



Brand Performance Check

Montane Ltd.

Publication date: August 2021

This report covers the evaluation period 30-09-2019 to 31-01-2021

About the Brand Performance Check

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

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

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

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

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

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

This year's report covers the response of our members and the impact on their supply chain due to the Covid-19 pandemic which started in 2020. The 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

Montane Ltd.

Evaluation Period: 30-09-2019 to 31-01-2021

Member company information	
Headquarters:	Ashington , United Kingdom
Member since:	2019-11-11
Product types:	Bags;Accessories;Outdoorwear
Production in countries where Fair Wear is active:	Cambodia, China, India, Myanmar, Viet Nam
Production in other countries:	
Basic requirements	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
Scoring overview	
% of own production under monitoring	38%
Benchmarking score	47
Category	Good

Summary:

Montane has met most of Fair Wear requirements, with a monitoring percentage of 38% and a score of 47 points, the brand is awarded the 'Good' category in its first year of membership.

Corona Addendum:

In spring/summer 2020 many shops in the UK closed, however online sales continued. The brand also was able to continue its sales through online shops. When shops reopened in June, everything sold out quickly as the demand was high. There was a lot of pressure for the last half of the year which was solved with air freight and placing extra orders. It was difficult to source fabrics as they were delayed in delivery to the factories. In April 2020, 20 employees were on furlough for two months on average.

Due to a large investment Montane has experienced a growth despite COVID-19. There was a shift in types of products being sold as consumers were no longer travelling but getting out more closer to home. In the middle of lockdown, there was a decrease in sales for products such as travel luggage, but active packs, light weight outdoor garments sold well. There was an increase of 30% in the second half of the year in sales.

Montane has sent out specific COVID-19 supplier questionnaires every six months to its suppliers to track the impact on COVID-19 on its supply chain. In addition, Montane kept monthly track of where action still needed to be taken in terms of Health and Safety Checks, change in capacity and whether workers were still being paid and what percentages were being paid and what government support was available.

The brand asked for pay slips to verify legal minimum wages were still being paid. One supplier in Myanmar reached out to Montane asking for an additional payment proportion to its leverage as the supplier was struggling financially during factory closures. The supplier specifically brought this to the brand's attention as it was unable to pay its workers a legal minimum wage. The decision from Montane's management on this was that it did not consider this was the brand's responsibility and decided to not resolve the issue.

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.	32%	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.	2	4	0

Comment: Montane mainly sources in Cambodia, Vietnam and Myanmar. In 2020 there were two out of seventeen production locations where the brand buys at least 10% of production capacity in Vietnam and Cambodia. Next year the brand is planning to start sourcing in Bangladesh. The brand is growing rapidly and increasing production in the next few years.

Recommendation: Fair Wear recommends Montane to consolidate its supplier base where possible, and increase leverage at main production locations to effectively request improvements of working conditions. It is advised to describe the process of consolidation in a sourcing strategy that is agreed upon with top management/sourcing staff.

Fair Wear recommends Montane to take leverage into consideration when moving its production to production locations in Bangladesh. The member should consider the risk of human rights violations at suppliers, the influence it has to bring change and the impact it can have at a factory level.

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.	5%	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: Montane sources about 5% of its production from eight suppliers in China, Vietnam and Cambodia where it buys less than 2% of its total FOB. These contain small seasonal orders for specialty good its main suppliers don't offer such as hats, gloves and caps.

Recommendation: Fair Wear recommends Montane to consolidate its supply base by limiting the number of production locations in its 'tail end'. To achieve this, Montane 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.	15%	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.	1	4	0

Comment: 15% of Montane's FOB is sourced at production locations where a business relationship has existed for at least five years. Montane keeps regular communication with suppliers through team calls and visits. In 2020, visits were not possible due to travel restrictions.

Recommendation: Fair Wear recommends Montane to maintain stable business relationships with suppliers. Long term relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions. It is advised to describe policies regarding maintaining long term business relationships in a sourcing strategy that is agreed upon with top management/sourcing staff.

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

Comment: All production locations of Montane have signed and returned the questionnaire with the Code of Labour practices. In 2020, no new suppliers were added.

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: New production locations are currently selected by the Production and Merchandising manager and the Product Development Manager. Montane usually visits the production location and shares its supplier manual and supplier purchasing agreement containing information on Fair Wear membership and requirements. The brand also shares Fair Wear's Supplier Questionnaire and the Social and Ethical policy. The documents are signed and returned before any orders are placed. The brand sets up a factory profile for each (potential) production location including information on CSR. Montane has yet to develop this further to make it relevant to country specific risks. The brand is planning to include CSR in the decision making to select new production locations.

