



Brand Performance Check

Montane Ltd.

Publication date: August 2023

This report covers the evaluation period 01-02-2022 to 31-01-2023

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: 90

Possible score: 196

Benchmarking Score: 46

Performance Benchmarking Category: Good



Sourcing strategy

59%



Identifying continuous human rights risks

47%



Responsible purchasing practices

46%



Quality and coherence of prevention and remediation system

27%



Improvement and prevention

37%



Communication, transparency and evaluation

73%

Summary:

Montane has met most of Fair Wears' performance requirements. With a total benchmarking score of 46, the member is placed in the Good category.

Montane has done a detailed risk scoping on the country and supplier level based on information from country studies, audits and complaints. The brand is strongly advised to start prioritising actions for improvement based on its risk identification and to create a time-bound action plan, including improvement and preventive measures, which goes beyond auditing and providing training, including the needed budget and adopted by top management.

Last year Montane took two significant steps related to its sourcing. The member company signed the International Accord, as it sources from three production locations in Bangladesh. Next to that, Montane has decided it cannot fulfil its human rights due diligence in Myanmar since the coup and will gradually exit its supplier in the country following a responsible exit strategy.

Following up on a requirement from last year, Montane set up a detailed supplier evaluation system that quickly shows where most progress is needed. The information from this evaluation is used for the allocation of orders. Montane is more cautious in placing orders at the suppliers it has identified as needing the most improvement.

Montane is recommended to take more steps on living wage, gender and Freedom of Association (FoA). The member is encouraged to collect more gender and FoA data on supplier level. Fair Wear expects Montane to develop a strategy to finance the costs of wage increases at its suppliers.

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 some 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 Montane Ltd.

Member company information

Member since: 1 Jan 2019

Product types: Bags, Accessories and Outdoorwear

Percentage of CMT production versus support processes 100%

Percentage of FOB purchased through own or joint venture production 0%

Percentage of FOB purchased directly 33%

Percentage of FOB purchased through agents or intermediaries 69%

Percentage of turnover of external brands resold 0%

Are vertically integrated suppliers part of the supply chain? No

FLA Member No

Member of other MSI's International Accord,

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

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

Production Country	Number of production locations	Percentage of production volume
Viet Nam	12	44
Cambodia	2	20
Bangladesh	3	16
Myanmar	1	13
China	5	4
India	5	2
Indonesia	1	1

Layer 1 Foundational system's criteria

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

Comment: Montane has a Responsible Business Conduct Policy, but some elements, such as the inclusion of all Code of Labour Practices and the operationalisation of the human rights due diligence process, need improvement.

Requirement: Montane needs to improve its Responsible Business Conduct Policy, to ensure better alignment with the OECD guidelines.

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

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

Comment: Montane discloses 97% 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: Montane discloses 97% of production locations externally on Fair Wear's transparency portal. Fair Wear does not disclose Chinese factories on its website yet.

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: 46

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.	Intermediate	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.	4	6	0

Comment: The member has 29 active suppliers, including non-CMT subcontractors. 55% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. 10% of the production volume comes from suppliers where Montane buys less than 2% of its total FOB.

Montane's sourcing strategy explicitly focuses on increasing influence through consolidation and long-term partnerships. The document does not mention cooperation with buyers as a strategy to increase influence.

Recommendation: Montane could include in its sourcing strategy a plan to increase influence on suppliers by cooperating with other buyers.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.2 Member company's sourcing strategy is focused on building long-term relationships.	Intermediate	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.	4	6	0

Comment: Montane has a sourcing strategy that focuses on maintaining long-term relationships and, with its two-year onboarding development, gives its suppliers stability. The commitments are not formalised into long-term contracts. 83% of the member's total FOB volume comes from suppliers with whom Montane has a business relationship for at least five years. This is a significant increase from last year, when the percentage was 48%.

Recommendation: Fair Wear recommends Montane 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.	Intermediate	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.	4	6	-2

Comment: Montane conducts risk scoping on sourcing country level and has included all eight labour standards based on information from Fair Wear's country studies and gender fact sheets and information provided by other organisations. In its risk scoping, the member has assessed the impact and likelihood of the risks correctly. Gender is included as part of the standard on discrimination and also included in the information per labour standard. Montane has not yet applied a gender lens per each labour standard. Montane still needs to identify risks on the sector, business model, sourcing model and product level and plans to do so in 2024.

