

SOCIAL REPORT

2020



FUNDMATE

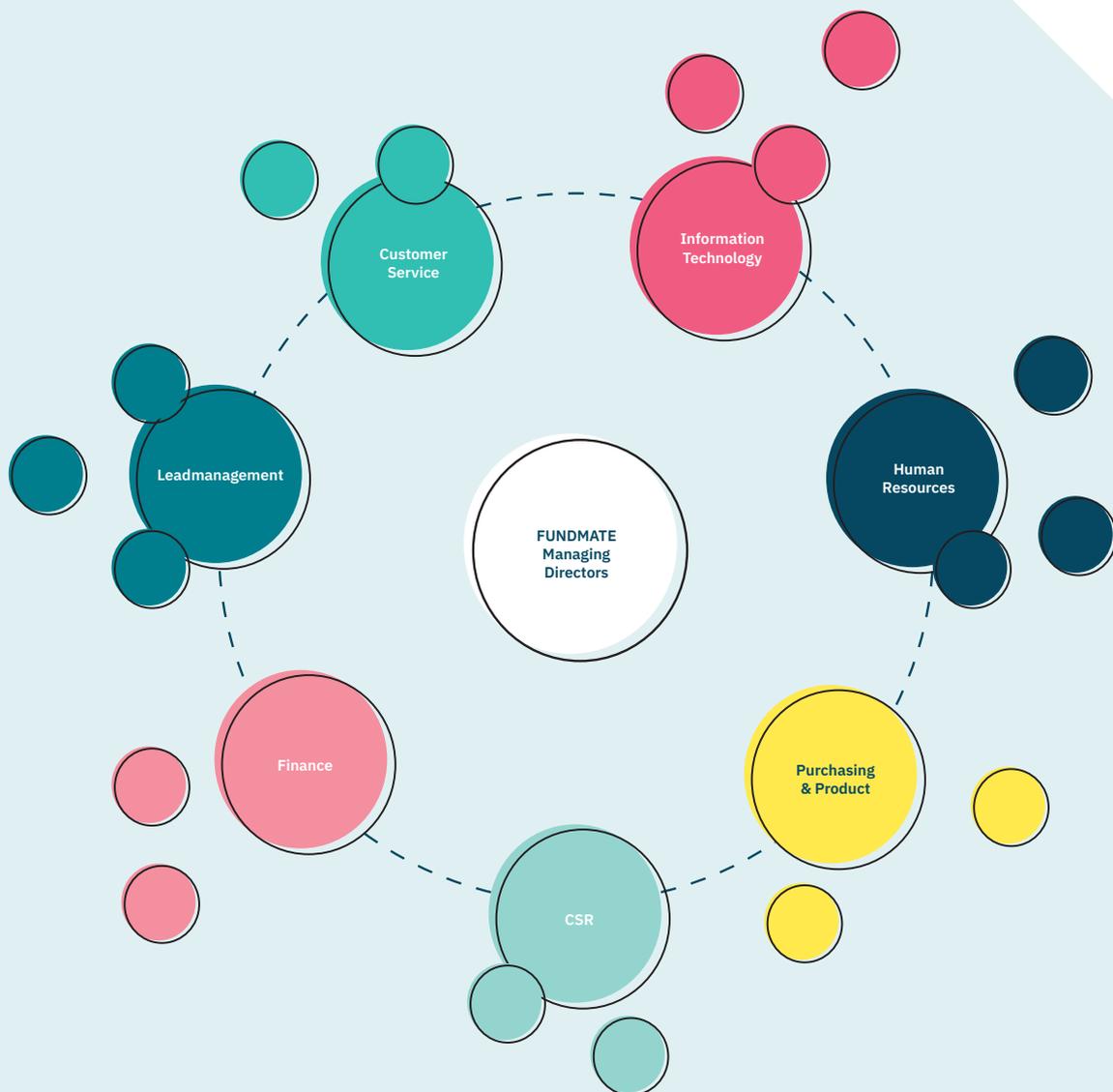
SOCIAL REPORT 2020

Reporting Period:

