the WEP Basic

- Ensuring that the factory implements a system to actively inform workers about the training over the Fair Wear Code of Labour Practices and available grievance mechanisms
- Setting up internal factory training on labour standards
- Ensuring that the factory has a functioning union, worker committee, anti-harassment committee or another form of regular dialogue between workers and management in place¹⁰

Actions aimed at workers include the following:

- Handing out Worker Information Cards [click here](#) during factory visits or agreeing with the factory to include them in wage slips
- Showing the Fair Wear Formula [click here](#) to all workers
- Creating a spill-over effect by organizing sessions to have trained workers explain the findings to untrained workers during breaks or through games, for example
- Discussing with a group of trained workers how they can share their learning experiences with their colleagues

Alternative forms of training


Fair Wear wants to stimulate members to train as many suppliers as possible, which might include member brands using trainings by third parties or developing its own training programmes. Fair Wear is aware that such an approach comes with the challenge of safeguarding quality, creating a safe environment for management and workers, preventing fraud and ensuring that Fair Wear members are assessed in a consistent manner during the Brand Performance Check.

Brands need to be aware of the possible positive and negative effects of alternative forms of training. For example, allowing factory management to train workers on the Fair Wear CoLP in a factory with considerable restrictions to freedom of association will most likely do more harm than help, decreasing worker confidence in the brands' ability to improve working conditions.

10. A policy should be in place that protects worker representatives if issues arise. The brand can ask to see names of worker representatives and minutes of regular meeting as well as meet and engage with worker representatives.

Therefore, Fair Wear has set up a basic criteria which should be part of the management system of the brand when organising training. The Fair Wear member must match the following criteria:

- A policy is in place to provide training that includes safeguards for confidentiality, worker protection and the quality of the training.
- An assessment showing the risks of doing a non-Fair Wear training has been done.
- Training is focused on learning and is not used as a monitoring tool.
- Training focuses on improving working conditions and has a labour rights based-approach.
- Training takes place during working hours with management and workers being paid their regular wages.
- The training curriculum and material, a training report, contracts, invoices (if applicable), a list of workers trained (with signatures) and other documentation should be able to be shown as evidence of training.
- Observation visits and reporting should be done at least once every three years to assess the quality of the training or after every large revision within those three years.
- Fair Wear members are not allowed to use the Fair Wear logo, using terms such as Fair Wear training or the Workplace Education Programme, or use any other communication that would assume Fair Wear's involvement in the training.



Fair Wear will provide additional guidance on implementing alternative training forms (also for indicator 4.4.) in 2019.

In the meantime, if a member brand would like to organize a training at a factory, please contact your brand liaison beforehand to consult on the approach. This way the member brand and Fair Wear can assess whether and how the members' efforts can be calculated to the score of the Brand Performance Check.

What if I have further questions?

If you have questions about the Workplace Education Programme, please visit the WEP section on the member hub or ask your brand liaison about more information.

6 Information management

Handling new data

The garment supply chain is a particularly opaque supply chain which requires a maximum effort from brands to discover when and where subcontractors at multiple locations (or home workers, etc.) are being used, often unknown to the brand. Knowing where production takes place is the first step in assessing and then improving working conditions in a supply chain. Without accurate knowledge about the address(es) of where workers are assembling products, it is impossible to assess, let alone improve, working conditions. This is why Fair Wear requires member brands to find out where garments are produced.

For some members, identifying all production locations presents valuable insights into the supply chain. It may well be that many more production facilities and subcontractors are involved in the manufacture of products than previously known. The better understanding a brand has of the full supply chain, the better the ability to improve conditions, and the lower the risk of human rights violations.

Once information is obtained, it should affect all sourcing decisions. We at Fair Wear therefore expect that all information will be shared across the company. Production staff must know what the conditions and the desired improvements are in particular factory in order to make the changes necessary. Therefore, outcomes of the data collection and assessment should be systematically stored and accessible to all staff working with suppliers. Efficient data collection and tracking will make our efforts to improve labour conditions more targeted, effective and efficient.

What is required from members?

Members' information systems range from Excel spread sheets to elaborate IT systems covering the whole production process. Some members opt to add gathering and managing of information on labour risks and conditions in existing systems to ensure its integration into the member brand processes.

In summary, Fair Wear members need to ensure that their own systems include the following:

- Clear instructions to ensure that employees collecting the data know when and in which form the data needs to be collected and to whom the information should be forwarded
- An update of supplier data at the beginning of each production season
- Insightful data into the supply chain that enables members to evaluate the overall performance of their suppliers
- Monitoring system outcomes that are systematically documented and updated in order to track progress
- An informational exchange between CSR, purchasing and the staff who interacts with suppliers so that a coherent and effective strategy for improvements can be established
- include all production locations involved in the manufacturing of clothing, including subcontractors. Please see part 1 for the type of production locations included in the scope of Fair Wear membership.

Fair Wear's information management system (database)

Fair Wear strongly encourages members to keep production location information in Fair Wear's information management system (database) as up-to-date as possible throughout the year. New production locations must become known to Fair Wear immediately in order to be aware of shared locations with other Fair Wear members as well as the important work of assessing and mitigating possible risks. Keeping a factory list up-to-date also helps to ensure that in case of an emergency, Fair Wear can provide support to members who source there as quickly and effectively as possible.

For all production locations* within the scope of Fair Wear membership including subcontractors, Fair Wear requires the following information:

- Factory name, address and contact information
- Year the business relationship began
- Number of workers
- Production process

* Please see for the exact required details the ['production location data'](#) section.

For all main CMT factories, CMT subcontractors and subcontractors with a direct business relationship, the following data must be included:

- value of production (FOB figures)
and
- percentage of factory's production capacity used by member (e.g. estimated leverage)

7 Transparency and communications

Brands are increasingly called on by consumers, stakeholders and the general public to be transparent and accountable for the way their products are made. A main principle of Fair Wear, transparency applies to Fair Wear's policies, country strategies, activities and methods as well as to the performance of Fair Wear members' brands and the complaints procedure.

Fair Wear transparency policy

As part of Fair Wear's assessment and reporting processes, Fair Wear requires brands to share an unusual amount of information. These transparency requirements are central to Fair Wear's ability to credibly assess member performance. There are not many initiatives that are allowed such detailed access into brands' operations and data, which is something Fair Wear and its members can be proud of.

Starting financial year 2019, Fair Wear expects member brands to be transparent about their production locations (main suppliers and subcontractors) and CSR information to each other via the internal Fair Wear database. Transparency to external parties is expected at an aggregate level: production locations where Fair Wear member brands are sourcing, can be found online without reference to the member brand(s) that source in those locations. Fair Wear will reward full transparency though the Brand Performance Check."

