



Brand Performance Check

Zalando SE

Publication date: August 2026

This report covers the evaluation period 01-01-2025 to 31-12-2025

About the Brand Performance Check

Fair Wear's Brand Performance Check is a tool to annually evaluate and publicly report on the Human Rights Due Diligence (HRDD) efforts of the companies for which Fair Wear facilitates the implementation of HRDD. These efforts are assessed based on the standard that Fair Wear sets, which in turn is based on the OECD guidelines for business and human rights in the garment and footwear sector.

For the Brand Performance Check, Fair Wear focuses on the assembly stage of garment and textile production (i.e., Cut-Make-Trim factories and their supporting processes). Importantly, this focus does not entail a direct assessment of factories, but serves to evaluate how Fair Wear's affiliated companies translate their HRDD commitments into concrete practices and outcomes at factory level, vis-à-vis their suppliers.

During a Brand Performance Check, Fair Wear evaluates to what extent companies have integrated human rights due diligence into their core business practices and evaluates to what extent the practices of member companies support the Fair Wear Code of Labour Practices (CoLP) by scoring companies against a set of indicators. Based on this process, each company is assigned a benchmarking score and a corresponding category: Leader, Good or Needs Improvement. Each Brand Performance Check report is published online for transparency and accountability. Through these reports, Fair Wear member brands demonstrate the changes that are possible. For more information on the scope and indicators of the Brand Performance Check, [please see the Brand Performance Check Guide](#).

Based on their Brand Performance Check, brands are placed into a category that corresponds with their performance. Categories are calculated based on a combination of benchmarking scores. The specific requirements for each category are outlined in the Brand Performance Check Guide. The categories are as follows:

Performance Check categories:

Leader:

The **Leader** score signifies that a company has scored exceptionally well on the Brand Performance Check indicators. It could show it has comprehensive processes in place for Human Rights Due Diligence and made strong, demonstrable efforts to engage in prevention and remediation of (potential) harms.

Good:

The **Good** score signifies that a company has scored well on the Brand Performance Check indicators. It could show it has appropriate processes in place for Human Rights Due Diligence and made demonstrable efforts to engage in prevention and remediation of (potential) harms.

Needs Improvement:

The **Needs Improvement** score signifies that a company has not been able to demonstrate sufficient evidence of improvement on requirements from the previous Brand Performance Check or that it has not yet demonstrated sufficient efforts on the overall Brand Performance Check indicators.

Disclaimer:

Brands receiving a Brand Performance Check have committed to work in accordance with Fair Wear's policies based on international standards, such as the UNGP's and the OECD Guidance for Responsible Supply Chains in the Garment and Footwear Sector, with the goal of achieving a positive impact on the working conditions in their supply chains.

The Fair Wear Brand Performance Check measures the results of the efforts of an affiliated brand to respect human rights and to carry out human rights due diligence (HRDD). HRDD is the process through which companies can identify, prevent, mitigate and address their actual and potential adverse impacts throughout their supply chains. The efforts are measured against a set of indicators developed by Fair Wear and publicly available on the Fair Wear website.

The statuses -Leader, Good, Needs Improvement- are granted according to calculated levels of achievement in the system. It does not compare the efforts and achievements of the affiliated brands against other non-affiliated brands.