Montane has sent out specific COVID-19 supplier questionnaires every six months to its suppliers to track the impact on COVID-19 on its supply chain. In addition, Montane kept monthly track of where action still needed to be taken in terms of Health and Safety Checks, change in capacity and whether workers were still being paid and what percentages were being paid and what government support was available. The brand asked for pay slips to verify legal minimum wages were still being paid. The information is kept in an overview and shared with colleagues in product development and purchasing. Some suppliers had factory closures due to COVID-19 in China, India and Myanmar. Montane also attended several Fair Wear webinars relating to COVID-19 of relevant production locations and involved its suppliers when needed. Labour law changes in India and Cambodia were directly communicated with suppliers.

At one production location, there was a large reduction in the amount of workers at the end of the year. According to the supplier these workers left voluntarily as there was less work in the factory. This could not be verified but there is no evidence to support the workers were forced to leave.

Recommendation: A risk analysis as part of the decision-making process of selecting new production locations is an important step to mitigate risk and prevent potential problems. Fair Wear recommends Montane to clearly define preventive actions for identified risks and connect them to sourcing decisions. This also includes strategies to tackle structural risks such as low wage levels in the country, limited freedom of association and restricted civil society that are beyond the brand's individual sphere of influence. Fair Wear advises to use information from Fair Wear country studies and wage ladders and use the Fair Wear Health and Safety guidelines. Montane can use the CSR Risk Check (<https://www.mvorisicochecker.nl/en/risk-check>) to further assess the risks in (potential new) sourcing countries. For gender risk assessments, Montane can use the gender-toolkit that has fact-sheets per country, supplier checklists and a model policy on Sexual Harassment.

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.	No	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.	0	2	0

Comment: Montane has yet to set up a system to formally track the evaluation of the compliance with the Code of Labour Practices. Informal conversations on reoccurring issues do happen and Montane does work with an agreement in its Supplier Manual and through Supplier questionnaires, but the performance is not systematically mapped out.

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

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: Montane produces two cycles or seasons per year – Autumn/ Winter and Spring/ Summer. Montane has an overview of the production capacity of each supplier with the planned volumes for each style. Led by the production capacity of each factory and planned volumes of each style. The product development period is about 18 months.

At the beginning of each development season key dates are provided to all factories Montane works with regarding fabric forecasting, greige booking, SMS product orders and delivery, and bulk product orders and delivery. This allows factories to manage their production capacity and to raise any queries or concerns with Montane. Montane is flexible to any changes if necessary.

The brand does not have insight into the working hours which are available and how many hours it takes to produce its styles yet. The brand did stay in close dialogue to identify any changes in working hours which were caused by COVID-19, such as curfew hours for example. This resulted in a general overview of capacity changes which were communicated to the brand.

In 2020, COVID-19 caused some delays of materials and limited capacity of suppliers. Some of the orders for Autumn/Winter were not delivered in bulk but arrived staggered. Due to lockdowns and a lower demand in retail, this was not an issue for the brand so it accepted split orders. The brand also paid for air freight costs for some orders which were delayed due to COVID-19 or delay of materials.

Recommendation: As Montane is going to increase its production in 2021, Fair Wear recommends Montane to discuss production planning more in depth to identify the available working hours at suppliers and to take a more active role in assessing capacity to prevent excessive overtime.

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

Comment: In Vietnam, there was one audit finding stating working hours could not be verified due to inconsistent records and workers testimonies. Montane took up the remediation with the factory after which it released a statement to workers about wage calculations to help improve transparency. Wage records have been improved after the audit so that they more accurately reflect the working hours. This was reviewed by a local team member of Fair Wear to verify and the implementation will be further verified in the next audit.

Recommendation: Besides discussing it with the supplier and assessing root causes, Fair Wear strongly recommends Montane to actively take measures when excessive overtime is found. Taking measures to ensure that Montane knows and shows whether excessive overtime takes place at a supplier is key in resolving the issue. Measures such as regular checks by the local technician, documents checking and interviewing workers help assess whether excessive overtime takes place. Montane can consult the Fair Wear guidance on 'addressing excessive overtime through better purchasing practices'.

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.	Insufficient	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.	0	4	0

Comment: Montane's pricing policy is guided by target RRP, based on commercial price points determined by the perceived market value. Montane receives a cost break down from suppliers for each style, but only for one supplier it knows the labour minutes. The brand is not yet aware how the minute costs relate to the wages of the workers.

