



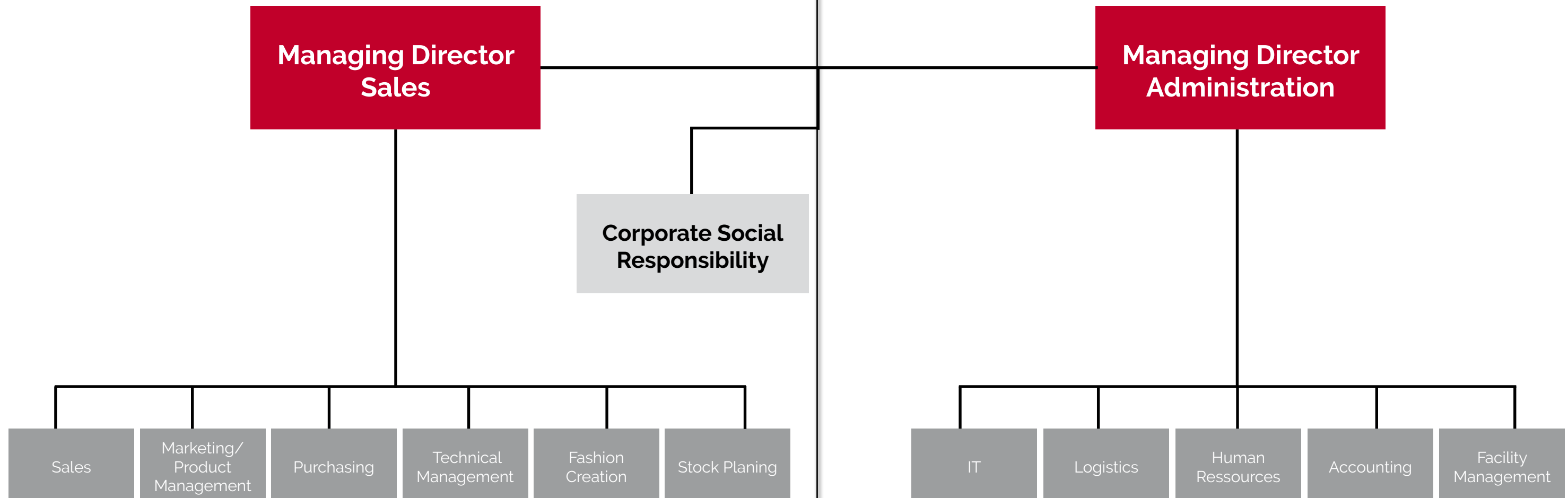
SOCIAL REPORT 2018/19

May 2018 - April 2019
Reporting period
(financial year)



GREIFF
SINCE 1802

CORPORATE STRUCTURE



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COMPANY PROFILE

GREIFF is a manufacturer of workwear solutions, especially for the service sector, the hotel sector and catering. GREIFF is an owner-run company with more than 140 employees today. It was established in Greiffenberg/Silesia in 1802 and is being based in Bamberg since 1945. For over 200 years, GREIFF is being focused on quality, style and tailor-made solutions for its customers.

As a company which is active in the clothing sector, GREIFF is working with a lot of international suppliers for many years now and enjoys good working relationships based on trust. When GREIFF selects business partners, it is always important that they also value good working conditions for their employees. GREIFF has spent considerable time examining just how they could implement this objective of good working conditions with even greater suc-

cess. For this reason, GREIFF joined FAIR WEAR FOUNDATION (FWF) on 15th March 2015. As a member of FWF, we – as GREIFF Company - are involved in implementing the working guidelines of FWF in the production of our products. Together with our suppliers, we are planning specific improvements and we are committed to implementing these step by step.

GREIFF SUITS.



SUMMARY: GOALS & ACHIEVEMENTS 2018/19

GREIFF wants to achieve an improvement for more transparency during the production process in term of social conditions. By working with FAIR WEAR FOUNDATION, GREIFF is confident to improve the social conditions in the factories and along the supply chain.

GREIFF executed three audits in its production facilities in 2018. The 1st audit took place at the production facility in Morocco "I" in July 2018, the 2nd audit took place at the production facility in Romania "II" in September 2018 and the 3rd audit took place at the production facility in Moldova in September 2018. A management and worker's training took place in Ukraine "I" in October 2018.

In the production facilities Macedonia "I" and Romania "I", GREIFF continued the implementation of the Corrective Action Plan's (CAP) of the audit from September 2017 and October 2017. This year, we received external audits again (e.g. BSCI, TÜV), which we evaluated and worked on with the production facilities.

GREIFF has participated in a development project of the Federal Ministry of Education and Research since April 2017. We are pursuing this project with the production facilities in Pakistan together with an external partner. The aim of the project is to strengthen the Pakistan procurement market by qualifying the confectioner strategically important for GREIFF in Pakistan. The qualification should enable GREIFF to learn more about better social and environmental standards and to implement these in other markets. As part of this project, we were able to conduct monthly workshops in Pakistan. In addition, our external partner supported the production facility in the preparation of the STeP certificate. The production facility has successfully completed the STeP certificate in November 2018. Our Pakistan project ended in February 2019.

1. SOURCING STRATEGY

1.1. SOURCING STRATEGY & PRICING

GREIFF is a manufacturer of workwear solutions especially for the service sector, the hotel sector and catering. Our range is designed specifically for these industries and is shown in our catalogues "Corporate Wear" and "Gastro Moda" which have a term of two years. We also offer workwear solutions for our customers beside the catalogue business. For example, we create designs which are in accordance with the requirements of our customer's CI specifications.

We differentiate our purchasing strategy in finished goods and production items. The first group consists of products that we buy directly from selected suppliers. These are trading goods, e. g. our ties and scarfs. The second group is produced by active and passive job processing respectively in custom work. GREIFF has no own production facilities.