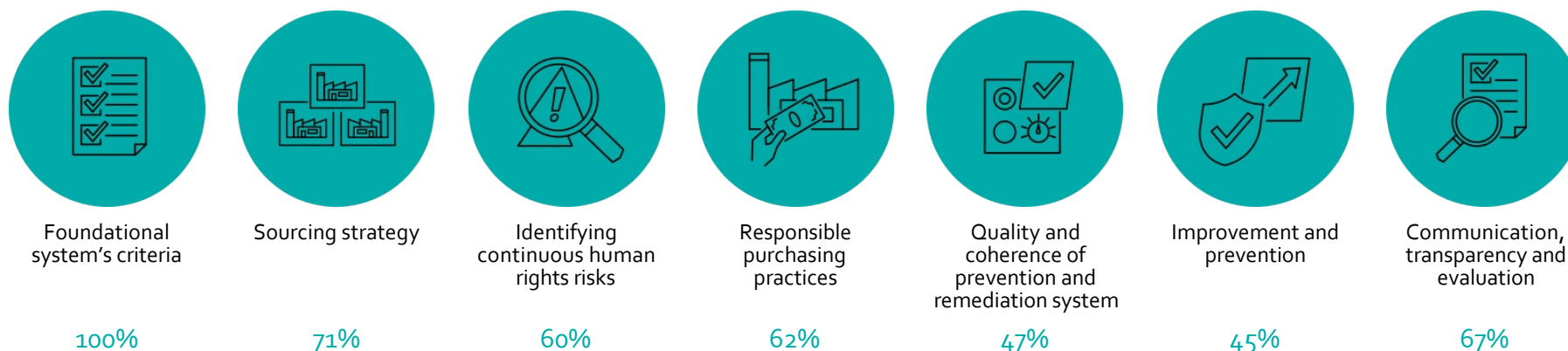
Scoring overview

Total score: 114

Possible score: 204

Benchmarking Score: 56

Performance Benchmarking Category: Good



Summary:

Zalando has shown progress and met most of Fair Wear's performance requirements. With a total benchmarking score of 56, the member is placed in the Good category.

Zalando joined Fair Wear in 2024 with its private-label brands, including Anna Field, Even&Odd, Friboo, Pier One, Yourturn, and ZIGN. These brands are managed centrally and have an aligned approach to purchasing and supplier management. Zalando has a central approach to Human Rights Due Diligence, which it applies to its private label operations and the way the company conducts its private label supply chain.

Zalando has made progress in embedding human rights due diligence into its sourcing strategy, risk identification and purchasing practices. The company has consolidated its supply chain to increase influence and maintain long-term supplier relationships. With some suppliers, Zalando shares its growth plans and has established a contractual agreement for the budget allocated for the coming year. In June 2026, Zalando signed its first 3-year long-term contractual commitment with one supplier, with two production locations. In this contract, the member commits to placing a specific order value at the supplier.

Zalando conducts a broad risk scoping exercise across country, sector, business model, sourcing model and product risks. Its gender analysis links country-specific insights and factory-level data to risk assessments and action plans. Zalando also systematically assesses human rights risks at production locations and has begun extending attention to subcontracting, homeworkers and intermediary practices. Zalando has developed supplier action plans, cooperates with other customers, and has taken steps on overtime, wages, grievances and training. Its participation in initiatives such as the International Accord, ACT and the Bangladesh EIS pilot is also noteworthy.

Further improvement is needed in supplier dialogue before first orders, in the systematic use of worker and stakeholder input, and in the clearer integration of human rights performance into purchasing decisions. A key concern remains the supplier contract model, where payment terms and penalties risk placing an unequal burden on suppliers and do not yet sufficiently reflect shared responsibility for implementing the Code of Labour Practices. In addition, action plans are not consistently specific, validated, solved findings are absent, and legal wage issues require retroactive remediation.

Zalando has started addressing living wage through extensive wage data collection and a roadmap. It plans to extend its approach towards a more systemic, financed and time-bound one.

Company Profile Zalando SE

Member company information

Member since 7 Mar 2024

Product types Apparel, Accessories, Footwear and Bags and luggage

Business type Wholesale

(Main) selling markets Germany

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

Production Country	Number of production locations	Percentage of production volume
China	94	60.11%
Bangladesh	17	25.06%
Türkiye	7	6.35%
India	10	4.16%
Viet Nam	4	1.94%
Morocco	6	0.86%
Portugal	3	0.53%
Ukraine	1	0.32%
Italy	4	0.29%
Albania	1	0.28%
Spain	2	0.04%

