



# **Brand Performance Check**

## **Beckmann Norway**

This report covers the evaluation period 01-01-2020 to 31-12-2020

## About the Brand Performance Check

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

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

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

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

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

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

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

# Brand Performance Check Overview

## Beckmann Norway

Evaluation Period: 01-01-2020 to 31-12-2020

| Member company information   |   |
|--|---|
| Headquarters:  | Kristiansand , Norway                                 |
| Member since:  | 2020-01-01  |
| Product types:   | Bags, accessories, luggage & other travel accessories |
| Production in countries where Fair Wear is active:                                     | China, India  |
| Production in other countries:   |   |
| Basic requirements   |   |
| Workplan and projected production location data for upcoming year have been submitted? | Yes   |
| Membership fee has been paid?  | Yes   |
| Scoring overview   |   |
| % of own production under monitoring   | 97%   |
| Benchmarking score   | 63  |
| Category   | Good  |

## Summary:

Beckmann Norway (hereafter: Beckmann) has met most of Fair Wear's performance requirements in 2020. Despite the COVID-19 pandemic, Beckmann has met the monitoring threshold of 80% by monitoring 97% of its supply chain. With a benchmarking score of 63 points, Beckmann has been rewarded the 'Good' category.

## Corona Addendum:

Thanks to an increase in export and international sales, Beckmann, selling school backpacks, was not severely affected by the COVID-19 pandemic in 2020. Beckmann's office staff temporarily worked from home, but could return to the office in May. The closure of shops across Europe slightly impacted Beckmann's possibility to distribute goods. Nevertheless, Beckmann did not cancel any orders. Some orders were shipped later than planned, which was decided in dialogue with the supplier.

Being a first-year member, Beckmann's focus for 2020 was to create a solid basis for its Fair Wear membership. The brand has a small supplier base and sources over 90% of its FOB at one Chinese supplier and a few suppliers in India, which produce a very little part of the production volume. Beckmann collected audit reports from BSCI and structurally keeps track of CAP follow-up in the report. Beckmann could further strengthen its supplier evaluation systems and should continue working on the root causes of excessive overtime, a common risk in China.

Beckmann has close contact with its Chinese suppliers, through which it was well able to monitor the impact of COVID-19. Production for Beckmann initially was not affected, because most had already been finished before the pandemic hit. The factories closed only for the Chinese New Year (CNY) holidays. The main issue at these suppliers was a shortage of workers after CNY. Beckmann agreed on later shipment dates with these suppliers, as production capacity gradually moved back to normal. Where needed, Beckmann contributed to airfreight of goods.

Beckmann ensured the suppliers had health and safety measures in place and that wages were paid in case workers needed to quarantine. Beckmann was not able to directly involve worker representation in its decisions but did a WEP Basic training at its main supplier and is planning to continue working actively on the topic of social dialogue.

Beckmann clearly focused its COVID-19 response on the suppliers in China. Despite the small order volume, it is important not to neglect the Indian suppliers and their workers in time of crisis. While Beckmann's strong relationship with the Chinese suppliers is commendable, this report reflects the need for more engagement with the Indian suppliers on the Code of Labour Practices.

It is worth noting that Beckmann started its Fair Wear membership with working on getting insight into the labour minute values at its main suppliers and is actively working to continue this. Generally, Beckmann has taken significant steps in its first year and shows strong potential for the coming years of its Fair Wear membership.

## Performance Category Overview

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

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

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

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

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

# 1. Purchasing Practices

| Performance indicators  | Result | Relevance of Indicator   | Documentation                                    | Score | Max | Min |
|---|--------|--|--|-------|-----|-----|
| 1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity. | 94%    | Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes. | Supplier information provided by member company. | 4     | 4   | 0   |

**Comment:** In 2020, Beckmann sourced nearly 92% of its total FOB at its main supplier in China. Beckmann had 16% leverage at this supplier. Two suppliers where Beckmann also has over 10% leverage were responsible for the other 2-3% of the FOB counted towards this indicator. Beckmann checks its leverage at suppliers by asking them, in combination with a plausibility check of these figures based on its experience with the supplier, knowledge about the supplier's capacity and knowledge about other customers at the same supplier. Beckmann has a total of five direct suppliers, of which three are located in India and two in China. Beckmann is planning to consolidate further, especially considering the suppliers in India which have very small production volumes for Beckmann (see 1.1b).

