



Brand Performance Check

Mascot International A/S

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. 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

Mascot International A/S

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

Member company information	
Headquarters:	Engesvang , Denmark
Member since:	2020-01-01
Product types:	Workwear
Production in countries where Fair Wear is active:	Bangladesh, China, Turkey, Viet Nam
Production in other countries:	Cambodia, Lao People's Democratic Republic
Basic requirements	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
Scoring overview	
% of own production under monitoring	99%
Benchmarking score	54
Category	Good

Summary:

Mascot International A/S (hereafter: Mascot) has met most of Fair Wear's performance requirements. The company has monitored 99% of its purchasing volume and exceeds the threshold for first-year members. Combined with a benchmarking score of 54, Fair Wear has awarded Mascot the 'Good' category.

Mascot has its own production in their two 100% owned factories, and with what the brand calls "trading goods suppliers". Fair Wear usually refers to this as "own production". In this report, Fair Wear follows the Mascot terminology, referring to "own production" for the two owned factories in Laos and Vietnam and "trading goods" for the production done by other suppliers. Mascot does not have any external production.

Corona Addendum:

COVID-19 affected Mascot's sales at the start of 2020, but the brand recovered and ended the year with growth. A financially sound company, Mascot was well able to absorb the crisis and increase the capacity at its own factories in Laos and Vietnam by the end of the year. Part of Mascot's HQ staff in Denmark worked from home, but only for a short period because the Mascot office has enough space to keep distance. In this first year of Fair Wear membership, Mascot increased its CSR capacity. At the owned factories in Laos and Vietnam, Mascot has a local staff directly involved in the follow-up of issues related to the working conditions, which proved extra helpful during the travel restrictions of the pandemic.

Mascot did not cancel or reduce any orders and paid all its orders in full. Mascot accepted delivery delays and tried to mitigate future delays, mainly caused by issues in fabric delivery, by placing orders more in advance. Mascot's COVID-19 response, as the company's general operations, differentiated strongly between the brands' own factories in Laos and Vietnam (responsible for 72% FOB) and the other suppliers, Mascot's "trading goods suppliers".

At its own factories, Mascot installed a steering committee for COVID-19 prevention in February 2020. The committee initially included the director, company clinic's doctor and HR manager. Workers could call this committee if they had any questions or concerns related to COVID-19. The steering committee expanded to 11 members and a COVID-19 safety team of 30 members, responsible for ensuring all health & safety measures were implemented and followed. Measures included the provision of face masks, partitions in the lines, separate lunches, temperature taking, etc. Workers received extensive training from medical staff on the risks and prevention of COVID-19. During factory closures of 2 weeks in Laos and Vietnam, workers were paid 50% and 70% of the regular wages, respectively. As wages in both facilities are above legal minimum wage, the wages did not drop below that level. If a worker's wage could have dropped below the legal minimum because of this, Mascot topped up the wage to make sure this did not happen.

Mascot was in regular contact with other suppliers and checked if health & safety measures were in place using photos and videos. Mascot uses external audits and did not make use of additional monitoring tools. Generally, Mascot focused on continued dialogue with the suppliers and ensuring its orders were fully paid but did not undertake further steps to support its trading goods suppliers in paying workers' wages during lockdowns.

Mascot's first performance check shows a strong focus on its own factories, which is also visible in the COVID-19 response. Mascot still has room to grow in further developing its monitoring systems and work with its trading goods suppliers. Still, Mascot has a strong basis to build on and, as a first-year member, is encouraged to continue working on its understanding and implementation of the Code of Labour Practices with all its suppliers.

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.	84%	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, 84% of Mascot's production volume came from production locations where the company buys at least 10% of the production capacity. This is the FOB which comes from Mascot's own factories in Laos and Vietnam, where the brand has 100% leverage, and the FOB of one other supplier. Mascot has not yet collected the exact leverage percentages at its other not-owned suppliers, and therefore these factories are not included in this indicator, although it may be that Mascot has more than 10% leverage at some of these factories as well.

In general, it is Mascot's strategy to source as much as possible from its own facilities. Mascot tries to consolidate the supplier base, but also indicated that some suppliers make very specialised products for which it is difficult to raise the volumes or to place at other suppliers.

Recommendation: Mascot should ensure the correct leverage percentages are included in the Fair Wear system.

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.	6%	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, Mascot sourced 6% of its production volume from nine tail-end suppliers. Mascot tries to consolidate where possible, but prefers to increase order volume rather than exiting suppliers. Mascot invests a lot in its suppliers to ensure they are able to meet Mascot's high quality standards, for example by offering training and investment in machinery. Therefore, Mascot finds it is costly to change them.