Member of other MSI's/Organisations [ILO Better Work](#), [BCI \(Better Cotton Initiative\)](#), [Cascale](#), [SLCP](#), [International Accord - Bangladesh and International Accord - Pakistan](#)

Number of grievances received last financial year [2](#)

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](#)

Layer 1 Foundational system's criteria

Possible Points: 7

Earned Points: 7

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

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](#)

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

1.8 Member complies with the basic requirements of Fair Wear's communication policy.: [N/A](#)

Comment: In the financial year 2025/2026, the Fair Wear communication Guidelines are not applicable for consumer-facing communication due to changes in the policy related to the Empowerment of Consumer Directive (EU 2024/825). Therefore, this indicator is not applicable.

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

Possible Points: 90

Earned Points: 58

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.	Advanced	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.	6	6	0

Comment: Zalando has a sourcing strategy addressing influencing labour conditions. The member has 149 active suppliers. 79% of the production volume comes from suppliers where the member has at least a 10% leverage. 20% of the production volume comes from suppliers where Zalando buys less than 2% of its total FOB and less than 10% leverage. Since 2019, Zalando has consolidated its supply chain to increase its influence in production locations. In 2025, Zalando extended its sourcing approach to explicitly focus on increasing influence through active cooperation with other clients at shared factories.

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: Zalando has a sourcing strategy that focuses on maintaining long-term relationships with suppliers and production locations. In its sourcing strategy, the company explicitly focuses on ensuring that its suppliers maintain a stable production base. The goal is to achieve a low turnover rate within a five-year period. 74% of the member's total FOB volume comes from suppliers with whom Zalando has a business relationship for at least five years.

With some suppliers, Zalando shares its growth plans and has established a contractual agreement for the budget allocated for the coming year. In June 2026, Zalando signed its first 3-year long-term contractual commitment with one supplier, with two production locations. In this contract, the member commits to placing a specific order value at the supplier.

Recommendation: Zalando is advised to extend its long-term contract to other suppliers.

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.	Advanced	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.	6	6	-2

Comment: Zalando has a risk scoping in line with the Organisation for Economic Co-operation and Development (OECD) Guidelines. The member brand conducts risk scoping and includes all risk factors: country, sector, business model, sourcing model, and product level. On the sector level, it includes all eight labour standards. Zalando is a member of the International Accord in Bangladesh and Pakistan.

It combines information from Fair Wear resources, Verisk Maplecroft, media monitoring, and NGOs to evaluate the risks for a specific country. Based on the score for each country, the member prioritises specific risks in specific countries. In its risk scoping, the member has accurately assessed the impact and prevalence of the risks. The risk scoping includes gender as a stand-alone topic for each individual country. Zalando has not included a gender lens for each of the eight labour standards. The risk scoping exercise results in the member's choice of sourcing countries and also results in explicit choices not to source in some countries.

Although it has identified restricted freedom of association as a zero-tolerance issue, it has not translated this into its sourcing strategy for selecting production countries.

Recommendation: Fair Wear strongly recommends Zalando to privilege countries where workers can freely form or join a trade union and/or bargain collectively and make this explicit in its sourcing strategy.

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 Zalando's standard practice to inform new suppliers about its HRDD policy and Fair Wear membership through an onboarding presentation. This process has been followed for all 5 production locations added last year. However, the brand has not yet had a dialogue with its suppliers about Fair Wear's requirements and how to cooperate in implementing them.

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

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.5 Member company collects the necessary human rights information to inform sourcing decisions before finalising the first purchase order.	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: Zalando collects human rights information from potential new suppliers through self-assessments and existing audit reports. Zalando has a list of Zero Tolerance issues that could lead to a decision not to source from a specific production location.

The company has developed a worker survey, but it has not yet been used to 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.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.6 Member actively ensures awareness of the Fair Wear CoLP, the grievance mechanism, 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: Zalando has its own grievance mechanism (SpeakUp), which is implemented throughout the company's operations. For clarity and efficiency reasons, it has been agreed that the member will continue with this system and inform Fair Wear about any reported grievances related to labour standards in its production locations within Fair Wear's scope.