| Performance indicators  | Result | Relevance of Indicator  | Documentation   | Score | Max | Min |
|---|--------|---|---|-------|-----|-----|
| 1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB. | 4%     | Fair Wear provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts. | Production location information as provided to Fair Wear. | 3     | 4   | 0   |

**Comment:** In 2020, Beckmann sourced 4% of its production volume from production locations where it buys less than 2% of its total FOB. These are suppliers based in India, which produce leather bags that are only a very small part of Beckmann's product base. Beckmann is in the process of phasing out these suppliers as these products are being discontinued over time. One tail-end supplier is located in China and is also being phased out. As these exit processes have started already, the production volume at these suppliers has already decreased a lot. Beckmann follows a responsible exit strategy for this process (see 1.5).



It is Beckmann's strategy to limit the number of suppliers, i.e. to work with only a few main suppliers and to avoid subcontracting as much as possible. The fact that Beckmann is consolidating its already short supply chain, fits well within that strategy.

**Recommendation:** Fair Wear recommends Beckmann to continue its strategy of consolidation. However, it can be a risk for Beckmann to focus in its CSR activities too much on its main supplier in China, while there is still production happening in India. As long as Beckmann still has production in India, Beckmann should be mindful of the human rights risks related to this country even if the production volume is very small.

| Performance indicators   | Result | Relevance of Indicator  | Documentation                                    | Score | Max | Min |
|--|--------|---|--|-------|-----|-----|
| 1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years. | 95%    | Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions. | Supplier information provided by member company. | 4     | 4   | 0   |

**Comment:** Long-term relationships are very important to Beckmann. The company has been working with its main supplier for over ten years and knows some suppliers for more than thirty years. Beckmann considers finding new suppliers a big investment. Being a small company, Beckmann carefully assesses whether this investment is really needed before onboarding a new supplier. Beckmann's sourcing strategy includes the goal of the company to work in the long term with suppliers.

| Performance indicators  | Result | Relevance of Indicator   | Documentation             | Score | Max | Min |
|---|--------|--|---------------------------|-------|-----|-----|
| 1.3 All (new) production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed. | Yes    | The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements. | Signed CoLPs are on file. | 2     | 2   | 0   |

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

**Recommendation:** It is advised to use the outcome of the questionnaires to update the production location data, for instance on leverage and subcontractor information.

| Performance indicators  | Result       | Relevance of Indicator  | Documentation   | Score | Max | Min |
|---|--------------|---|---|-------|-----|-----|
| 1.4 Member company conducts human rights due diligence at all (new) production locations before placing orders. | Intermediate | Due diligence helps to identify, prevent and mitigate potential human rights problems at suppliers. | Documentation may include pre-audits, existing audits, other types of risk assessments. | 2     | 4   | 0   |

**Comment:** In 2020, Beckmann did not start production at any new suppliers. Generally, Beckmann follows a standard process when considering to add a new supplier. Beckmann starts by sharing a first introduction letter, which also includes the Fair Wear questionnaire with the CoLP. The brand then requests documentation related to the financial situation at the supplier, social compliance and chemical/environmental compliance (audit reports, certifications). Beckmann usually requests this information from several factories to then compare which meets the brand's standards. Beckmann then proceeds to order samples at the factory which meet these standards. When quality of products, price and social/environmental compliance seem to match, the brand visits the factory. During this visit, the previously shared documentation is verified. After this visit the brand decides whether or not to start working with the supplier.

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

During the COVID-19 pandemic, Beckmann kept track of the situation at the suppliers in China through weekly calls and online meetings. As the pandemic was under control quite quickly in China, Beckmann's production did not suffer significantly. The main issue identified was the fear of the suppliers that workers would not return to work after Chinese New Year holidays. Due to this, the factory started up with reduced capacity right after the holidays. This recovered slowly when infection numbers went down. Beckmann's CSR manager followed the COVID-19 situation in China closely. Furthermore, Beckmann shared the health & safety information with the suppliers, and collected evidence that this was shared with workers.

Beckmann also reached out to the suppliers in India, but found these suppliers were not responsive to questions about COVID-19. One of them closed for some time but Beckmann was not informed about the exact situation. Beckmann did share the worker videos with one Indian supplier and asked them to share this with the workers. The brand did not focus on the situation in India because only a very small part of production volume is sourced there.