Recommendation: Fair Wear recommends Mascot to consolidate its supply base by limiting the number of production locations in its 'tail end'. To achieve this, Mascot should determine whether production locations where they buy less than 2% of their FOB are of strategic relevance. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

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.	96%	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: In 2020, 96% of Mascot's production volume came from production locations where the brand's business relationship had existed for at least five years. Partially this is a consequence of the fact that Mascot sources over 70% from its own factories. For other suppliers ("trading goods") it is part of Mascot's strategy to maintain long relationships with its suppliers, because the products are complex and it takes time for suppliers to reach the necessary quality level.

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.	No	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.	0	2	0

Comment: Mascot uploaded the signed questionnaires for part of its suppliers ("trading goods" suppliers) in the first year of its membership. Mascot added one supplier in 2020. Mascot prefers to physically visit the suppliers to ask them to sign the questionnaires, which was not possible due to the COVID-19 pandemic. Also, Fair Wear was making a change to the Chinese Questionnaires' layout, which meant they were not available to be sent. Therefore, these were excluded in assessing this indicator. However, the CoLP for the suppliers in Turkey and Cambodia also were not available. These suppliers account for 4% of the brand's total FOB.

Requirement: Mascot needs to ensure that all existing production locations sign and return the questionnaire, and that new production locations sign and return the questionnaire before first orders are placed.

Recommendation: It is advised to use the outcome of the questionnaires to update the production location data, for instance on leverage and subcontractor information. Moreover, Mascot is also encouraged to follow up with suppliers in case they do not endorse the Code of Labour Practices or show resistance in some of the replies. Mascot should try to collect the signed questionnaires also when it is not possible to visit suppliers physically, especially as the COVID-19 pandemic continues in 2021.

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: Mascot differentiates between its own factories in Laos and Vietnam, and trading goods suppliers in Vietnam, Cambodia, Turkey, China and Bangladesh. It is Mascot's strategy to maintain long relationships with these trading goods suppliers and not to add new suppliers often, as the company prefers to produce as much as possible at its own factories. In 2020, one new supplier was added. When selecting a new supplier, Mascot takes the following steps. First, the sourcing manager visits the potential supplier. The sourcing manager bases its assessment during this visit mainly on their long experience in the garment industry. Points included are health & safety, hygiene in the food hall and availability of airconditioning and medical service. If this initial visit is satisfactory, a few sample orders are placed. If the samples meet Mascot's quality standards, the company shares the Mascot Code of Conduct, which needs to be signed. This Code includes most Fair Wear Code of Labour Practice elements, but does explicitly mention the right to a living wage. An SGS audit is done before actual orders are placed. The CSR department is not directly involved in the process of selecting a new supplier and the sourcing manager together with the CEO has the final say to decide if a supplier can be added.

Mascot does not have a formal procedure in place to assess the human rights due diligence risks at existing trading goods supplier countries, aside from the use of SGS (BSCI) audits. Mascot does have local staff in Bangladesh and China, where the large majority of the trading goods are being sourced. Mascot follows current events in its production countries and prefers to work in politically stable countries. Mascot could not demonstrate instances of labour conditions influencing this decision-making in 2020, but in general does include human rights due diligence in its sourcing decisions as described in the above process. If an SGS audit shows the labour conditions are not in accordance with the CoLP, Mascot does not place the order at this supplier.

Mascot's own production facilities in Laos and Vietnam are all part of the same company, Mascot International A/S. All workers are considered Mascot colleagues and are on the same payroll. The management at these factories directly informs the head office of any issues which might occur at these factories. At the own factories, it is policy to only employ workers of at least 18 years and to ensure most workers are on a fulltime written employment contract. A trade union negotiated CBA is available in Vietnam and Mascot pays a salary above legal minimum wage (see also 1.14).

During the COVID-19 crisis, Mascot informed itself of risks at its own factories mainly through its local staff as well as through updates from the embassies. The main risk identified was the spread of COVID-19 among the workers. Many measures were taken at the own factories to prevent and mitigate the spread of the virus (see 2.7). These factories closed for a short time, which was also during the New Year holiday period, and which did not much affect the production.

At the trading goods suppliers, Mascot relied on the local newspapers and local staff to identify risks and stay updated on the situation. Mascot did not make use of the Fair Wear country information and guidance on COVID-19 but is aware of factory closures in the various sourcing countries. Mascot prioritized the factories which are most important to them. Mascot did not go very deep into the risks related to COVID-19 pandemic at its trading goods suppliers, and could not make use of audits as many were cancelled. Besides the local Mascot staff, Mascot stayed in continuous contact with most of its suppliers through Teams and on e-mail.

Recommendation: Mascot should make sure its Code of Conduct is aligned with the Fair Wear Code of Labour Practices. The COVID-19 risk assessment should include country specific information regarding the lockdown and supplier specific information regarding its financial impact on workers' wages. It should link the changes in the member's purchasing practices to its impact on suppliers. This risk assessment should serve as the basis for dialogue between the member and supplier. Mascot is encouraged to make use of available Fair Wear guidance.