Zalando shares a communication pack about its grievance mechanism with suppliers and production locations within the first year of doing business, and ensures that the relevant posters are posted correctly.

Zalando has not yet organised onboarding sessions for its new suppliers to raise awareness about the Fair Wear Code of Labour Practices or the importance of social dialogue.

Recommendation: Zalando is recommended to organise onboarding sessions specifically focusing on the CoLP 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 assess human rights risks in its production locations.	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: Zalando has a systematic approach to assessing human rights risks in its supply chain and has assessed the risks for each production location. It requires an updated social audit for each production location every 12 to 24 months, regardless of the risk assessment results. For its Bangladeshi production locations, it requires RSC (RMG Sustainability Council) monitoring. Additionally, it conducts regular monitoring visits.

Monitoring visits are planned based on the results of the risk assessment, with a specific focus on the risks identified. During these visits, information is collected from workers when possible. A worker survey has been developed and piloted for this purpose.

Recommendation: Zalando could complement its risk assessment process with more systematic worker, supplier, and stakeholder input.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.8 Member company's human rights due diligence process includes an assessment of freedom of association (FoA).	Intermediate	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.	4	6	0

Comment: Zalando has mapped the risks to Freedom of Association (FoA) in all its sourcing countries and can explain the main risks per country, including the risks to women workers. It has identified restricted freedom of association as a zero-tolerance issue and captures information on freedom of association per production location in its risk overview. Zalando is exploring possibilities to continue working in countries where freedom of association is restricted, while supporting workers in organising themselves.

Recommendation: Zalando is recommended to use Tool 2: Supplier Questionnaire from Fair Wear's FoA Guide to assess and understand the risk regarding violation of FoA at its suppliers.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.9 Member company includes a gender analysis throughout its human rights risk identification, to foster a better understanding of gendered implications.	Intermediate	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.	4	6	0

Comment: The member could show it understands the basic gender risks for its sourcing countries, and for instance, identified the wage gap, forced overtime, sexual harassment, informal work and limited leadership for China and poverty wages, unsafe conditions, widespread gender based violence and harassment, job precarity and limited leadership for Bangladesh. Besides the risks, Zalando also has insights into the key contributing factors of these risks per country.

Additionally, Zalando actively collects gender-specific data from factories on general workforce composition, job categories, maternity and pregnancy status, through a questionnaire. The collected data has been analysed, and the results are connected to the factory risk assessment and form part of the factory action plan. Zalando does not yet assess how its purchasing practices cause or contribute to gender related risks.

Recommendation: Fair Wear recommends Zalando to analyse how its purchasing practices cause or contribute to gender related risks.

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.	Intermediate	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.	2	4	0

Comment: Suppliers' human rights performance is evaluated systematically every year through a supplier scorecard. In the past financial year, the scorecard was adjusted to be more inclusive and data-driven. During this transition process, suppliers were not systematically evaluated.

Zalando flags issues to suppliers when needed and expects them to resolve them. If progress is slow or limited, this will influence sourcing. For example, with one production location, order quality and predictability were unstable. In collaboration with the supplier, Zalando's orders were then placed at another of the supplier's production locations.

So far, Zalando's performance evaluation does not reward good human rights performance of specific suppliers.

Recommendation: Zalando is encouraged to clarify how human rights performance is weighted in its supplier evaluation system.

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: Zalando uses the outcomes of its human rights monitoring to respond to unauthorised CMT subcontracting. In the past financial year, the company has also requested information from its production location about printing or embroidery locations. This is still work in progress.

Recommendation: Fair Wear recommends the member to periodically check with its intermediaries whether all known production locations are still up to date and use the information from questionnaires to update supplier data, including subcontractors.