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

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

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

| Performance indicators  | Result | Relevance of Indicator   | Documentation   | Score | Max | Min |
|---|--------|--|---|-------|-----|-----|
| 1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner. | Yes    | A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking. | Documentation of systemic approach: rating systems, checklists, databases, etc. | 1     | 2   | 0   |

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

As described above, Beckmann is in the process of exiting suppliers in India because the product they make, leather bags, is slowly being discontinued. This is a gradual process of decreasing production which will continue the coming years. Beckmann follows a responsible exit strategy based on the guidance from Fair Wear.

In 2020, Beckmann has exited one Chinese supplier. Beckmann wanted to further develop at and with this supplier, but the supplier was not interested. The exit was a joint decision for which the process started already in 2018. The process was concluded in 2020 after a full year of preparation for this. Included in its responsible exit strategy are several questions to the suppliers, including what kind of support the factory needs and whether the reason to exit is labour rights issues. This was not the case.

Beckmann did not cancel or reduce any orders due to COVID-19 in 2020. In consultation with the suppliers, some orders were shipped later than planned because the shops in Europe were closed. This was decided together with the factories, which at that time were also low on capacity because workers still had to return from Chinese New Year holidays. As such, this decision benefited both brand and factories. When sales were going well, Beckmann added orders where possible. This was received positively by its suppliers as the luggage production for other customers declined. Beckmann did not cancel any orders from India either.

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

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

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

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

The process for the production planning starts a year before the product goes into production. The planning as such takes place in direct consultation with this supplier. Beckmann meets the main supplier, responsible for 92% of the production, before the collection starts. A draft timeline for the full year is shared with the factory management, who is then asked to check this planning with their production capacity. If the capacity does not allow for the envisioned planning, this is adapted. The end result is for the supplier to have a yearly calendar for the planning of the full year. In this process, lead times are also discussed. In case a supplier needs more time to finish a certain order, usually the order is split and part of it can go move to one of the other shipment moments. Beckmann aims to reduce the occurrence of excessive overtime with this joint process. This process is not (yet) in place with the other suppliers.

Last-minute changes in design happen very rarely and are always discussed with the supplier. If it is not feasible for the supplier, the change is moved to the next year. In case of delays in materials, the lead time is extended and orders are split. Beckmann and the factories decide on this together. In 2020, Beckmann also used airfreight and train for some production, for which the brand shared the costs with the supplier, although suppliers by contract are responsible for these costs. Some delays due to COVID-19 just were accepted.

Factory closure due to COVID-19 did not have a major impact on Beckmann's production. In India, this was because the production volumes are so small. In China, the factory closure coincided with the Chinese New Year holiday period, which is always taken into account with planning. The factory's capacity was a bit low directly after this, but that was not a problem as the shops were closed in Europe as well (see 1.5).

**Recommendation:** While Fair Wear commends Beckmann for the joint planning process with its main supplier, Beckmann should ensure to include all suppliers in its production planning process.

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

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

**Comment:** In 2020, Beckmann actively followed up on findings of excessive overtime in the audit CAPs and continues to work on this topic. One of the causes identified by the main supplier, which was audited in 2019, was that lead times were too short. In response, Beckmann lengthened the lead times. Beckmann discusses the findings related to overtime in the CAP report and stimulates the supplier to work on solutions to this issue. Furthermore, Beckmann consistently tells its main supplier the brand wants to be involved if changes in the production planning occur due to other customers, so they can support the factory in finding a solution that avoids excessive overtime. Furthermore, Beckmann offers to split its orders if this works better for production planning.

Beckmann started the conversation about the wage levels by working with them on labour minute costing. During this process it also became clear to the brand that workers get paid more during overtime hours, which the brand thinks can be a root cause of overtime occurring. Beckmann is planning to continue working with the suppliers on the minute costing to address this root cause.

**Recommendation:** Besides discussing it with the supplier and assessing root causes, Fair Wear strongly recommends Beckmann Norway to actively take measures when excessive overtime is found. Taking measures to ensure that Beckmann knows and shows whether excessive overtime takes place at a supplier is key in resolving the issue. Measures such as regular checks by the local technician, documents checking and interviewing workers help assess whether excessive overtime takes place.

