Brand Performance Check

Mads Nørgaard - Copenhagen A/S

Publication date: July 2023

This report covers the evaluation period 01-01-2022 to 31-12-2022

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.

Scoring overview

Total score: 48
Possible score: 198
Benchmarking Score: 24
Performance Benchmarking Category: Needs Improvement



Sourcing strategy

29%



Identifying continuous human rights risks

13%



Responsible purchasing practices

31%



Quality and coherence of prevention and remediation system

13%



Improvement and prevention

17%



Communication, transparency and evaluation

67%

Summary:

Mads Nørgaard - Copenhagen A/S (hereafter: Mads Nørgaard) has shown insufficient progress on performance indicators. With a total benchmarking score of 24, the member brand is placed in the Needs Improvement category.

Mads Nørgaard is a third-generation family business deeply rooted in the Danish fashion industry. In 1986, Mads Nørgaard launched his menswear brand. The brand has since evolved to include fashion lines for women and children. As part of a transformation phase of the company and fast growth over the last five years, and also due to the COVID-19 pandemic, Mads Nørgaard decided to focus more on implementing a human rights due diligence (HRDD) process in its supply chain. By joining the Fair Wear Foundation at the end of 2021, Mads Nørgaard also aims to learn more about the HRDD approach and wants to connect more with other member brands.

In the first year of its Fair Wear membership, Mads Nørgaard focused on collecting all relevant information and data about its supply chain to achieve more transparency. All suppliers and intermediaries were informed about Fair Wear membership. The member brand has 30 active suppliers in 14 production countries. For the following years, Mads Nørgaard has set the goal of consolidating its supply base by limiting the number of production locations and focusing on production in Europe. Regarding Mads Nørgaard's purchasing practices, intermediaries and agents play a central role.

Mads Nørgaard has started conducting the first monitoring audits in Türkiye and Romania. After the first Fair Wear audit in 2022, Mads Nørgaard had to deal with some challenges, as the factory management of its main supplier in Türkiye did not accept the audit findings. After a follow-up discussion with Fair Wear country team and the factory management, it was decided to repeat the audit and verify the already implemented measures.

In 2022, Mads Nørgaard started identifying human rights risks in its supply chain. To date, a systematic approach here is missing. Fair Wear recommends Mads Nørgaard to approach monitoring systematically, identifying the appropriate monitoring tool and frequency depending on the outcome of the risk scoping and risk assessment in the next financial year.

The member brand has scored insufficient on some repeated non-compliance indicators. These need to be resolved in the next performance check, or else Mads Nørgaard will be automatically placed in the Needs Improvement category.

In 2023, Fair Wear implemented a new performance check methodology aligned with the OECD guidelines on HRDD. This new methodology raises the bar and includes new indicators, which may result in a lower score for member brands. Because this is a transition year, Fair Wear lowered the scoring threshold for this year only.

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.

Company Profile Mads Nørgaard - Copenhagen A/S

Member company information

Member since: 1 Jan 2021
Product types: Garments, clothing, fashion apparel, Bags, Accessories and Footwear
Percentage of CMT production versus support processes 93%
Percentage of FOB purchased through own or joint venture production 0%
Percentage of FOB purchased directly 63%
Percentage of FOB purchased through agents or intermediaries 53%
Percentage of turnover of external brands resold 0%
Are vertically integrated suppliers part of the supply chain? No
FLA Member No
Number of complaints received last financial year 2

Basic requirements

Definitive production location data has been submitted for the financial year under review? Yes
Work Plan and projected production location data have been submitted for the current financial year? Yes
Membership fee has been paid? Yes

Production countries, including number of production locations and total production volume.

Production Country	Number of production locations	Percentage of production volume
Türkiye	9	54
China	5	14
North Macedonia	1	9
Romania	1	8
Albania	1	4
Greece	1	4
Lithuania	1	2
Portugal	3	1
Denmark	2	1
India	1	1
Bulgaria	2	1
Poland	1	1
Italy	1	0
Latvia	1	0

Layer 1 Foundational system's criteria

1.1 Member company has a Responsible Business Conduct policy adopted by top management.: Yes

Comment: Mads Nørgaard has a Responsible Business Conduct Policy, but some elements need improvement.

Requirement: Mads Nørgaard needs to improve its Responsible Business Conduct Policy, to ensure better alignment with the OECD guidelines. It should address social dialogue and include a gender approach.

1.2 All member company staff are made aware of Fair Wear's membership requirements.: Yes

1.3 All staff who have direct contact with suppliers are trained to support the implementation of Fair Wear requirements.: Yes

1.4 A specific staff person(s) is designated to follow up on problems identified by the monitoring system, including complaints handling. The staff person(s) must have the necessary competence, knowledge, experience, and resources.: Yes

1.5 Member company has a system in place to identify all production locations, including a policy for unauthorised subcontracting.: Yes

Comment: Mads Nørgaard needs to have a policy regarding subcontracting.

1.6 Member company discloses internally through Fair Wear's information management system, in line with Fair Wear's Transparency Policy.: Yes

Comment: Mads Nørgaard discloses 80% of production locations internally through Fair Wear's information management system.

1.7 Member company discloses externally on Fair Wear's transparency portal, in line with Fair Wear's Transparency Policy.: Yes

Comment: Mads Nørgaard discloses 80% of production locations externally on Fair Wear's transparency portal.

1.8 Member complies with the basic requirements of Fair Wear's communication policy.: Yes

Layer 2 Human rights due diligence, including sourcing strategy and responsible purchasing practices.

