



## **Brand Performance Check**

# **Madness-The Nature Textile Company GmbH**

**Publication date: March 2026**

This report covers the evaluation period 01-01-2024 to 31-12-2024

## 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](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

# Scoring overview

Total score: 152

Possible score: 184

Benchmarking Score: 83

Performance Benchmarking Category: Leader



Foundational system's criteria

100%



Sourcing strategy

64%



Identifying continuous human rights risks

87%



Responsible purchasing practices

85%



Quality and coherence of prevention and remediation system

87%



Improvement and prevention

85%



Communication, transparency and evaluation

82%

## Summary:

Madness has shown advanced results on performance indicators and has made exceptional progress. With a total benchmarking score of 83, the member is placed in the Leader category. This performance check report includes Madness' financial years 2023 and 2024.

Madness has a sourcing strategy that addresses influencing labour conditions, explicitly focusing on increasing influence through consolidation and active cooperation with other clients.

Madness conducts risk scoping for its sourcing countries, covering all eight labour standards. The member brand systematically identifies human rights risks for each production location. Madness aims to enrol all its suppliers in full assessments. Based on the risk assessment, the member company has developed an action plan for its suppliers. As the member is active in a country where gender is considered a high risk, Madness has invested considerable effort in developing a women's empowerment programme in India to create more equal working conditions and job opportunities, including in leadership roles. Additionally, the member incorporated a gender lens into its risk assessment covering almost every Code of Labour Practices (CoLP), but has yet to include it in all its follow-up actions.

Madness's purchasing practices support reasonable working hours, maintaining an open communication line with its suppliers to discuss workers' schedules. Madness avoids pressuring suppliers to meet deadlines, refrains from imposing penalties for delays and does not demand overtime. If suppliers require more time, Madness negotiates with its customers to accept later deliveries.

Madness included comprehensive steps to encourage FoA and effective social dialogue in most action plans, including several training. Furthermore, Worker Committee Meetings are consistently followed up on, ensuring that actions derived from the improvement and prevention programme are communicated and addressed.

Madness has conducted a thorough root-cause analysis to determine why wages at suppliers are below the living wage. Based on the root-cause analysis, Madness has developed a time-bound plan to facilitate a systemic increase in wages at all its suppliers. The plan includes reviewing and adjusting the wage scales for the lowest-paid salaried categories, analysing piece-rate structures to reduce the risk of workers falling below the living wage in low-output months, and aligning its costing and price negotiations so that wage increases can be implemented in a sustainable and long-term manner. However, Madness does not currently contribute to living wages at any of its production locations.

Fair Wear recommends focusing on prevention and remediation at suppliers where its leverage is low, to include a gender lens in all its follow-up actions, and to demonstrate that discussions and plans for wage increases have led to the payment of a target wage, in line with the living wage benchmarks applicable to the regions where it sources from.

## 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 Madness-The Nature Textile Company GmbH

## Member company information

Member since: 1 Jan 2014

Product types: Apparel and Accessoires

Percentage of turnover of external brands resold 0%

Member of other MSI's/Organisations GOTS

Number of grievances received last financial year 1

## Basic requirements

Definitive production location data has been submitted for the financial year under review? Yes

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
India	2	94%
Türkiye	1	6%

# Layer 1 Foundational system's criteria

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**Possible Points: 8**

**Earned Points: 8**

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1.1 Member company has a publicly shared Human Rights Due Diligence policy that has been adopted by top management.: [Yes](#)

**Comment:** [Madness has a solid Human Rights Due Diligence policy in place.](#)

1.2 All member company staff are made aware of Fair Wear's membership requirements, in particular the Fair Wear's HRDD policy and Fair Wear's Code of Labour Practices.: [Yes](#)

1.3 All staff who have direct contact with suppliers are trained to support the implementation of Fair Wear requirements, in particular the Fair Wear's HRDD policy and Fair Wear's Code of Labour Practices.: [Yes](#)

1.4 A specific staff person(s) is designated to follow up on problems identified by the monitoring system, including grievance 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:** [Madness discloses 100% 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:** Madness discloses 100% 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.

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**Possible Points: 78**

**Earned Points: 62**

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### Indicators on Sourcing strategy

**Comment:** Madness has a sourcing strategy addressing influencing labour conditions.

The member has two active suppliers and one subcontractor. 94% of the production volume comes from suppliers where the member has at least 10% leverage at suppliers. 0% of the production volume comes from suppliers where Madness buys less than 2% of its total FOB.