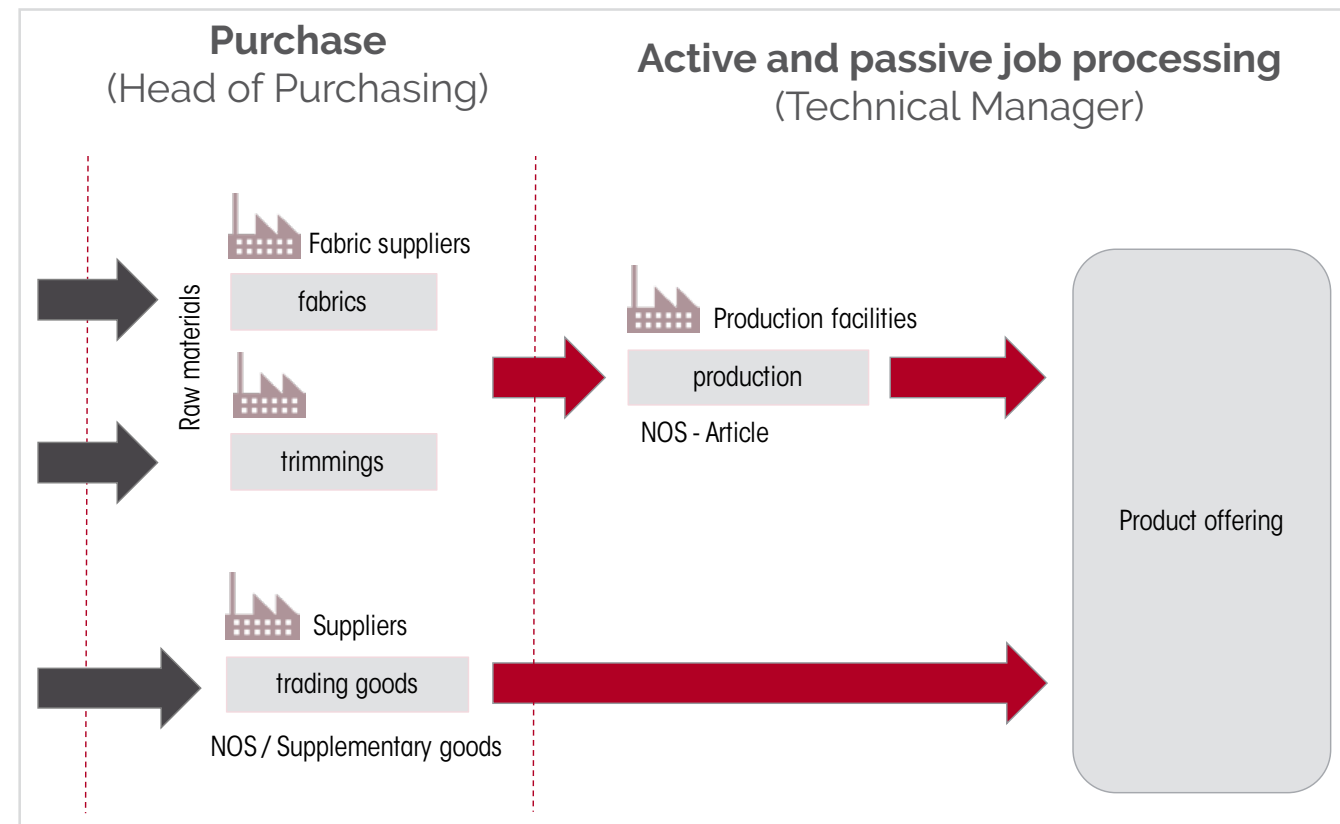
From our location in Bamberg we buy and store all fabrics and trimmings and then we sent it to our production sites in the required amounts, for the manufacturing of the garments. The fabrics and trimmings that we purchase come from Portugal, Turkey, Germany, Austria, The Netherlands, France, Italy and Belgium. The goods, which we buy directly from our suppliers, are stored for sale in Bamberg.

Our catalogues have a validity of two years. For this reason, a constant quality and constant prices are very important and can only be realized by long-term contracts with our suppliers. Furthermore, the collection consists largely of NOS (Never Out of Stock) products. When price adjustments are necessary, we conduct open discussions with our partners to achieve a fair price for all parties. The constant and very long business relationships with our production facilities would not be possible, if the price negotiations were not on a fair level.

1.2. ORGANISATION OF THE SOURCING DEPARTMENT

The sourcing department consists of our Technical Manager, the Head of Purchasing, Product Management and Marketing and three purchasing agents. Our product management is supported

by an additional person which is responsible for product-related sustainability. The final decision to send orders to a new manufacturer is made by our technical manager and our head of purchasing, in conformance with the managing partner.



1.3. PRODUCTION CYCLE

Our collections are always valid for a period of two years, because we produce workwear and corporate fashion. We also produce for customer projects, but this is always done individually. GREIFF does not have a high or low season, the production quantity of GREIFF is constant over the year in all factories.