Possible Points: 90
Earned Points: 22

Indicators on Sourcing strategy

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.1 Member company's sourcing strategy is focused on increasing influence to meaningfully and effectively improve working conditions.	Basic	Fair Wear expects members to adjust their sourcing strategy to increase their influence over working conditions. Members should aim to keep the number of production locations at a level that allows for the effective implementation of responsible business practices.	Strategy document; consolidation plans, examples of implementation.	2	6	0

Comment: Mads Nørgaard has not got a formal sourcing strategy. The member has 30 active suppliers in 14 production countries. 76% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. 3% of the production volume comes from suppliers, where Mads Nørgaard buys less than 2% of its total FOB. By joining the Fair Wear Foundation end of 2021, the company has set the goal of consolidating its supply base until 2025 by limiting the number of production locations and focusing on production in Europe. For this, Mads Nørgaard wants to develop a new sourcing strategy. Mads Nørgaard aims to include a decision process about which suppliers are of strategic importance regarding its sourcing strategy. In the first year of membership, the focus was on creating transparency in the supply chain and using data collection to gather the first substantial information about the supply chain.

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

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Member company's sourcing strategy is focused on building long-term relationships.	Basic	Stable business relationships underpin the implementation of the Code of Labour Practices and give factories a reason to invest in improving working conditions.	Strategy documents; % of FOB from suppliers where a business relationship has existed for more than five years; Examples of contracts outlining a commitment to long-term relationship; Evidence of shared forecasting.	2	6	0

Comment: 45% of the member's total FOB volume comes from suppliers with whom Mads Nørgaard has a business relationship for at least five years. The member does not commit to long-term contracts yet.

Recommendation: Fair Wear recommends Mads Nørgaard to commit to long-term contracts.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.3 Member company conducts a risk scoping exercise as part of its sourcing strategy.	Basic	Human rights due diligence, according to the OECD guidelines, requires companies to undertake a scoping exercise to identify and mitigate potential human rights risks in supply chains of potential business partners.	HRDD policy; Sourcing strategy linked to results of scoping exercise; HRDD processes, including specific responsibilities of different departments; Use of country studies; Analysis of business and sourcing model risks; Use of licensees and/or design collaborations.	2	6	-2

Comment: Mads Nørgaard started to conduct the risk scoping on country level and includes all eight labour standards in this scoping on a basic information level. The member has not yet identified sector, business, sourcing model, and product-level risks. The member has started to include the gender lens for some of the eight labour standards. Overall, the country-level risk scoping was done for China, Türkiye, North Macedonia, Albania and Bulgaria. The risk scoping is missing for the other nine production countries.

In its risk scoping, the member has not assessed the impact and prevalence of all risks correctly. Mads Nørgaard assessed the prevalence of the risks on freedom of association and bonded labour too low in China, for instance.

To date, Mads Nørgaard does not have a sourcing strategy where a preference for countries where workers can freely form or join a trade union and/or bargain collectively is mentioned.

Recommendation: Fair Wear recommends Mads Nørgaard to include all risk factors in its risk scoping. Mads Nørgaard is further recommended to complete its risk scoping by adding sector, business and sourcing model and product levels. Mads Nørgaard is urged to assess the risk of forced labour and/or limited freedom of association and social dialogue in its supply chain.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.4 Member company engages in dialogue with factory management about Fair Wear membership requirements before finalising the first purchase order.	Intermediate	Sourcing dialogues aim to increase transparency between the member and the potential supplier, which can benefit improvements efforts going forward.	Process outline to select new factories; Material used in sourcing dialogue; Documents for sharing commitment towards social compliance; Meeting reports; On-site visits; Reviews of suppliers' policies.	2	4	0

Comment: Mads Nørgaard informs new suppliers about Fair Wear membership by sending a commitment letter. The member defined three phases for onboarding a new supplier: 1. Mads Nørgaard creates general awareness towards the supplier of the prevention of human rights and environmental risks. 2. For the second step, the member screens the human rights and environmental performance of the supplier by sending the questionnaire based on the eight Code of Labour Practices (CoLP) and analysing external audit reports. Additionally, Mads Nørgaard plans an onsite visit. 3. After the onboarding and order placement at the supplier, the member plans to implement an ongoing process that focuses on conducting audits and Corrective Action Plans (CAPs) follow-up.

This process has been partly followed for six suppliers added in 2022. The brand usually visits new suppliers and discusses Fair Wear's requirements in person, but it was only able to visit one new supplier last year.

Recommendation: Fair Wear recommends that Mads Nørgaard engages in a dialogue with the supplier about Fair Wear requirements and how to cooperate in implementing these.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.5 Member company collects the necessary human rights information to inform sourcing decisions before finalising the first purchase order.	Insufficient	Human rights due diligence processes are necessary to identify and mitigate potential human rights risks in supply chains. Specific risks per factory need to be considered as part of the decision to start cooperation and/or place purchasing orders.	Questionnaire with CoLP, reviewing and collecting existing external information, evidence of investigating operational-level grievance system, union and independent worker committee presence, collective bargaining agreements, engaging in conversations with other customers and other stakeholders, including workers.	0	6	0

Comment: As 2022 was Mads Nørgaard's first year of membership, the company collected the Fair Wear CoLP from 24 of its production locations. However, the brand did not follow up on missing signed CoLP from subcontracting partners. For six factories, a signed questionnaire still needs to be collected.

Mads Nørgaard does collect a self-assessment before placing the first order. Mads Nørgaard collects external audits for some suppliers, but the results do not yet lead to any sourcing decisions.

Requirement: Mads Nørgaard needs to ensure that new production locations sign and return a questionnaire about the CoLP before first orders are placed.