The member adjusted its sourcing strategy based on the risk scoping, as outcomes of the scoping were included in decision-making regarding exiting Myanmar. Other factors that influenced this decision were discussions with Fair Wear, the increasing logistics problems and complaints from workers at the Myanmar supplier. The member company will follow a responsible exit strategy to minimise the impact (see indicator 3.17). Montane sources from three production locations in Bangladesh and, last year, became a signatory of the International Accord.

To date, Montane's sourcing strategy does not mention a preference for countries where workers can freely form or join a trade union and bargain collectively. Vietnam remains Montane's most important sourcing country.

Recommendation: Fair Wear recommends Montane to include all risk factors in its risk scoping. Though the member has included gender information per labour standard, Fair Wear advises making the gender lens more visible in the risk scoping. The member is recommended to include input from workers, suppliers, and other stakeholders in its risk-scoping exercise.

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: It is the standard process for Montane to inform new suppliers about Fair Wear membership by sharing the supplier manual and supplier purchasing agreement containing information on Fair Wear membership and requirements and sharing Fair Wear's Supplier Questionnaire and the Social and Ethical policy. This process has been followed for the two new CMT suppliers added last year. The brand has not yet had a dialogue with its suppliers about Fair Wear's requirements and how to cooperate in implementing them.

Montane usually visits new locations, but this is to discuss technical issues rather than Fair Wear requirements. As Montane's staff was not allowed to travel last year, only the new Bangladeshi location was visited within the past financial year, and the other four locations will be visited in 2024.

Recommendation: Fair Wear recommends that Montane engages in a dialogue with the supplier about Fair Wear requirements and how to cooperate in implementing these. This discussion can be part of the visits where more technical issues are discussed.

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.	Intermediate	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.	4	6	0

Comment: Montane collects human rights information of potential new suppliers by collecting self-assessments and existing audit reports. When existing audit reports contain too little information, Montane requests additional information from the supplier. The member works with a pre-evaluation survey that includes detailed questions related to Fair Wear's Code of Labour Practices, such as wages for trainees and excessive overtime. The documents are signed and returned before any orders are placed. Montane followed this process for both new CMT suppliers.

Montane started at a new Bangladeshi location, shared with several Fair Wear members. Aware that excessive overtime is a problem at this supplier, the member developed an order allocation plan, being cautious of the quantities. The member company will only increase quantities if a scheduled audit shows some improvements. In general, when adding new suppliers, the information that Montane collected is used in decision-making about quantities of orders.

The company does not collect information from workers or stakeholders to inform the sourcing decision.

Recommendation: Fair Wear encourages the member to collect worker and stakeholder input before placing the first order. Fair Wear recommends Montane to investigate whether an operational grievance mechanism exists.

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: Montane has shared information with its new suppliers about Fair Wear's CoLP and the complaints helpline within the first year of business. The Worker Information Sheets have been posted, and Montane asks the suppliers to distribute the worker information cards. Montane has not yet organised onboarding sessions for its new suppliers to raise awareness about the Fair Wear CoLP, the complaints helpline, or the importance of social dialogue.

Recommendation: Montane is recommended to organise onboarding sessions specifically focusing on the CoLP and the complaints mechanism within the first year of doing business.

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.	Intermediate	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.	4	6	0

Comment: Montane has a systematic approach to identifying human rights risks in its supply chain and has assessed the risks for most production locations on a detailed level per labour standard. This risk assessment is based on information from country studies, audits and complaints. For its Chinese suppliers, Montane has scored forced labour low on likelihood. While with appropriate monitoring, a risk with a high prevalence on country level can be lowered on the supplier level; the risk cannot be reduced to the minimum, even more so when a non-compliance is very difficult to identify, as is the case with forced labour. Montane still needs to do the risk assessment for some suppliers but is awaiting information from planned audits.

Montane prefers to use Fair Wear audits, and where those are not available makes use of Sumations. As the member just started with the supplier risk assessment, Montane has not yet used this assessment to diversify its monitoring instruments and, for instance, use monitoring visits to check on risks with the highest likelihood.