Member brands have the choice to completely opt out of the new policy and not disclose any production locations to other Fair Wear member brands or to the public. The names of these member brands will be mentioned on the Fair Wear website and these brands will have no access to the shared production location list in the Fair Wear database.

There is a temporary exception for member brands that do not want to opt out of the new policy, but – for different reasons – cannot yet share all the production locations. For a period of a maximum of five years, member brands are allowed to deselect production locations from the shared list. The percentage of production locations disclosed will be mentioned on the Fair Wear website and the Brand Performance Check will also take this into account.

Implementation of the transparency policy

Fair Wear developed four categories of disclosure to which this policy applies:

- 1** Data shared between Fair Wear and the individual member brand.
- 2** Shared production location information between Fair Wear and member brands within the Fair Wear database.
- 3** Publicly available information on production locations used by Fair Wear brands
- 4** Data shared with researchers and consultants.

Fair Wear member brands will manage the disclosure of production locations that are involved in the steps of product assembly after the production of fabric leather, trims, or other component parts.

Fair Wear member brands will inform production locations with a consent letter. Please note that the concept letter for China is different than for other countries. The process for disclosure is summarised below:

- The member brand discloses all active factories or deselects production locations that cannot be disclosed yet in the Fair Wear database at the closure of the financial year.
- This list can only be updated once per year.
- All selected production locations will then appear as follows:
 - Internal (member-facing) overview that will show other Fair Wear member brands the status of a production location regarding audits, complaints
 - Externally in a search function (not a factory list!) on the Fair Wear website, and in information for local stakeholders. For these external purposes, locations will not be linked to Fair Wear brands.

A confidentiality agreement between Fair Wear and the individual member brand will be implemented, which describes in detail how data will be disclosed for each category.

More information and concept consent letters can be found on the member hub under the heading [click here](#).

Fair Wear's public information

BRAND PERFORMANCE CHECK REPORTS

Every year Fair Wear conducts a Brand Performance Check at each member brand's head office. The Brand Performance Check assesses how brands have integrated social compliance into their core business practices. The results of the check are then published on both the Fair Wear website and on the brand's website. The final result includes an overall score, as well as requirements and recommendations that brands should take into account for the following year. Publishing Brand Performance Checks is a way for brands to communicate to their consumers, the general public and their stakeholders the progress they have made in the past year. Brand performance checks also hold member brands accountable for their promises.

COMPLAINTS

When the Fair Wear complaints helpline receives a call, Fair Wear has to determine whether the complaint meets the criteria for investigation, or whether it is 'admissible'. If it meets the criteria, all subsequent information about the complaint and its investigation will be published on the Fair Wear website. In its public communication, which includes basic information on the complaint, the relevant labour standard and country, Fair Wear always includes the name of the Fair Wear member brand(s) sourcing from the factory. To avoid negative consequences for the workers, the name of the factory for which a complaint is filed is not disclosed during the procedure. In order to prevent possible retaliation from employers or individual workers, the system is designed to protect the complainant's anonymity when necessary.

All complaint reports are accessible on [Fair Wear's website](#).

The Fair Wear procedure provides sufficient transparency in meeting the public interest concerns at stake. This carries an additional importance as it serves as an example to worker representatives and businesses of how problems common to other factories around the world may be resolved.

THE PUBLIC SOCIAL REPORT

Three months after the end of each year, Fair Wear member brands are expected to submit a social report. In the social report, members describe how they have implemented the previous year's work plan and how they have made progress on the implementation of the Code of Labour Practices. [The Fair Wear Guidelines for writing the social report](#) provides members with a template to help them prepare the report. The Fair Wear reporting template mirrors the international reporting template designed to demonstrate progress in the implementation of international human rights principles.

The members' social report is an important tool to communicate a brand's efforts to implement fair labour standards to consumers, customers and other stakeholders. It is key that members are open and transparent not only about their achievements and goals, but also about their disappointments and challenges.

Social reports are not treated confidentially, but are published on a website by both Fair Wear and the member company. Each social report includes the following information: the countries the company sources, the number of factories in each country, a description of the way factories are monitored, how many factories have been audited, important findings and improvements made in each country, information on complaints received and how they were addressed, outcomes stemming from previous corrective action plans, and last but not least, Fair Wear's verification activities (e.g. audits, complaints processed and Brand Performance Checks).

Fair Wear encourages members to share its Brand Performance Check results, production location data and/or audit reports.

Fair Wear's member communication policy

SAY IT LOUDLY.

Fair Wear membership allows a brand to show its efforts, progress and results. Fair Wear members have the tools and targeted content to inform customers. Use them. Show customers the proof of your efforts, without any need for greenwashing. Below are some tips and tricks, and go to Fair Wear's Communications Guide [click here](#) for more information, examples and suggested language.

SAY IT PROUDLY.

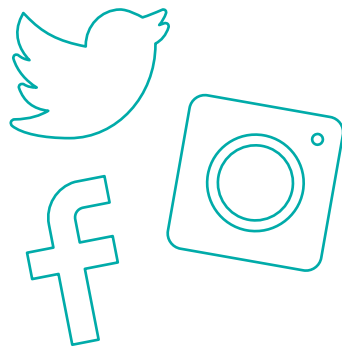
By actively promoting the Brand Performance Check, demonstrate the steps the company has taken to improve working conditions in a supply chain. The social report is a great opportunity to show an audience what has been achieved under Fair Wear membership.

SAY IT CLEARLY.

The Brand Performance Check provides results that can be used to demonstrate the concrete progress that has been made. It is a great way to highlight a brand's work by selecting the items a brand is most proud of, creating easy-to-understand material, like a news items, social media post, press release, etc. In some situations it is good to include some background information to educate and inform consumers at the same time.

USE SOCIAL MEDIA.

Social media works best for sharing stories. For example, share a story about a worker in a Turkish factory who enrolled in a Fair Wear training session, giving a face and a name to the work being done to improve working conditions.



A great marketing opportunity

Fair Wear membership brings a number of marketing benefits which create advantages to show and demonstrate your CSR commitment and efforts to your audience. Some of the perks include the following:

1 Your own brand page on Fair Wear website. All Fair Wear members have a 'Brand Page' on the Fair Wear website where interested public as and other organizations or brands can follow your latest progress and results that you have achieved when it comes to improving working conditions. Members are able to maintain their own brand page that makes it able to show all their marketing identities that their produce. Each year, Fair Wear will update your brand page with a short summary of your latest progress and results and by adding the Brand Performance Check report and your Social Report. Your brand page is a great marketing tool to use and to refer to in your marketing purposes as it contains all the targeted content to inform your customers on your Fair Wear membership.