Recommendation: Fair Wear recommends that all subcontractors (supporting processes) sign the CoLP. The member is recommended to discuss the content of the CoLP and to request evidence that confirms the supplier's support of the CoLP.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.6 Member actively ensures awareness of the Fair Wear CoLP, the complaints helpline, and social dialogue mechanisms within the first year of starting business.	Basic	This indicator focuses on the preliminary mitigation of risks by actively raising awareness about the Fair Wear Code of Labour Practices and complaints helpline. Discussing Fair Wear's CoLP with management and workers is a key step towards ensuring sustainable improvements in working conditions and developing social dialogue at the supplier level.	Evidence of social dialogue awareness raised through earlier training/onboarding programmes, onboarding materials, information sessions on the factory grievance system and complaints helpline, use of Fair Wear factory guide, awareness-raising videos, and the CoLP.	2	6	0

Comment: Mads Nørgaard has shared information about Fair Wear's CoLP and the complaints helpline within the first year of Fair Wear membership. However, 16 of 30 production facilities did not send evidence of the Worker Information Sheet posted. Four out of the six onboarded suppliers in 2022 have no evidence that the Worker Information sheet is posted.

Requirement: Mads Nørgaard must ensure that factory management is aware of the Fair Wear CoLP and the complaints helpline within the first year of starting business. The Worker Information Sheet needs to be posted at a place easily accessible for workers.

Indicators on Identifying continuous human rights risks

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.7 Member company has a system to continuously monitor human rights risks in its supply chain.	Basic	Members are expected to regularly evaluate risk in a systematic manner. The system used to identify human rights risks determines the accuracy of the risks identified and, as such, the possibilities for mitigation and remediation.	Use of risk policies, country studies, audit reports, other sources used, how often information is updated.	2	6	0

Comment: Mads Nørgaard has an ad hoc approach to identifying human rights risks in its supply chain. The member mainly used two Fair Wear factory assessments and the CAP findings in Türkiye and Romania to identify risks in its supply chain. Mads Nørgaard collected an external audit for two other suppliers in North Macedonia and Türkiye and adjusted the risk assessment after analysing the results.

The member does not have detailed data on the eight labour standards for the other 26 suppliers, so Mads Nørgaard has classified this as a high risk for all eight labour standards, also for the Chinese factories. No risk assessment was done for the suppliers in Italy, Denmark, Poland, Portugal, Lithuania and Greece. The factories in these producing countries were generally classified as low-risk. The risk assessment for the factory in India was not done because Mads Nørgaard planned to stop production in 2023.

Requirement: Mads Nørgaard must have a monitoring system to identify risks in its supply chain.

Recommendation: Fair Wear recommends Mads Nørgaard to approach monitoring systematically, identifying the appropriate monitoring tool and frequency depending on the outcome of the risk scoping and risk assessment. Fair Wear also recommends that Mads Nørgaard not depends on audits alone and expands its monitoring instruments.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.8 Member company's continuous monitoring of human rights risks includes an assessment of freedom of association (FoA).	Insufficient	Freedom of association and collective bargaining are 'enabling rights.' When these rights are respected, they pave the way for garment workers and their employers to address and implement the other standards in Fair Wear's Code of Labour Practices - often without brand intervention.	Use of supplier questionnaire to inform decision-making, collected country information, and analyses.	0	6	0

Comment: Mads Nørgaard has not yet mapped the risks to FoA for its sourcing countries.

Requirement: Mads Nørgaard must map the risks to FoA for the countries it sources from and understand if FoA is respected by its suppliers. The member should familiarise itself with Tool 1 of the FoA Guide (or other tools to collect country-specific information).

Recommendation: Mads Nørgaard is strongly recommended to deepen its understanding of risks to FoA in its supply chain. The member is recommended to use the Supplier Questionnaire from Fair Wear's FoA Guide to assess and understand the risk regarding violation of FoA at its suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.9 Member company includes a gender analysis throughout their continuous monitoring of human rights risks, to foster a better understanding of gendered implications.	Insufficient	Investing in gender equality creates a ripple effect of positive societal outcomes. Members must apply gender analyses to their supply chain to better address inequalities, violence, and harassment.	Evidence of use of the gender mapping tools and knowledge of country-specific fact sheets.	0	6	0

Comment: Mads Nørgaard has partly collected data on gender on country level but has not included that information it in the risk scoping. The member did not actively collect gender data per factory in 2022.

Requirement: Mads Nørgaard must include gender in its risk scoping and assessment.

Recommendation: Fair Wear strongly recommends Mads Nørgaard to enroll in the Introduction to Gender Equality programme on Fair Wear's learning platform. Mads Nørgaard is recommended to collect gender data per factory.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.10 Member company considers a production location's human rights performance in its purchasing decisions.	Insufficient	Systematic evaluation is part of continuous human rights monitoring. A systematic approach to evaluating production location performance is necessary to integrate social compliance into normal business processes and to support good decision-making.	Supplier evaluation format, meeting notes on supplier evaluation shared with the factory, processes outlining purchasing decisions, link to responsible exit strategy.	0	4	0

Comment: In 2022, Mads Nørgaard invested time into creating transparency in its supply chain and building relationships with the production locations. Supplier evaluation is not embedded in a systematic process nor includes compliance with the CoLP.

Requirement: Mads Nørgaard needs to evaluate the human rights performance of its suppliers systematically.

Recommendation: Fair Wear encourages Mads Nørgaard 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. Fair Wear recommends Mads Nørgaard to share and discuss the outcome of the supplier evaluation with all its suppliers and their worker representatives.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.11 Member company prevents and responds to unauthorised or unknown production and/or subcontracting.	Intermediate	Subcontracting can decrease transparency in the supply chain and has been demonstrated to increase the risk of human rights violations. Therefore, when operating in higher-risk contexts where it is likely subcontracting occurs, the member company should increase due diligence measures to mitigate these risks.	Production location data provided to Fair Wear, financial records from the previous financial year, evidence of member systems and efforts to identify all production locations (e.g., interviews with factory managers, factory audit data, web shop and catalogue products, etc.), licensee contracts and agreements with design collaborators.	2	4	0

Comment: Mads Nørgaard takes measures to prevent unauthorised subcontracting or unknown locations, such as sending out the supplier self assessment and the Fair Wear CoLP. The information from the questionnaires is evaluated and discussed with the suppliers. The member addresses subcontracting in its supplier agreements.