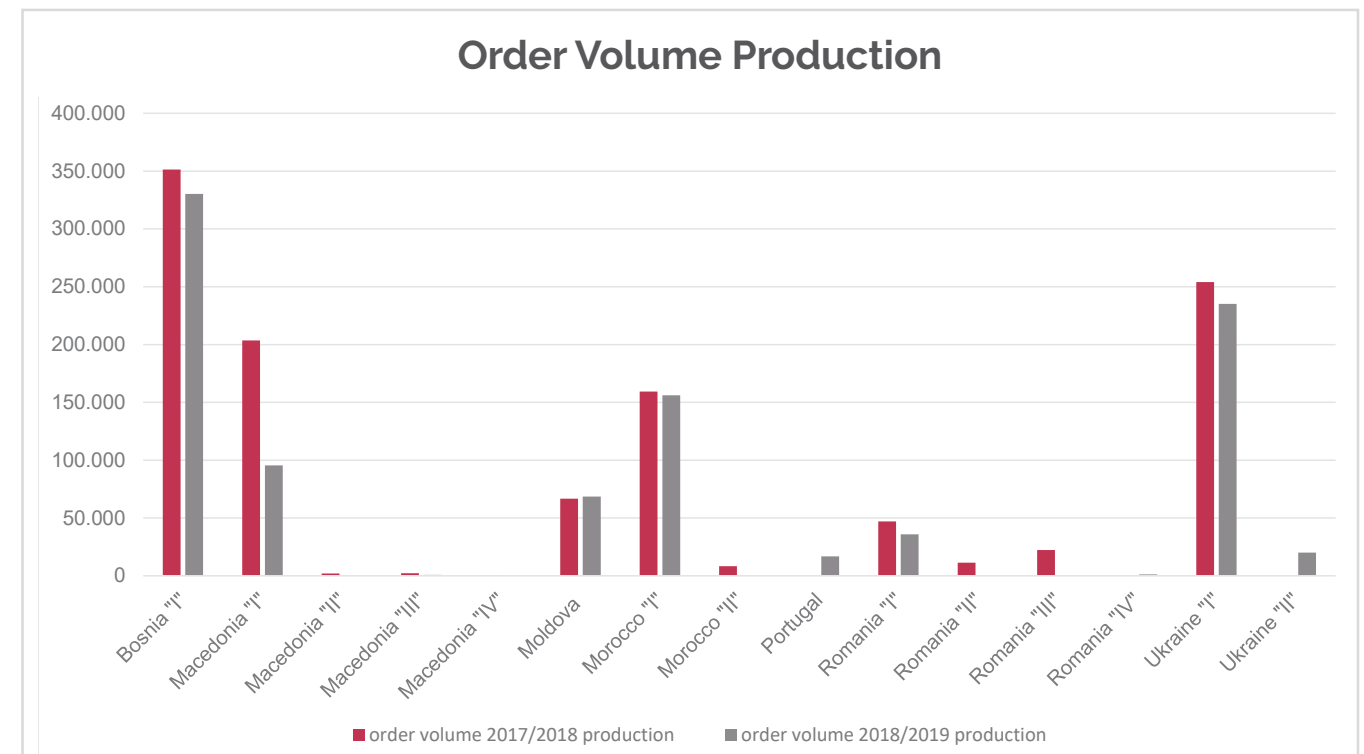
We can give our suppliers a 12-months forecast +/- 15% of its production planning. The actual order placement can differ about 10%. Last minute changes are rare. Our Technical manager is in constant contact with our production facilities and is on site regularly. Even in the case of unforeseeable changes,

we address the needs of the production facilities and seek alternatives if it is necessary. We talk about production planning to have reasonable hours of work. We place the orders for costumers with priority before the NOS orders. In case of urgency, we ask the production facilities to first produce the urgent order and then the NOS orders.

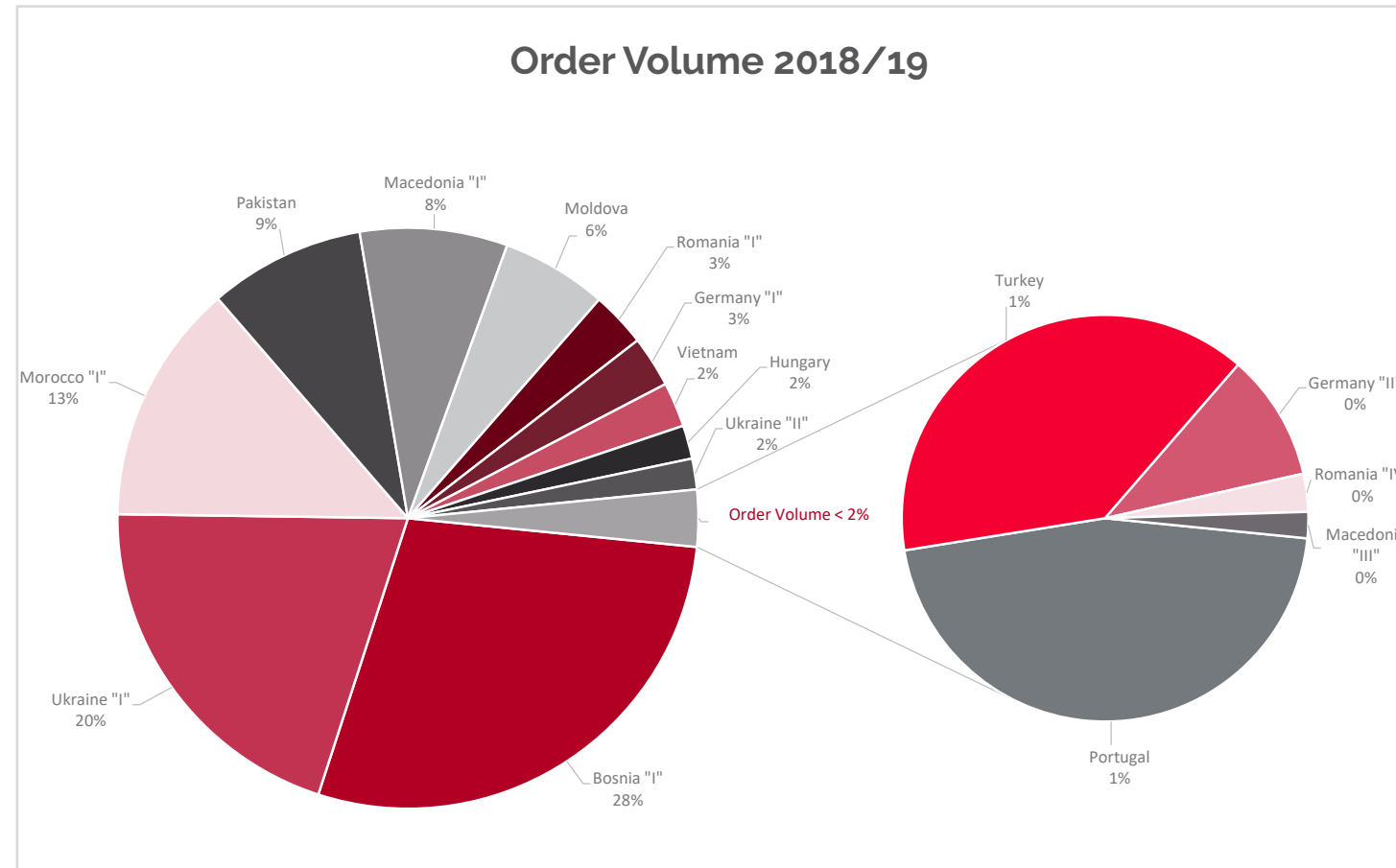
The lead time with suppliers from Europe and Africa is 10 weeks and from Pakistan and Vietnam is approximately 16 or 26 weeks depending on the fact, whether the fabric is available at once or not. For the factories in Europe and Africa, we buy all fabrics and trimmings and collect these at our stock in Bam-

berg. After a new order was placed, we send them order-specific by truck to our production facilities.