01.01. – 31.12.2020

FWF Membership Start Date:

01.01.2018



FUNDMATE

www.fundmate.com

„Joining Fair Wear Foundation in 2018 was an important step for us as a young brand. While we are still relatively new to the garment production industry, we are constantly trying to understand the mechanisms and issues better and to identify key success factors for a good and sustainable partnership.“



BENEDIKT LINK
MANAGING DIRECTOR



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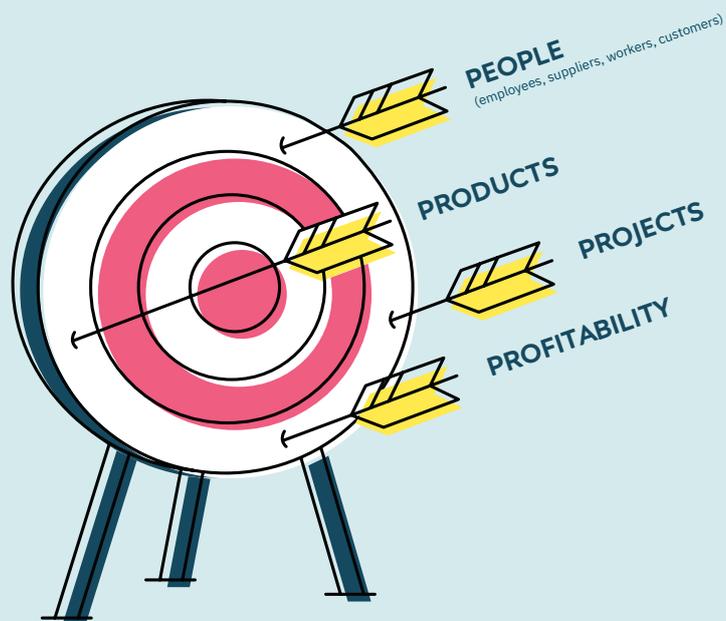
FUNDMATE Philosophy

At Projekt Fundraising GmbH we offer fashionable and sustainably produced products as fundraisers for fundraising campaigns of non-profit projects and groups. In 2020, we have changed the brand name of the campaigns and products from NEUE MASCHKE to FUNDMATE.

In 2013, when NEUE MASCHKE was founded, we were the first company to offer product-based fundraising in Germany. Correspondingly, over the last 6 years, we have been following the interesting and challenging task to introduce this new way of raising funds to our (prospective) customers. We had to build a market for a product and service which was unknown.

Building a new market requires one major ingredient: Trust. It is the most valuable asset we have. In our opinion, trust is built through transparency, reliability, meeting and exceeding expectations and passion. We aim at a very open communication with our customers many of which have become fans of our products and services over time.

From the beginning we have instinctively followed a set of principles which has materialized into our value matrix. Our goals are based on 4 equal-weight targets.





People

In everything we do, we try to treat the people we deal with in a fair and transparent way. This includes suppliers (workers), employees, customers. We want to build long-term supplier relationships and make them participate in the success of FUNDMATE. We aim to offer a workplace with exceptional learning and development opportunities for our employees and which encourages creativity. We want our customers to become fans of our approach to fundraising and our products. Therefore, we always need to strive to exceed expectations.



Profitability

By offering a risk-free fundraising model to our customers, we have created a model which is heavily dependent on the availability of external working capital. Therefore, the financial success of our company is a key ingredient for the future development of FUNDMATE. We rely on the trust of our supporting bank which has provided this working capital over the last years. Only if we manage to build a profitable and sustainable business and keep a solid amount of equity within the company will we be able to receive bank loans to follow the road of growth over the next years.



Projects

FUNDMATE exists because of our customers' projects and dreams for which they run fundraising campaigns. We aim at offering the best possible fundraising model to make the smaller or bigger dreams behind the funded projects come true. We want to work towards this goal with the same amount of passion that our customers have vis-à-vis their projects.