The agreement says that the supplier is only allowed to use subcontractors for production with the written consent of Mads Nørgaard. For its product development and order placement, the member has developed a software-based management system to which the suppliers are also connected. Here, the suppliers have to indicate the production site before placing the order. In addition, the CSR department monitors the incoming goods of new products to ensure the sender.

In the first year of Fair Wear membership in 2022, Mads Nørgaard has identified that unauthorised subcontracting is a high risk in its supply chain. Therefore, it continues intense dialogues with the suppliers to ensure that all production sites are known. Mads Nørgaard plans to create more transparency in the supply chain in the coming year by conducting factory assessments.

Recommendation: Mads Nørgaard is recommended to use the outcomes of its human rights monitoring to prevent unauthorised subcontracting. This can mean the member ensures the supplier is visited during production for locations with a higher risk of unauthorised subcontracting. Addtionnaly, Fair Wear recommends the member to periodically check with its intermediaries whether all known production locations are still up to date and use the information from questionnaires to update supplier data, including subcontractors.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.12 Member company extends its due diligence approach to homeworkers.	Insufficient	Homeworkers should be viewed as an intrinsic part of the workforce, entitled to receive equal treatment and have equal access to the same labour rights, and therefore should be formalised to achieve good employment terms and conditions.	Supplier policies, evidence of supplier and/or intermediaries' terms of employment, wage-slips from homeworkers.	0	4	0

Comment: Mads Nørgaard has not systematically identified whether homework is prevalent in its sourcing countries. In 2022, one supplier informed Mads Nørgaard before placing the order that homeworkers would be involved in a part of the production process. Due to the high risk, the purchasing department decided not to place the order at this supplier.

Requirement: Mads Nørgaard should identify whether homeworkers are used by its suppliers and assess if there is a risk of exploitation.

Indicators on Responsible purchasing practices

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.13 Member company's written contracts with suppliers support the implementation of Fair Wear's Code of Labour Practices and human rights due diligence, emphasising fair payment terms.	Insufficient	Written, binding agreements between brands and suppliers, which support the Fair Wears CoLP and human rights due diligence, are crucial to ensuring fairness in implementing decent work across the supply chain.	Suppliers' codes of conduct, contracts, agreements, purchasing terms and conditions, or supplier manuals.	0	4	0

Comment: Mads Nørgaard uses contracts for its main suppliers, representing 61% of its total FOB. The contract includes agreements such as order regulations (order confirmation, delivery times), prices and payment terms, quality and delivery of non-compliant products, social audits, liability and indemnification and termination. Mads Nørgaard includes payment terms on its purchase orders, usually 30 days from the goods being freighted on board. In some cases, however, individual arrangements have been made with the suppliers in which payment is also made within 60 to 70 days from the goods being freighted on board. For some suppliers, however, there is also the regulation of prepayments of about 30% so that the supplier can source fabrics for production.

The agreement shows that the supplier is responsible for shipping the ordered products within the term mentioned in the order form and agreed by the Manufacturer pursuant. If the expected delivery arrives 14 before or after the scheduled delivery date, Mads Nørgaard does not accept this. In that case, the agreement considers discounts and penalties. The agreement also shows that the supplier is responsible for all damages the products may cause before delivery. After delivery, the supplier is responsible in respect of the product liability.

Although the contract includes the Code of Labour Practices regarding social auditing, the contract itself does not support the implementation of human rights due diligence.

Requirement: Mads Nørgaard should evaluate its contracts to ensure that it does not place an unequal burden on its suppliers or include terms that limit the possibility of implementing the Code of Conduct.

Recommendation: Mads Nørgaard is advised to review its contracts with suppliers against the principles mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP).

Fair Wear strongly recommends Mads Nørgaard to include the shared responsibility of CoLP implementation in its contracts, including fair payment terms. Fair Wear also strongly recommends that Mads Nørgaard remove penalties for late delivery from its contracts, or at least ensure there is 'proof of fault by the supplier'.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.14 Member company has formally integrated responsible business practices and possible impacts on human rights violations in their decision-making processes.	Intermediate	Corporate Social Responsibility (CSR), purchasing, and other staff that interact with suppliers must be able to share information to establish a coherent and effective strategy for improvements. This indicator examines how this policy and Fair Wear membership requirements are embedded within the member company.	Internal information systems, status Corrective Action Plans, sourcing score- cards, KPIs listed for different departments that support CSR efforts, reports from meetings from purchasing and/or CSR staff, and a systematic manner of storing information.	4	6	0

Comment: There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices. The member has not yet included responsible business practices in job role competencies, nor do sourcing and purchasing staff work with KPIs supporting good sourcing and pricing strategies.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.15 Member company's purchasing practices support reasonable working hours.	Basic	Members' purchasing practices can significantly impact the levels of excessive overtime at factories.	Proof that planning systems have been shared with production locations, examples of production capacity knowledge that is integrated into planning, timely approval of samples, and proof that management oversight is in place to prevent late production changes.	2	6	0

Comment: Mads Nørgaard's production planning is based on four seasons: spring, summer, fall and winter. Here the product development starts about six months before the order placement, around one year before the sale season starts. Mads Nørgaard does not systematically forecast in advance. Around one month before order placement, the supplier is given planned sales figures. A product lifecycle management system (PML) tracks the process during product development. After placing an order, Mads Nørgaard sends out a suggested delivery date that needs to be confirmed by the supplier. If the supplier rejects the delivery date, the member will most likely confirm the supplier's new proposed date. Most of the products are ordered through intermediaries. Mads Nørgaard sells its products in its online shop and through retailers.

One-third of Mads Nørgaard's collection are never-out-of-stock (NOS) styles mainly produced by three main suppliers. The newly designed collection styles often return styles in different colours or fabrics. In some cases, Mads Nørgaard also sends so-called express orders to suppliers for specific styles or theme collections. The member is in close contact with the supplier to arrange the delivery and sales date.