Recommendation: Fair Wear recommends Montane to include worker and stakeholder input in the monitoring system where it does not use Fair Wear audits. Furthermore, it is recommended to assess whether the member causes, contributes or is linked to the identified risks. Fair Wear suggests that Montane does not depend on audits alone and expands its monitoring instruments for instance, by enrolling suppliers in modular assessments that only check labour standards for which it identified a high likelihood.

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).	Basic	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.	2	6	0

Comment: Montane has mapped the risks to FoA in all its sourcing countries and can explain the main risks per country, including the risks to women workers. The risks identified are limited worker/management dialogue, workers not having a voice, and no or very restricted freedom of association. Since women are underrepresented in unions and worker delegation, these structures may be less beneficial to women workers.

Montane uses this information to understand the risks at its suppliers and inform itself how to engage with its suppliers on this topic. The member has yet to collect more supplier-level data.

Recommendation: The member is recommended to ensure supplier-level monitoring is in place to assess and understand the risk at suppliers - for example, through the Supplier Questionnaire (tool 2 in Fair Wear's FoA Guide), modular assessment on Social Dialogue, and in-depth discussions with 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.	Basic	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.	2	6	0

Comment: Montane has included gender in its risk scoping on country level. The member could show it understands the basic gender risks for its sourcing countries but has not consistently applied a gender lens per labour standard. The member has yet to collect gender data per factory.

Recommendation: Fair Wear recommends the member to apply a gender lens per each labour standard in its country risk scoping and collect gender data per factory related to every Code of Labour Practices.

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.	Advanced	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.	4	4	0

Comment: Taking note of last year's requirement, Montane has developed a systematic evaluation system for assessing suppliers' human rights performance. The evaluation system combines indicators on human rights with indicators on quality, development and shipping and shows immediately what is particularly concerning or going well per supplier.

The member brand systematically integrates the outcome of this evaluation into decisions regarding the allocation of orders. With the evaluation system, Montane could easily identify the three worst-performing suppliers. This is taken into account when allocating orders. In one case, Montane developed a plan B and identified an alternative supplier in case the member sees little progress on human rights and decides to exit.

Montane has not yet shared the evaluation outcome with its suppliers and their worker representatives.

Recommendation: Fair Wear recommends Montane 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: By signing Montane's supplier manual, suppliers agree to inform Montane about any subcontracting. Montane uses the outcomes of its human rights monitoring to respond to unauthorised subcontracting. There is no evidence of missing first-tier locations or subcontractors in the database. The pre-evaluation survey assesses each supplier's technical capabilities and capacity and, in this way, indicates whether the supplier can completely produce Montane's order. Montane has recently hired a quality inspector to do in- and end-of-line inspections during her visits. In the past financial year, only three locations in Bangladesh were visited as the company held off any international travel until January 2023.

Recommendation: Fair Wear recommends Montane to include its Chinese production locations in the scheduled visits of the quality inspector, as risk of unauthorised subcontracting is high in China.

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: Montane has not identified whether homework is prevalent in its sourcing countries. As audits have not identified the use of homeworkers and suppliers did not give information about this in the questionnaires, it assumes that homeworkers are not used for its orders. The member has yet to have a conversation about this with its suppliers. From this financial year onwards, the issue of homeworkers is included in Montane's supplier manuals and factory questionnaires.

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

Recommendation: Fair Wear recommends Montane to conduct a capacity analysis looking into specific production processes that may be possible to outsource to homeworkers. Montane's quality inspector could support in identifying the risk of homeworkers by checking how each part of the product is made in-house.

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: Montane uses purchasing agreements with its suppliers stipulating terms in case of delay. Suppliers are required to compensate the member by default without the reason for the delay being discussed and agreed upon. In case of a delay of more than four weeks, the member reserves the right to cancel the order, though the member has not used this clause.

The supplier manual includes a list of faults suppliers could make for which Montane charges penalties. This list is non-exhaustive, meaning an unfair burden on the supplier, as defects could arise from issues outside the supplier's control, such as the brand's specifications or fabric.

Montane pays up to 30 days after the shipment of the goods.

Requirement: Montane 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: Fair Wear strongly recommends that Montane removes penalties for late delivery from its contracts or at least ensure there is 'proof of fault by the supplier'. Montane is also advised to keep the list of faults specific or, again, ensure there is 'proof of fault by the supplier'. The member is advised to review its supplier agreements against the principles mentioned in the Common Framework of Responsible Purchasing Practices (CFRPP).