2 A place on the Fair Wear online shopping list. The Fair Wear website has more than 150,000 visitors each year. The information you enter on your brand page is used to generate two tools designed to help customers and more audiences to awareness of Fair Wear members.

3 A place on the Fair Wear consumer shopping list. The shopping list allows consumers to search for Fair Wear members who sell retail products. Users can filter by country and product type and the shopping list will shows individual brands that sell directly to consumers. Individualised shopping lists can be downloaded and printed off.

4 A place on the Fair Wear business-to-business brand finder. Fair Wear has created a business-to-business brand finder that allows not only retailers and wholesalers to search for Fair Wear members brand, but also public and corporate procurements officers who are looking to buy clothing. The brand finder allows users to search for a wide range of clothing types, including work wear, protective gear, uniforms and promotional clothing, as well as various types of fashion and promotional clothing types.

5 Free use Fair Wear logo. The Fair Wear logo is a great tool to that shows a commitment on improving working conditions. Fair Wear is pleased when member brands use it and incorporate it in their brand messages. The more the logo is used, the easier it is to tell the world the Fair Wear story. Examples include a Fair Wear logo on the entrance door, shop sign, in the fitting rooms or even a customised CSR video including a Fair Wear segment. The member communication guide [click here](#) contains more examples.



All members are allowed to use of the Fair Wear logo with the following parameters to prevent misuse:

- The Fair Wear logo may be red or black and white (please do not recolor the logo)
- The Fair Wear logo can only be used if text about Fair Wear Foundation is featured prominently on the website or in the catalogue
- Third-party retailers or resellers can use the Fair Wear logo as long as they clearly identify the Fair Wear member brand being sold

6 Fair Wear “Leader Logo”. Members that reach the leader status get extra communication benefits. They receive a special ‘Fair Wear Leader logo’ which is designed for use in all on-garment communications, as well in addition to brand products in catalogues or web shops. On-garment communication includes:

- 1** use on products (print in garment, stitched in label, hangtag)
- 2** on the box or packaging of the product
- 3** next to an image of garments on a website, online shop or print materials Because Fair Wear wants to make sure that on garment communications happens correctly, it asks its members to send a proof design before production. For more information and on-garment communication, check the member communication guide [click here](#)

7 Access to Fair Wear member hub and Fair Wear communication material.

All members have access to the Fair Wear member portal, a secure website with all the necessary information to implement Fair Wear membership, such as Fair Wear policies and templates. Included is the Fair Wear logo, brochures (print and digital), video and presentations. Fair Wear videos are available on the [Fair Wear YouTube channel](#). Two additional features include the Fair Wear formula video and the consumer brochure, described as follows:

THE FAIR WEAR FORMULA VIDEO.

This short animated film is a great way to explain both Fair Wear and the key labour rights issues in supply chains in a clear and understandable way. Ideal for customers, brand employees, factory workers, sales teams or anyone who wants or needs to understand the goals of Fair Wear members.

THE FAIR WEAR CONSUMER BROCHURE

Fair Wear developed this brochure to explain to consumers why making clothing ‘fair’ is so difficult, and what Fair Wear members are doing to make things better. Fair Wear members are welcome to produce and distribute copies of this brochure to their customers and sales agents.

THE FAIR WEAR COMMUNITY OF BRANDS

Fair Wear members are part of a community that shares the same goal: to improve the labour conditions in the factories where clothing is produced. Fair Wear members have the opportunity to lead the sector and become an example to others by challenging consumers and other actors in the industry to break through the status quo. We at Fair Wear want to strengthen this sense of community among our brands, with brands that tell the whole truth not only about improved conditions, but are candid about what worked and what didn't.

A community that unites in sharing its successes, failures and knowledge sends a strong message to other brands. Joining forces and working together to send a message to society is also a great opportunity for media exposure. Every year we organise several events such as the Annual Fair Wear Conference, member stakeholder meetings, member seminars and communication workshops. These events provide an opportunity to recognise other brands in their work as well as to discuss, share and exchange knowledge and insights about the industry.

Fair Wear actively celebrates and promote members achievements and successes.

Fair Wear membership helps drive members to make yearly improvements towards the betterment of working conditions within the supply chain.

We are always looking for innovative ways to improve working conditions in production sites, and our members often have creative, forward-thinking ideas that encourage lasting change. We focus on identifying mistakes made, and promoting the best practices of its stakeholders. Best practices generate valuable evidence that can transform the supply chain. Other members and stakeholders in the global garment sector can profit from these and be inspired to take similar action in their own spheres of influence. We work with members to plant the seeds of change.

TALKING ABOUT FAIR WEAR

We want our brands tell the world about the good work being done to improve working conditions for the people making the products. Fair Wear believes that members should tell their story in an honest, clear manner that avoids greenwashing. Fair Wear does not certify brands, products or factories because it is nearly impossible to guarantee that no violations of the Code of Labour Practices are within a

supply chain. Fair Wear members aren't held to impossible level of perfection (aka. 100% Fair Trade), but Fair Wear is available to help a brand significantly reduce the risk of problems. It is important to be honest and transparent with your customers about this reality.

At Fair Wear we have created a separate member communication guide [click here](#) to help brands to incorporate Fair Wear membership into their brand messages. This guide contains communication policies and rules (e.g. about Fair Wear logo use, on-garment communication, inspirational ready-made texts and sample social media posts). Furthermore, we provide tips and tricks on how to communicate about Fair Wear membership, how to demonstrate progress and results, answer consumers' questions, talk to the press and handle crisis communication.

VIOLATIONS OF FAIR WEAR COMMUNICATION POLICY

We at Fair Wear have tried to keep the rules of communication limited. There are, however, some requirements that Fair Wear takes very seriously. The communication rules that do exist are there to protect the value of Fair Wear's own branding integrity and to ensure that members are being transparent and honest in their claims. Protecting the credibility of Fair Wear benefits all members. Member compliance with the Fair Wear communication policy is evaluated through indicator(s) in the section of 'Transparency' in the Brand Performance Checks. The consequences for violating the communication policy are outlined in the yearly Brand Performance Check guide.

For new members: As new members are particularly at risk of finding unexpected problems in their supply chain, Fair Wear conducts a formal evaluation after one year of membership.