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: Mascot did not end the relationship with any of its suppliers in 2020. One supplier in China is in the process of being phased out, but this has not been concluded yet. The reason for this exit is that the supplier does not want to continue to grow with Mascot. Mascot does not have a written exit strategy in place, but the exit process is always in consultation with the supplier and the exit period is at least 6-12 months.

Mascot's own factories, responsible for 72% of FOB, are continuously evaluated and progress on CAPs is tracked at these suppliers through the local staff. For the trading goods suppliers, there is not yet a supplier evaluation system in place. The sourcing manager follows up on CAPs but an overview of the progress of suppliers on labour practices is yet to be created. As such, Mascot does not give out rewards to suppliers which perform well.

In the context of COVID-19, Mascot did not cancel any orders and did not take unilateral decisions related to purchasing practices. Mascot was in regular dialogue with its most important other suppliers. Where possible, Mascot extended the delivery times. All orders were paid in full.

Requirement: A systematic approach is required to integrate social compliance into normal business processes, and supports good decision-making. The approach needs to ensure that Mascot consistently evaluates the entire supplier base and includes information into decision-making procedures.

Recommendation: Fair Wear encourages Mascot to implement a responsible exit strategy and make sure all relevant staff is informed about this. Please see Fair Wear's guidelines on a responsible exit strategy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
1.6 The member company's production planning systems support reasonable working hours.	General or ad-hoc system.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	2	4	0

Comment: At its own factories in Vietnam and Laos, Mascot has direct insight into the production planning and as such can ensure excessive overtime does not occur. The brand has 100% leverage at these factories, so is fully responsible for any changes in production planning. Mascot's products are all never-out-of-stok (NOS) styles, and at least 10% is 'extra large stock', meaning they always have stock directly available of these products. This means the production can be spread out across seasons and gives a general order stability to suppliers. As almost all styles are repeated, late design changes also do not occur. Mascot bases its understanding of its own factories' capacity on GSD software and efficiency of the factory. Mascot forecasts up to 24 months into the future, based on past statistical data. The forecast is put into an SAP planning system, which calculates when it is needed to place the order. This process is also used for its trading goods suppliers. Through its forecasting system, Mascot tries to alleviate pressure and avoid the occurrence of excessive overtime at its suppliers by spreading production throughout the year and not working with production peaks.

Mascot does not have detailed insight into the capacity of the trading goods suppliers. The company does not ask suppliers for excessive overtime, and expects its suppliers to take responsibility in avoiding this occurs, as is agreed with them in the signed Code of Conduct. Mascot is aware that in many countries, workers are eager to work overtime. Mascot has not yet investigated further why this seems to be the case. However, Mascot places orders in dialogue with suppliers and does not pressure suppliers to deliver quickly. This is not necessary as the brand has a large 'safety stock' of 5 million pieces in Denmark. The forecast is usually shared with suppliers when orders are placed.

Mascot has a lead time for material of 130-160 days, and a transport lead time of 49-56 days. Due to COVID-19, delays occurred, due to delayed materials and problems in the international logistics/transport sector. Normally, the suppliers are charged for delays, but this was not done in 2020. Mascot tried to mitigate the material delays by placing the orders earlier than usual. Production planning itself was not much impacted by factory closures, which were mainly during Chinese/Laos/Vietnam New Year and only for a short period. Orders which were delayed, were accepted as it was. Since sales were lower in this period as well, the delays were not a big problem. Mascot discussed this with its suppliers.

Recommendation: While Mascot may be commended for its efforts at the own production facilities, Mascot needs to strengthen its efforts concerning the trading goods suppliers. Mascot is recommended to deepen their understanding of the connection between purchasing practices and the occurrence of excessive overtime at external suppliers, for example by using the Fair Wear guidance on addressing excessive overtime. To identify root causes of excessive overtime in their supply chain, brands can evaluate their production processes and known occurrences of excessive overtime with all internal departments, their suppliers and worker representatives. The Fair Wear guidance on addressing excessive overtime lists the most common root causes of 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.	Insufficient 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.	0	6	0

Comment: External audit reports at several not owned ('trading goods') suppliers show findings of excessive overtime. At trading goods suppliers in Vietnam and Bangladesh workers worked more than 7 days consecutively. Mascot discussed these findings with factory management and checked whether the workers received the correct additional wages for this. The factory indicated that they had been overwhelmed with orders right before the holiday period, and did not want to say no.

Generally, Mascot spreads its orders and therefore does not believe its orders cause excessive overtime. Therefore, Mascot has not undertaken action to remediate these findings of excessive overtime at its trading goods suppliers. The brand asked the factory to deal with it but considers further action beyond its control. Furthermore, Mascot finds workers will leave the factory if they are not allowed to work more overtime, especially migrant workers who are at the supplier solely to work. Mascot has nine suppliers in China, a country where excessive overtime is considered a common issue.