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

**Comment:** Beckmann has insight into the detailed cost breakdown of its products made at Chinese suppliers, which includes labour costs. Shortly after joining Fair Wear, Beckmann started to work with its Chinese suppliers on making the connection between the prices the brand pays and the wage levels at the factory. Beckmann had its main suppliers in China fill out the Fair Wear labour minute costing calculators and based on the output made the connection between its own cost breakdown and the wages at the factory. Beckmann would like the suppliers to be further supported and the information verified by Fair Wear. This was delayed due to COVID-19 but is expected in 2021. Beckmann is not aware if any costs incurred due to COVID-19 were included in the prices.

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

**Recommendation:** Beckmann is encouraged to continue working on the labour minute costing calculators with its Chinese suppliers. While it is understandable that Beckmann focuses on the Chinese suppliers, Beckmann should also gain insight into the cost breakdown of the leather products sourced in India, as long as these are part of the production.

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

**Comment:** No findings related to non-payment of legal minimum wages were identified through audits in 2020.

Beckmann did not identify any non-payment of legal minimum wages due to the COVID-19 pandemic. Chinese suppliers did not experience any factory closures and were able to continue production after the workers returned from CNY. Beckmann requested proof of payment from these suppliers. Beckmann is less aware of the impact of COVID-19 on the suppliers in India. The brand requested information about their situation but received little information. The factories did not indicate difficulty paying wages, but Beckmann did not investigate this any further. As the brand sources a very small amount (2%) of its FOB in India, it prioritized its Chinese suppliers.

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

**Recommendation:** Beckmann should make sure it also includes its Indian suppliers in crisis response, especially as India was impacted severely by COVID-19 in 2021.

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



**Comment:** During the performance check, Beckmann's finance manager was able to demonstrate all payments were made on time. Normally, the payment term is based on the delivery date. However, during COVID-19 shipment was postponed for some orders. If this was the case, the orders were paid in advance if the supplier indicated they were in financial need. Generally, Beckmann tailors its payment terms to the needs of the suppliers. With its Indian suppliers, 30-50% of the order is prepaid. The Chinese suppliers do not need this as they are financially more solid.

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

**Comment:** Beckmann knows the wage levels at its suppliers from third-party (BSCI) audits and is aware there is a gap between the wages paid and the living wage levels. However, Beckmann has not yet started to actively work on uncovering root causes for wages being below living wages. Beckmann is aware of the connection between wage levels and excessive overtime (see 1.7). Beckmann has started addressing the topic of living wages in the CAP reports, but not yet taken it up as a separate issue. Beckmann plans to start working more on this after a Fair Wear audit has been done at its main supplier in 2021.

Beckmann does not believe the wage gap increased due to COVID-19, but has not done deeper investigation into this. As there is a shortage of skilled workers in the area, the factory tries to retain its workers especially during the pandemic, and good wages is a part of that.

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

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

**Comment:** Beckmann does not own any factories.

| Performance indicators                                      | Result | Relevance of Indicator  | Documentation  | Score | Max | Min |
|---|--------|---|--|-------|-----|-----|
| 1.13 Member company determines and finances wage increases. | None   | Assessing the root causes for wages lower than living wages will determine what strategies/interventions are needed for increasing wages, which will result in a systemic approach. | Evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, correspondence with factories, etc. | 0     | 6   | 0   |

**Comment:** In 2020, Beckmann started its living wage work by getting insight into the labour minute value at its suppliers (see 1.8) but has not yet defined a target wage or a plan to finance wage increases. Beckmann considers creating a plan to finance wage increases a next step after it has more insight into the living wage gap.

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

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

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

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

**Recommendation:** We strongly encourage Beckmann to show that discussions and plans for wage increases have resulted in the payment of a target wage.

---

## Purchasing Practices

**Possible Points: 52**

**Earned Points: 31**

---

## 2. Monitoring and Remediation

| Basic measurements   | Result  | Comments  |
|--|---|---|
| % of production volume where an audit took place.  | 97%   |   |
| % of production volume where monitoring requirements for low-risk countries are fulfilled. |   |   |
| Member meets monitoring requirements for tail-end production locations.                    | First or second year member and tail-end monitoring requirements do not apply | 1st or 2nd year member and tail-end monitoring requirements do not apply.                           |
| Total monitoring threshold:  | 97%   | Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%) |