The following rules are meant to protect the integrity of Fair Wear and its existing members:

- No on-garment communication, such as hangtags, labels and product packaging of any sort, is allowed during the first year of membership
- No mention of Fair Wear or logo can be used next to products in catalogues or on websites during the first year of membership

For any member, significant **violations** of Fair Wear's communications policy include the following:

- Any communications that imply that products, factories or brands are 'certified' or 'fair', and language referring to 'Fair Wear-audited' factories implies certification and must be avoided
- Use of Fair Wear logo without the statement '[brand name] is a member of Fair Wear Foundation' and a link to the website or the text 'www.fairwear.org'

Severe violations of Fair Wear's communications policy include the following:

- Any reference to Fair Wear membership in catalogues or websites near product (when not a leader)
- Failure of a leader to use correct logo for on-garment communications
- For Leaders: production of on-garment communication materials without formal Fair Wear approval
- For Leaders: any on-garment communication mentioning Fair Wear added by a third-party
- In cases where garments produced by Fair Wear members are resold by third parties under a different brand name (e.g. blanks and promotional wear), any communication that implies that the third party brand is a member of or approved by Fair Wear
- In cases where members' own brands are not covered by Fair Wear membership, those additional brands may not under any circumstances imply they are Fair Wear members



Any mention of Fair Wear in on-garment communications by a third party or by a member that is not a leader will result in an automatic Needs Improvement rating at the next Brand Performance Check.

CATEGORY: 'SUSPENDED'

As mentioned before, member communication benefits are linked to the performance check category. The below applies to suspended members:

- Suspended members lose all communications benefits and must remove the Fair Wear Foundation logo and all related communications from their website, catalogues, (online) stores, products, and all other communication channels, with the exception of any communication about suspension that the Fair Wear communication team has approved
- Suspended members (and their brands) will be removed from the Brands page on the Fair Wear website. The company will be listed on a dedicated page for suspended members. You can find more information in the Fair Wear procedure for terminating membership [click here](#).

- If the member regains the 'Good' or even 'Leader' category at the next Brand Performance Check, the member is allowed to begin communicating again about Fair Wear membership. The minimum communication requirement is a notification on their website with the Fair Wear logo, and the statement: '(BRAND NAME) is a member of Fair Wear Foundation'
- For members with multiple brands covered by Fair Wear membership, the statement must be included on each brand's website
- Fair Wear will republish the removed brand page on the Fair Wear website

Media guidelines: concrete tips for telling your story

We encourage our members to tell the world about the work they are doing in a way that is honest, clear and avoids greenwashing.

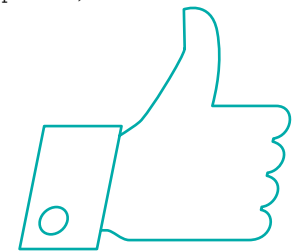
Best practices for talking to the press about labour conditions - and Corporate Social Responsibility in general - may be different from the normal communication a brand may have, and here Fair Wear can offer guidance. Honesty, clarity and a lack of hype are very important when discussing labour conditions and the work being done to improve them. The communications guide provide talking points and concrete tips.

USEFUL PHRASES TO EXPLAIN FAIR WEAR MEMBERSHIP

In order for members to communicate in a way that is honest, clear and avoids greenwashing, Fair Wear has provided some guidance on this topic.

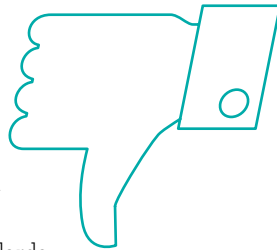
Tip #1: USE THE WORD TOWARDS

Fair Wear works with brands that want to improve conditions for workers in garment factories. This is a continuous process, in which brands make step-by-step improvements. Claiming that better working conditions are already in place put your company at risk. However the word 'TOWARDS' implies that you are not perfect and not 100% fair but you are working hard to reach fair working conditions. So we strongly recommend you to use 'TOWARDS' in your communication. For instance: We are committed to working towards fair and sustainable working conditions'.



Tip #2: AVOID THE WORD GUARANTEE

The word GUARANTEE implies that your brands, products or factories are 'perfect' or maybe 'certified'. Using words like a 'fairness guarantee' or 'we guarantee high social standards' can put your company at risk if problems are found. It is very difficult to guarantee the exact conditions under which a specific item is made. In this case, we advise you to say something like: 'We work towards high social standards and Fair Wear Foundation verifies our efforts and progress'.



PRESS RELEASES

Periodically, a brand may wish to issue press releases about its work with Fair Wear in improving labour conditions. Common reasons include new membership, a change in Brand Performance category or when something goes wrong in the supply chain that needs to be addressed with the media.

Here are some general notes on press releases:

- The primary responsibility for writing the press release lies with you
- You may request Fair Wear to review your press releases. Fair Wear requires five business days and an English version of the text. German and Dutch can be accommodated, but may require a longer turnaround time
- Fair Wear also encourages members to think broadly about media coverage – to include news media, fashion press, industry media, sustainability-focused media etc. in their releases

COMMUNICATION AND MEDIA SUPPORT

At Fair Wear, we want to share our joint successes. That is why we are working towards more (international) media outreach. This will also help us to shape the public debate on labour rights in the garment industry.

If you have any questions, or need some communication advice, please feel free to contact Fair Wear's communication team. We can help support you with writing press release or to brainstorm about ways to actively promote your efforts. The primary responsibility for writing the press release lies with the member. Further

more Fair Wear can provide, on request and free of charge, the basic design and content for communication material, however members are responsible for the costs and logistics of publication, printing, and distribution, along with any additional modifications (e.g. translated versions). You can email communications@fairwear.org or call +31 (0)20 408 4255.

We also provide you media and press support. Fair Wear cannot shield your brand from criticism, but if a problem occurs, Fair Wear can offer support in dealing with the media. Especially in highly-sensitive cases, always inform us at Fair Wear so we can come up with a joint statement. You can email communications@fairwear.org or just give us a call.

There is a clear division of roles between Fair Wear and its member brands.

Fair Wear member brands are responsible for monitoring conditions within their supply chain, managing their supply chain in a way that supports respect for human rights and ensuring that problems found in their supply chains are remediated, as outlined in [Part 2](#).

Fair Wear provides guidance to member brands on how these activities should be undertaken, verifies whether brands are fulfilling their commitments and assesses the quality of each member's efforts.

Fair Wear's role in both guiding and assessing brands is designed to help brands succeed in improving respect for rights in their supply chains. It provides access to expertise brands may not have, rewards brands for taking responsibilities seriously and provides brands with an independent, third party assessment of their behaviour. Consumers and stakeholders have become deeply suspicious of CSR claims; Fair Wear's independent assessments make brands' human rights claims much more credible.