Zalando is required to check capacity in the factory and compare capacity to output, to support a plausibility check whether production has probably taken place in the factory.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
2.12 Member company extends its due diligence approach to homeworkers.	Intermediate	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.	2	4	0

Comment: Zalando has identified whether homework is prevalent in its sourcing countries. The homeworking policy is included in the supplier manual and shared with all suppliers during onboarding. Zalando requires the production location to report when homeworkers are used, and appropriate measures must be in place to ensure that homeworkers' conditions comply with legal requirements.

Homeworkers were identified in Italy. Zalando is following up on this situation and, for 2025, has asked for specific attention to homeworkers in its social audits in Italy to monitor the issue. The member has yet to determine whether its suppliers source responsibly from homeworkers and take preventive measures.

Recommendation: Zalando is recommended to ensure suppliers that work with homeworkers do so in a responsible way.

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: Zalando uses contracts with its suppliers in the form of a terms sheet, which has no end date, as well as general instructions that include the Code of Conduct, terms and conditions for delivery, liability, and other relevant details. All purchasing conditions are agreed with suppliers upon establishing the business relationships. The terms and conditions are included in every purchase order the supplier receives. Payment terms are up to 45 days upon delivery. Due to its short payment term, Zalando applies a 1% discount to the FOB price, which is reduced to 0.5% for suppliers who meet environmental sustainability targets. This practice does not support human rights due diligence because it places an unequal financial burden on suppliers.

The agreements include penalties for delayed goods. During the past financial year, more than 40% of potential claims were waived.

Zalando has taken initial steps to make fundamental changes to the contract, such as raising awareness among the buying and sourcing teams about HRDD and responsible purchasing practices through training.

Requirement: Zalando 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 Zalando to include the shared responsibility of CoLP implementation in its contracts, including fair payment terms.

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 its decision-making processes.	Advanced	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.	6	6	0

Comment: There is an active interchange of information between CSR and other departments to enable coherent and responsible business practices. The member includes responsible business practices in job role competencies. For instance, responsible purchasing practices and upholding fair labour conditions are expected in the role of sourcing and purchasing staff.

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: Zalando shares its budget forecast with strategic suppliers ahead of the season to support better production planning and capacity reservation. Material forecasts are shared before the season starts with suppliers to ensure they can properly prepare in terms of bookings, production planning and workforce management. Additionally, the member collects the factory's total production capacity and forecasts what it needs for its specific orders, to support production planning. Zalando maintains regular contact with suppliers to discuss production plans and understand any challenges. If the requested capacity exceeds the available capacity, Zalando collaborates with the supplier to find a feasible solution, such as onboarding another factory. In the event of a possible delay, the member may consider postponing the delivery date or adjusting the mode of transport. So far, Zalando does not have a process for handling orders below forecast capacity.

Recommendation: The member is encouraged to evaluate with the supplier the production process after each season and, where needed, adapt its future planning.

Fair Wear recommends Zalando to take responsibility for the unused capacity that the supplier reserved based on forecasting.

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: In the past financial year, Zalando has developed basic insight into the labour component of its prices through some open cost calculations. Zalando uses Standard Allowed Minutes (SAM) for its products as part of this exercise, although several production locations do not use SAMs. At the moment, the information Zalando has collected does not yet allow for the connection between buying prices and wages.

Recommendation: Zalando 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 HRDD and Fair Wear's Code of Labour Practices and ensure transparency about where production takes place.	Advanced	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.	4	4	0

Comment: Zalando works with suppliers, who manage the relationship with the production locations. In most cases, Zalando is also in direct contact with the production locations.

Zalando has informed its sourcing intermediaries of the Fair Wear requirements and can demonstrate that they have communicated these requirements to the production locations accordingly. Additionally, the member has provided training to all suppliers and intermediaries on its Code of Conduct and the prevalent human rights violations in the industry.