An overview of our production partners and the change in the purchasing volume of financial year 2016/2017 compared to financial year 2017/2018 can be seen from these charts:



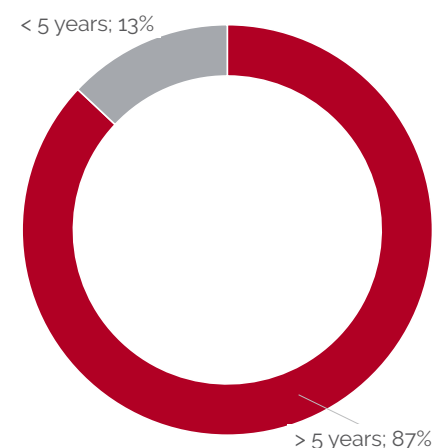
An overview of our total purchasing volume in financial year 2018/2019 can be found here:



1.4. SUPPLIER RELATIONS

GREIFF has long standing relationships with its suppliers and they are not frequently replaced. As you can see on the following diagram, GREIFF worked together with 87% of its production locations for over 5 years.

% of production volume from production locations where a business relationship has existed for > 5 years and < 5 years



In the financial year 2018/2019, we visited almost all of our production facilities personally and expanded our business relationships. In 2018 we added four new production sites. These are: Ukraine „II“, Portugal, Germany „II“ and Romania „IV“.

GREIFF has a consistent supplier base with three main suppliers from Bosnia, Ukraine and Morocco. With most of our suppliers, we have a considerable leverage, giving them the opportunity to influence working conditions.

During this financial year, we had some changes in our supplier base, as some new suppliers were necessary for the new catalogue (published February 2019). Therefore we have ended our relations with Turkey and Hungary and have added Romania „IV“ and Portugal as new suppliers.

With Macedonia „II“ and Macedonia „IV“ we had two short-term cooperation's which just ended. The short term cooperation was necessary to cope with the increased demand for our Fairtrade collection and it was necessary for the launch of our outdoor collection. Before we have placed the first order, we communicated this information openly, with these two production sites to get a fair business relationship.

Unfortunately, GREIFF had to terminate its cooperation with Romania „I“. This decision was not easy for us and we were in regular exchange with Romania „I“. The personnel situation in the Romanian clothing industry has been very tense for a long time: It is becoming more and more difficult to find employees, so productivity in the company can no longer be guaranteed. Many other customers are looking for other production countries with the result that the orders are getting less and less. The situation has not stabilized, but worsened. So we have to force for economic and re-

sponsible reasons to end the cooperation with Romania „I“. We was in contact with Romania „I“ for a very long time and have communicated our decision very early, so Romania „I“ has the opportunity to win new customers. For this reason we had to add Ukraine „II“ as the new production facility for Romania „I“.

1.5. INTEGRATION MONITORING ACTIVITIES AND SOURCING DECISIONS

The result of our monitoring activities of the audits influenced our sourcing decisions. When we select a new supplier, GREIFF visits the supplier and discusses labour standards. After a sample order is placed, GREIFF uses the FWF Health and Safety Check list. GREIFF also asks the supplier about the wage levels in the factory, so we know whether the legal minimum wage is paid.

Since February 2019, we have a sustainability guideline for our suppliers, which we handed out to all our suppliers and which has to be confirmed. As implementation guideline we have additionally prepared a best practice guideline.

We maintain very long-standing relationships with our suppliers and they are not often replaced. We visit each of our suppliers at least once a year and our main production facilities are visited up to three times a year. In addition, we have staff that is permanently responsible for technical supervision in these main production sites. We will contact our case manager from FWF in order to help us implementing social standards at the production site.

2. COHERENT SYSTEM FOR MONITORING AND REMEDIATION

GREIFF executed four audits in its production facilities in 2018, which are:

2.1. MOROCCO "I"



Factory Morocco "I" is a limited company founded in 2012 with 233 employees, they are specialised for sewing suits and skirts. There was a change of the company name in 2012, actually the business relationship between GREIFF and Morocco "I" already started in 2010.

The audit was conducted in July 2018. The last audit was carried out by FWF in 2015. Before that the factory has also been audited by TRISKO in 2014. In March 2017 a complaint occurred and was investigated by FWF in May 2017. GREIFF organized in September 2017, together with an external partner, a two days management and workers training. All participants were intensively trained on the contents and meanings of the FWF CoLP. The group work and intensive exchanges led at the end of the two days to a considerable improvement in the cooperation of management and workers.

The factory management showed strong commitment and has been very

supportive in conducting the audit. The responsibilities in the company are clearly organised and documented. All processes are well organised and requested documents were handed out fast.

Working time is recorded by an electronic working time recording system. Regular working time in the factory is Monday-Friday 08:00 – 17:00 with 40 minutes lunch break around 13:00 o'clock and Saturday from 08:00 – 13:00. Additional 10 minutes break take place around 10 a.m. Workers have one day off per week, in the last years on Sundays no one worked. During interviews no complaints about too much overtime were heard, but it was mentioned that better communication between management and workers is needed, especially for those workers that commute to work.

Workers are paid on hourly basis, which is according to Moroccan minimum wage (MAD 13,46). An additional seniority rate is paid based on years of company affiliation. Since workers are paid per hour, it leads to an unsteady monthly income, as hours are paid in the month they have been worked.