With one supplier in Türkiye, Mads Nørgaard agreed that the supplier could produce the NOS styles in the low season. After the production, the supplier stores the product on-site, and Mads Nørgaard regularly orders small quantities from stock. That allows the supplier more flexibility with production. At the same time, the member could not store all the products in its warehouse in Denmark due to the company's fast growth. In this case, the brand makes prepayments to the supplier for sourcing the fabrics. The rest of the payments are made as soon as they are ordered from stock, not after production.

Mads Nørgaard does know the production capacity of its production locations, but it does not yet systematically consider the supplier's capacities during the planning period and order placement.

Requirement: Mads Nørgaard should consider its suppliers' production capacity and consider this when placing orders.

Recommendation: Mads Nørgaard is strongly recommended actively involving its suppliers in the planning process and considering starting to do forecasting before placing orders. Fair Wear also recommends Mads Nørgaard to collect more information about the production planning and possible delays to understand better the impact of Mads Nørgaard's orders on factory capacity.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.16 Member company can demonstrate the link between its buying prices and wage levels at 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, cost sheets including labour minutes.	0	6	0

Comment: For its main supplier, Mads Nørgaard receives a breakdown of material and accessories costs, transportation costs, and margin. From some suppliers, it receives a total price. Mads Nørgaard does not understand the wage levels of its suppliers and therefore does not connect this understanding to its buying prices.

Requirement: Mads Nørgaard 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: Mads Nørgaard is encouraged to provide buyers (or other employees involved in price negotiations with suppliers) training on cost breakdown, for example using the Fair Price app.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.17 All sourcing intermediaries play an active role in upholding Fair Wear's Code of Labour Practices and ensure transparency about where production takes place.	Intermediate	Intermediaries have the potential to either support or disrupt CoLP implementation. It is members' responsibility to ensure production relation intermediaries actively support the implementation of the CoLP.	Correspondence with intermediaries, trainings for intermediaries, communication on Fair Wear audit findings, etc.	2	4	0

Comment: Mads Nørgaard mainly works with intermediaries. The member has informed its sourcing intermediaries of Fair Wear requirements and could show they informed production locations. Mads Nørgaard mainly works with intermediaries in North Macedonia, Türkiye, Greece, Bulgaria and China. The member does not check if its intermediaries uphold the purchasing practices mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP).

Recommendation: The member is recommended to check if the intermediary's purchasing practices are fair and if the intermediary has adequate systems to ensure payments are made on time.

Layer 3 Remediation and impact

Possible Points: 90
Earned Points: 14

Indicators on Quality and coherence of prevention and remediation system

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.1 Member company integrates outcomes of human rights risk identification (layer 2) into prioritisation and follow-up programmes according to the risk profile.	Basic	Based on the risk assessment outcomes, a factory risk profile can be determined with accompanying intervention strategies, including improvement and prevention programmes.	Overview of supplier base with accompanying risk profile and follow-up programmes.	2	6	0

Comment: Since Mads Nørgaard has classified the lack of data and missing information about the factories as a high risk, the member wants to focus on conducting monitoring audits, especially in China and Türkiye. Mads Nørgaard has not yet done any further prioritisation. These follow-up actions are not further addressed in detail. There is also no follow-up programme for the factories for which a risk assessment has already been done.

Requirement: Mads Nørgaard is required to ensure that prioritisation in follow-up matches the factory's risk profile.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.2 Member company's improvement and prevention programmes include a gender lens.	Insufficient	The prevention and improvement programmes should ensure equitable outcomes. Thus, a gender lens should be incorporated in all programmes regardless of whether or not the programme is specifically about gender.	Proof of incorporation of the gender lens in follow up programmes, including stakeholder input.	0	6	0

Comment: Mads Nørgaard has not yet started to collect gender-disaggregated data per factory and, therefore, could not include a gender lens yet in improvement or prevention steps.

Recommendation: Once Mads Nørgaard has collected gender-disaggregated data for its suppliers, the members should start including a gender lens in its improvement and prevention steps.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.3 Member company's improvement and prevention programmes include steps to encourage freedom of association and effective social dialogue.	Insufficient	Freedom of Association and Collective Bargaining are enabling rights. Therefore, ensuring they are prioritised in improvement and prevention programmes can help support improvements in all other areas.	Available prevention and improvement programmes, including stakeholder input.	0	6	0

Comment: Mads Nørgaard has not yet included steps to encourage FoA and effective social dialogue in its improvement or prevention actions.

Recommendation: Mads Nørgaard is recommended to support in financing/coordinating training on FoA and social dialogue for its suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 Member company actively supports operational-level internal grievance mechanism.	Insufficient	Fair Wear's complaints helpline is a safety net in case local grievance mechanisms do not provide access to remedy. Members are expected to actively support and monitor the effectiveness of operational-level grievance mechanisms as part of regular contact with their suppliers.	Communication with suppliers, responses to grievances, minutes of internal worker committees, evidence of democratically elected worker representation, evidence of handled grievance, review of factory policies, and proof of effective social dialogue.	0	6	0

Comment: Mads Nørgaard does not assess its suppliers' internal grievance mechanisms at the start of a business relationship. In its first year of membership, the member focused on establishing transparency in the supply chain and conducting monitoring audits to better understand the supplier's production locations in general.

Recommendation: Fair Wear recommends Mads Nørgaard to support and monitor the internal grievance mechanisms at the suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.5 Member company collaborates with other Fair Wear members or customers of the production location.	Basic	Cooperation between Fair Wear members increases leverage and the chances of successful outcomes. Cooperation also reduces the chances of a factory needing to conduct multiple improvement programmes about the same issue with multiple customers.	Communication between different companies.	2	6	0

Comment: Mads Nørgaard cooperates with other Fair Wear members at its shared suppliers by responding to complaints. Mads Nørgaard has not yet cooperated with customers that are not Fair Wear members.