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

Layer 3 Prevention, mitigation and remediation

Possible Points: 96

Earned Points: 44

Indicators on the quality and coherence of a members' 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 risk prioritisation and creates subsequent action plans.	Intermediate	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.	4	6	0

Comment: Zalando has prioritised risks and created action plans per supplier. For more than half of the suppliers, this action plan is specific, based on detailed risk assessments. Actions include more training to raise awareness of human rights issues, a request for more information on specific policies, or a factory visit to check health and safety conditions. For the other suppliers, the action plans are more generic, following the company's routine monitoring practices, such as regularly obtaining audit reports and self-assessments.

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

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.2 Member company's action plans include a gender lens.	Basic	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.	2	6	0

Comment: Based on its analysis of gender data, Zalando has started to incorporate a gender lens into its factory action plans. Examples of action include understanding the female participation rate in the management level, checking during a factory visit if a sufficient number of female toilets are available on the workforce with female workers

Recommendation: Fair Wear recommends Zalando to add a more comprehensive gender lens to its action plans.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.3 Member company's action plans include steps to encourage freedom of association and effective social dialogue.	Basic	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.	2	6	0

Comment: Zalando included some steps to encourage FoA and effective social dialogue in its action plans. These steps are primarily related to verifying the existence of policies and workers' general awareness. The member has yet to make these steps more comprehensive and detailed.

Recommendation: Fair Wear recommends Zalando to include more comprehensive steps in its action plans.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.4 Member company actively supports a factory-level 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: Zalando monitors the presence of internal grievance mechanisms through its social audits. In addition, the member began collecting information from factories about their internal grievance mechanisms, with the aim of evaluating their effectiveness in the future.

Recommendation: Fair Wear recommends Zalando 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.	Intermediate	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.	4	6	0

Comment: Zalando cooperates with other Fair Wear members at its shared suppliers, specifically in following up on grievances. In addition, the member collaborates with other customers to follow up on audits.

Zalando is actively involved in various industry initiatives aimed at implementing preventive measures, such as the International Accord and ACT. In the past financial year, Zalando reached out to some of its production locations, inviting them to participate in a Manufacturer Leadership Programme. This programme facilitates an open dialogue between unions, factories, and the brand to build capacity in social dialogue and purchasing practices, contributing to the prevention of violations. Production locations have not yet started the programme.

Recommendation: We recommend Zalando to continue to work together on preventing human rights violations.

Indicators on implementation: improvement and prevention

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.6 Degree of verified actions.	72%	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.	6	6	-2

Comment: Zalando has had one modular assessment in the past financial year. It has completed 19% of the actions of this assessment. Zalando has not yet used Fair Wear full assessments and has not uploaded all findings into the Member Hub, which limits access to data. However, Zalando demonstrated that it had followed up on 90% of all outstanding actions for the corrective action plans of three randomly sampled production locations from other assessments. These actions are linked to CAPs of full assessments conducted in the previous financial year. Most findings were related to health and safety. Taking the different sources into account, during the Brand Performance Check, Zalando could demonstrate that it has verified and completed 72% of all outstanding actions of the sample.

Recommendation: The member brand is also recommended to further specify actions under each finding, to enable better tracking of progress at the action level rather than only at the finding level.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.7 Degree of validated, solved findings.	0%	Validated solved findings are findings that have effectively been prevented, mitigated or remediated. This indicator assesses if actions have led to findings being solved and therefore measures actual progress at suppliers.	Fair Wear Member Hub.	-2	6	-2

Comment: Zalando has no proof of validated solved findings. 33% of findings are 'ready for validation', meaning the brand has completed its follow-up. All but one were completed within the expected timeline. However, these findings have not yet been validated. The member plans to validate them using a validation assessment.

Requirement: Please note that following Fair Wear's policy for repeated non-compliance, members that receive an insufficient score on this indicator for the second year will be placed in the 'needs improvement' category.

Recommendation: Fair Wear recommends that Zalando validate all open findings that are ready for validation.