Madness's sourcing strategy explicitly focuses on increasing influence through consolidation and active cooperation with other clients.

**Comment:** Madness has a sourcing strategy that focuses on maintaining long-term relationships.

94% of the member's total FOB volume comes from suppliers with whom Madness has a business relationship for at least five years.

The member does not commit to long-term contracts yet.

**Recommendation:** Fair Wear recommends Madness to commit to long-term contracts.

**Comment:** Madness conducts risk scoping including all eight labour standards, and includes sourcing country risk factors. In its risk scoping, the member has assessed the impact and prevalence of the risks correctly. In India, the main risks identified are related to unpaid overtime, no official contracts and social security, child labour in deeper tiers and home-based piece work, discrimination related to religion, cast or gender, and poor occupational health and safety. In Türkiye, the main risks identified are child labour and forced labour that impact more illegal migrant workers, lack of freedom of association (FoA) and no Collective Bargaining Agreements and discrimination related to gender, ethnic origin, political views and for being a member of a union.

The risk scoping includes a gender lens. The member particularly looks at the differences between men and women related to each of the codes of labour practices. Input from workers and suppliers is included in the risk scoping process through interviews conducted during unexpected factory visits at Madness's main production location. The member adjusts its sourcing strategy based on the risk scoping, as outcomes of the scoping are included in decision-making regarding sourcing in specific countries where risks are lower.

To date, Madness's sourcing strategy mentions a preference for countries where workers can freely form or join a trade union and/or bargain collectively for the onboarding of new suppliers. However, this is not shown yet in its sourcing decisions. The member brand has not adjusted its sourcing decisions based on the results of its risk scoping.”

**Recommendation:** Fair Wear recommends Madness to include all risk factors in its risk scoping.

**Comment:** It is the standard process for Madness to inform new suppliers about its HRDD policy and Fair Wear membership by providing the supplier with various documents, including questionnaires, guidelines for the minimum wage, a policy against using unknown producers, a statement condemning forced labour, a policy regarding the employment of foreign workers, a transparency policy, and the Fair Wear Code of Labour Practices. Generally, Madness intends to visit production locations before placing orders. During this visit, Madness discusses factory working conditions, safety standards and Fair Wear requirements. However, no suppliers have been added in the previous financial years 2023 and 2024.

**Comment:** In the previous financial years 2023 and 2024, Madness has not added any new suppliers. However, Madness has developed a process to collect human rights information from potential new suppliers by contacting other Fair Wear member brands that already source from the factory, or by approaching factories that are GOTS certified. Existing factory assessments are analysed, and all required documents, including the Codes of Labour Practices and Supplier Questionnaires, have to be signed before the first bulk order.

**Comment:** In the previous financial years 2023 and 2024, Madness has not added any new suppliers.

## Indicators on Identifying continuous human rights risks

**Comment:** Madness has a systematic approach to assessing human rights risks in its supply chain and has assessed the risks for each production location. It has identified the right tool and frequency for each production location. For instance, the brand assesses human rights risks in its production locations in India by enrolling them in full assessments, organising unannounced monitoring visits and quarterly internal trainings on Fair Wear's CoLP, gender equality and workers' welfare. Madness hired local staff in India who visit its main supplier every month and scrutinise the factory three times per year with a health and safety checklist and a general Code of Labour Practice follow-up. During these visits, the staff member also conducts worker interviews and keeps a record of these meetings. Next to its systematic approach, the brand ensures it uses different tools that include input from workers, suppliers, and other stakeholders. These tools are: full factory assessments and workers' interviews.

**Comment:** Madness 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 for India are that factories are usually not unionised, and women are often underrepresented in unions.

Madness uses this information to understand what the risks at its suppliers are and inform itself how to engage with its suppliers on this topic.

The member brand has supplier-level monitoring in place to assess and understand the risk at suppliers. A written FoA/CB & social dialogue questionnaire is used, and the results feed into Madness's risk assessment and action plans.

**Comment:** Madness has included gender in its human rights risk identification.

The member could show it understands the basic gender risks for its sourcing countries, and for instance, identified that in the Noida region in India, it is structurally difficult to hire women in factories. The main reasons identified through worker and management interviews are: safety concerns about travel in early/late shifts and long commuting distances; family responsibilities, for instance housework, childcare, caring for elders, that make full-time factory work and overtime difficult; cultural norms where families/husbands are hesitant to allow women to work in mixed-gender factory environments; restrictions from families on evening overtime or working far from home, leading many women to prefer home-based or near-home work instead of industrial jobs.