Fair Wear provides guidance on what is required of brands, offering support in a variety of ways. The goal is to help brands succeed. Fair Wear membership, however, is not a proverbial 'rubber stamp'. Effort is required, and like any credible system, Fair Wear has clear policies in place for brands who are unwilling or unable to meet membership requirements. These policies protect Fair Wear, other member brands and ultimately the garment workers themselves.

8 Self evaluation of annual progress

The implementation of the Code of Labour Practices is a step-by-step process, meaning that Fair Wear members are expected to gradually develop effective systems and policies to implement the Code of Labour Practices and strengthen their approach year by year. The conditions in factories will not improve overnight. The management of the member company is therefore expected to critically review the effectiveness of the activities conducted in the previous year, revise them if necessary and define the next steps, which then translate into next year's work plan.

Such an evaluation shall at a minimum include the following topics:

1 Achievement of the objectives set regarding:

- Information and training
- External communication
- Informing the suppliers
- The monitoring process
- The execution of corrective action plans
- The sourcing strategy

2 Assessing if sufficient resources (financial, human) are available within the member company to meet Fair Wear's membership requirements (this evaluation can include input from relevant external stakeholders and feedback from a brand's suppliers).

It is recommended to hold such an evaluation meeting at least once a year. An annual evaluation involving top management ensures that Fair Wear policies are integrated into the structure of the company. A logical moment would be when drafting the work plan for the next year and/or after the performance check is conducted. The recommendations and requirements from the performance check report can serve as a starting point for evaluation and may mean strategies or priorities need to be adjusted for the remaining part of the year.

Fair Wear welcomes any feedback you may have with regards to membership and the cooperation between Fair Wear and its members.

Part 3

Guidance and verification

Fair Wear and guidance

Why does Fair Wear provide guidance to brands? The UN framework on business and human rights clearly calls on brands to consult with stakeholders and human rights experts as they develop their policies. Fair Wear has long believed that such consultation is essential. While brands have a responsibility for human rights in their supply chain, they rarely have the in-house expertise necessary to fulfil those requirements on their own - especially when production is taking place in different countries with different risks and different laws throughout the world.

Fair Wear's international stakeholder network helps to highlight human rights risks in the garment industry, and to provide recommendations on what brands can do to mitigate those risks. As individual brands rarely have networks of trade unions, NGOs, researchers, business associations and other experts in garment-producing countries, Fair Wear provides an important conduit for their expertise to reach brands. Fair Wear also regularly consults with other international organizations working on labour and human rights issues, to ensure sharing of risk assessments and good practices.

It is also important to realize that there are significant differences between dealing with human rights risks at headquarters and at factories. Most brands rely on a mix of human resource professionals, compliance with laws, collective bargaining agreements and experiential knowledge about risks to ensure that workers' rights are protected at headquarters. Human resource policy, legal enforcement and CBAs are often not nearly as strong in garment-producing countries, and brand employees will often not have the experience or knowledge needed to appropriately respond to conditions in the range of countries where they source from. Stakeholder input and Fair Wear's guidance are both important tools in improving brands' efforts.

Limits of Fair Wear guidance

While Fair Wear provides as much guidance as it can to member brands, it is important to remember that Fair Wear is not a consultancy. The amount of individualized guidance that can be provided to members is limited, and Fair Wear's work on guidance will always be balanced with the focus on assessing members. Members are encouraged to use Fair Wear's guidance documents as a framework for their efforts, and to allocate budget for expert consultation when needed. Fair Wear does not hold all the answers. In fact, members' expertise and findings can lead to members creating the solutions themselves through innovative strategies. Fair Wear's systems are designed to be flexible enough to allow for these different strategies and solutions. In this context of collaborative solution-finding, it is Fair Wear's role to function as a facilitator and to share these findings with other members in order to enhance impact.

Country studies

Fair Wear's country studies comprise an important due diligence tool for member brands by providing a concise picture of the industry, labour law, labour conditions and industrial relations within the textile/garment industry in each country. Studies are prepared after gathering information about national laws and local stakeholders' views on labour issues within the garment industry.

Member brands can use the studies to plan their monitoring and remediation strategies, to identify likely risks in their supply chains and to identify organizations which may be able to assist in remediating problems when they do occur.

Fair Wear provides studies for all countries it is active in [click here](#).

Fair Wear individual risk policy documents

Fair Wear regularly creates and revises policies on situations that pose high risks for workers as research becomes available and as situations develop. Such policies require member brands to take additional steps to address and remediate the specific risks. These can be found in the policy documents. Compliance with these policies is evaluated in the Brand Performance Check.

[\(see policy annex at the end of this document\):](#)

Brand liaison

Each brand is paired with a Fair Wear brand liaison whose role is to inspire change, answer questions and facilitate audits and trainings, as well as review work plans, social reports and factory data. They also give guidance on matters a brand might implement in their supply chain such as possible risks, due diligence and practical changes.

Fair Wear gives advice on how brands can improve purchasing practices and other systems at HQ level. This includes general advice on best practices, as well as specific feedback for each member through the Brand Performance Check system.

Verification:

BRAND PERFORMANCE CHECKS

While Fair Wear members are responsible for implementing the Code of Labour Practices, Fair Wear's responsibility is to verify the progress and efforts of the member.

The Brand Performance Check, conducted annually at all Fair Wear member brands, is the most important element of Fair Wear's unique 'shared responsibility' approach to social compliance in the global garment sector. It is based on a set of indicators with quantitative scoring that assesses the level of progress members make in implementing human rights due diligence and improving working conditions. The set of indicators and relevant policies are continuously updated and evaluated. The Brand Performance Check guide can be considered a working document that improves over time based on Fair Wear's and its members' findings.

During a performance check, Fair Wear investigates the level of integration of social compliance into the core business practices of each of its member brands. Issues such as purchasing practices, brands' efforts in monitoring and remediation of working conditions at factories, communication and reporting, are covered and scored based on a transparent scoring methodology, which is outlined in the Brand Performance Indicator Guide [click here](#).

Recommendations and requirements for improvement are also provided, which are used to assist brands in shaping their compliance plans for the coming year. For member brands, this report also serves as an independent, third-party assessment of their human rights compliance efforts, and is extremely important for both management of the brand and relations with stakeholders.

The Brand Performance Check focuses primarily on verifying the efforts of member brands. Outcomes at the factory 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 brands cannot guarantee results. Even if outcomes at the factory level cannot be guaranteed, the importance of good management practices by member brands cannot be understated. Even one concerned customer at a factory can have significant positive impact on a range of issues like health and safety conditions or freedom of association. When Fair Wear members can demonstrate that improvements are possible, other factory 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, and this Performance Check Guide demonstrates the changes that are possible.