Products

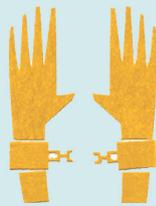
Our products are at the core of the fundraising model. These products are the actual fundraisers, i.e. they are the means of and catalysts for the groups in their effort to find supporters. We want to sell products, which are constantly exceeding expectations in terms of quality and sustainability because we believe that happy and enthusiastic customers are the best testimonials for our fundraising model.

Goals and Achievements 2020

In the very beginning of the year we successfully carried out our re-branding from NEUE MASCHKE to FUNDMATE. Only a few weeks later, Covid-19 appeared in Germany and we had to adapt very quickly to its effects. We therefore had to put all employees in short-time work over months as well as all projects on hold apart from our main business activities. Over the whole period, we felt very insecure and worried about how to go on. It was only in September that all employees were working full-time again. The first half of the year caused a very high loss in turnover and we faced great difficulties regarding the product planning for the second half that finally generated more revenue than we expected. We also had some changes in staff at that time. Our CSR and purchasing representative left and we therefore had to fill these two posts. In short, 2020 was a very challenging and turbulent year for us and strongly influenced by the effects of Covid-19.

2020 was also the third year of our membership of Fair Wear Foundation (FWF). Although our CSR representative as well as the whole team was in short-time work over months, we followed the road of working towards further improving the working conditions at our suppliers and on implementing the FWF Code of Labour Practice (CoLP), which is based on the UN Human Rights Charta and the core working principles of the International Labour Organisation. We are committed to a transparent supply chain and only work with suppliers who fulfil our supplier selection criteria. In order to meet the FWF transparency requirements, we carefully evaluate each of our suppliers every year and discuss FWF audit results and corrective action plans

Fair Wear Foundation
Code of Labour Practice



Employment is freely chosen



There is no Discrimination in Employment



No Exploitation of Child Labour



Freedom of Association and the Right to Collective Bargaining



Payment of a Living Wage



Reasonable Hours of Work



Safe and healthy Working Conditions



Legally binding Employment Relationship

(CAP) with them. We are proud of working only with factories which are willing to work towards improvements.

Our second FWF brand performance check was held online in spring 2020. We are very happy with the result, as we were again awarded the grade/label “good”. FWF confirmed that we have shown good progress as a second year member.

These are some key events related to social compliance that we achieved in 2020:

- We were always informed about the actual situation in our production locations, sent them Health and Safety Checklists and collected country related information regarding the pandemic situation from external resources as well as directly from our suppliers. As some workers of our Turkish supplier were on unpaid leave, we e.g. collected information about governmental payment for these workers.
- Despite the difficult situation, we did not cancel any order. However, in some cases we had to postpone individual orders but were always in direct contact with our suppliers regarding these decisions.
- We adapted our payment terms in favour of our suppliers as our main supplier asked to switch to prepayment.



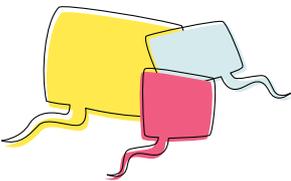
- We continued working on the CAP with our Turkish and Chinese suppliers. With our Turkish supplier we e.g. worked on Health and Safety related activities such as a numbered list of all fire extinguishers within the factory with information on the type, weight, filling date and location of the extinguishers or the indication of the maximum KG capacity on all shelves that is checked regularly by the factory in order to not overcharge the shelves. With our Chinese supplier we e.g. worked on the process of the election of worker representatives or ensured that workers in standing positions are provided with anti-fatigue mats.
- By the end of the year we developed a feedback survey that we sent to our suppliers in order to give them the possibility for more detailed feedback on our purchasing practices.
- We updated our monitoring document evaluating our suppliers performance. CSR related criteria are now given a higher weighting regarding purchasing decisions.
- We set up a sourcing policy that is aligned with our overall business strategy and accepted and supported by all relevant company staff including management.
- We started developing a country specific risk catalogue to be even better informed about (possible) issues in our suppliers countries.