At Mascot's own factories in Laos and Vietnam, no excessive overtime was found in audits in 2020.

Requirement: Mascot should investigate to what extent its current buying practices have an effect on the working hours at (trading goods) supplier level. A root cause analysis of excessive overtime should be done to investigate which steps can be most effective to reduce overtime.

With a high risk of excessive overtime in its supply chain due to the COVID-19 pandemic, the member needs to monitor suppliers more actively on excessive overtime. Mascot should have collected information whether the replacement of orders due to COVID-19 led to excessive overtime.

Recommendation: Fair Wear members have a responsibility to prevent, mitigate and remediate human rights violations like excessive overtime, also if this is caused by other customers in the factory. In line with international guidelines as OECD Human Rights Due Diligence guidance there is a brand responsibility if a brand:

- causes negative impact,
- is contributing to the negative impact
- is linked to a production location with a negative human rights impact.

Being linked to the production locations with excessive overtime, Mascot has a responsibility to actively be involved in remediation, even though the brand considers the excessive overtime is not directly caused by them as it uses long-term forecasts and spreads orders. It is recommended to refer to Fair Wear's Guidance on Excessive Overtime to strengthen understanding of this.

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: For the production at its own factories (72% of FOB), Mascot knows the exact wage levels (as the wages are paid by Mascot) and the number of minutes needed for each style. The brand also knows the efficiency of the owned factories. The price for the products is based on this information. Mascot created a full cost breakdown for one of its products which is sourced at one trading goods supplier, which explicitly connects the wage level at one external producer to the FOB price paid. This has not yet been done for more products and is not a system the purchasing manager normally uses. The labour component in the prices is usually based on general information about labour costs in the relevant country. Extra costs related to COVID-19 measures were not explicitly included in the prices to the suppliers. At its own factories, these costs were covered directly by Mascot, including for example a bonus for workers who are vaccinated.

Recommendation: Fair Wear recommends Mascot to expand their knowledge of cost break downs including explicitly the cost of labour of the products sourced from trading goods suppliers. Mascot can build on its insight of the prices at its own factories to work on this with its trading goods suppliers. A first step would be to calculate the labour minute costs of its products to be able to calculate the exact costs of labour and link this to their own buying prices. Fair Wear's labour minute value and product costing calculator also enables suppliers to include any COVID-19 related costs. Priority would be to make sure this level of transparency can be achieved with their suppliers. Furthermore, Mascot International A/S is encouraged to provide buyers (or other employees involved in price negotiations with suppliers) training on cost breakdown.

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

Comment: At its own factories in Laos and Vietnam, workers were paid respectively 50% and 70% of their wages during factory closures (approximately 2 weeks). As the wages at these facilities are above legal minimum wage, Mascot ensured this never led to workers receiving wages below the legal minimum. If a worker would have fallen below the legal minimum, Mascot topped up the salary to meet legal minimum wage. This was verified during the brand performance check using wage administration of the factories, to which Mascot has direct access, being the owner of the facilities. Mascot did not consult its embroidery subcontractor in Laos whether they were able to pay the wages.

In Bangladesh, Mascot did not actively ask whether the workers were paid during the ten-day factory closure, but did not give any further support on the payment of workers' wages to the factory. Mascot did maintain contact with the factory and focused on making sure its orders were paid in full, but did not go deeper into the issue of workers wages at any suppliers.

Requirement: During COVID-19 the member is expected to thoroughly check with its suppliers whether they foresee any issues with payment of wages. Please note that following Fair Wear's policy for repeated non-compliance in Fair Wear's Brand Performance Checks, members that receive an insufficient or -2 score on this indicator for the second year in a row, will be placed in the 'Needs Improvement' category.

During COVID-19 the member is expected to thoroughly check with its suppliers whether they foresee any issues with payment of wages.

Recommendation: Members are should ensure that at least the legal minimum wage is always paid, i.e. no payment at trainee (50% of LMW), or probation period (75%) levels, is paid to workers. In case of a crisis such as COVID-19, Mascot is should find solutions in collaboration with their suppliers to ensure they can continue payment of minimum wages to their workers. The member can for instance choose to pre-pay invoices for material or allow partial shipment of completed orders and paying immediately for this order portion.

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: Mascot paid all its suppliers on time and did not cancel, postpone or reduce any orders.