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. Based on the previous performance check results, Montane created objectives for all teams to work on sourcing strategy, pricing, etc. These objectives have yet to be translated into SMART-formulated Key Performance Indicators. The member still needs to include responsible business practices in job role competencies.

Recommendation: Montane could include responsible business practices in its job role competencies of sourcing and purchasing staff. The member company could adopt KPIs that support good sourcing and pricing strategies within its sourcing, purchasing and design departments.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
2.15 Member company's purchasing practices support reasonable working hours.	Intermediate	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.	4	6	0

Comment: Montane uses a critical path per product per supplier, with a two-year planning window. The most significant advantage is that suppliers are informed earlier, and production is spread out over multiple delivery drops. When a significant decrease or increase in orders is foreseen, Montane can reach out sooner to the supplier to discuss this. Holidays are included in the assessment of each supplier's production capacity.

This visual control board, as Montane calls it, has made each department more aware of deadlines and the consequences of not meeting them. With the help of this new critical path, Montane can inform fabric suppliers sooner about forecasts to ensure sufficient greige fabric is available for salesmen samples and bulk production and prevent manufacturing delays caused by fabric availability. Montane accepts delivery delays and, when needed, pays for air freight. The member has yet to evaluate its production planning with its suppliers and take responsibility for unused (forecasted) 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.	Basic	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.	2	6	0

Comment: Following up on last year's requirement, Montane has worked to get a more detailed insight into the labour component of its prices. It now has cost breakdowns that include labour minutes for around a third of its suppliers. With its other suppliers, Montane has a more general cost breakdown that mentions general labour costs. While Montane does not apply a plausibility check of its pricing against wage levels, it has noted that suppliers quote increased prices for carry-over styles, explaining increased labour costs.

Recommendation: Montane could provide suppliers who do not work with fact-based costing, training on product costing and how to quote prices including (direct and indirect) labour costs. Fair Price product owners are available to conduct such training in all Fair Wear production countries. Montane could use information from suppliers about what they need in terms of orders to pay at least minimum wage or current wage as input for a plausibility check.

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: Montane works with intermediaries owning factories. Montane has informed them of Fair Wear requirements, and they informed production locations. The intermediaries check on the posted Worker Information Sheets but besides that do not yet actively support Montane in upholding Fair Wear's Code of Labour Practices.

Recommendation: Fair Wear recommends Montane to enable its intermediaries to support CoLP implementation actively. Montane could require its intermediaries to uphold the purchasing practices mentioned in the CFRPP framework.

Layer 3 Remediation and impact

Possible Points: 84

Earned Points: 28

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.	Insufficient	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.	0	6	0

Comment: Montane has not drafted follow-up plans yet. Based on the supplier evaluation results, Montane identified three suppliers that have the most concerning issues. The member plans to enrol these in more monitoring to gather more information and has yet to draft concrete action plans.

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

Recommendation: Fair Wear recommends the member to draft time-bound follow-up plans with clear objectives and budgets based on the risk scoping and assessment and supplier evaluation.

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: As mentioned in the indicator above, Montane has yet to create follow-up programmes and therefore has not yet applied a gender lens. The member company sources from eight production locations in Bangladesh and India and has enrolled one of them in Fair Wear's Violence and Harassment Prevention training last year.

Requirement: Montane must start including a gender lens in the implementation of improvement or prevention actions.

Recommendation: Fair Wear recommends Montane to enrol more production locations in countries with a high risk of gender discrimination in appropriate training modules. When following up on CAP issues, Montane is encouraged to consider the issue from a gender perspective to see if there are specific actions required to ensure mitigation benefits women workers as well.

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: Montane has yet to create follow-up programmes and has not yet taken concrete steps to encourage FoA and social dialogue. The member has asked suppliers about the frequency of dialogue meetings and if workers are aware of the worker delegation. However, this cannot be considered as active steps to encourage Freedom of Association and social dialogue.

Requirement: Members must include steps to promote FoA and social dialogue in its improvement or prevention actions. This should be linked with its assessment of risks to FoA and social dialogue as part of its human rights monitoring (see indicator 2.8). Examples of steps that could be included can be found in Fair Wears brand guide on FoA and collective bargaining.