The company is not unionised, but there are worker representatives elected. The candidates were selected by the management. For the next election, which will take place in 2020, it is requested that workers nominate the candidates themselves. It was stated in the interviews that social dialog has improved within the factory, but still shows space for improvement.

The company has improved the health and safety condition of their workers. There is a hygiene committee existing that meets every 3 months, as well as a company committee that meets twice a year. The company hired a company doctor that comes twice a week for 45min for providing medical assistance. 25 First-Aiders were trained by the doctor. Unfortunately, none of the first-aiders was certified because the training was not conducted by an authorised service provider. A medical room was also established, including first aid boxes. Fire extinguishers are available and checked yearly, but fire-fighting equipment has not yet been reasonably distributed in all areas of the factory. There are evacuation maps available, but they do not fulfil professional requirements.

2.2. ROMANIA "II"



Romania "II" was established in 1991 and there currently work 297 employees. The business relationship with GREIFF started in 2008. Romania "II" is specialised for high quality men's suits, jackets and trousers, made with quality fabrics sourced from Italy. Beside producing for international companies, the company has its own brand. In the audited location only cutting takes place for GREIFF products. The cut pieces are brought to Moldova where sewing and finishing takes place in Romania "II" subsidy Moldova.

The audit was conducted in September 2018. The company has many years social audit experience and set up a proper social management system. Valid BSCI audit with B result is available. All policies and procedures are available in written, responsibilities are meaningfully allocated and responsible persons well skilled.

Trainings which cover all topics take place and workers are aware about social standards and legal rights. For all employees a personal file exists which covers the whole employment history including working contract.

Regular working time in the company is from Monday – Friday from 6.30 a.m. - 2.50 p.m. with 20 minutes break from 9.30 a.m. - 9.50 a.m. and later 10 minutes additional break. Overtime is worked on low level and below legal limits. The company was pre-checked and neither during interviews or document check any concern arose regarding the liability of the documented working hours.

Minimum wage in Romania is 1900 RON which is approximately 406 Euro. Only 6 cleaners fall under this category and an average worker falls under the category 2050 RON. The paid wages are based on collective bargaining agreement. Aside from the wage, workers receive a premium of 550 RON and meal tickets of 255 RON. Overtime hours are paid with 200%, legally required is only 150%. Workers are granted with all other legal wage components as well e.g. paid leave, paid holidays, sick leave, maternity leave and so forth. All workers are enrolled in the social insurance system. Even though wages seem to be high it cannot yet be considered a living wage based on the needs of the workers.

The interviewed workers stated that there is a good relationship between management and workers, and that they like working in the company. The company is unionised and has an elected worker representation. Regular communication takes place between management and worker representatives, and long-term goals to protect workers were defined.

The company has implemented an OHS management system with written policies, procedures, necessary checks and all legal documents are available. However, the implementation showed some weaknesses and space for improvement. The risk and hazard assessment did not identify existing risks, like placing goods in high shelves in accessory warehouse, the used chemicals and sewing machines.

Accordingly, many sewing machines were found without finger protection and workers working with band knife only use one glove protecting against cutting hazard. Firefighting equipment was fine, but partly blocked, and emergency routes / exits were not always properly marked and illuminated. One randomly checked emergency and evacuation map was posted wrong side up, and is not suitable to give correct directions. Additionally, there was one emergency exit shown on the emergency map that does not exist anymore. First aiders are available but were only trained by the company doctor and not by a professional service provider like Red Cross.

The company and compound are clean and tidy, and the company's environmental management is adequate. Legal requirements are applied, and all legal documents are available. Moreover, the

company has analysed the environmental impact. Waste management is in line with the requirements as well.

2.3. MOLDOVA

Moldova was established in 2007 and there are currently work 93 employees. The business relationship with GREIFF started in 2012. Moldova produces high quality suits and GREIFF is the most important customer. The cut garment pieces is being shipped here from the Romanian mother (Romania "II") until for sewing and finishing. The company has had 260 workers a few years ago, but is having considerable problems of finding new workers, because the low wage level is not attractive to many Moldovans. So, from October on, the company will pay at least an additional so-called meal ticket for each working day, which actually can be seen as additional income at free disposal of the worker.

The audit was conducted in September 2018. This was the first social audit for them, and it showed, that they had little experience with what was needed, so many details took time to discuss, or to get across what was actually required or being asked for. Also, it was determined, that the Management is not skilled in fulfilling all requirements of international social standards yet.

Regular working time in the company is from Monday – Friday from 8.00 a.m. – 16.30 p.m. with 30 minutes break from 12.00 a.m. – 12.30 p.m. overtimes are rarely worked, especially not in the slightly lower season of the summer months. An optionally Saturday every few months is welcomed by the workers and sometimes some departments work one or two overtime hours a week. The facto-

ry works regularly 5 days weekly, and 8 hours a day.

The wages paid are always meeting at least the minimum wage, which in Moldova is comparatively very low for a European Country, at 2610 Moldavian Lei, which means a net payment of the equivalent of 93 Euro. All the legal benefits seem to be granted, at least on all randomly checked workers. Except two, all interviewed 17 workers that mostly have been in the company since the foundation in 2007, stated that all payments are always correctly calculated, and that they are sure about this. It was found though, that most workers are not well informed about their entitlements. And also some workers did not know, or not for sure, that they actually receive overtime premium payments of 50%, or respectively 100% on Saturdays.

The workers committee, however it was constituted, was not elected in secret, ballot based, documented elections and none of 17 randomly selected interviewed workers knew about the existence of worker representatives. It was explained in length in the closing meeting, what a living social dialogue looks like, and how fruitful it might be on the long run, for workers' commitment and even for the productivity. Management stated, that workers can actually always access them for any problem they might have, and that they do.

No critical findings were made in the Health and Safety, but there is quite a number of irregularities that need to be attended, some of them are more hazardous than others, and some reveal that a systematic procedure is missing, rather than the finding itself being the problem.

Mainly in cutting, the band-knife was

found highly dangerous, since it is being operated without protective gloves. The worker knew very well what is required, but they don't like the gloves.