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

Comment: At its own factories in Laos and Vietnam, Mascot directly pays the wages; the workers are on the same payroll as the HQ staff. The company is thus aware of the wage levels at these factories. The wage levels are based on the SA8000 basic wage calculation, which lead to the wages being above the legal minimum wage (see also 1.9). Mascot also provides several in-kind benefits to all workers at its own factories, such as transport to and from the factory; free lunch and access to a medical clinic. Furthermore, Mascot pays social security for workers on top of the salaries. Overall, Mascot has good insight into the wage levels at its own factories and finds it important its workers are paid sufficiently (see 1.14). Following the Fair Wear audit at Mascot's factory in Vietnam, the topic of living wage was discussed with the brand and the factory management (both part of Mascot), together with Fair Wear. The concept of living wage as it is considered by Fair Wear is not something which has been further discussed within the company or with the Mascot factory management in Laos, nor with factory management of trading goods suppliers.

Mascot does not have insight into the wage levels at the trading goods suppliers, as Mascot relies on BSI audits which do not include this information.

Requirement: As Mascot owns the factories in Laos and Vietnam, the member is held more accountable for implementing adequate steps. The member is expected to take an active role in discussing living wages with its own factories and should take steps to work towards living wages.

Recommendation: For trading goods suppliers, Mascot 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. Mascot 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).	72%	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.	2	2	0

Comment: Mascot is 100% owner of two factories in Laos and Vietnam, where it sources 72% of its total FOB.

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: Mascot has not yet started creating a plan related to the topic of living wage and generally relies on the BSI Basic Needs Calculation to calculate what the wage level at its own factories should be. Mascot is not aware of differences between the Basic Needs Calculation and the concept of a living wage. Nevertheless, wages at the own factories are significantly higher than legal minimum wage and workers receive relevant in-kind benefits (see 1.14). It is Mascot's strategy to ensure wages raise regularly with around 5%, as a way to stimulate and retain workers and to compensate for inflation.

The wage gap is more significant at its trading goods suppliers, where Mascot does not directly pay the wages. Mascot does not work on living wages and has not set a target wage with these not owned suppliers. As such, Mascot has not yet created any strategy to finance wage increases at these suppliers.

Recommendation: To support companies in analysing the wage gap, Fair Wear has developed a tools to help calculate the effect on FOB and retail prices under different pricing models. Mascot should determine a target wage at its own factories to work towards and create a time-bound strategy to execute this.

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.	27%	Fair Wear member companies are challenged to adopt approaches that absorb the extra costs of increasing wages.	Member company's own documentation, evidence of target wage implementation, such as wage reports, factory documentation, communication with factories, etc.	4	6	0

Comment: The Fair Wear audit done at Mascot Vietnam shows the mode wage including benefits for most workers at this factory meets the WageIndicator living wage estimate of 7634900 as was included in the Fair Wear Living Wage Policy. Besides this, workers receive in-kind benefits such as free meals, transportation and access to basic healthcare. In Laos, according to Mascot the lowest paid workers also receive almost twice legal minimum wage. However, it has not been verified this is a living wage level or that this meets a predetermined target wage. Therefore, the FOB at this factory is not included in this indicator.

Recommendation: Mascot is encouraged to keep raising the wages at its own factories and to investigate what a living wage is, as this is different from a basic wage calculation. Furthermore, Mascot is encouraged to start addressing the topic of living wage with its trading goods suppliers and set a target wage for these suppliers as well.

Purchasing Practices

Possible Points: 52

Earned Points: 28

2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	99%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.	0%	To be counted towards the monitoring threshold, FWF low-risk policy should be implemented. See indicator 2.9. (N/A = no production in low risk countries.)
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:	99%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.1 Specific staff person is designated to follow up on problems identified by monitoring system.	Yes	Followup is a serious part of Fair Wear membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

Comment: As Mascot differentiates between the own production facilities and other suppliers, different staff members are responsible for monitoring and follow-up at the own factories and the other suppliers. One specific person is responsible in Vietnam, one person in Laos and one for all 'trading goods' suppliers. Two CSR managers at Mascot keep an overview of all this.

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: Mascot collects external audit reports from 'trading goods suppliers', who as such are the ones sharing the audits with Mascot. Mascot saves all the audits from these suppliers on the server and when there is a CAP available, checks in regularly with suppliers about the follow-up of that CAP. One Fair Wear audit took place at Mascot's supplier in Vietnam. As this is one company, the factory directly has access to the CAP. The social compliance team in Vietnam includes worker representatives, so they are also included in the entire audit, and involved in follow-up. The timeline as proposed in the CAP (also in BSI audits) is generally followed.

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: Mascot makes use of SGS audits, based on the SA8000 system, once a year at its trading goods suppliers. Furthermore, at its own factories, SA8000 audits are done four times a year, twice a year by external partners and twice by Mascot's own social performance teams in the factories. The responsible persons at the own factories keep an overview of the findings and make sure the follow-up is done in a timely manner. As these are Mascot local staff, the brand is directly involved in the process and improvements made in the factory. CAPs are signed by the worker representatives in the factory and discussed with the management. The CAPs are kept on file on paper. All CAPs were available, but a systematic overview of all CAP findings from the multiple audits every year was not available. The Fair Wear audit done in Vietnam showed very few findings which were generally taken up within the recommended timeframe. For example, the audit found that the trade union representative was not independent because he was also part of management. The factory shared these findings with the trade union, which organised a new election, after which a mechanic worker was elected. In response to findings of lack of knowledge of the CBA or their rights in general, Mascot provided training to workers to refresh their understanding (see also 3.3).