There has not been any communication on potential COVID-19 related labour costs and suppliers have not asked Montane for extra costs.

Requirement: Montane Ltd. needs to demonstrate an understanding of the link between buying prices and wage levels, to ensure their pricing allows for the payment of the legal minimum wage.

Recommendation: Fair Wear recommends Montane to expand their knowledge of cost break downs of all product groups. A next step would be to calculate the labour minute costs of its products to be able to calculate the exact costs of labour and link this to their own buying prices. 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.

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: After sharing the COVID-19 supplier questionnaire, one supplier in Myanmar reached out to Montane asking for an additional payment proportion to its leverage as the supplier was struggling financially during factory closures. The supplier specifically brought this to the brand's attention as it was unable to pay its workers a legal minimum wage. The decision from Montane's management on this was that it did not consider this was the brand's responsibility and decided to not respond and resolve the issue. There was no follow up done to look at the impact this decision had on workers.

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.

If a supplier fails to pay minimum wages, members are expected to respond in time, identify root causes with factory management, and resolve that local labour laws are respected.

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: Montane pays the invoices of its suppliers each fortnight. According to the payment terms, the payments are due 30 days after shipment of the goods. Invoices are at times received later than this date. At times, this causes some orders to be paid a few days later. Montane chases statements from its suppliers on a monthly base and checks in with its suppliers whether a balance is due and informs them on the payment date.

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.	Insufficient	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: The Wage Ladder is an area Montane has not yet begun focus on, and will work over the following year to gain a clearer understanding of this, in relation to what is needed from Montane for its implementation within the factories we work.

Recommendation: Fair Wear encourages Montane Ltd. to discuss with suppliers about different strategies to work towards higher wages. It is advised to start with suppliers where the member is responsible for a large percentage of production and long term business relationship.

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

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: Montane has not yet determined and financed wage increases. When Montane has mapped out the wage levels in detail it will work towards a target wage.

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

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

Comment: Montane has not yet started setting a target wage for its production locations. When Montane has mapped out the wage levels in detail it will work towards a target wage for its production locations.

Recommendation: Montane is expected to begin setting a target wage for its production locations.

Purchasing Practices

Possible Points: 52

Earned Points: 13

2. Monitoring and Remediation

Basic measurements	Result	Comments
% of production volume where an audit took place.	38%	
% of production volume where monitoring requirements for low-risk countries are fulfilled.		
Member meets monitoring requirements for tail-end production locations.	First or second year member and tail-end monitoring requirements do not apply	1st or 2nd year member and tail-end monitoring requirements do not apply.
Requirement(s) for next performance check		
Total monitoring threshold:	38%	Measured as percentage of production volume (Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100%)

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

Comment: The CSR manager is responsible for following up on problems identified by the monitoring system. The senior garment and product technologist is also involved in following up on CAP findings.

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: Audit reports and corrective action plan findings are shared with factory management and improvement timelines are established in a timely manner.

Montane reached out to suppliers when it received the audit reports and prioritised the high urgency findings to follow up with the suppliers. The correspondence and status are tracked in Excel.

Montane has yet to consider where involving worker representation is relevant and how to implement that.

Recommendation: Montane is encouraged to continue including worker representation also in the CAP follow-up, and to address this topic in person when travel is possible again. Including workers when following up on audit reports gives them the opportunity to be informed of issues in the factory and have a voice in the prioritisation of issues.

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

Comment: Montane keeps an overview of all corrective actions and checks in regularly with suppliers for updates according to priorities and the level of urgency of the findings. Already in its first year of membership, Montane was able to take some steps following an audit in Vietnam conducted in the last quarter of 2020.

In the audit it was found that workers were not aware of the grievance mechanism and the unions or its function. Montane followed up with the supplier who shared additional communication materials and held a meeting with all staff about worker's rights, Fair Wear and the union, which is going to be held annually. The supplier also created an employee training program to make new staff members aware of the grievance mechanism.

There were a few findings related to health and safety including a regular health check for workers. This was conducted in December 2020 and documentation and pictures were shared. Furthermore a fire evacuation drill was conducted and is now planned for each year. Fire exits were also marked more clearly.

There were also records missing on the payment of piece rate workers for which it could not be guaranteed that these workers were paid at least legal minimum wage. The brand has followed up but verification still needs to be done in 2021. It was also found that workers who resigned did not receive their owed wages within 7 working days as per law. This was not yet verified by Montane and requires follow up and monitoring in 2021.