In fire safety, some details were not satisfying, concerning planning of escape routes, and placement of fire extinguishers. But mainly it was found, that no fire evacuation drill was ever performed.

Due to the many findings in the audit at Moldova, GREIFF continuously works on the CAP and Moldova is regularly visited by our technical manager. In July 2019 we conducted also a management and worker training.

2.4. PAKISTAN



Factory Pakistan is a limited company founded in 1986 with 650 employees. They are sewing chef's jacket, trousers, apron and accessories. The first year of production for GREIFF was 2010.

GREIFF has been participating in a project called "develoPPP.de" since April 2017. The qualification enables GREIFF to implement and improve social and environmental standards in Pakistan. As part of this project, we conducted workshops in Pakistan with our external partner almost monthly. The workshops were very varied, workshops were held on corporate social responsibility, quality management system (TQM), social compliance and working conditions,

occupational health and safety and internal audits. Our external partner supported Pakistan in the preparation of the SteP certificate, which Pakistan has successfully completed in November 2018.

Pakistan has already implemented far-reaching measures which clearly go beyond the minimum requirements of social responsibility. Implementation of a management system has been completed and measures for verifying the implemented system and using potential for improvement have already been initiated. The measures taken show a high degree of transparency and traceability as the implementation processes are being documented, monitored and continuous improvement of the social working conditions has set the company on the path to best practice, also because business relations are used for regular exchanges.

The company complies with the STeP by OEKO-TEX® requirements, national and local requirements as well as any applicable internal and external regulations. Social Responsibility measures include child and juvenile labour, wage and benefits, employment relationship, freedom of association, collective bargaining agreements and working hours including overtime. It also refers to how the company prevents harassment, abuse and discrimination. It considers the conditions for forced, bonded, indentured and prison labour as well as maintained facilities. The company pays at least the minimum wage.

Pakistan was SA 8000 certified report was available for review, which is expired in September 2017. Workers training is provided as per schedule but effectiveness of training is not evaluated

and monitored. Workers representative were selected from the workers by election, and work council meeting is conducted to review workers confirmed that the facility works in single shift. Overtime is voluntary, no discrimination is done in hiring and termination. Workers council's meeting is conducted, training is given and no child labour, prison or indentured labour exist. Yearly bonus is paid and insurance is covered.

The factory has developed safety procedures and conducted safety training on regular basis, the facility has 28 fire fighters and 22 first aiders, which are available at all times during production maintenance hours. Reviewed accident and incident records but no major incident was reported, only 20 minor incidents were found during the whole year. Medical check up is performed by an authorized doctor as per schedule and maintained health record. PPEs (Personal Protective Equipment) are used where necessary and training is given to all workers. Building safety inspection was done and certificate was available for review. The factory has tested noise level and illumination. The fire extinguishers are found clear, monthly inspection reports are maintained. Only one fire hose was found in bad condition. Emergency exits are found open, emergency exit routes are unobstructed and electric panels are closed during working hours. Emergency fire drills are conducted to create an awareness and understanding of workers in case of emergency. All machines are equipped with safety measures. Overall implementation of occupational health and safety management system was observed good.

GREIFF works continuously with the production facility on the improvements of the CAP's from previous audits:

2.5. MACEDONIA "I"



Factory Macedonia "I" is a family-owned company founded in 2016 with 140 employees. They are specialised for sewing men's shirt and lady's blouse. There was a change of the company name in 2016, our business with Macedonia "I" already started in 2015.

The audit was conducted in September 2017. This was not the first social audit for this company. In 2016, an initial "Bestseller" social audit has been conducted. The CAP has been presented to the auditors. Corrective actions – basically concerning H&S issues – have been implemented.

The working time is Monday – Friday: 07:30 – 14:30 and Saturday 07:30 – 12:30. As per law, 30-minutes breaks are given every day, split in two parts: 1st break 10 minutes, 2nd break 20 minutes. Breaks are taken in rotation groups. Sundays are always off, according to documentation and interviews.

Based on payslip records review and management and workers interview, wages paid by the factory correspond generally with the average of the industry. Workers expressed during the interview that they are very satisfied with working here, with the leadership and organization, the stable and regular employment and the payment. Workers pointed out the correctness of the ma-

agement, fairness and their responsiveness to individual needs. Most of the workers are working here for many years in spite of rapidly growing competition in the surrounding area attracting with higher salaries.

The company is not unionised, as per Macedonian law it is not mandatory to have a union in the company. Worker representatives are mandatory according to the national Act on Non-Harassment and Anti-Bullying. The possibility of Freedom of Association and the Right to Collective Bargaining has been communicated within the Trade Union do not enjoy too much confidence by the workers. Investigations of web-blogs and articles gave the same results, while the engagement of NGOs for textile industry are well accepted.

During the interviews, all employees could confirm that evacuation drills took place and they were able to explain how to act in case of emergency. Employees interviewed were aware of external trainings conducted either by external companies (fire prevention, fire safety, first aid training) or internally meetings which were held by the production manager to inform on production related news.

In general, employees appeared to be well informed on relevant questions concerning worker's rights. Postings of relevant information as well as the strong presence of the production and HR manager have a direct impact on the efficiency of internal communication. However, no documentation (as e.g. evaluation of training needs, training schedule and material for internal trainings) could be provided to verify a systematic approach to trainings as a tool to maintain or achieve compliance. In

addition, the internal control and monitoring mechanism, necessary to enhance a continuous improvement process, has not been implemented efficiently.

During the factory tour, the production area in general gave the impression of a well-managed and clearly structured organization. The ergonomic conditions (space and workstation-surrounding, height-adjustable chairs, light, ventilation, temperature) appeared to be acceptable on both audit days, as well as the atmospheric picture.

Since the audit in September 2017 Macedonia „I“ and GREIFF have been working on the improvements of the CAP and our technical manager visits Macedonia „I“ regularly.