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 action plan is needed.	Intermediate	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.	4	6	0

Comment: Zalando has some suppliers for whom action plans are not required, based on the country risk assessment. These cover 0,77% of the member's total FOB. Zalando still requires these production locations to conduct social audits. The member has yet to include worker representatives or local unions in discussions with factory management on possible human rights risks.

Recommendation: Zalando is recommended to ensure worker representation/local unions (when appropriate) are included in discussions with factory management on possible human rights risks.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.9 Degree to which member company mitigates root causes of excessive overtime.	Intermediate	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.	4	6	0

Comment: Zalando has not yet uploaded all findings into the Member Hub, which limits access to data. However, one assessment last year had findings related to excessive overtime. Following this, and other similar findings, Zalando has improved its production planning with its strategic suppliers. Order forecasts are communicated and tracked more systematically to provide greater transparency into order placement and enable the factory to manage capacity. In addition to the seasonal budget forecast and monthly quantity forecasts are shared with some suppliers.

Zalando shares and discusses capacity planning with suppliers and reviews it every 2-3 months. This can result in adjusting the production and shipment timeline when over-capacity, or shifting production to a non-peak season to even out production.

Zalando also requested that factories with overtime issues improve their overtime policies and train their management and workers to raise awareness of the policy and workers' right to refuse excessive overtime.

Recommendation: Zalando could use the outcomes of the root cause analysis to identify strategies that minimise the impact of its sourcing practices on working hours. The member could develop processes to deal with possible delays to avoid excessive overtime. Those processes include being flexible with delivery dates, prioritising orders, offering support/flexibility for material delivery, ordering in low season, keeping stock etc.

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

Comment: A total of four findings related to non-payment of the legal minimum wage or legally mandated wage components have been identified in one of Zalando's factories. None have been resolved to date. The findings were related to piece rate workers not earning the legal minimum wage, due to a difference in calculation method between the factory and Fair Wear. Zalando has taken steps to adequately remediate the issue, first by gathering insight into wage levels and then by implementing a gradual increase.

Recommendation: Fair Wear strongly recommends Zalando to ensure problems of payments below legal minimum wages are not just prevented going forward but also remediated retroactively.

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.	Basic	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.	2	6	0

Comment: Zalando has a basic overview of the wage levels at its suppliers and has started to discuss wage levels at one production location in more detail. The member participated in the Bangladesh EIS-pilot, aimed at facilitating and bridging the gap for injury social insurance becoming a legal requirement in the country. This enables workers and their families to sustain their livelihood after suffering from a work injury.

Zalando has not yet done a thorough root-cause analysis to find out why wages at suppliers are below the living wage.

Recommendation: Fair Wear encourages Zalando to discuss with suppliers about different strategies to work towards higher wages and develop a systemic and time-bound approach. It is advised to start with suppliers where the member is responsible for a large percentage of production and has a long-term business relationship.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.12 Member company determines and finances wage increases.	Basic	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.	2	6	0

Comment: Zalando has started to address the topic of living wage internally, by collecting wage data for all its production locations and comparing it to a living wage estimate, using either the Anker Methodology as applied by amfori/BSCI or the estimate provided by Wageindicator. In addition, with one production location, it has started to look into more detail about the wage calculations and what would be necessary to increase wages. These activities are part of the Living Wage roadmap, which focuses on achieving wage transparency for 20% of strategic suppliers by 2028.

Recommendation: Fair Wear advises companies to avoid the concept of a one-time charitable contribution. We strongly recommend members to integrate the financing of wage increases into their own systems, herewith committing to a long-term process that leads to sustainable implementation of living wages.

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.	18%	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 show that either the Anker Methodology or WageIndicator living wage estimate is paid at suppliers responsible for 18% of Zalando's FOB.

Recommendation: Fair Wear strongly recommends brands to conduct additional stakeholder consultation when using the WageIndicator living wage estimate. This can be done through worker interviews with workers and their representatives as part of a larger strategy for meaningful stakeholder engagement. The purpose is to check the applicability of WageIndicator's estimate, not to ask workers to fill in a survey to test whether the estimate is comparable.