**Comment:** The CSR manager is responsible to follow up on problems identified by the monitoring system.

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

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

**Comment:** Beckmann received the CAPs from the supplier and as such, did not need to share it with the supplier. After receipt of the CAP, a timeline is agreed upon with the factory. The main supplier in China has a CSR team, which is informed about the CAP as well. This team includes a worker representative, but Beckmann has not been in contact about sharing the CAP specifically with this person. Beckmann has a monthly meeting with its main suppliers where CAP follow-up is discussed.

| Performance indicators  | Result | Relevance of Indicator  | Documentation  | Score | Max | Min |
|---|--------|---|--|-------|-----|-----|
| 2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems. | Basic  | Fair Wear considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions. | CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues. | 4     | 8   | -2  |

**Comment:** Beckmann keeps track of progress on the CAPs inside the CAP documents. The brand discusses the progress on CAP findings regularly with the factories during meetings. The factories include follow-up in the CAP document, which Beckmann can then comment on and ask questions about. These documents are shared back and forth via e-mail. Beckmann requests documentation to verify follow-up has taken place. However, generally CAP follow-up still focuses mainly on requesting CAP status from the factory. Beckmann is not yet very actively involved in remediation, besides some exceptions. For example, in order to remediate findings related to excessive overtime, Beckmann has extended its lead times. Beckmann has not yet been able to involve worker representation in its CAP follow-up. Beckmann is starting to work on root cause analysis of more complex issues, such as freedom of association in China, overtime and living wage. Beckmann's CSR manager has daily contact with its Chinese suppliers via Wechat and phone calls.

During COVID-19, Beckmann continued this process and requested photos demonstrating health & safety measures were in place. Although the suppliers did not indicate issues paying workers, Beckmann gave some extra orders to its Chinese suppliers who had the capacity, to support them financially. Beckmann's follow-up on COVID-19 risks was focused on China and only superficially included the suppliers in India, which are responsible for a small part of production.

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

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

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

**Comment:** This indicator is not applicable in this performance check as visits were hardly possible due to global travel restrictions related to the COVID-19 pandemic.

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

**Comment:** In 2020, Beckmann collected existing BSCI audit reports and assessed the quality by consulting Fair Wear's verification coordinator. Beckmann works on the corrective action plan and follows up on these audits.

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

**Comment: CHINA**

As Beckmann sources almost all its FOB from suppliers in China, the human rights risks in this country are a focal point to the company. Beckmann's suppliers are located far from the Xinjiang region, where the risk of forced labour is particularly high. Nevertheless, Beckmann's code of conduct for suppliers includes the prohibition of forced labour and the importance of freedom of association. Being a first-year member, Beckmann is still working on further rolling out the remediation of these risks, but Beckmann already had a WEP take place at its main supplier in China and identified the need for continuous follow-up on this. As the CSR manager is Chinese, Beckmann sees a lot of opportunity to bridge cultural differences and further work on this topic. Beckmann keeps track of the developments in China in various ways, including Fair Wear guidance, but also by following the Chinese news and local contacts. Finally, Beckmann is aware that excessive overtime can be caused by issues such as short lead times and low salaries, and wants to investigate root causes in order to mitigate them.

**COVID-19**

Beckmann's production was not heavily affected by COVID-19, as most of the production was already done before the pandemic hit. The main supplier was affected mostly because the workers could not return back to work after Chinese New Year. Beckmann discussed this with the suppliers and agreed on postponing shipment in order to meet the factories' capacity levels. Beckmann shared health & safety guidance with its suppliers and requested pictures to verify if these were shared with workers. Posters in the factory instruct workers to wash hands, sneeze into elbow, etc. Workers' temperatures were taken upon entry to the factory. In case of a raised temperature, workers had to quarantine. Beckmann verified that workers did get paid during sick leave/required quarantine. No workers were let off; the area has a shortage of skilled workers and the factories try to retain workers. Beckmann prioritized its Chinese suppliers in this crisis and has less insight into the situation at its Indian suppliers, which produce only 2% of the company's FOB. Beckmann did share the workers rights' videos with one of them.

**Recommendation:** Beckmann is advised to discuss with its Indian suppliers which support they can provide in implementing OHS measures in response to COVID-19. Furthermore, Beckmann is advised to verify whether the Indian supplier showed the workers' rights videos to its workers and to verify all workers received their due wages during lockdowns. Beckmann can refer to Fair Wear's guidance on Wages and Job Loss due to COVID-19 for more practical guidance.