These are some difficulties related to social compliance we had to face in 2020:

- As all our employees were in short-time work over several months in the first half of 2020, we only focussed on activities related to our main business at that time. We therefore were not able to follow up all planned projects, such as the living wage project. So far, we could not start calculations in order to set a living wage benchmark with our Turkish supplier.
- As we restaffed the purchasing department and the CSR department in October 2020, we plan to further improve the collaboration between these two departments.

1. Sourcing Strategy

1.1 Sourcing Strategy and Pricing



Situation

We have adapted our sourcing strategy in the preparation of becoming a member of Fair Wear Foundation in 2017 and 2018. Founded only seven years ago, FUNDMATE relied on the knowledge and experience of experts in sock production and quality at the start. We found an importing agent who had for us relevant certifications (e.g. BSCI) and a very high quality to supply the first pairs of socks. We build a trustful business relation over the last year which lasts until today.

With the substantial growth over the last years, it has become clear however, that we have to become experts in sock production as well and know our supply chain better than we previously did with the intermediary. As described in the 2018 report, we have tried to convince our main agent to become a member of Fair Wear Foundation as well, but after one year of negotiations, he decided that he did not want to join. We therefore decided in 2017 to responsibly exit the relationship by successively reducing order sizes. 2019 was the first year in which we only sourced from producers where we are allowed to hold FWF audits and talk to the factory management directly.

Since 2019, we are collaborating with suppliers in Turkey, Slovakia, China and Germany. We have learnt that every production country has its strengths and weaknesses in terms of product type and technical equipment. We are trying to place orders always in the countries which have the best quality for a specific product. This is another advantage of the international supplier base. Meanwhile, in 2020 we set up our own written sourcing policy to be clear about our sourcing practices. We make use of these practices internally as well as for the cooperation with our suppliers.

We have sourced textile products from external brands in 2020 as well: Kitchen towels, beanies and additional socks were bought from other brands and not directly sourced. While this has several advantages, we are aware that the transparency of the production of these products is slightly lower than if we source them directly. We mitigated this by improving the questionnaire for these external brands. Some products are also produced in low risk countries.



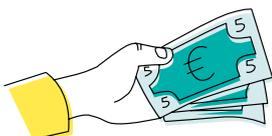
Goal

It is our core goal to establish and keep a stable supplier base founded on sustainability, trust, transparency and reliability. As a small company, the costs of bringing a new supplier into the game are substantial, it is therefore in our own interest to work for a long time with the same suppliers. Also, we believe that long term improvements are only possible if both sides – the buyer and the seller – show that they value the partnership and are willing to work together for a long time.

Premises

While we are still relatively new to the garment production industry, we are constantly trying to understand the mechanisms and issues better and to identify key success factors for a good partnership. Our business model allows for and requires the following premises:

- Due to the nature of our business, roughly all of our products are NOS products (within the season and many of them also between seasons). Overall, our products are rarely changed in style. We only have two different collections (spring/summer and fall/winter) and even between these collections more than 50% of the products remain the same. This allows us to have a relatively stable production planning process and supplier management process which allows for long term planning.
- We have a relatively small number of suppliers and always try to balance the risk of being dependent on a single producer and production country with the increased complexity of managing several suppliers with the same product. We only start supplier relations and test orders if we have significant evidence for a prospective and long-lasting relationship.
- Our supplier due diligence is based on quality, reliability, sustainability and price.
- We have long term planning cycles to avoid overtime and allow to adequately allocate production.
- We keep orders stable once indicated or placed – forecasts are mostly only slightly adapted when turned into orders and placed orders are almost never changed. Our business model is favourable in the sense: We can sell products during several successive seasons and delay the introduction of new products although we might still have them in stock to destock other products. In case a product is not sold completely during one season it will be sold off in the next season.
- Due to the small percentage of production capacity needed from suppliers, it's relatively easy for suppliers to provide this capacity. On the other hand, it is in our own interest to be perceived as valuable partner despite the small volumes.
- All departments (design, procurement, product marketing, production planning) who might influence production time are supervised by one person to avoid e.g. delays in product design.
- Due to the high share of NOS products not much sampling is necessary and time pressure on suppliers is usually low. Given our small share of capacity at each supplier, we are not able to build time pressure anyway.
- We discuss the feasibility of our payment terms with each factory to ensure which allow factory to reduce risk and have adequate liquidity to pay workers in time.
- Our own warehouse is used as a buffer for changes in demand so we do not need to change orders or cancel them.
- Although this might sound a bit naïve, we perceive ourselves as price takers rather than price makers. Our negotiation power does not lie in huge volumes but rather in the prospect of a mutually beneficial long-term partnership.