Additionally, Madness actively collects gender data in its main production location. Data that it collects are sex-disaggregated data (share of women by department and grade, overtime, wages, committee representation, maternity cases, gender-based complaints). This information is collected through interviews with workers.

Madness has analysed the collected gender-disaggregated data at the factory and country level. The analysis shows that during peak periods, overtime planning may not fully consider women's care responsibilities; women may feel less able to refuse overtime even when it creates hardship at home. While wages meet legal minimum, there is a risk that women remain clustered at lower wage grades and benefit less from wage progression and skill-based increments compared to men. There is a risk of gender-based segregation and under-representation of women in higher positions and committees. The member has specifically looked into how its business practices affect gender at its suppliers.

Madness has not yet collected gender data for its supplier in Türkiye.

**Recommendation:** Madness is recommended to include all its suppliers in the gender analysis.

**Comment:** Madness has a strong and systematic evaluation system for assessing suppliers' human rights performance. All suppliers are assessed against several indicators that measure human rights performance, including design sampling and technical sampling processes. The brand systematically integrates the outcome of this evaluation into its purchasing decisions. For the supplier in Türkiye, good performance is rewarded with stable or increased orders and supportive measures (e.g. pre-payments and flexible planning), while serious unresolved issues would not increase volumes, and the member may consider reducing or responsibly ending cooperation. However, for its main supplier in India, special efforts, long-term commitments and collaboration are in place, and Madness would hardly consider reducing or responsibly ending cooperation, as both the FOB and leverage lie with over 90%.

**Comment:** Madness uses the outcomes of its human rights monitoring to respond to unauthorised subcontracting. There is no evidence of missing first-tier locations in the database. Additionally, the member actively prevents unauthorised subcontracting by visiting suppliers during production. The member takes measures to prevent unauthorised subcontracting or unknown locations, such as through regular unannounced internal audits and official full assessments in its main production location. In its Turkish facility, Madness introduced a stronger contract clause explicitly forbidding unauthorised subcontracting. During the follow-up visits in the factory, the focus was on verifying whether Madness' articles were actually produced. Before the next order, Madness reaches out to the factory to reconfirm that all Madness orders are produced in their own factory.

**Comment:** According to the member brand, there is a very low risk of homeworkers being used by its suppliers because the suppliers are all working in industrial areas far from the city, and the production processes require specific machines. Factory assessments from India and Türkiye did not identify homeworkers. The member had a conversation about this with its main supplier, and it analysed the capacity of suppliers to identify a potential risk. A plausibility check of capacity still needs to take place with the Turkish supplier.

**Recommendation:** Fair Wear recommends Madness to conduct a capacity analysis in its Turkish factory, looking into specific production processes to validate the suppliers' statements that no homeworkers are used.

## Indicators on Responsible purchasing practices

**Comment:** Madness uses contracts with its suppliers. The member brand has agreements in the form of contracts that stipulate prices, terms of payment, liability, and penalties. However, payment terms are not specific. The contract stipulates that in the event of damages/warranty claims, the member and supplier must agree on who is responsible before financial action is taken; however, proof of fault is not required in cases of damages or delays. An unequal burden is placed upon suppliers by holding them financially responsible for defects without proof of fault. These contracts do not yet mention the shared responsibilities of CoLP implementation.

**Recommendation:** Fair Wear strongly recommends Madness to include the shared responsibility of CoLP implementation in its contracts.

**Comment:** There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices. Madness is a small organisation where information is easily shared among staff. All relevant staff members have access to information about Fair Wear.

The member brand includes responsible business practices in job role competencies. For instance, CSR tasks are included in the job description of the sourcing, purchasing, design and product development departments, as well as in the management of the company. For example, the Head of Design is also a CSR Manager in Madness, and together with the CEO, they sit in the CSR, Production Planning, and Sourcing department.

**Recommendation:** Madness could adopt KPIs that support good sourcing and pricing strategies within its sourcing, purchasing and design departments.

**Comment:** Madness produces two collections annually: Spring/Summer and Autumn/Winter. This approach results in alternating peak and low seasons at the main production location in India, which is responsible for approximately 94% of its total output. These fluctuations affect how the factory plans its capacity and, consequently, the working hours. In contrast, for Türkiye, Madness schedules only one collection each season. Madness has conducted a root cause analysis and has implemented several strategies to ensure reasonable working hours. These include extending production timelines, improving understanding of the time needed per style, enhancing factory efficiency, and maintaining a stock of fabrics for frequently produced items. Orders for organic wool are placed eight months in advance.