Indicators on Improvement and prevention

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.6 Degree of progress towards implementation of improvement programme per relevant factory.	31%	Fair Wear expects members to show progress towards the implementation of improvement programmes. Members are expected to be actively involved in the examination and remediation of any factory-specific problem.	Progress reports on improvement programmes.	2	6	-2

Comment: In 2022, two Fair Wear monitoring audits in Türkiye and Romania took place in Mads Nørgaard's first year of Fair Wear membership. One external audit was collected from another supplier in Türkiye. During the performance check, Mads Nørgaard could demonstrate with a sample that one-third of the CAP issues requiring improvement actions have been addressed. The member has not followed up on external audits collected in 2022 and could not share information about the status of the CAPs.

After the Fair Wear audit in Türkiye mid-2022, Mads Nørgaard had to deal with some challenges, as the factory management did not accept some findings. After a follow-up discussion with Fair Wear country team and the factory management, it was decided to repeat the audit and verify the already implemented measures. The verification audit was planned for 2022 but was conducted in January 2023 due to capacity reasons. Improvement actions relate mostly to health and safety findings, the employment and payment of casual workers, and the transparency of overtime payments.

In addressing CAP findings, Mads Nørgaard does not yet have a systematic approach to collecting documentation and factory feedback to follow up on individual findings.

Recommendation: Fair Wear strongly recommends ensuring that the size of the supply chain and the available resources of Mads Nørgaard to actively follow up on CAP issues are coinciding. Possible solutions could be to decrease the number of suppliers or increase the resources needed to be able to work on improvement actions.

For Mads Nørgaard's following financial year, it is also recommended to set up a systemic approach to ensure the follow-up of the Corrective Action Plans with set deadlines, together with the supplier and the worker representatives.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.7 Degree of progress towards implementation of prevention programme.	Insufficient progress	Fair Wear expects members to show progress towards the implementation of prevention programmes. With this indicator, Fair Wear assesses the degree of progress based on the percentage of actions addressed within the set timeframe.	Update on prevention programmes.	-2	6	-2

Comment: Mads Nørgaard has not yet identified root causes of the CAP findings (other than excessive overtime assessed under indicator 3.9 or living wage assessed under indicator 3.11).

Requirement: Please note that following Fair Wear's policy for repeated non-compliance, members that receive an insufficient score on this indicator for the second year will be placed in the 'needs improvement' category. Mads Nørgaard should identify the root causes of CAP issues and discuss these with its suppliers. The member needs to start developing preventive actions to address these root causes.

Recommendation: Fair Wear recommends Mads Nørgaard to identify root causes of CAP issues together with its suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.8 Member company validates risk profile and maintains regular dialogue with factories where no improvement or prevention programme is needed.	Basic	When no improvement or prevention programme is needed, Fair Wear expect its member companies to actively monitor the risk profile and continue to mitigate risks and prevent human rights abuses.	Use of Fair Wear workers awareness digital tool to promote access to remedy. Evidence of data collected, worker interviews, monitoring documentation tracking status quo.	2	6	0

Comment: Mads Nørgaard has nine production locations in Denmark, Greece, Poland, Portugal, Latvia and Lithuania. The member has not identified whether they need an improvement or prevention programme. Mads Nørgaard regularly visits the factories in Denmark, but the member does not know whether these locations may actually need an improvement or prevention programme.

Requirement: Mads Nørgaard needs to ensure its assessment of factories not needing any improvement or prevention programmes is based on a risk assessment.

Recommendation: Mads Nørgaard is recommended to create a systematic plan which details at which interval the member will discuss possible human rights risks at its suppliers and which human rights risks should be discussed.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.9 Degree to which member company mitigates root causes of excessive overtime.	Basic	Member companies should identify excessive overtime caused by the internal processes and take preventive measures. In addition, members should assess ways to reduce the risk of external delays.	This indicator rewards self-identification of efforts to prevent excessive overtime. Therefore, member companies may present a wide range of evidence of production delays and how the risk of excessive overtime was addressed, such as: reports, correspondence with factories, collaboration with other customers of the factory, use of Fair Wear tools, etc.	2	6	0

Comment: In 2022, one Fair Wear audit in Türkiye reported excessive overtime. At that factory, workers do not receive one day off per 7 days of work. Mads Nørgaard's leverage in that factory is around 40%.

In 2022, the member regularly spoke with the supplier to learn more about the root causes, the supplier's capacities, and peak season production. Due to some communication difficulties with the supplier, a follow-up audit was planned for 2023. For more information on this, see indicator 3.6.

Requirement: Mads Nørgaard should investigate to what extent its current buying practices affect the working hours at the supplier level. A root cause analysis of excessive overtime should be done to investigate the most effective steps to reduce overtime. The Fair Working Hours Guide can be used as a resource.

Recommendation: With its suppliers where excessive overtime occurs, Fair Wear recommends Mads Nørgaard to verify whether production is planned with overtime. If production is planned with overtime, the brand should ensure that its products can be produced during regular working hours.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.10 Member company adequately responds if production locations fail to pay legal wage requirements and/or fail to provide wage data to verify that legal wage requirements are paid.	Intermediate	Fair Wear members are expected to actively verify that all workers receive legal minimum wage. If a supplier does not meet the legal wage requirements or is unable to show they do, Fair Wear member companies are expected to hold the management at the production location accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, Fair Wear Audit Reports or additional monitoring visits by a Fair Wear auditor, or other documents that show the legal wage issue is reported/resolved.	2	4	-2

Comment: In the previous year, one out of three audits included findings regarding legally required wage elements or limitations to verify the wage situation.