Recommendation: Montane is recommended to, together with the supplier, distribute non-retaliation letters to workers, ensuring workers know they will not be punished for joining or forming trade unions. Montane is recommended to support in financing/coordinating training on FoA and social dialogue for its suppliers. The member company could look more into the dialogue meetings that are required in Vietnam to check if worker delegates are enabled to perform their role.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.4 Member company actively supports operational-level internal grievance mechanism.	Basic	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.	2	6	0

Comment: While Montane does not assess its suppliers' internal grievance mechanisms in detail, the member has included questions about the existence of grievance mechanisms in its supplier questionnaire. As part of its CAP follow-up, the member company follows up on issues related to factory-level grievance mechanisms when they come up in CAPs and has encouraged a supplier to place a suggestion box and inform workers about the complaint procedure.

Recommendation: Fair Wear recommends Montane to support and monitor the internal grievance mechanisms at 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.	Advanced	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.	6	6	0

Comment: Montane cooperates with other Fair Wear members at its shared suppliers, responding to CAPs and complaints. Next to that, the member also cooperates in taking more preventive measures, such as organising training. Montane also works with a buyer who is not Fair Wear member and exchanges CAP updates with them.

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.	51%	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.	4	6	-2

Comment: In the past financial year, Montane has received three Fair Wear audit reports. Because these are shared with other members, Montane is not always in the lead of follow-up. Therefore, during the performance check, three CAPs were selected where Montane is leading, including from an external audit report. The member could demonstrate with a sample that half of the CAP issues requiring improvement actions have been followed up. The resolved issues range from the proper pay out of bonuses and recording of working hours to health and safety issues. The member company mainly uses email to check on the status of CAP findings and has yet to take a more active role in supporting remediation.

Recommendation: Montane is encouraged to take a more pro-active role in the remediation of CAP findings and take a more collaborative approach.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
3.7 Degree of progress towards implementation of prevention programme.	Basic 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: Montane has discussed the root causes of a CAP finding related to young workers with one of its Bangladeshi suppliers and found that age verification and HR procedures need improvement. The member has yet to take a more systematic root cause approach when working on CAPs with its suppliers.

Recommendation: Fair Wear recommends Montane to identify root causes of CAP issues together with its suppliers. Fair Wear recommends Montane to translate its root cause analysis into concrete preventive actions as part of the risk profiles.

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.	No factories in the respective risk profile	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.	N/A	6	0

Comment: Montane has no suppliers where improvement or prevention steps are not needed.

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 the previous year, five out of six audits mentioned excessive overtime or intransparency related to working hours. Montane shares these suppliers with other Fair Wear members. Montane has also received two complaints relating to excessive overtime; one at its shared supplier in Myanmar and one at a shared Vietnamese supplier received in December 2021. For both complaints, another Fair Wear member was in the lead.

Findings on excessive overtime are discussed with sourcing, who uses this information in its production planning and responds by, for instance, staggering orders or temporarily reducing orders. Montane has asked the suppliers for working hour records and has yet to discuss the root causes.

Recommendation: Fair Wear advises Montane to discuss with its supplier which solutions included in the Fair Working Hours Guide are applicable. Even when root causes are beyond the member company's control, it can discuss with suppliers how to contribute to mitigation.

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.	Advanced	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.	4	4	-2

Comment: In the previous year, five out of six audits included findings regarding non-payment of legal minimum wage/ legally required wage elements, such as overtime premiums, incomplete records, payment of bonuses and statutory and sick leave, and delayed payment of benefits. Montane responded to these findings in a timely manner and could show proof of verification.

At the shared supplier where Montane started in Bangladesh, it was found that apprentices were paid below the legal minimum wage and kept on as apprentices for longer than the apprentice period. Montane organised a call between senior management to show it took this matter very seriously. While factory management has informed Montane they stopped the apprenticeship scheme, the member is awaiting audit results this year for verification. Another supplier paid severance payments later than required by law. Montane asked the factory to update its severance payment procedure and could verify that contracts now include the correct term.

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: While Montane follows up on CAP issues related to living wages via CAP exchange, the member has yet to discuss living wages in depth with its suppliers. Montane has no overview of where the gap between paid wages and living wage benchmarks is the highest.