Pricing

In order to increase the wages of the workers at our suppliers constantly, we need to be able to pay a premium over the regular price in the long term. Since our selling price is fixed due to our specific business model, we increase prices by decreasing the number of goods sold in one unit. We have started this process at the end of 2019. We have also used our technical expertise to change the specification of several products to decrease production cost without reducing the quality. This gives us some financial leeway to work towards improvements in the years to come.

1.2 Organisation of the Sourcing Department

FUNDMATE is a small company of approximately 10 FTE. In 2019, FUNDMATE introduced departments into its organizational structure. Due to some changes in staff, the purchasing department and the CSR department are no longer linked to the same person since the second half of 2020. We therefore restaffed these two positions. The corresponding department is now the department "Sourcing and Product". The managing director is also directly involved in many of the sourcing decisions. In China sourcing is done via an agent because it is impossible for us to control working conditions and supplier quality on a regular basis. We therefore use the agent to help us to select suppliers with high social standards and conduct production site visits for us regularly.

1.3 Production Cycle

Due to the nature of our business, there is a very high share of NOS products. This allows for very stable production cycles. The production planning is always 6 months ahead of expected delivery and production volumes in the factories are still so small that we have not encountered any problems regarding production allocation in the factories. There are only 2 different collections per year (Spring/Summer & Fall/Winter).

We annually ask our suppliers for feedback on our production planning system and developed a more concrete feedback survey in 2020. By that we want to make sure that we are not putting pressure on them without noticing and get ideas on how to improve our partnership. The aim is to integrate their feedback in our production planning so that both plans suit as best as possible. We are very pleased that we received very positive feedback so far from our suppliers regarding our production planning and the overall collaboration.

1.4 Supplier Relations

FUNDMATE aims at long-term and sustainable supplier relationships. We therefore aim for remaining our supplier base as stable as possible. In 2020 we neither selected new suppliers nor terminated an existing relationship. However, based on the FWF requirements and recommendations, FUNDMATE has introduced a very structured and rigorous approach to new supplier selection.

This supplier selection approach includes country and product specific questions as well as personal impressions.



Our selection criteria for new production locations are based on the following elements:

- Quality of the products and price
- CSR track record (at least BSCI membership/audit or similar social audit)
- Responsiveness, transparency and quality of communication
- Commitment of supplier/factory management to FWF Code of Labour Practice
- Personal impression at factory visit with focus on Health and Safety issues
- Production location choice

We do not source from high risk countries as for example Bangladesh, Pakistan or Myanmar. The latest supplier has been selected in 2018. The supplier entered a test order phase after passing the supplier selection due diligence. In 2019 the supplier has successfully completed the test phase and the FWF audit so we now regularly place orders.

1. 5 Integration of Monitoring Activities and Sourcing Decisions

We believe that our monitoring is effective despite the low leverage we have in the production locations. We feel that our suppliers appreciate the personal relationship and the fact that we are more focused on quality rather than prices. We have a stable supplier base at the moment and hope to continue with most of our actual suppliers for many years to come. We created a structured approach for assessing supplier performance with the aim to evaluate the production location performance including its social compliance to get to an integrated decision making process. This rating system was successfully applied for the first time in 2019 and is now applied once a year to assess our existing supplier base. In 2020 we updated our rating system. It focuses on the criteria “general”, “quality”, “cost”, “delivery”, “development”, “relationship” and “CSR” and gives more weight to CSR compliance than to the other criteria. By that we want our sourcing decisions to be even stronger influenced by our supplier’s commitment towards CSR topics. The assessment is done by the purchasing and CSR department together with the managing director and is an important basis to make production decisions.