The finding in the audit was related to the fact that casual workers were employed in the factory who did not receive official payments. Therefore it could not be verified that the legal minimum wages were paid. Mads Nørgaard was in close contact with the supplier about this. After some challenges the member had with the factory in 2022, and factory management rejected the finding (see indicator 3.6), Mads Nørgaard requested a verification audit, and the audit shows that no casual workers are employed anymore.

Recommendation: Fair Wear recommends Mads Nørgaard address hiring casual workers as a high risk. The member brand should ensure that casual workers have employment contracts and are part of the payroll system.

Members are recommended to investigate the wage levels at supplier factories to ensure that at least the legal minimum wage, i.e. no payment at trainee (50% of LMW) or probation period (75%) levels, is paid to workers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.11 Degree to which member company assesses and responds to root causes of wages 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.	Member companies may present a wide range of evidence of how payment below living wage was addressed, such as: internal policy and strategy documents, reports, wage data/wage ladders, gap analysis, correspondence with factories, etc.	0	6	0

Comment: Mads Nørgaard is unaware of the wage levels at its suppliers and does not discuss the topic of living wages with its suppliers.

Recommendation: Fair Wear recommends Mads Nørgaard to enrol in the Living Wage programme on Fair Wear's learning platform.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.12 Member company determines and finances wage increases.	Insufficient	Member companies should have strategies in place to contribute to and finance wage increases in their production locations.	Analysis of wage gap, strategy on paper, demonstrated roll out process.	0	6	0

Comment: Mads Nørgaard has not yet addressed the topic of wages, with its production locations or internally.

Recommendation: To support companies in analysing the wage gap, Fair Wear has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models. In determining what is needed and how wages should be increased, it is recommended to involve worker representation.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.13 Percentage of production volume where the member company pays its share of the living wage estimate.	0%	Fair Wear requires its member companies to act to ensure a living wage is paid in their production locations to each worker.	Member company's own documentation such as reports, factory documentation, evidence of Collective Bargaining Agreement (CBA) payment, communication with factories, etc.	0	6	0

Comment: Mads Nørgaard does not contribute to higher wages at any of its production locations.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.14 Member addresses grievances received through Fair Wear's helpline in accordance with the Fair Wear Complaints Procedure.	Intermediate	Members are expected to actively support the operational-level grievance mechanisms as part of regular contact with their suppliers. The complaints procedure provides a framework for member brands, emphasising the responsibility towards workers within their supply chain.	Overview of supporting activities, overview of grievances received and addressed, etc.	2	4	-2

Comment: Mads Nørgaard received two complaints from one supplier in Türkiye in the past financial year about legally binding employment relationships, living wage and no discrimination.

The complainants in both cases stated that workers were dismissed without severance payments due to absenteeism. The workers claimed that the supervisor was informed about this. In addition, the complainants mentioned discrimination among the workers in matters such as wages and leave.

Mads Nørgaard contacted the supplier, but the factory management did not admit the complaint. After a follow-up discussion with Fair Wear country team and the factory management, it was decided to request a verification audit to verify the severance payments. The verification audit was planned for 2022 but was conducted in January 2023 for capacity reasons. During the audit, it was observed that the dismissal files of the dismissed workers did not contain documents such as correspondence, minutes, defence, or warnings stating the reason for termination of the employment contract. Therefore both complaints are not solved yet.

Mads Nørgaard plans to visit the supplier on-site in Türkiye, discuss this with the supplier, and find a solution together.

Recommendation: Fair Wear strongly recommends Mads Nørgaard further follow-up the remediation for both complaints. The member is recommended to take steps to prevent similar complaints from occurring at its supplier.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.15 Degree to which member company implements training appropriate to the improvement or prevention programme.	Insufficient	Training programmes can play an important role in improving working conditions, especially for more complex issues, such as freedom of association or gender-based violence, where factory-level transformation is needed.	Links between the risk profile and training programme, documentation from discussions with management and workers on training needs, etc.	0	6	0

Comment: Mads Nørgaard has some CAP findings where training is a recommended follow-up action. The member has not yet enrolled its supplier with findings on no awareness about CoLP in the following training modules: WEP basic training.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.16 Degree to which member company follows up after a training programme.	Member company did not implement any training	Training is a crucial tool to support transformative processes but complementary activities such as remediation and changes at the brand level are needed to achieve lasting impact	Evidence of engagement with factory management regarding training outcomes, documentation on follow-up activities, and proof of integration into further monitoring and risk profiling efforts.	N/A	6	0

Comment: Mads Nørgaard did not implement training at its suppliers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.17 The member company's human rights risk monitoring system includes a responsible exit strategy.	Intermediate	Withdrawing from a non-compliant supplier should only be the last resort when no more impact can be gained from other strategies. Fair Wear members must follow the steps as laid out in the responsible exit strategy.	Exit strategy policy, examples of supplier communications.	2	4	0

Comment: As Mads Nørgaard wants to focus on consolidating the supply chain in the future, responsible exit is also an important part of the sourcing strategy. To date, Mads Nørgaard does not have a formal exit strategy in place. The termination process is part of the suppliers' contract. There are various reasons why Mads Nørgaard can terminate the cooperation with the supplier, i.e., if the supplier fails to comply with the Code of Conduct. In 2022, the member has started to revise this part of the contract and is discussing internally to define the exit process with suppliers. The Agreement can be terminated for convenience after three months with written notice. Binding orders agreed upon before termination shall be honoured by the Parties. The responsible exit strategy is not yet part of its suppliers' agreement.

In the past financial year, the member stopped with two suppliers. The cooperation with one supplier in Portugal was stopped because the product group was not successful for the member brand. The leverage at that factory was around 2%. The second supplier from Türkiye, where production was stopped in 2022, was the longest-existing supplier. Here the leverage was about 10%. The reason was, in particular, the non-transparent set-up of the supplier and the use of numerous unknown subcontractors. Mads Nørgaard did discuss the responsible exit strategy with its suppliers, which means that the supplier received on-time information about the planned exit, orders were gradually reduced, and the impact on the workers in relation to the leverage was reviewed.