As the SGS audits are quite safety-focused, a lot of findings in those audits are safety related, which is immediately followed up upon by Mascot. More complex findings are not so often identified in these audits. For trading goods suppliers, in addition to SGS audits, Mascot collects BSCI audit and CAP reports if available, and keeps track of the process in the excel CAP report. Mascot does not maintain a systematic overview of the CAPs at various factories. At the owned factories, worker representation is included in follow-up (see 2.3). At trading goods suppliers, this is not completely clear. Mascot follows up on SGS audit results following the CAP, and in case of serious findings, another audit is required the same year. Mascot does not yet have a comprehensive system to keep track of all audits and the follow-up of findings at all its suppliers.

At its own factories, Mascot was proactive to ensure COVID-19 was remediated and managed to ensure the workers safety (see 2.7). For other suppliers, the brand informed about the measures taken but generally considers this the factory's responsibility.

Recommendation: Fair Wear encourages Mascot to continue strengthening their system to keep track of CAPs and to analyse how they might have contributed to findings and what changes they can make in their purchasing practices. Mascot is also encouraged to COVID-19 related issues can be included in outstanding CAPs to facilitate monitoring.

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 for all brands in this performance check, because of the travel restrictions due to COVID-19.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Existing audit reports from other sources are collected.	Yes	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.	1	3	0

Comment: Mascot makes use of external audits from SA8000 for its own factories. For trading goods suppliers, Mascot makes use of SGS audits as well as BSI/BSCI audits when available. Mascot considers SA8000 a strong methodology which according to the brand is comparable to Fair Wear audits. Mascot follows up on CAPs and findings from collected reports.

Requirement: The audit methodology of several audits only provide limited information for follow up and remediation and quality needs to be improved during the following years of fair wear membership.

Recommendation: Fair Wear recommends Mascot to assess the quality of the external audit report and immediately discuss with the supplier what information is missing and how to collect that information. The Fair Wear Audit Quality Assessment tool can be used to do this.

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.	1	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Intermediate			3	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	Insufficient			-2	6	-2
Other risks specific to the member's supply chain are addressed by its monitoring system	Intermediate			3	6	-2

Comment: BANGLADESH

Mascot falls in category 2 of the Fair Wear Enhanced Monitoring Policy Bangladesh: Mascot is not a member of the Bangladesh Accord, but only sources from factories which are audited by the Accord. Mascot collects the Accord inspection reports and requests follow-up on CAPs from the factories. Furthermore, the sourcing manager is regularly in contact with the embassy in Bangladesh to support supplier education on boiler safety. Mascot did not mention other country-specific risks, such as gender-based violence or low wages.

TURKEY

Mascot has one supplier in Turkey which is a sock producer which employs only 8 people and produces 0.48% of Mascot's FOB. Mascot is aware of the risks related to undocumented refugees in Turkey, but has not discussed this with its supplier and is not aware if the supplier has any policy to avoid this. Mascot considers the risk of refugees working at the supplier low, as this supplier is located in Istanbul and not in any of the border regions where a lot of refugees are located. Mascot has not undertaken any steps to map its supply chain in Turkey, the risks of subcontracting seem low to the brand as the only thing the factory makes is socks and only a very small part of Mascot's FOB.

Other risks

COVID

In Mascot's COVID-19 response, a clear distinction can be made between the action undertaken at its own factories (responsible for 72% of FOB) and the other suppliers. Mascot provided all necessary health & safety measures and materials at its own factory, including PPE masks, face shields, alcohol gel, temperature checks, mandatory hand washing, additional cleaning, separate eating during lunch and medical training by the medical team which is present at the factory. A separate room and toilet were installed in case a worker came in with raised temperature. The Vietnamese factory organized sleeping facilities in case a COVID-19 case was identified at the factory and workers needed to stay indoors. Both Vietnam and Laos have an own medical clinic for employees, which provided extensive information during training on the risks and prevention of COVID-19. Although the risk of contracting COVID-19 was high in the region where the Vietnam factory is located, no COVID-19 cases were identified among the factory's workers.

In Vietnam and Laos, the lockdowns coincided with the countries' new year holidays. Therefore, real factory closure only lasted around two weeks. In Vietnam during the semi-lockdown period, it was allowed to work with lower capacity, and around 250 workers continued working. Mascot installed a steering committee for COVID-19 prevention in February 2020. This initially included the director, company clinic's doctor and HR manager. Workers can call this committee in case they have any questions or concerns related to COVID-19. The steering committee expanded to 11 members and a COVID-19 safety team of 30 members, which is responsible to ensure all measures are implemented and followed.