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

**Comment:** In 2020, Beckmann did not source from any shared factories.

| Performance indicators  | Result                              | Relevance of Indicator  | Documentation   | Score | Max | Min |
|---|-------------------------------------|---|---|-------|-----|-----|
| 2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled. | No production in low-risk countries | Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws. Fair Wear has defined minimum monitoring requirements for production locations in low-risk countries. | Documentation of visits, notification of suppliers of Fair Wear membership; posting of worker information sheets, completed questionnaires. | N/A   | 2   | 0   |

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

| Performance indicators  | Result | Relevance of Indicator  | Documentation  | Score | Max | Min |
|---|--------|---|--|-------|-----|-----|
| 2.10 Extra bonus indicator: in case FWF member company conducts full audits at tail-end production locations (when the minimum required monitoring threshold is met). | Yes    | Fair Wear encourages its members to monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold. | Production location information as provided to Fair Wear and recent Audit Reports. | 2     | 2   | 0   |

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

| Performance indicators   | Result                    | Relevance of Indicator   | Documentation               | Score | Max | Min |
|--|---------------------------|--|-----------------------------|-------|-----|-----|
| 2.11 Questionnaire is sent and information is collected from external brands resold by the member company. | No external brands resold | Fair Wear believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of Fair Wear or a similar organisation, and in which countries those brands produce goods. | Questionnaires are on file. | N/A   | 2   | 0   |

| Performance indicators  | Result                    | Relevance of Indicator   | Documentation   | Score | Max | Min |
|---|---------------------------|--|---|-------|-----|-----|
| 2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume). | No external brands resold | Fair Wear believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods. | External production data in Fair Wear's information management system. Documentation of sales volumes of products made by Fair Wear or FLA members. | N/A   | 3   | 0   |

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

## Monitoring and Remediation

**Possible Points: 22**

**Earned Points: 14**

### 3. Complaints Handling

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

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

**Comment:** Beckmann's CSR and purchasing manager is responsible for follow-up in case of worker complaints.

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

**Comment:** Being a first-year member, Beckmann ensured in 2020 that the Worker Information Sheet was posted at all its production facilities. Proof of this (photos) was uploaded in the Fair Wear database. Beckmann plans to regularly check if the WIS is still posted, by requesting pictures and checking during factory visits and trainings.

| Performance indicators   | Result | Relevance of Indicator   | Documentation  | Score | Max | Min |
|--|--------|--|--|-------|-----|-----|
| 3.3 Degree to which member company has actively raised awareness of the FWF CoLP and complaints hotline. | 92%    | After informing workers and management of the Fair Wear CoLP and the complaints hotline, additional awareness raising and training is needed to ensure sustainable improvements and structural worker-management dialogue. | Training reports, Fair Wear's data on factories enrolled in the WEP basic module. For alternative training activities: curriculum, training content, participation and outcomes. | 6     | 6   | 0   |

**Comment:** In 2020, Beckmann ensured its main supplier (92% of production volume) enrolled in the basic module of the Fair Wear Worker Education Programme. The factory confirmed this programme improved its understanding of worker-management dialogue. Beckmann plans to follow up on this training by adding conclusions from the training report to the CAP and to implement further training in the future (see 4.4).

Beckmann shared the COVID-19 workers' rights videos with one of its suppliers in India. The factory confirmed receipt and said that it showed the video to its workers, but Beckmann has not received any evidence that this actually took place.

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

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

---

## Complaints Handling

**Possible Points: 9**

**Earned Points: 9**

---

## 4. Training and Capacity Building

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

**Comment:** At the start of Beckmann's membership in early 2020, the brand requested a presentation about Fair Wear by one of the Fair Wear staff members. This way, the whole company was introduced into Fair Wear's work. Since then, the CSR manager regularly updates colleagues during the company's weekly organisational meetings.

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

**Comment:** The CSR manager at Beckmann is also responsible for buying and therefore one of the key people in touch with the supplier. Other staff is informed through general updates. When visiting suppliers, the company's CSR manager plans to make sure colleagues are aware of CoLP requirements as well. In 2020, due to the travel restrictions related to COVID-19, no-one at the company visited the suppliers so this did not yet apply. Generally, the CSR & purchasing manager is most often in direct contact with the suppliers.