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

Recommendation: Fair Wear recommends Montane to start creating an overview of the gap between paid wages and living wage benchmarks.

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: The member has not discussed wage increases with its factories.

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

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

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.	2%	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.	2	6	0

Comment: Audits of 2022 have shown that the wage levels at two Vietnamese suppliers are above those set by the Global Living Wage Coalition or the Wage Indicator Benchmark. These production locations represent 2% of Montane's total production volume.

Recommendation: We encourage Montane to show that discussions and plans for wage increases have resulted in the payment of a target wage and ensure all workers at these two suppliers earn above the living wage benchmark with wages without benefits.

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: Montane received one complaint in the past financial year about working hours and safe working conditions at its supplier in Myanmar. It also received a complaint in Vietnam at the end of 2021 about working hours and wages. In both cases, another Fair Wear member was in the lead. Montane could demonstrate communication and cooperation with the other brands to resolve the issues. Montane did not yet include the outcome of these complaints to decide on follow-up in its human rights improvement and prevention plans.

Montane's CSR staff informed its sourcing team about the complaints of excessive overtime so as to be more cautious with planning orders at these factories.

Recommendation: Montane could use the outcome of complaints to determine follow-up actions in its broader improvement and prevention plans.

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.	Basic	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.	2	6	0

Comment: Montane enrolled two suppliers in training modules; a shared supplier in India received the Gender Violence and Harassment Prevention Module, and a shared supplier in Vietnam, the Workplace Education Programme Basic. Not yet all suppliers where training is needed have been enrolled in training. The member has not been able to enrol all its suppliers in training where complaints and audits show that that is needed.

Recommendation: Montane is recommended to implement training for all factories where this is identified as a need.

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: As the other Fair Wear member took the lead on the Gender Violence and Harassment Prevention Module and the WEP Basic report did not include suggested steps for follow-up, this indicator is non-applicable.

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: Montane's sourcing strategy includes the details for a responsible exit strategy. Due to the coup, Montane is currently exiting its supplier in Myanmar. The member has considerable leverage at the supplier and is following the guidelines on a responsible exit. While the member has communicated its strategy to this supplier, its other suppliers have not been informed about Montane's responsible exit strategy.

Recommendation: Montane could 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: Montane 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: 22

Earned Points: 16

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.	Advanced	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.	4	4	0

Comment: Montane communicates accurately about Fair Wear membership on its website. The member also uses other channels such as linked in and blogposts to inform customers and stakeholders about Fair Wear membership.

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: Montane does 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: Montane has submitted its social report, which Fair Wear approved. Montane 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: Montane published its social report, which includes some factory-level data and remediation results, on its website. While Montane discloses production locations on its website, it yet has montane publish time-bound improvement plans.

Recommendation: Fair Wear recommends Montane to publish time-bound plans for its suppliers.

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: Montane has a system to track progress by establishing outcomes for different departments, discussing during quarterly meetings with sourcing and management what still needs to be done to achieve those outcomes and evaluating next steps.

Performance indicators	Result	Relevance of Indicator	Documentation	Score	Max	Min
4.6 Level of action/progress made on requirements from previous Brand Performance Check.	Intermediate	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.	2	4	-2

Comment: The previous performance check included three requirements. Montane was required to develop a supplier evaluation system (indicator 2.10), link its pricing to wage levels in production locations (indicator 2.16), and assess and follow up on root causes of wages lower than living wages (indicator 3.11). In this performance check, Montane demonstrated it has followed up on the first two requirements.

Recommendation: Montane is strongly recommended to address the requirements that are still outstanding.

5 Appreciation chapter

5.1 Member company publicly responded to problems/allegations raised by consumers, the media, or NGOs.: Not applicable

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.: Not applicable

Recommendations to Fair Wear

Montane recommends that Fair Wear's supplier questionnaire captures more gender data. Montane would like to have the upload function for all performance check indicators.

Brand Performance Check details

Date of Brand Performance Check: 05-07-2023

Conducted by: Niki Janssen

Interviews with: Claire Straker - Ethical Compliance Coordinator

Anna Pitman - CSR manager

Natalie Young - Product Development Manager

Caroline Crouch - Production and Merchandising Manager

Gary Bryant - Managing Director

Elaine Taylor - Ecommerce Director

David Williamson - Finance Controller