Through the COVID-19 supplier questionnaires, Montane also found that suppliers were not able to implement social distancing on the factory floor. The brand went back to the suppliers with solutions and examples on how to improve.

Recommendation: Fair Wear recommends Montane to only close issues when verification can be provided by showing proof (pictures, documentation) or by on-site visits of Montane, by including worker representation, or an independent third party.

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: As travel was restricted due to the COVID-19 pandemic, this indicator is not applicable in 2020 for all Fair Wear members.

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: Audit reports are collected and follow up is tracked by Montane. The brand has yet to assess the quality and follow up on CAPs.

Recommendation: Fair Wear recommends Montane 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 next step is to implement the CAPs.

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

Comment: Nearly 20% of Montane's production is produced by a supplier in Myanmar. Montane is aware of the common risks in Myanmar such as freedom of association and inconsistent record keeping. This also came up in complaints. Montane has yet to address these risks systemically with its suppliers. Montane is planning to conduct a training of association and scheduled an audit which was cancelled.

Montane has a small amount of FOB produced in China. It is aware of the country specific risks but has yet to complete more monitoring and plan activities to mitigate risks.

Montane held a meeting in Cambodia to help improve communication between management in workers and to raise awareness of worker's rights and the grievance mechanisms.

In Vietnam, an in person meeting was planned in December about the changes in national labour law, but this was postponed due to COVID-19. Montane kept in regular dialogue with suppliers to discuss payment of wages during factory closures. Montane has yet to address the risk of excessive overtime with the suppliers.

Although Montane only has a small production in India, it is aware of risks regarding gender and wages and has a training planned for next year.

Montane attended the COVID-19 webinars on country specific risks. Montane shared the COVID-19 Health and Safety checklist and discussion sheets with the factory. No additional support was asked from Montane. No other issues were found through the COVID-19 supplier questionnaire. The main findings were described in 1.9 where the supplier in Myanmar was unable to pay for legal minimum wage during factory closures and in 2.4 where some suppliers had trouble social distancing.

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. Montane can provide additional measures for support and integrate that in the monitoring system.

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.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

Comment: There are a few shared factories with other Fair Wear members. Montane found that there were active CAPs of audit reports which were raised before it started Fair Wear membership. The CAP remediation and follow-ups were shared, but no additional support/input was needed from Montane so far.

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)

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

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

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

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

Monitoring and Remediation

Possible Points: 23

Earned Points: 14

3. Complaints Handling

Basic measurements	Result	Comments
Number of worker complaints received since last check.	4	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.	1	
Number of worker complaints resolved since last check.	3	

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: The CSR manager is responsible for complaints handling. There is also a designated back up person who is informed about the complaints mechanism and kept up to date on ongoing complaints.

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

Comment: Montane has informed factory management and workers are the Fair Wear Code of Labour Practice and the complaints hotline. Montane collected and was able to show visual proof that Worker Information Sheets are posted.

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.	5.5%	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: The Fair Wear COVID-19 videos were not shared in Vietnam and India. Montane has yet to enrol suppliers in training that discuss the Fair Wear Code of Labour Practices and complaint hotline.

Requirement: Fair Wear requires members to actively raise awareness about the Fair Wear Code of Labour Practices and Fair Wear complaint hotline. Montane Ltd. should ensure good quality systematic training of workers and management on these topics. To this end members can either use Fair Wear's Workplace Education Programme (WEP) basic module, or implement training related to the Fair Wear CoLP and complaint hotline through service providers or brand staff. Fair Wear's guidance on training quality standards is available on the Member Hub.

Recommendation: Members can share the FW COVID-19 videos that were made available for Macedonia, Indonesia, India, Romania, Bulgaria, Turkey and with their suppliers.

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.	Yes	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.	3	6	-2

Comment: One high urgency complaint came in in Myanmar where factory management imposed 14 days of unpaid leave when a worker is absent. It was the first complaint for Montane and other Fair Wear members sourcing in this factory took the lead on resolving the complaint. Montane was informed about the progress and verified the outcome.

Another complaint in Myanmar which was received in November 2020 was still open. A pregnant worker states not to have received a Social Security Allowance for COVID-19 during factory closures. Montane is still in the process of verifying the remediation of the complaint.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers.	Active cooperation	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.	2	2	0

Comment: All complaints were handled in collaboration with other Fair Wear members.