The member brand maintains an open line of communication with its suppliers to discuss workers' schedules and evaluate capacity planning together with its main supplier in India. The brand avoids pressuring suppliers to meet deadlines, refrains from imposing penalties for delays and does not demand overtime. If suppliers require more time, Madness negotiates with its customers to accept later deliveries.

**Recommendation:** Fair Wear recommends the member to explore planning production in minutes instead of pieces to assess better its suppliers' production capacity. Furthermore, at suppliers where Madness has low leverage, Fair Wear recommends the member to learn more about their production planning, for example, about peak season. Additionally, the member is encouraged to evaluate with the supplier the production process after each season and, where needed, adapt its future planning.

**Comment:** Madness has an understanding of the wage levels at its suppliers. Madness has very basic insight into the labour component of its prices. Madness does not know the labour minute value at its main supplier. The member brand introduced the Fair Price App at its main supplier in India two years ago, but did not continue to use the application for continuing fact-based costing. However, wages are continuously monitored and frequently discussed to ensure they remain fair and reasonable. Madness worked closely with its main supplier in India to ensure that the buying prices were set high enough to support the payment of a set target wage. Through plausibility checks, it was confirmed that the buying prices were sufficient because of the payment of the set target wages at the production location in India. While the brand has already decreased orders for its Turkish supplier, in 2022 the member brand followed up with its supplier to ensure legal minimum wages were paid through a full Fair Wear assessment, and a Fair Price App training was conducted in 2023. Madness includes changes in legal minimum wage or inflation in its buying prices.

**Comment:** Madness's sourcing model purposely excludes the use of sourcing intermediaries.

## Layer 3 Prevention, mitigation and remediation

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**Possible Points: 84**

**Earned Points: 72**

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### Indicators on the quality and coherence of a members' prevention and remediation system

**Comment:** Madness has prioritised risks and created action plans per supplier, counting for 100% of the total FOB. These match the risk profile. The action plans detail the different approaches to prevent, mitigate and remediate the prioritised risks and include a timeline, but they do not include a budget yet.

**Recommendation:** Fair Wear recommends the member to further improve its action plans.

**Comment:** Madness looks at its follow-up plans through a gender lens. The outcome of its gender analysis in its main production location is that there is a lack of women workers in the factory. Madness discussed with the supplier a strategy to hire more women, and promotes intensive training for women workers related to the positions they cover in the factory. Additionally, Madness's local consultant provides regular training on Fair Wear CoLP, gender equality and workers' welfare, and actively encourages women to join worker committees and supervisory roles as part of the improvement plan. The member brand has yet to include a gender lens in all its follow-up actions.

**Recommendation:** Fair Wear recommends Madness to make the gender lens in its action plans more comprehensive.

**Comment:** Madness included comprehensive steps to encourage FoA and effective social dialogue in most action plans. These steps are training on FoA and Collective Bargaining (CB) in its main production location, questionnaires regarding FoA, CB and Social Dialogue (SD), and non-retaliation letters distributed to workers. Furthermore, worker, grievance and H&S committee meetings are regularly followed up on, ensuring that actions derived from the training are communicated and addressed. As a preventive measure, worker interviews are conducted during internal audits to verify that the FoA is respected. In Türkiye, where the brand only has 6% FOB, FoA and SD are only part of the CAP follow-up. The member has yet to apply a gender lens and ensure its steps to promote FoA and effective social dialogue address the specific risks for female workers.

**Recommendation:** Fair Wear recommends Madness to apply a gender lens and ensure its steps to promote FoA and effective social dialogue address the specific risks for female workers. Madness is also recommended to include Türkiye in its follow-up plans.

**Comment:** Suppliers' factory-level grievance mechanisms are assessed at the start of the business relationship and are monitored systematically on an annual basis (for long-term partners). They are monitored during visits by checking the accessibility of the complaint box and looking into complaint logs. An Employee Grievance Committee exists at Madness's main production location, with equal representation from workers and management. Meetings are held quarterly, and minutes are reviewed by Madness. Madness supports and monitors the mechanism and responds when the mechanism is ineffective. In its main production location, regular training sessions are held on the grievance handling mechanism, including the Fair Wear CoLP and hotline, and explain the policy of non-retaliation. Through unannounced internal audits and worker interviews, Madness rechecks workers' awareness of grievance channels and whether complaints are resolved. The production location in Türkiye has a written complaint procedure and application system; the complaint/request boxes are placed in camera-free areas and can be used anonymously by all employees. In line with Turkish OHS law, worker representatives are elected by employees, receive training on legal rights, and participate in Health & Safety Committee meetings, where they sign the minutes of topics discussed.