The Performance Check provides the following benefits:

- Strengthens Fair Wear member brands' accountability and transparency
- Clearly communicates member successes
- Explains progress and needs to colleagues at clothing brands (i.e. buyers, production managers) and stakeholders
- Provides targeted feedback to brands on how to improve
- Provides a clear improvement or exit path for underperforming members
- Provides a tool for consumers to find information about Fair Wear member brands.

The system is designed with enough flexibility to accommodate the variety of business models and clothing markets represented in Fair Wear's membership.

Fair Wear publishes the outcomes of the Brand Performance Check on the Fair Wear website, so stakeholders and the public can keep track of how each company is doing. Each brand, based on its score, falls into one of four categories: 'leader', 'good', 'needs improvement' and 'suspended'.

CATEGORIES OF BRAND PERFORMANCE CHECKS

Leader This category is for members who are doing exceptionally well, 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 members who are making a serious effort to implement the Code of Labour Practices—the vast majority of Fair Wear members—are doing 'good' and deserve to be recognized. Not only are they doing more than the average clothing company, they are allowing their internal processes to be examined and publicly reported on by an independent NGO. Most members will receive a 'good' rating.

Needs Improvement Members are most likely to find themselves in this category when major unexpected problems or organizational changes have taken place. Often the member was unable to fulfil membership requirements in the past year. 'Needs Improvement' ratings give members an opportunity to get their membership back on track; after one year, members will need to either achieve a 'good' rating, or membership will be suspended. Suspended Members who either fail to meet one of the basic requirements, have had major internal changes causing membership to be put on hold for a maximum of one year, or have been in 'needs improvement' for more than one year are considered 'suspended'.

Suspended Membership applies to members who meet one or more of the descriptions below:

- Has been in 'needs improvement' for over one year
- Has failed to meet one of the basic requirements
- Has seriously violated one of Fair Wear's policies and therefore damaged Fair Wear's reputation



Members may remain in this category for a maximum of one year, after which termination proceedings will come into force. For more information, see '[Terminating Membership](#)'.

WHAT DOES A BRAND PERFORMANCE CHECK LOOK LIKE?

Although it depends on the size of the company and its supply chain structure, a performance check usually takes a whole day to complete and can be an intense experience for both the member company and Fair Wear staff. Fair Wear aligns Brand Performance Checks with the financial years of individual member brands. This means that Fair Wear's processes will mirror the financial and reporting cycles of each member and all assessments will be done over 12-month periods.

HOW TO PREPARE FOR A PERFORMANCE CHECK

1 Meeting the basic requirements

A performance check can only be conducted in the event the member has completed three basic membership requirements:

- A submitted work plan and projected production location data for the upcoming financial year
- A submitted definitive production location data for previous financial year
- Has paid the membership fee.

Failure to meet these requirements means a performance check cannot be conducted and leads to the 'suspended' status, and can eventually also lead to termination of Fair Wear membership.

2 Setting a date

At the beginning of each year a brand will receive a 'verification plan' email from Fair Wear brand liaisons in which Fair Wear describes the verification planning for the upcoming year. Following the email, a date for the performance check date is agreed upon.

Fair Wear aligns Brand Performance Checks with the financial years of the member. A performance check will normally be held between two and six months after the end of a member's financial year. This gives the member time to get all definitive financial data reported to Fair Wear. For most members who follow a calendar year, this means a performance check is usually conducted in the month March, April, May or June.

3 Preparing your colleagues and documentation

The most important task for preparation is to familiarize yourself with the Brand Performance Check guide. The guide explains all the indicators that you will be assessed on.

To get a comprehensive understanding of the management practices and of the way Fair Wear membership requirements are integrated within the member brand, several staff positions from different departments are interviewed.

The following persons (if applicable) should be available for an interview of approximately 30-45 minutes:

- General director or other member of general management team
- Staff member(s) responsible for sourcing/production
- Staff member responsible for internal / external communication
- Staff member responsible for marketing/sales

The following data and documentation should be available for review:

- Production location data with definitive figures of the previous financial year
- Questionnaires completed by all production locations
- Correspondence and minutes of meetings with production locations regarding the brand's membership of Fair Wear and its consequences
- Reports of audits carried out at supplying factories
- Corrective action plans agreed with production locations
- Documentation on progress of Corrective Action Plan and evidence of realised improvements
- External audit reports and Corrective Action Plans agreed with suppliers (if applicable)
- Evidence that demonstrates fulfilment of monitoring requirements for production sites in low risk countries
- Contracts and/or Terms of Reference with local service providers hired to support the process of implementing corrective action plans
- Overview of handled complaints
- Reports of trainings, seminars held at suppliers
- Materials used in internal and external communication regarding Fair Wear

To verify the production location data, Fair Wear requests the brand's accounting department to develop an overview of payments to its suppliers. The overview should contain the following information:

- An overview of the total amounts of the past financial year paid to all production locations, falling within the scope of Fair Wear requirements (including shoes and sewn accessories)
- The total value of orders placed at all suppliers of the past financial year. During the Brand Performance Check, Fair Wear requests to see an overview of payments for a random selection of suppliers. Please ensure a staff member responsible for finances is available.

4 Other practical arrangements

Ensure your colleagues are available for the meetings and block times in their agendas. It is advisable to have an opening meeting with all staff involved so that Fair Wear can give a proper introduction and go through the planning and purpose of the day. Communicate the names and time slots to your Fair Wear brand liaison in order to set the agenda. Other practical arrangements to consider are booking meeting rooms and organizing lunch for your Fair Wear contact person and a company tour.

The performance check meeting

Often a Fair Wear performance checker will possibly arrive early, joined by another Fair Wear staff member. This ensures appropriate support during the performance check, either as part of training and induction of new staff or to ensure consistency among Fair Wear staff. The performance check is held by a Fair Wear performance checker. To ensure objectivity this not the Brand Liaison that supports and guides the member throughout the year. The Brand Liaison and Performance Checker both prepare the performance check and make sure all relevant information is exchanged. A brand representative and a performance checker will set the agenda together. In an opening meeting, the objectives and methodology of the performance check system will be explained. A brand representative will outline the planning of the day and confirm the interviews. A company tour may or may not be a part of the day's agenda.

The performance check will primarily be held with the person responsible for implementing Fair Wear membership requirements. This person can be a CSR manager or part of the production/sourcing staff. This person should be available all day and will go through all indicators of the performance check with the Fair Wear performance checker. For each indicator questions will be asked and documentation reviewed. Other colleagues might be needed to answer specific indicators.