Regarding the trading goods suppliers, Mascot was in regular contact with the suppliers and checked if health & safety measures were in place. Generally, Mascot focused on making sure its orders were fully paid and prioritized its own factories in the response to COVID-19.

CHINA

Mascot's suppliers in China are all required to sign a statement confirming that none of their materials come from the northern region of Xinjiang. Mascot follows the developments in these regions in the news and through their local staff. Mascot's supplier agreement also stipulates that forced labour is prohibited. Mascot does not take further steps to avoid forced labour, but is convinced the brand's products are too complex to be produced by prison laborers. As discussed under 1.7, Mascot finds its purchasing practices do not cause excessive overtime and furthermore does not consider it the brand's responsibility to remediate the occurrence of excessive overtime, which is a common risk in China as well. However, Mascot offers flexible lead times and does not put pressure on the factory to work overtime.

VIETNAM

In Vietnam, Mascot is aware of the limitations to freedom of association in the country. The own factory in Vietnam has a CBA in place, including a salary above legal minimum wage and benefits for female workers with young children. There is a 'democracy policy' in the factory which enforces regular dialogue with the workers, for example through the annual employee conference and periodic dialogues. Workers are free to raise points and do this, for example when they want a different lunch menu or a change in work uniforms.

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

Mascot should work with the supplier in Turkey to draft and implement a policy regarding the employment of migrant workers based on the Fair Wear guidance on Syrian migrant workers in Turkey.

Recommendation: Knowing the country specific risks facilitates the starting point for discussing this with suppliers. Member companies can agree on additional commitments that are required to mitigate risks. Mascot International A/S can provide additional measures for support and integrate that in the monitoring system.

Mascot should share responsibilities with their production locations as business partners to improve workers' safety at the workplace in Bangladesh. At the minimum, the member company should provide necessary support to the suppliers. In terms of fire and building safety, the member could offer financial or technical support so that factories could prioritize remediation.

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: Mascot did not have any active CAPs at shared suppliers in 2020.

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

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

Comment: Mascot 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).	No	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.	N/A	2	0

Comment: Mascot does not conduct full audits at tail-end production locations.

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

Comment: Mascot does not resell external brands.

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

Comment: Mascot does not work with licensees.

Monitoring and Remediation

Possible Points: 21

Earned Points: 10

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: As Mascot differentiates between the own production facilities and other suppliers, different staff members are responsible for complaints follow-up at the own factories and the other suppliers. One specific person is responsible in Vietnam, one person in Laos and one for all 'trading goods' suppliers. Two CSR managers at Mascot keep an overview of all this.

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.	No	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: During its first year of Fair Wear membership, Mascot has started sharing the WIS with its suppliers but has uploaded evidence of worker information sheets (WISs) being posted in the majority of its factories into the Fair Wear information management system. For part of the trading goods suppliers, this evidence was missing. These include the Chinese suppliers, for which Fair Wear made changes to the WIS posters and recommended Mascot to hold off on sharing the posters until the new version was available. However, also for factories in other countries, such as Cambodia and Turkey, this is missing. These factories account for around 4% of the member's FOB.

Requirement: Mascot must ensure that the Worker Information Sheet, including contact information of the local complaints handler of Fair Wear, is posted in factories in a location that is accessible to all workers. Member company should check by means of a visit whether the Worker Information Sheet is posted in the factories.

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

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.	72%	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.	4	6	0

Comment: At Mascot's own factories, regular training sessions take place on a variety of subjects, including SA8000 health & safety training and other training related to safety and the use of special machines. A basic training session on the CoLP was done at the own factory in Vietnam, which addresses the Fair Wear Code of Labour standards and includes the Fair Wear complaints helpline. This own training was reviewed by Fair Wear's WEP team and can be counted towards this indicator. Worker representation is present in Mascot's own factories and, in addition to the WIS and access to the Fair Wear complaints helpline, the own factories also have an internal complaints system. No complaints have been raised through this system in 2020.

Mascot did not make use of the COVID-19 workers' rights awareness videos for any of its suppliers.

Recommendation: Mascot's own trainers are recommended to follow the online training module on the Fair Wear Code of Labour Practices.

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: 3

4. Training and Capacity Building

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

Comment: All Mascot employees have been trained on the Fair Wear membership. An internal training was done for the European staff in 2020 and a handbook on Fair Wear is available in Vietnamese for the own factory there. Documentation on the membership has been shared with all colleagues.

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 Mascot colleagues at the factories in Vietnam and Laos, and the trading goods purchasing manager, have been informed of the Fair Wear requirements during the internal training. They were also present during the brand performance check. However, the staff in contact with suppliers mainly uses BSI as a frame of reference rather than Fair Wear's CoLP.