2. Coherent System for Monitoring and Remediation

Our monitoring and remediation system is currently built on 4 pillars:

- **Factory visits:** In our opinion, this is one of the most important tools to monitor actual progress in a factory and build a trustworthy relationship.
- **Factory audits and follow up on corrective action plans:** We have audited our main suppliers in 2019 with the help of a local FWF audit team and already intensively worked on the corrective action plan. Next FWF audits are planned for 2022.
- **Complaints handling:** We have not received any complaints from workers so far despite the FWF worker information sheets being put up in all factories and the worker information cards containing a complaint hotline being distributed to workers in the Chinese and Turkish factory.
- **Training and information:** Workers need to be informed about their rights and management needs to be informed about our expectations. In addition, trainings can help to improve our own knowledge as well as management’s and worker’s knowledge of potential issues. There was a first FWF training in 2019 at our Turkish supplier.

We will continue to develop this monitoring system based on its effectiveness and our experiences as we go along.

2. 1 Turkey – Sock Production

We currently work with one sock supplier in Turkey. The cooperation started in 2017. It is currently our most important factory. We have a close collaboration with this supplier and its management is based on trust. Our aim is to build a long-term business relationship with this factory. In 2018, the FWF supplier questionnaire and the worker information were filled out. Since the

employment of Syrian refugees can be an issue in Turkey, we also sent the worker information sheet in Arabic. We received a filled in and signed copy of the questionnaire and the worker information sheet was posted in the factory. The managing director and the CSR representative visited the factory in 2018 (MD already 2017). Another visit was scheduled for May 2020, but had to be postponed due to travel restrictions relating to Covid-19. The first factory audit took place in July 2018. We received the audit report with the corrective action plan at the end of 2018. Follow up on the corrective action plan happened in 2019 until there was a verification audit in December 2019. The audit report of the second audit shows that great improvements were implemented already. There were some new findings regarding health and safety that could already be solved such as insufficient information about fire extinguishers or missing information about carrying capacity of the shelves. Other findings related e.g. to the non-payment of living wages. This is a project we are still working on. The factory management in general is well aware of FWF and the Code of Labour Practice (CoLP) and shows great commitment and support towards remediation activities. The supplier also held a FWF worker education programme at the site in 2019. So far, there were no complaints in this factory. You can have a look inside the factory yourself – we made a video of our visit: <https://www.youtube.com/watch?v=KK6hzP1eB-I>

Due to the effects of Covid-19, the factory had less orders in the beginning of the year and put workers in short-time work over several months. We did not cancel any of our orders to ensure capacity utilization of the factory as best as possible. By the end of the year there were still workers with chronic disease on unpaid leave but the situation in the factory got better and order placement almost turned back to normal. During the pandemic period we ensured, more than ever, to always be updated about the situation in the supplier country as well as in the factory.

2.2 Slovakia – Sock Production

Slovakia is located in the EU and therefore classified as low risk county by FWF. We have collaborated with this factory since 2016. There is regular exchange between our managing director and the factory management. Factory management also visited our office in 2019 two times. Due to Covid-19, there was no visit in 2020. We are very sad that our main contact person died of cancer this year. In the beginning of the year 2018 we sent the FWF supplier questionnaire and the worker information sheet to the supplier. We received a filled in and signed copy of the questionnaire and the worker information sheet was posted in the factory.

We visited the factory in 2018 for the second time. The visit was carried out by the managing director and two employees. During the factory visit we introduced FWF and the CoLP to the factory management and further discussed country specific risks. During the shop floor visit we completed our health and safety checklist for supplier visits. So far, there were no complaints in this factory.



In 2020 as in the years before, the factory faced serious quality issues. Also, the communication is more complicated compared to our other suppliers and there is less cooperation to share relevant information. Due to these reasons we continue observing the evaluation of the above named issues and adjust the planning accordingly, in exchange with our supplier.