**Recommendation:** Beckmann can share a labour standards checklist with its colleagues when they visit the suppliers, available on the Fair Wear Member Hub.

| Performance indicators   | Result                                 | Relevance of Indicator   | Documentation   | Score | Max | Min |
|--|--|--|---|-------|-----|-----|
| 4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices. | Member does not use agents/contractors | Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP. | Correspondence with agents, trainings for agents, Fair Wear audit findings. | N/A   | 2   | 0   |

| Performance indicators  | Result | Relevance of Indicator   | Documentation   | Score | Max | Min |
|---|--------|--|---|-------|-----|-----|
| 4.4 Factory participation in training programmes that support transformative processes related to human rights. | 0%     | Complex human rights issues such as freedom of association or gender-based violence require more in-depth trainings that support factory-level transformative processes. Fair Wear has developed several modules, however, other (member-led) programmes may also count. | Training reports, Fair Wear's data on factories enrolled in training programmes. For alternative training activities: curriculum, training content, participation and outcomes. | 0     | 6   | 0   |

**Comment:** Being a first-year member, Beckmann has not yet had any transformative training programmes implemented in its supply chain. However, Beckmann did a WEP Basic training at its main supplier in China (see 3.3) and plans to continue building on this basis with this supplier.

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

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

---

## **Training and Capacity Building**

**Possible Points: 9**

**Earned Points: 3**

---



## 5. Information Management

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

**Comment:** Beckmann's supplier agreement does not allow unauthorized subcontracting. Beckmann does not have extensive systems in place to identify all production locations, but as it has a rather small supply chain, is able to check whether the capacity of the suppliers matches the order quantity. Beckmann normally visits suppliers to check the capacity and to see if the order quantity placed, matches the capacity. During COVID-19, Beckmann requested the production plan of its main supplier in China to avoid placing orders when the supplier does not have capacity.

**Recommendation:** Fair Wear recommends Beckmann to periodically check whether all known production locations are still up to date and use the information coming from questionnaires to update supplier data, including subcontractors.

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

**Comment:** During weekly meetings, the CSR manager shares with colleagues from other departments what the situation at the suppliers is. Since Beckmann's membership started, the staff has not been visiting the suppliers due to COVID-19, and a formal process to inform others about CSR information thus has not yet been developed. Generally, the CSR/purchasing manager is the person mostly visiting suppliers.

---

## Information Management

**Possible Points: 7**

**Earned Points: 4**

---

## 6. Transparency

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

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

| Performance indicators                                       | Result | Relevance of Indicator  | Documentation  | Score | Max | Min |
|--|--------|---|--|-------|-----|-----|
| 6.2 Member company engages in advanced reporting activities. | No     | Good reporting by members helps to ensure the transparency of Fair Wear's work and shares best practices with the industry. | Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List. | 0     | 2   | 0   |

**Comment:** Beckmann does not yet have a brand performance check to publish on its website. Beckmann also has not disclosed any of its suppliers or audit reports on its website and has not disclosed suppliers on the Fair Wear website.

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

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

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

## Transparency

**Possible Points: 6**

**Earned Points: 4**

## 7. Evaluation

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

**Comment:** Being a first-year member, Beckmann still has to do the first systematic evaluation of the Fair Wear membership. However, the CEO of Beckmann is very closely working with the CSR manager and involved directly in the Fair Wear membership. As such, it is being evaluated with top management on an ongoing basis.

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

**Comment:** This is Beckmann's first brand performance check.

## Evaluation

**Possible Points: 2**

**Earned Points: 2**

## Recommendations to Fair Wear

Beckmann finds the Fair Wear team supportive and clear. Beckmann finds there is a lot of guidance available for members, in webinars and on the Member Hub, and especially appreciates examples from other brands. Beckmann likes practical documents and templates to work with.

## Scoring Overview

| Category                       | Earned | Possible |
|--------------------------------|--------|----------|
| Purchasing Practices           | 31     | 52       |
| Monitoring and Remediation     | 14     | 22       |
| Complaints Handling            | 9      | 9        |
| Training and Capacity Building | 3      | 9        |
| Information Management         | 4      | 7        |
| Transparency                   | 4      | 6        |
| Evaluation                     | 2      | 2        |
| Totals:                        | 67     | 107      |

### Benchmarking Score (earned points divided by possible points)

63

### Performance Benchmarking Category

Good

## Brand Performance Check details

Date of Brand Performance Check:

26-05-2021

Conducted by:

Paula de Beer

Interviews with:

Sharon Liu - CSR & procurement

John Lie - CFO

Ole Falk Hansen - CEO