2.6. ROMANIA „I“



Factory Romania „I“ is owned by 2 trading companies founded in 1992 with 257 employees. They are sewing men trousers, jackets, vests, full uniforms for aviation, customs, post etc. and mantles. Our business with Romania „I“ started in 2007, unfortunately our cooperation with Romania „I“ ended at the end of 2018.

During the audit in October 2017, the management team explained that Romania „I“ went through very difficult financial crisis after 3 consecutive cra-

ses of their most important clients within the last 10 years. The company is still facing cash flow discontinuities and the shareholders decided to adjust the strategy starting 2018. So, the company had to find solutions for paying all wages in due time to workers. GREIFF paid the delivered orders before the deadline mentioned in the contract, therefore GREIFF directly supported Romania „I“ for good cash flow and to pay the workers in time. In addition, GREIFF has agreed with Romania „I“ on an increase of CM (Cut Make) prices from 01.01.2017 by 5% and from 01.11.2017 by 7%.

Romania „I“ had also great problems in 2018. The personnel situation in the Romanian clothing industry has been very tense for a long time, it is becoming more and more difficult to find employees, so productivity in the company can no longer be guaranteed. Many other customers are looking for other production countries with the result that the orders are getting less and less. The situation has not stabilized, but worsened. So we have to force for economic and responsible reasons to end the cooperation with Romania „I“. We were in contact with Romania „I“ for a very long time and have communicated our decision very early, so Romania „I“ has the opportunity to win new customers.

2.7. BOSNIA „I“



Factory Bosnia „I“ is a private owned company founded in 1995 with 87 employees. Factory Bosnia „I“ is sewing mostly gastro fashion like aprons, vests and workwear. The audit was conducted in June 2016 and it was the first audit which took place at Bosnia „I“.

In 2018/2019, Bosnia „I“ continued to work together with GREIFF on the improvements. All findings of the CAP were resolved. The increase in CM prices by 4% from January 2018 was passed on 100% to the wages of the employees. As a result, since January 2018, all employees will receive a pay increase on their hourly wage of 4%.

The next audit is scheduled for June 2019 at Bosnia „I“.

2.8. UKRAINE „I“



Factory Ukraine is a private owned company founded in 2000 with 250 employees. It has a German owner. They are sewing men's shirt and lady's blouse. The audit was conducted in July 2016 and it was the first audit which took place at Ukraine „I“.

Ukraine „I“ has also been working continuously on the improvements in 2018/2019 and was thus also able to eliminate the findings of the CAP.

Wages in the Ukraine are low, unfortunately this year again many workers are leaving Ukraine to receive better paid jobs in Poland. The owner of Ukraine „I“ takes good care of his workers and regularly raises wages. So employees of Ukraine receive continuous salary increases, wages on July 2018 increased by 3% and on February 2019 increased by 3%. Since March 2019, Ukraine „I“ has additionally been entitled to produce our Fairtrade collection.

The next audit is scheduled for October 2019 at Ukraine „I“.

2.9. EXTERNAL PRODUCTION

External production includes all garments, which GREIFF resells with a different brand name. This is a small part of our trading goods for the industrial sector, for example in projects and these are all brands which we sell at the GREIFF Factory Store.

GREIFF operates a Factory Store in Bamberg where clothes of its own production, as well as a wide range of additional 60 brands such as Carl Gross, Digel, Marvelis, Olymp, S. Oliver, Street One, Cecil, Comma, Esprit, Mustang, Levi Strauss, Wellensteyn and many more are offered. These brands are external producers that supply our Factory Store.

We asked all of our external producers to fill in the questionnaire including the Code of Labour Practices and to send us some information about Code of Conducts or whether they are a member of any association (e.g. FWF, BSCI). The request is made by GREIFF at least once a year.

3. COMPLAINTS HANDLING

In all production facilities the Code of Labour Practices is posted in the local language for the employees to read. Complaints can be filed with a local FWF complaints handler, via telephone, in written or verbal form, through complaints@fairwear.org, and in some countries via social media or messaging apps. If we receive a complaint, we will talk to our technical manager in the first step, because he is responsible for the factories. The next step is to contact the management of the manufacturer and discuss the complaint with them. After this, we have to find solutions together and we will give the manufacturer a time frame to solve the complaint. FWF needs to decide whether it will open up an investigation or not. The outcome of the investigation will then again be shared with GREIFF. FWF is responsible for setting up a complaints procedure in production countries where FWF is active. The complaints procedure allows third parties to make complaints about the working conditions or the way the Code of Labour Practices is implemented in factories which supplies FWF members.

The responsibility of FWF includes investigating of the complaint, verifying whether the agreed CAP is implemented and public reported. This complaint report gives an overview of a complaint filed to FWF, the investigation and agreed corrective action plan as well as how the outcome is verified.

We suggest our suppliers to participate in WEP training, to raise awareness about the existence and the functioning of FWF's worker hotline. If our managing partner is in the production facilities he interviews the workers and gives awareness of the complaints handling system.



4. TRAINING AND CAPACITY BUILDING

4.1. ACTIVITIES TO INFORM STAFF MEMBERS

The employee is informed either by the respective department head in department meetings or personally, so each employee can ask questions. GREIFF provides information on FWF membership in the intranet and in internal meetings. In the relevant departments in addition to FWF membership, training is conducted. Together with Living Craft we organized an FWF training in June 2018, which took place by Vera Köppen (FWF) for all sales and marketing staff.

GREIFF participated in the German stakeholder meeting at Takko in Telgte on 19th and 20th March, 2019.

4.2. ACTIVITIES TO INFORM AGENTS

Agents are informed of FWF membership through the Code of Labour Practices, the model letter and the questionnaire. Our agents are informed by us about all the activities with FWF. The CAP will be given to the agents to follow up. GREIFF has two agencies, who are responsible for Vietnam and Macedonia. We are in very close contact with our agents, so we inform them in personal conversations.

At Fair Wear Foundation events in the countries where our agents operate, we invite agents and factories to these events.