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's Access to Remedy Policy.	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: Zalando received one grievance in the past financial year in China about workers not receiving one day off every seven days of work. Zalando has addressed this grievance in line with Fair Wear's grievance process. To better understand the situation at the production location, Zalando conducted a modular assessment of hours and wages, which revealed additional issues. The member is in close contact with the production location to find out more about the grievance and other findings.

Recommendation: Zalando could involve worker representatives in the remediation of grievances.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.15 Degree to which member company implements training to address the risks identified.	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: Zalando has organised training at some of its suppliers based on its risk assessment. For example, some Vietnamese factories are participating in ILO Better Work due to risks of child labour, excessive overtime, occupational health and safety and freedom of association. These trainings focus more on raising awareness among factory management than among workers.

Some factories are also enrolled in Fair Wear onboarding training to increase awareness of human rights and grievance mechanisms. In addition, the member has enrolled all its suppliers (intermediaries) in training on human rights in general and the prevention of child labour specifically.

Recommendation: The member is recommended to implement training for all factories where this is part of its action plan.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.16 Degree to which member company follows up after a training programme.	Basic	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.	2	6	0

Comment: Zalando followed up on the implemented training by reviewing the results of the ILO Better Work training and communicating with ILO Better Work to understand the factory performance.

Recommendation: We encourage Zalando to expand its follow-up after training.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
3.17 The member company's human rights due diligence 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: Zalando's human rights due diligence system includes a disengagement strategy based on the evaluation of suppliers. In 2025, the member developed a responsible disengagement strategy aligned with the Common Framework for Responsible Purchasing Practices.

Recommendation: Zalando could include the responsible disengagement strategy/policy 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.	Basic	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.	2	6	0

Comment: Zalando has begun consolidating its Tier 2 production locations to enhance its influence in improving labour conditions in these locations.

Layer 4 External communication, outreach, learning, and evaluation

Possible Points: 18

Earned Points: 12

Indicators related to communication

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.1 Member company actively communicates about Fair Wear membership.	In the financial year 2025/2026 the Fair Wear communication Guidelines are not applicable due to changes in the policy related to the EU Empowerment of Consumer Directive.	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.	N/A	4	0

Comment: In the financial year 2025/2026, the Fair Wear communication Guidelines are not applicable for consumer-facing communication due to changes in the policy related to the Empowerment of Consumer Directive (EU 2024/825). Therefore, this indicator is not applicable.

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: Zalando does not sell external brands as part of its private label.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.3 Human rights due diligence reporting 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: Zalando has submitted its sustainability report and published it on its website.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.4 Member company engages in advanced reporting activities.	Insufficient	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.	0	4	0

Comment: Zalando does not report on factory-level data and remediation results.

Recommendation: Zalando is recommended to include more factory-level data in its reporting and ensure suppliers consent with data sharing.

Performance indicators	Result	Relevance of indicator	Documentation	Score	Max	Min
4.5 Member company has a system to track implementation and validate results.	Advanced	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.	6	6	0

Comment: Zalando has a system to track progress and check if implemented measures have been effective in preventing and remediating human rights violations. This internal evaluation system involves top management. In its evaluation system, the member includes information from an anonymous satisfaction survey that gathers feedback from suppliers and production locations, focusing on purchasing practices

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 requirements related to identifying subcontractors, Zalando's approach to living wages, general communication and contract terms with suppliers. In the past financial year, Zalando addressed issues related to subcontractors and its approach to living wages, as is described in the relevant indicators (2.11, 2.16 and 3.11). The requirement concerning communication about Fair Wear is not applicable this year. The requirement regarding the contracts with suppliers still stands.

Recommendation: Zalando 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

Brand Performance Check details

Date of Brand Performance Check: 09-07-2026

Conducted by: Anne van Lakerveld