The factory had to close for three weeks around Christmas because a lot of workers were affected by Covid-19. They had less orders from existing customers over the year as well but could compensate the loss with new orders, such as sewing face masks. Since then, the situation in the factory got better and the general order placement stabilised again. Over the year, we did not cancel any of our orders to ensure capacity utilization of the factory as best as possible. During the pandemic period we ensured, more than ever, to always be updated about the situation in the supplier country as well as in the factory.

2.3 China – Sock Production

Due to the political and economic situation in Turkey, we needed to extend our supplier base internationally to mitigate country specific risks. Therefore, we ran a test order with a Chinese supplier who has very high quality products. When sourcing from China, you need to rely on an agent or have your own people on the ground. Since our company is too small to have Chinese staff, we rely on an agent who visits the factory several times per month. After successful completion of our supplier selection process we started to work with this supplier in 2019 by placing the first bulk orders aiming at a long term relationship. For the presentation of FWF the factory was visited in 2019 by a member of company management. During the factory visit we introduced FWF and the CoLP to the factory management. During the shop floor visit we completed our health and safety checklist for supplier visits. So far, there were no complaints in this factory. The factory was also audited by FWF in 2019 and the CAP has already been worked on. Several of the issues raised in the report have already been remediated, such as worker representatives are not democratically elected but chosen by factory management. Commonly, we set up a process to democratically elect the worker representatives and from now we regularly receive meeting notes about what has been discussed. Another finding that is very common in China and that could not have been solved yet is excessive overtime. But we and we are continuously working on these points together with the factory. Our agent shows great commitment in implementing CSR projects and supports us a lot.

Due to the effects of Covid-19, the factory had less orders in the very beginning of the year. Already in the middle of the year, the pandemic situation in China seemed to be under control. Therefore the production schedule of the factory stabilised as well. We did not cancel any of our orders to ensure capacity utilization of the factory as best as possible. During the pandemic period we ensured, more than ever, to always be updated about the situation in the supplier country as well as in the factory.



2.4 Germany – Hipster Bag Production

Our hipster bag is produced in a workshop where people with mental illnesses get the chance to work. The workshop is located in Germany, a low risk country. We have collaborated with this workshop since 2017. It is located close to our own location. Due to the local proximity, the workshop is visited often by staff members. For the presentation of FWF the factory was visited in 2018 and 2019 by a member of company management. During the factory visit we introduced FWF and the CoLP to the factory management. During the shop floor visit we completed our health and safety checklist for supplier visits. Since the beginning of 2020, the sewing workshop has moved to another building and is now separated from the other workshops such as packaging. The relocation took some time but now there is a much larger area available. We visited the new building in the beginning of 2020. Due to the low demand for hipster bags in 2019 and 2020, we will not produce hipster bags in the upcoming year anymore and communicated this early with the workshop. Our stock of this product is still very high although we already reduced order size gradually in 2019.

2.5 External Production

We sent the supplier questionnaire for external suppliers to all of our external suppliers. We received completed and signed versions from all of them. We further set up an internal monitoring document for external suppliers in which they have to specify their commitment towards CoLP. A large part of the external production is coming from Europe. As with our own production, we only chose trustful suppliers and brands with high ethical standards. We want collaboration with external brands also to be based on trust and open communication and try to adapt our both production planning systems as best as possible.

3. Complaints Handling

Our CSR representative is responsible for complaints handling. In 2020, no complaints were raised in any of our factories. To sensitive factory management and workers, the workers in the Turkish and Chinese factory received worker information cards. These cards contain the Code of Labour Practices as well as a complaint hotline.

4. Training and Capacity Building

4.1 Activities to inform Staff Members

Since our FWF membership started in 2018, we made sure that all staff members are informed about it before the start. Because of our business model we talk to many of our customers via phone. We often get questions on how we deal with issues like sustainable production or child labour. It is therefore in our interest that the whole team (especially customer service) is well informed on our CSR activities:

- To improve the awareness on sustainability topics, every new employee is actively informed about our activities in sustainable production, the FWF membership and the FWF communication guidelines by our CSR representative within the first working weeks.
- We created guidelines for our customer service on how to communicate the FWF membership to our customers.
- The managing director is involved in all topics/decisions related to FWF membership because he is still very closely involved in the production and procurement decision.