Complaints Handling

Possible Points: 17

Earned Points: 12

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: When Montane joined Fair Wear membership, a newsletter was sent to all staff. A sales launch occurs every six months in which Fair Wear membership is highlighted. With new staff, the CSR manager planned in conversations to make them aware of Fair Wear membership. Montane has yet to develop a standard procedure for new employees.

Recommendation: It is advised to develop a standard procedure for all new employees to get familiar with Fair Wear membership. Fair Wear has material available that can be used to inform (sales) staff.

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

Comment: The CSR manager held a presentation for everyone who is in direct contact with suppliers to ensure everyone is aware of the requirements of Fair Wear membership including upcoming deadlines. Any guidance which is shared by Fair Wear for specific departments are shared.

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.	Yes + actively support COLP	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.	2	2	0

Comment: Agents are required to sign Montane’s supplier purchasing agreement and the supplier manual including the Code of Labour Practices. Agents are involved in any plans regarding training and/or audits and share the questionnaire and the worker information sheets.

Recommendation: Fair Wear recommends the member to actively train their sourcing contractors/agents on monitoring and remediating gender-related problems and enable them to 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.	24%	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.	2	6	0

Comment: Montane has yet to enrol its suppliers in advanced training programmes. However, as the brand shares production locations with other Fair Wear members, two locations were already enrolled in a WEP Communication module.

Recommendation: Fair Wear recommends Montane to implement training programmes that support factory-level transformation such as establishing functional internal grievance mechanisms, improving worker-management dialogue and communication skills or addressing gender-based violence. Training assessed under this indicator should go beyond raising awareness and focus on behavioural and structural change to improve working conditions. To this end, Montane can make use of Fair Wear’s WEP Communication or Violence and Harassment Prevention modules or implement advanced training through external training providers or brand staff. Non-Fair Wear training must follow the standards outlined in Fair Wear’s guidance and checklist available on the Member Hub.

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

Training and Capacity Building

Possible Points: 11

Earned Points: 7

5. Information Management

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

Comment: Montane developed a clear structure for monitoring production of its products. This way, it's easier to monitor product which are often outsourced such as embroidery and printing. The information is conducted through a supplier questionnaire which is circulated annually. There is a formal agreement through the supplier manual in which it is mentioned subcontracting has to be approved by Montane.

Recommendation: Fair Wear recommends Montane to integrate systematic periodical checks with its agents whether all known production locations are still up to date and use the information coming from questionnaires to update supplier data, including subcontractors.

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

Comment: The CSR coordinator works closely together with the senior garment technician on this status of working conditions at suppliers and CAP follow up. When travel is possible again, the senior garment technician is also able to check the status during visits. The information is only shared with top management in the annual social report.

Information Management

Possible Points: 7

Earned Points: 4

6. Transparency

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

Comment: Montane communicated about Fair Wear on its website and social media channels. Montane also communicated about Fair Wear in newsletters to retailers and staff.

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: As a first year member, Montane will have its first Brand Performance Check report to publish on its website. Montane has disclosed production locations. 100% of production volume is disclosed to other members in FairForce and on the Fair Wear website.

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

Comment: The social report is published on Montane's website.

Transparency

Possible Points: 6

Earned Points: 6

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.	No	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.	0	2	0

Comment: The CSR contact person has updated management through email when urgent issues came up. Montane does not yet have a systematic annual evaluation of Fair Wear membership in place with top management.

Recommendation: Fair Wear advises Montane to organise a meeting with management and sourcing staff 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: 0

Recommendations to Fair Wear

Montane recommends Fair Wear to:

- Offer more guidance about following up on CAP findings and put more emphasis on the verification process. Furthermore to include what level of detail Fair Wear expects of agents/factory contacts on follow up on CAPs.
- To facilitate peer-to-peer member learning about themes like identifying all production locations.

Scoring Overview

Category	Earned	Possible
Purchasing Practices	13	52
Monitoring and Remediation	14	23
Complaints Handling	12	17
Training and Capacity Building	7	11
Information Management	4	7
Transparency	6	6
Evaluation	0	2
Totals:	56	118

Benchmarking Score (earned points divided by possible points)

47

Performance Benchmarking Category

Good

Brand Performance Check details

Date of Brand Performance Check:

19-07-2021

Conducted by:

Kathleen Gabriel

Interviews with:

Anna Pitman - CSR manager

Claire Straker - Senior Garment Technologist

Natalie Young - Product Development Manager

Caroline Crouch - Production and Merchandising Manager

Gary Bryant - Managing Director

Matthew Hickman - Global Marketing Manager