**Comment:** Madness does not cooperate with other Fair Wear members (as it does not have shared suppliers.) At suppliers that are not shared with other members, Madness works together with other customers in Türkiye, sharing CAPs for both its production locations.

## **Indicators on implementation: improvement and prevention**

**Comment:** During the performance check, the member could demonstrate with a sample that more than two-thirds of the CAP issues requiring improvement actions have been followed up on. These issues include more complex and structural topics, such as payment below living wages and the non-payment of overtime premiums.

**Comment:** Madness 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). The member has implemented some ad hoc preventive steps. Examples of the discussed root causes are cultural norms in India that lead to a structural difficulty in hiring women, and the member implemented preventive steps such as gender-equality and Gender-Based Violence and Harassment (GBVH) training and encouragement of women to join the workers' committee to address these root causes.

**Requirement:** Madness should identify 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 Madness to identify root causes of CAP issues together with its suppliers.

**Comment:** Madness has no suppliers where action plans are not needed.

**Comment:** In the previous year, two Fair Wear assessments from both production locations in India and Türkiye mentioned excessive overtime. Madness analysed the root causes of these findings. According to the member, tight production planning, lack of systematic overtime monitoring, delays in sample approvals, small order quantities with late fabric procurement, seasonal production peaks with manpower shortages, and weekly off-days not planned in advance are significant causes for excessive overtime.

The member has taken action to address the root causes by adjusting purchasing practices to avoid creating peak pressure, for example, by placing earlier orders, using smaller collections and variants, and implementing clearer forecasting and monitoring of the sampling timeline. Madness avoids putting pressure on the factory. Unavoidable production problems are discussed openly, and solutions are found jointly, such as accepting late shipments, split deliveries and using air freight. Madness informs customers immediately by phone about delays to reduce pressure on the supplier and prevent overtime. Madness could not yet show that its efforts resulted in reduced excessive overtime at two suppliers.

**Comment:** In the previous year, none of the Fair Wear assessments included findings regarding non-payment of the legal minimum wage/ legally required wage elements. A previous Fair Wear assessment detected a finding related to non-payment of entitled leaves, and the finding has not been found in the more recent Fair Wear assessment. Madness responded to these findings by engaging with other customers in the facility that has a higher leverage within that factory.

**Comment:** Madness discusses the topic of wages with its main supplier in India.

Madness has done a thorough gap analysis to find out why wages at suppliers are below the living wage. The outcome of the analysis is that wages were traditionally set in line with government-notified minimum wages and there was no formal procedure to regularly compare wages to living-wage benchmarks. Based on the root-cause analysis, Madness has developed a time-bound plan to enable the systemic increase of wages at all its suppliers. Additionally, a Living Wage Survey carried out by Madness highlighted that families with young children are the most in need of additional support. It is widely acknowledged that education plays a crucial role in improving the future prospects and living standards of the next generation.

**Comment:** The member has discussed wage increases with this factory and has a strategy on how to finance wage increases. Madness has started analysing the costs of financing wage increases across its supply chain. Working with its suppliers, Madness has developed a time-bound plan to increase wages, including target wages which increase gradually to finally reach the living wage benchmark of INR 16,184, based on the Global Living Wage Coalition and the Wage Indicator.

Madness has created a strategy to finance wage increases, which includes reviewing and adjusting the wage scales for the lowest-paid salaried categories, analysing piece-rate structures to reduce the risk of workers falling below the living wage in low-output months, and aligning our costing and price negotiations so that wage increases can be implemented in a sustainable and long-term manner. The strategy has been agreed upon by relevant management staff, including the Chief Financial Officer (CFO).

**Comment:** Madness does not contribute to higher wages at any of its production locations. However, 51% of employees working in sewing and administration in its main production location receive a living wage in line with the living wage estimate of INR 16,184, based on the Global Living Wage Coalition and the Wage Indicator. In the last Fair Wear factory full assessment, the living wage estimate of INR 26,000 was established, based on All India Trade Union recommendation.

**Recommendation:** We encourage Madness to demonstrate that discussions and plans for wage increases have led to the payment of a target wage, in line with the living wage benchmarks applicable to the regions where it sources.