Our CSR representative participated in many FWF webinars on different topics as well as the German FWF member and stakeholder meeting. Furthermore, the FWF communication guide was shared with the marketing department and there is a close collaboration on this topic. In addition, we have a responsibility section on our website, where we inform about different topics: <https://www.fundmate.com/produkte/verantwortungsvolle-herstellung>

4.2 Activities to inform Agents

With our Chinese supplier we collaborate via an agent. We informed our agent in a personal meeting with a presentation and open discussion. She also received the FWF factory guide (online training tool for factory managers). We always emphasize on the criteria needed to become a supplier, so the agent can make a reasonable preselection when talking about potential new suppliers. The relation with our agent is very close and transparent. She is very motivated and supports us a lot in the implementation of CSR projects in the factory.

4.3 Activities to inform Manufacturers and Workers

Our suppliers have filled out and signed the supplier questionnaire. The worker information sheet was also put up in all factories (with the exception of a workshop in Germany, where some of the information on the sheet is irrelevant due to the nature of the workshop and therefore cannot be applied). In addition to the information sheet, the workers have also been informed through the management and worker association of their factories. During our on-site visits, we also presented FWF to the factory management and agents (where applicable) and discussed pending issues openly. We also offered each factory management information about the factory guide, the FWF online training tool for factory managers. The workers also received worker information cards containing the FWF CoLP as well as a complaint hotline.

5. Information Management

We are regularly in touch with our suppliers. We hold phone and video calls at least twice a year and are in contact via email every 1-2 weeks. We try to visit every supplier once per year and if this is not possible at least every three years. In 2020 we planned to visit our supplier in Turkey but had to postpone the visit due to travel restrictions in the context of Covid-19. Because we are a relatively small company and we only have few suppliers, it is still relatively easy to monitor and have personal meetings with all suppliers. Our relatively small amount of suppliers is also the reason why we do not have a “long tail” in our supplier list. All of our suppliers have confirmed not to work with subcontractors. Since 2020, they e.g. have to confirm the production location before production starts on our order placement sheet and are asked in our annual feedback survey for all production locations where they produce. This information allows us to be very sensitised to subcontracting.

We document all relevant communication in our file storage system to be able to better track progress and have a solid documentation of the agreements made.

6. Transparency and Communication

In our first year of membership we followed the communication guidelines of FWF and published the logo on our website. We also describe FWF and our membership on the website in detail: <https://www.fundmate.com/produkte/verantwortungsvolle-herstellung/fair-wear-foundation>

Since we hold phone calls with all of our customers, we are able to also communicate our membership there, similar to e-mail requests. Customers often ask about the production conditions of our products. This is a very good way to actively communicate our membership. We also describe the FWF membership in our product catalogue. As a summary of the ongoing efforts and changes in the area of CSR, we will compile and publish this report on our website so that it is publicly available.

7. Stakeholder Engagement

In order to get a fair overview on the workers situation and social issues in the respective production countries, we have relied on the available resources of NGOs and other organizations. We also consulted many resources related to country specific risks such as MVO Risiko Checker or OECD in 2020. The resources proposed by FWF were also very helpful regarding that issue. This year, we especially focused on the Covid-19 related documents and checklists that enabled us to be aware of the actual situation in the production locations. We were also in exchange with other member brands on different topics such as sport socks suppliers in Portugal.

8. Corporate Social Responsibility

Apart from the supplier relationships described above, we try to leave a positive footprint also in other areas of CSR. So far, all kids socks are made with organic cotton and are certified GOTS, our spice-set and tea assortments are also purely organic.

A significant part of our products are packed by workshops for people with disabilities in and around Freiburg. We have built a very good and personal relationship with these workshops and the people who work for it over the years and we have become a valuable partner for them as well. Apart from the pay for the regular work they do, we have donated thousands of socks to these workshops and other needy people over the years. We have collected roughly 14.500 € for the German Red Cross charity through the fundraising component in sales on our online shop in 2020.