Recommendation: Mads Nørgaard should include the responsible exit strategy as part of its suppliers' agreement or contract.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.18 Member company's measures, business practices and/or improvement programmes go beyond the indicators or scope.	Member company's activities do not go beyond the indicators or scope.	Fair Wear would like to reward and encourage members who go beyond the Fair Wear policy or scope requirements. For example, innovative projects that result in advanced remediation strategies, pilot participation, and/or going beyond tier 2.	Overview of Human Right risk monitoring, remediation and prevention activities and processes.	N/A	6	0

Comment: Mads Nørgaard does not undertake activities related to human rights that go beyond Fair Wear's scope.

Layer 4 External communication, outreach, learning, and evaluation

Possible Points: 18
Earned Points: 12

Indicators on Communication, transparency and evaluation

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.1 Member company actively communicates about Fair Wear membership and its human rights due diligence efforts.	Intermediate	Fair Wear membership includes the need for a brand to show its efforts, progress, and results. Fair Wear members have the tools and targeted content to showcase accountability and inform customers, consumers, and retailers. The more brands communicate about their sustainability work, the greater the overall impact of the work of the Fair Wear member community.	Member website, sales brochures, and other communication materials.	2	4	0

Comment: Mads Nørgaard communicates in its social report about Fair Wear membership, published on its website. Also, other communication channels like social media are used to communicate about Fair Wear membership. The member plans to expand its communication about human rights and the Fair Wear membership on its website.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.2 Member company sells external brands with a Human Rights Due Diligence system (if applicable).	No reselling of external brands	Some member companies resell other brands, which Fair Wear refers to as 'external production'. These members are expected to investigate the Human Rights Due Diligence system of these other brands, including production locations and the availability of monitoring information.	External production data in Fair Wear's information management system, collected information about other brands' human rights due diligence systems, and evidence of external brands being part of other multi-stakeholder initiatives that verify their responsible business conduct.	N/A	4	0

Comment: In 2022, Mads Nørgaard did not sell external brands.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.3 Social report is submitted to Fair Wear and is published on the member company's website.	Advanced	The social report is an important tool for member companies to share their efforts with stakeholders transparently. The social report explicitly refers to the workplan and the yearly progress related to the brands goals identified in the workplan.	Social report.	4	4	0

Comment: Mads Nørgaard has submitted its social report, which Fair Wear approved. The member has also published the report on its website.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.4 Member company engages in advanced reporting activities.	Intermediate	Good reporting by members helps ensure the transparency of Fair Wear's work and helps share best practices within the industry. This indicator reviews transparency efforts reported beyond (or included in) the social report.	Brand Performance Check, audit reports, information about innovative projects, specific factory compliance data, disclosed production locations (list tier 2 and beyond), disclosure of production locations, alignment with the Transparency Pledge.	2	4	0

Comment: Mads Nørgaard published its social report, which includes some factory-level data and remediation results, on its website.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.5 Member company has a system to track implementation and validate results.	Intermediate	Progress must be checked against goals. Members are expected to have a system in place to track implementation and validate the progress made.	Documentation of top management involvement in systematic annual evaluation includes meeting minutes, verbal reporting, PowerPoint presentations, etc. Evidence of worker/supplier feedback.	4	6	0

Comment: Mads Nørgaard has a system to track progress and check if implemented measures have effectively prevented and remediated human rights violations. Top management is involved in Fair Wear membership. There are frequent meetings with the top management to discuss preventing and remediating human rights violations. Mads Nørgaard is a small company where information about production locations is regularly shared between the relevant staff and departments.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	No requirements were included in the previous Brand Performance 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 should show documentation related to the specific requirements made in the previous Brand Performance Check.	N/A	4	-2

Comment: Due to the first year of membership, there were no requirements included.

5 Appreciation chapter

5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: Yes

Comments: Mads Nørgaard supports the LGBTQ+ community as part of the "Love is Not a Crime" campaign led by Amnesty International in collaboration with Elle Denmark and Scoop Models Denmark. The campaign included the design and production of a full collection. All profits were donated to Amnesty International and used to support the rights of the LGBTQ+ communities worldwide. In addition, Mads Nørgaard donated extra funds to support the collaboration.

5.2 Member company actively participated in lobby and advocacy efforts to facilitate an enabling environment in production clusters.: Not applicable

5.3 Member company actively contributed to industry outreach, visibility, and learning in its main selling markets.: Yes

Comments: Mads Nørgaard participated in the working group to develop a tool, named "Getting it Right" from the Danish Institute of Human Rights, in cooperation with the Danish Fashion and Textile Association. At the presentation of this tool to fashion brands, the member presented the HRDD implementation at Mads Nørgaard. After this, the member was also invited by the UN Global Compact to hold an introduction at an HRDD event for UN Global Compact members.

Recommendations to Fair Wear

As Mads Nørgaard is a small brand and because it was the first year of membership, the new Brand Performance Check Guidance and different requirements were overwhelming and challenging for the brand. Here, Mads Nørgaard especially mentioned the different kinds of policies that are needed. On the other hand, the member is happy about the support and framework that Fair Wear offers. Mads Nørgaard also wants to make more use of the Fair Wear HRDD facilitation tool to assess risks in its supply chain and is also very happy about the fact that Fair Wear offers these kind of tools.

Brand Performance Check details

Date of Brand Performance Check: **09-05-2023**
Conducted by: **Victoria Lauer**
Interviews with: Anja Heyckenhof (CSR)
Mads Matthias Nørgaard (Founder)
Jacob Østergaard Bing (CEO)
Christel Marie Lerche-Sørensen (Supply Chain Manager)
Mandana Sharifara (Production Manager Women)
Beate Bernhoft (Head of Communication)