The additional interviews with colleagues are meant to:

- 1** Give Fair Wear insight into the decision making process/information flows in the member company
- 2** Provide an opportunity to update other staff in the company of Fair Wear approach
- 3** Evaluate how Fair Wear membership is integrated throughout the company
- 4** Cross check the information given by the person responsible for Fair Wear membership, as well as
- 5** Add information to indicators that fall outside of the responsibilities of the person responsible for Fair Wear membership

As the performance check is one of the few moments a year when all the complex issues can be discussed in detail, it can become easy to get sidetracked. It is the Fair Wear performance checker's responsibility to ensure all information needed to assess all performance indicators is received during the day in order to provide a fair assessment. For that reason, do not feel offended if the performance checker refrains from focusing on certain issues or simply moves on to another topic; this is merely to ensure all the aspects of the performance check are covered in one day. An important part of the performance check is verifying the actual production locations by looking at the members' payment overviews. Fair Wear uses financial data of members to learn about relations between different factories (importance per production location). Often this means a visit to the accounting/financial department during a performance check to verify the total FOB bought in the financial year and take several samples of payments to suppliers. Please click here for more information on [required production location data](#).

The performance check usually ends with a meeting summarising the performance check. A summary of results may be presented and next steps and priorities can be discussed. This meeting can be attended by several company staff persons.

Follow-up and reporting

Fair Wear's goal is to send a draft report to the member within two weeks after the performance check. In the interest of consistency, performance check reports are always reviewed by a another Fair Wear staff member. A draft of the Brand Performance Check report is shared with the member who has a ten day window to comment, provide feedback and additional documentation as needed. The Fair Wear performance checker will then review the member's comments/feedback and make necessary adjustments to the report.

The final report is then returned to the member and published on Fair Wear's website. A summary of the performance check report is shown on the member's brand page and is reviewed by a communications staff person at Fair Wear. The report contains requirements and recommendations for the member in continuing to make progress in improving labour standards. Fair Wear advises that a meeting is held to discuss the outcomes of the report internally with all relevant staff members. Additionally, the performance check report should also be used for drafting a work plan and setting priorities for the following year.

Performance check reports are an essential way to communicate about progress being made. Members may publish their performance status once the most recent **Brand Performance Check report** has been published on Fair Wear's website. Please see section 'Integration with Communications policy' on how to use the performance check report in your communication.

Verification audits

Fair Wear member brands are responsible for monitoring their supply chain and can use Fair Wear's local teams, among others, to conduct audits. On top of the members' commitment, Fair Wear is responsible for conducting audits at factories of member brands in the course of three years, which together represent ten per cent of the production of the member. The purpose of these factory audits is to verify improvements that have been achieved and to check whether or not the members' monitoring and remediation activities have been effective.

Although suppliers can be randomly chosen for a verification audit, they are more likely to be selected if they fit any of the following criteria:

- Contains a large percentage of the member's total FOB
- The member has a high leverage
- Has been audited before, and Fair Wear believes that improvement has not been realized
- Has received one or more complaints, and remediation needs to be verified
- Is located in a country or has specific risk, where Fair Wear has developed enhanced monitoring requirements.
- Is shared with other member brands
- Is located in a country where none or too few verification audits have been conducted.

Fair Wear's role in ensuring good quality audit teams

It is our responsibility at Fair Wear to recruit and train qualified individuals that fit the multi-specialist approach to auditing. It has always been Fair Wear's approach to work with individuals rather than auditing firms. Although auditors are commonly hired on a freelance basis, we prioritise building a strong relationship with our audit teams. We offer cross-country learning, frequent communication channels to keep updated and regular training visits by the country manager. We have committed teams that have often been working for Fair Wear for a long time, and who support our beliefs and methodologies. Our local country representatives manage the team in cooperation with the country manager at Fair Wear headquarters. Frequent dialogue, webinars and visits are necessary to ensure that the quality and capacity of audit teams are still sufficient and consistent among all countries. New auditors are often recruited through the existing stakeholder network. Interviews, on-the job training and observations by the country manager or country representative are part of the recruitment process.

Audit reports are quality checked by Fair Wears country representatives and country managers.

Response to complaints*

Fair Wear has the following roles in the complaints system:

The following ensures that the Fair Wear complaints system is operational:

- Training and managing complaints handlers in the countries where Fair Wear is active
- Creating worker-focused promotional materials and trainings to be distributed by members
- Engaging with CSOs and trade unions on a regular basis to identify and address critical issues
- Communicating with the complainants and other relevant stakeholders (e.g. trade unions, CSOs) throughout the complaints procedure, often through the complaints handler
- Leading the investigation of complaints as neutral third party
- Formulating a Corrective Action Plan (CAP) in consultation with a complainant when complaints are found to be grounded
- Providing guidance to member brands on the process of remediation
- Publicly sharing the outcomes of the investigation and the remediation plan through the Fair Wear website
- Verifying the implementation of a remediation plan and engaging with the complainant with regard to the outcomes
- Assessing the performance of the member brand in ensuring remediation during the Brand Performance Check
- Sharing findings from the system with local institutions, international grievance mechanisms, business associations and trade unions.

The local Fair Wear complaints handler

The local Fair Wear complaints handler is responsible for the operation of the local helpline. The tasks of the complaints handler includes:

- Answering calls – the complaints handler is available to take calls at all times, and ensures adequate follow-up in case someone leaves a message. All calls are taken seriously and treated confidentially to ensure strengthened trust in the system
- Documenting the information necessary to start an investigation and follow up when the call concerns a complaint
- Providing accurate and relevant information to callers when the call concerns questions about labour rights or the use of local grievance mechanisms
- Informing all complainants about the possibilities and limitations of the local remediation systems and of the Fair Wear mechanism
- Ascertaining whether the caller wishes to file a complaint via Fair Wear's system, and whether there is a need to keep his or her identity anonymous
- Ascertaining the authenticity of the complaint (i.e. whether the complainant is authentically seeking remedy for a violation of rights or not)
- Documenting all relevant information regarding the complaint
- Keeping an up-to-date overview of on-going complaints
- Maintaining contact with Fair Wear's country representative and Fair Wear's country manager at the Amsterdam office
- Deciding on the admissibility of a complaint together with Fair Wear's country manager
- Forwarding the caller to an organization that can provide support, whenever possible when the call concerns a non-admissible issue
- Engaging with the complainant during the process
- Engaging with local trade unions, CSOs and business associations where relevant and possible
- Coordinating the investigation and reporting it, where needed
- Facilitating mediation of a meeting between the parties involved, if necessary

* See Part 2 for the [complaints procedure](#) and [requirements for Fair Wear members](#).