4.3. ACTIVITIES TO INFORM MANUFACTURERS AND WORKERS

Manufacturers are informed about the Code of Labour Practices and FWF membership through the model letter and questionnaire. According to FWF procedures, an information sheet for workers including the Code of Labour Practices and the contact details of the person, who deals with complaints, are posted in the supplying factories.

A FWF management and workers' training took place in Ukraine "I" in October 2018.

The contents were:

- Introduction of participants (expectations, hopes and fears)
- Introduction of FWF
- Introduction of each Standard (employment is freely chosen, there is no discrimination, no exploitation of child labour, freedom of association and the right to collective bargaining, payment of a living wage, no excessive working hours, safe and healthy working conditions, legally-binding employment relationship), in comparison with the law in an interactive way
- FWF complaint procedure
- Ways to implement Social Dialogue in the company
- What does the management think are topics about which workers would like to discuss with them?

The training started with welcoming, introducing the trainers and explaining the objective of the training, the training process and the agenda. The goal of the training is to have both the management and workers learn about the Fair Wear Foundation's standards and their grievance mechanism. Moreover, they will be able to know what these standards mean in relation to the local law. The focus of the training lies on creating a foundation for future social dialogue.

Each group had to read the FWF CoLP, draw the content and present it. During the lecture session, the participants learned about the historical background of the ILO and ILO conventions

and where the standards derived from. The lecture was followed by an interactive presentation with a comparison between all of the FWF CoLP Standards and the local laws.

In the last session all participants from the management and worker groups, who participated in the prior training sessions, came together. This part of the workshop then started with an exercise which is supposed to give the participants a safe space to experience what happens if groups compete in a negative way against each other, instead of cooperating. Moreover, they learn what the result would be like if they cooperated in a trustful way, and if trust is achieved, how easy it can be destroyed.

The session was continued with a presentation about how to deal with conflicts, and an exercise/ dialogue about communication. Participants were asked, what works in communication, and what does not actually work. The outcome was promising, and was created by workers and management calls alike. The last part was used for practising the social dialogue, and higher level negotiating with existing problems. The training was designed to help the company meet the rapidly evolving demands of the global market, especially transparency and fair working conditions. It focuses heavily on the positive effects these requirements bring to both workers and management through improvements from within.

5. INFORMATION MANAGEMENT

Through our membership of FWF we are in a continuous improvement process, all our activities are documented by this and can be traced at any time. The Code of Labour Practice (CoLP) is posted in all of our production facilities and we are receiving pictures from the factories. GREIFF is verifying during the visits that the CoLPs is posted in all production facilities. In addition, we inform in the trainings about the CoLPs. Any new production site has to fill in the FWF Questionnaire, and during our visit the basic health and safety questionnaire is also filled in. Our technician personally visits all production facilities and gets an impression on site. We ask our production facilities about subcontractors and we check existing audit reports.

To ensure that all colleagues who are in contact with production sites are well informed about labour rights and working conditions we have regular meetings between management, CSR, disposition, Head of Purchasing and the technical manager to update all on the working conditions at our suppliers. All staff has access to the tools that FWF offers, such as monitoring CAP documents, reports on living wages and access to FWF's online information system.



6. TRANSPARENCY & COMMUNICATION

On our website we inform about our FWF membership. GREIFF has created a CSR brochure in which we also talk about the membership. GREIFF is following the FWF Communications Guide for communicating about its membership. In addition, we speak about our membership in lectures and contributions we write for trade journals. GREIFF has an account on Facebook and Instagram, here we also inform about our FWF membership.

With the introduction of our myGREIFF-Code, GREIFF takes another step towards more transparency. The myGREIFF-Code can be found on a label on every of our NOS-garments. With the aid of the myGREIFF code, you can trace the whole process that went into making the product – from the fibre to the finished item of clothing. You can see where the raw materials used for, the product came from and where they were processed. If you have a GREIFF garment, just try the myGREIFF code at: <https://www.mygreiff.de>

7. STAKEHOLDER ENGAGEMENT

GREIFF is a member of "The Partnership for Sustainable Textiles". The Textiles partnership was established on 16th October 2014. The multi-stakeholder initiative, comprising textile and clothing industry, retailers, trade unions and civil society, pool the strength and expertise of its members in order to bring about social, ecological and economic improvements all along the textile supply chain. In doing so, the textiles partnership also aims to tackle common challenges more effectively, to exploit synergies through joint projects on the ground, to learn from one another and thus to improve-underlying conditions in the countries.

GREIFF is a founding member of the "MaxTex Association". MaxTex, founded in 2014, is an international commitment of textile manufacturers, primary producers, clothing manufacturers, textile providers and scientific institutions.

It has the objective to ensure sustainable actions across the entire textile value chain. Thereby the corporate sustainability in social, economic and ecological terms takes centre stage.

8. CORPORATE SOCIAL RESPONSIBILITY

With GREIFF, corporate values do not only exist on paper, they are actually lived every day for the good of mankind and the environment. This philosophy defines our company and is expressed in both our high standards of quality and service as well as our focus on details. Each and every employee contributes to our success. We are a reliable part-

ner and go with agreements reached by responsibility. When selecting our business partners, we are in a process to ensure the observance of human rights and international social standards. If possible, we take sustainable materials and separate our waste. We deal with all resources in a responsible way.

	Fair Wear Foundation Fair labour conditions in textile and clothing industry		Member of the Partnership for Sustainable Textiles Improve basic conditions in manufacturing countries
	Fairtrade Fair labour conditions for cotton growers		MaxTex More sustainability in the whole textile supply chain
	OEKO-TEX® Products tested for harmful substances		myGREIFF.de Transparency in the manufacturing process

Explanation of abbreviations:

CAP: Corrective Action Plan | **CM:** Cut Make | **CoLPs:** Code of Labour Practices | **CSR:** Corporate Social Responsibility | **FWF:** Fair Wear Foundation | **NOS:** Never out of Stock | **PPE:** Personal Protective Equipment



GREIFF Mode GmbH & Co. KG
Memmeldorfer Straße 250 · 96052 Bamberg · GERMANY
Fon +49 951 405 0 · info@greiff.de
www.greiff.de