**Comment:** Madness did not receive any complaints in 2023. Madness received one complaint in the past financial year about a legally binding employment relationship at the production location in India. The worker reported that they had been verbally dismissed one day after the factory assessment, since they had informed the auditors about overtime being paid in cash. The member actively responded to the complaint as per Fair Wear's Complaints Procedure by requesting evidence that the factory followed mandatory legal procedures, reviewing the documents and sharing them with Fair Wear. The documentation showed that the worker was on probation and had been released due to unsatisfactory performance. As the complainant did not request remediation, and the legal procedures and payments were confirmed by the documents, the case was closed. Preventive follow-up measures were discussed with the factory to avoid any perception of retaliation in future cases.

**Comment:** Even though, Madness has no CAP findings where training is a recommended follow-up action, the member brand conducted training at its main supplier in India.

Quarterly trainings are conducted by Madness on FW CoLP, prevention of sexual harassment, gender equality, grievance mechanisms, company policies, local laws, firefighting, evacuation drills, and health & safety. Worker, grievance and Health & Safety committee members receive additional role-specific training. These training sessions are designed to address findings from corrective action plans. However, the training programmes are not verified by Fair Wear.

**Comment:** Madness did not implement training at its suppliers (NA).

**Comment:** Madness's human rights due diligence system includes a responsible exit strategy. In the past financial years 2023 and 2024, the member did not stop with any suppliers. Madness has discussed the responsible exit strategy with all its suppliers.

**Comment:** Madness undertakes activities related to human rights that go beyond Fair Wear's scope, namely extending human rights monitoring and remediation activities to Tier-2 suppliers (fabric and dyeing mills). These suppliers are assessed every three years (last full factory assessment in 2023) by Madness, and follow-up is tracked in the same way as for Tier-1 suppliers.

## Layer 4 External communication, outreach, learning, and evaluation

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**Possible Points: 22**

**Earned Points: 18**

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### Indicators related to communication

**Comment:** Madness communicates accurately about Fair Wear membership on its website. The member also uses other channels to inform customers and stakeholders about Fair Wear membership. By showing its affiliation and commitment to Fair wear on trade shows and through its membership of Weltladen Dachverband, Madness actively spreads the Fair Wear message.

**Comment:** Madness does not sell external brands.

**Comment:** Madness has submitted its social report, which is reviewed by Fair Wear. Madness has also published the report on its website.

**Comment:** Madness published its social report, which includes some factory-level data and remediation results, on its website. The factory level data Madness included are: monitoring sourcing decisions, its sourcing strategy and pricing, its system for monitoring remediation and the risks related to the factories it sources from. The member has yet to include time-bound plans for these outcomes.

**Recommendation:** Fair Wear recommends Madness to publish concrete remediation action for its suppliers.

**Comment:** Madness has a system to track progress and check if implemented measures have effectively prevented and remediated human rights violations. If that is not the case, the member adapts its approach, for instance, by offering specific training. The information used for this evaluation comes from full assessments and monitoring visits that include worker and stakeholder input. Management is involved in the evaluation. However, triangulated information from external sources is missing in this process.

**Recommendation:** The member is advised to include feedback from workers and suppliers in its evaluation system.

**Comment:** The previous performance check included the following requirements: For indicator 2.1, Madness needs to create a more thorough sourcing strategy. This strategy should focus on addressing labour conditions. For indicator 2.2, Madness needs to create a sourcing strategy, which should include a focus on long-term relationships. For indicator 2.10, Madness needs to evaluate the human rights performance of its suppliers systematically.  
Madness followed up on all requirements.

## 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

For Madness, the main challenge is that profits are tight, and the membership fee is challenging for them. Membership, audits and training costs are rising, and that is putting pressure on their finances. Madness is enthusiastic about the Member Hub and eager to work with it. There is considerable appreciation for Fair Wear, but a perception exists that it is moving towards having members with higher turnover rates. Madness is valuing the membership, and they are eager to stay, and they hope that there is commitment from Fair Wear side as well to keep welcoming brands with smaller turnovers.

Additionally, Madness recommends revising the framing of audit findings, as it appears that in some cases, the phrasing of the findings does not fully capture the actual issue in the factory and the context behind it.

# Brand Performance Check details

Date of Brand Performance Check: 02-12-2025

Conducted by: Gloria Bolzonello

Interviews with: Ina Berroth: CSR, Production planning, Sourcing, Design or Product Development

Matthias Warnke: CSR, Finance, Management, Marketing & communication, Production planning, Sourcing

Jasbir Sandhu: CSR