Fair Wear currently provides free worker helplines in all production countries where it is active. We spend considerable time and effort recruiting and training local staff to effectively handle workers' complaints. This ensures that workers making products for Fair Wear members can safely and fairly seek redress for violations of the code. For a complaints system to be effective, workers need to have access to it and to feel comfortable and safe making contact. Fair Wear complaints handlers, therefore, need to possess key skills and competencies.

All Fair Wear complaints handlers need to have the following qualities:

They are accessible. Because they are locally based, they can be reached within the time zone and on a local number. In most cases, complaints handlers are also in charge of worker interviews during audits, which means workers have seen them and can put a face to the name on the information sheet.

They speak both the local language(s) and English. This allows them to follow up on details with workers, Fair Wear staff and Fair Wear members better and more efficiently.

They are trustworthy. Handlers are usually female representatives from labour or women's NGOs. They are able to communicate with workers in a way that enhances trust.

Cooperation with other initiatives

The scale of the challenges Fair Wear faces are huge, and our resources are finite. It is therefore necessary to reduce redundancy, while at the same time create efficiency within other organizations that share a common goal. Fair Wear plays an active role trying to collaborate with other workplaces also attempting to make global improvements on challenging issues like living wages and working hours.

A FEW EXAMPLES

Fair Wear and the Ethical Trade Initiative [click here](#) (ETI UK and ETI Norway) collaborate on various levels. On the headquarters level both organizations benefit from exchanging findings and participating in trainings. Fair Wear and ETI have participated in joint advocacy efforts by lobbying country governments or other initiatives on behalf of both organizations and their members, for instance. On an operational level, the organizations have worked on specific remediation cases and training efforts in shared factories. Fair Wear is in regular contact with European and international human rights frameworks such as the [OECD guidelines](#) and [ILO working groups](#) to ensure alignment with global due diligence and labour rights convention approaches.

To streamline aspects of their factory level operations and offer their respective business partners new benefits, Fair Wear and ILO Better Work entered into a partnership agreement in June, 2017. The aim of the partnership is to coordinate factory assessments, streamline factory capacity building and improvement processes, and unlock learning and cooperation opportunities for brand partners. Combining the forces of both organizations contributes to eliminating the duplication of audits and makes a wider range of training opportunities available. These trainings tackle workplace issues such as sexual harassment, safety and health. The agreement also capitalises on both organizations' commitment to both engage unions, employers, brands and governments as well as focus on worker management dialogue and geographic reach.

Current Fair Wear projects

WAGE LADDER

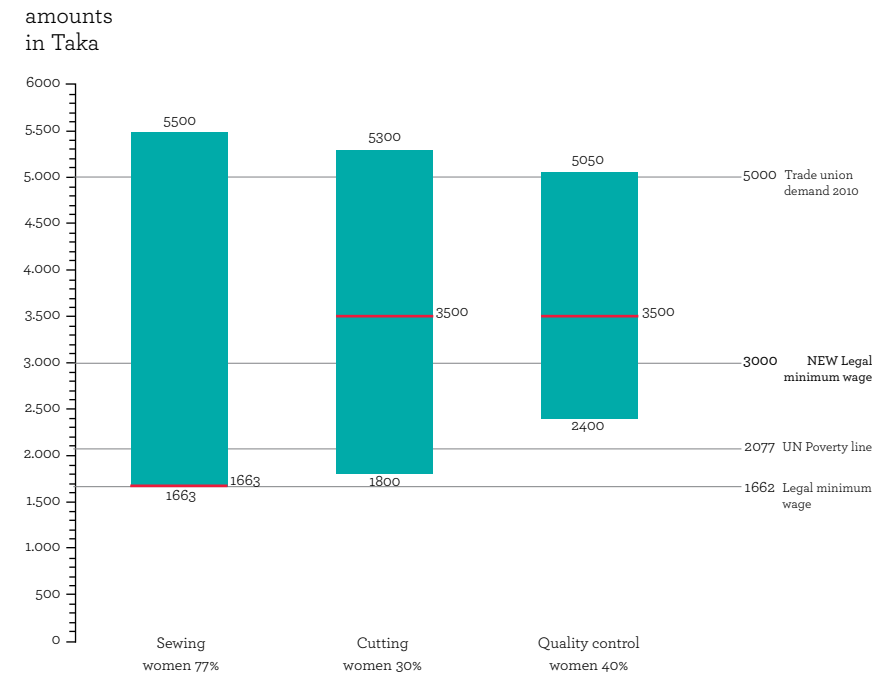
The Fair Wear wage ladder is a benchmarking system used to chart factory wage levels compared to available wage standards in that country or region. The purpose of the tool is to help push the focus of wage discussions in CSR from the ‘what’ of living wage measurement to the ‘how’ of wage improvements.

A wage ladder serves three main purposes:

- It illustrates the monetary values assigned to relevant and available wage standards and measurements in a country or region
- It charts factory wage levels relative to these wage standards, illustrating how workers’ wages measure up to applicable prescribed wage levels
- It can be used to chart factory progress in improving wages over time [Enter the Wage Ladder](#)

EXAMPLE FACTORY WITH BENCHMARKS WITH WOMEN

Bangladesh



WOMEN'S SAFETY AT WORK PORTAL

Violence and harassment against women at work is a threat to the health and well-being of everyone. It impacts not only the workers, employers and the brands that sell the products, but also families, communities, economies, not to mention society as a whole.

One in every five jobs today is linked to a global supply chain. Violence and sexual harassment, particularly in the form of sexual violence and verbal abuse against women workers, is an issue frequently found in sectors where women work in low-skilled production.

Gender-based violence in factories is a risk that is under-reported, yet experienced by many vulnerable, often young and female, global production workers. Fair Wear Foundation has identified some of the most important risks that affect women, particularly women garment workers, which can lead to workplace violence. access the [gender toolkit](#)

LIVING WAGE PORTAL

Using its Living Wage Portal, Fair Wear aims to uncover and overcome the many obstacles that prevent garment workers from earning a living wage. The portal offers real-life examples of brands working with factories towards living wages. The innovative platform also offers insights from NGOs, access to tools and voices from workers and local stakeholders.

The Living Wage Portal is aimed at (Fair Wear member) brands and all other actors working on living wages in the garment industry. No single actor (worker, union, factory, brand, government, consumer) has the power to 'just' pay higher wages, in any sustainable way. Collaboration is the key. Fair Wear's Living Wage Portal offers the opportunity to share progress and learn from each other.

[Visit living wage portal](#)



FAIR
WEAR