Recommendation: Fair Wear encourages purchasing staff to observe factory audits conducted by the Fair Wear audit team, to learn about how the Fair Wear requirements and audit process differs from BSI.

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.	No	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.	0	2	0

Comment: Mascot uses one agent who sources around 0.3% of the total FOB in China. The reason to work with this agent is that the individual volumes are too small to place at any supplier, and this agent can group the order with orders from other companies. The agent is not involved in anything related to CoLP.

Requirement: Mascot needs to ensure sourcing agents are aware of Fair Wear requirements and actively support the implementation of the CoLP.

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: As a first-year member, Mascot has not yet started any advanced training programmes in 2020.

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

Comment: As a first-year member, Mascot has not yet started any advanced training programmes in 2020.

Training and Capacity Building

Possible Points: 11

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.	Advanced	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	6	6	-2

Comment: For its 'trading goods suppliers' Mascot works with vertical 'full composit factories' which have all operations in-house. Therefore, Mascot does not think any subcontractors are being used. Furthermore, the supplier contracts include a clause which prohibits the use of unauthorized subcontracting. Any subcontractor would need to go through the process of auditing and assessment before the supplier is allowed to use the subcontractor. As this is a lot of work, Mascot believes it is not attractive for factories to use subcontractors. Furthermore, local staff checks whether trading goods suppliers are not using any subcontractors on the ground.

Recommendation: Members are advised to develop a systematic approach to complete the production location list. Part of the approach can be:

1. Automatically include information from the questionnaire, audit reports and complaints
2. Business relationships with agents include transparency of production locations.

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: Mascot has one folder on the server which is accessible only to the staff in contact with 'trading goods' suppliers. Relevant information regarding working conditions at the production locations is saved here. Only the purchasing staff, CSR and CEO have access to this folder.

Information Management

Possible Points: 7

Earned Points: 7

6. Transparency

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

Comment: Mascot communicates about membership in catalogs, brochures and on its website. The communication is in line with the Fair Wear Communication policy.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
6.2 Member company engages in advanced reporting activities.	Supplier list is disclosed to the public.	Good reporting by members helps to ensure the transparency of Fair Wear's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	2	2	0

Comment: Mascot discloses 72% of its suppliers on the Fair Wear website. These are the brand's own factories. Mascot is not planning to disclose its 'trading goods' suppliers. Within Mascot, these are only known to a small part of the staff. As a first-year member, Mascot does not yet have any brand performance check reports to publish.

Recommendation: Fair Wear recommends member brand to disclose 100% of production locations to other Fair Wear members 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	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.	1	2	-1

Comment: Mascot submitted the social report to Fair Wear but has not yet published it on its own website as the brand is working to merge it with its sustainability report.

Transparency

Possible Points: 6

Earned Points: 5

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: All managers at Mascot are aware of the Fair Wear membership and are involved in the evaluation. It is regularly discussed how the membership can support the brand in business. A first annual evaluation has yet to be done, as Mascot is a first-year member, but shall be done after the performance check.

Recommendation: Fair Wear advises Mascot International A/S to organise a meeting with management and sourcing staff, including local staff in Laos and Vietnam, to discuss the outcomes of this performance check and use those to formulate future plans.

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

Evaluation

Possible Points: 2

Earned Points: 2

Recommendations to Fair Wear

Mascot generally is positive about Fair Wear's work, but has found it difficult to get a grip on the methodology and struggled with the large number of different documents for new members. Mascot recommends Fair Wear to create more checklists and overviews, such as a clear overview of all documents needed for the brand performance check. Mascot also recommends Fair Wear to remove any outdated guidance and documents from the Member Hub. Mascot finds it challenging to deal with Fair Wear's 'jargon' and difficult wording in the many documents.

Scoring Overview

Category	Earned	Possible
Purchasing Practices	28	52
Monitoring and Remediation	10	21
Complaints Handling	3	9
Training and Capacity Building	3	11
Information Management	7	7
Transparency	5	6
Evaluation	2	2
Totals:	58	108

Benchmarking Score (earned points divided by possible points)

54

Performance Benchmarking Category

Good

Brand Performance Check details

Date of Brand Performance Check:

29-06-2021

Conducted by:

Paula de Beer

Interviews with:

Thomas Bo Pedersen (Managing Director Vietnam & Laos)

Poul Skov Petersen (Senior Administration Manager Laos)

Ulla Johannessen (Supply Chain Manager)

Henrik Hellegaard Iversen (Chief Accountant)

Lars Raftesgaard (Head of Sourcing, Trading Goods)

Michael Grosbøl (CEO)

Phan My Ha (Administration Manager Vietnam)

Latdavanh Silaphet (Administration Manager Laos)

Sabina Nørgård Nielsen (Communication and Project Management Coordinator)

Kristina Vigen Bjerre (Head of Corporate Responsibility)