



## BRAND PERFORMANCE CHECK

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GREIFF Mode GmbH & Co.KG

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this report covers the evaluation period 01-05-2016 to 30-04-2017

## ABOUT THE BRAND PERFORMANCE CHECK

Fair Wear Foundation believes that improving conditions for apparel product location workers requires change at many levels. Traditional efforts to improve conditions focus primarily on the product location. FWF, however, believes that the management decisions of clothing brands have an enormous influence for good or ill on product location conditions.

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's member companies. The Checks examine how member company management systems support FWF's Code of Labour Practices. They evaluate the parts of member company supply chains where clothing is assembled. This is the most labour intensive part of garment supply chains, and where brands can have the most influence over working conditions.

In most apparel supply chains, clothing brands do not own product locations, and most product locations work for many different brands. This means that in most cases FWF member companies have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of member companies. Outcomes at the product location level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF member companies cannot guarantee results.

Even if outcomes at the product location level cannot be guaranteed, the importance of good management practices by member companies cannot be understated. Even one concerned customer at a product location can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a product location can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of FWF's work.

The Brand Performance Check system is designed to accommodate the range of structures and strengths that different companies have, and reflects the different ways that brands can support better working conditions.

This report is based on interviews with member company employees who play important roles in the management of supply chains, and a variety of documentation sources, financial records, supplier data. The findings from the Brand Performance Check are summarized and published at [www.fairwear.org](http://www.fairwear.org). The online [Brand Performance Check Guide](#) provides more information about the indicators.

## BRAND PERFORMANCE CHECK OVERVIEW

GREIFF Mode GmbH & Co.KG

Evaluation Period: 01-05-2016 to 30-04-2017

MEMBER COMPANY INFORMATION	
Headquarters:	Bamberg, Germany
Member since:	15-03-2015
Product types:	Workwear, Corporate wear
Production in countries where FWF is active:	China, Macedonia, Romania, Turkey, Vietnam
Production in other countries:	Bosnia and Herzegovina, Czech Republic, Germany, Hungary, Moldova, Republic of, Morocco, Pakistan, Ukraine
BASIC REQUIREMENTS	
Workplan and projected production location data for upcoming year have been submitted?	Yes
Actual production location data for evaluation period was submitted?	Yes
Membership fee has been paid?	Yes
SCORING OVERVIEW	
% of own production under monitoring	70%
Benchmarking score	65
Category	Good

## Summary:

Greiff has shown progress and met most of FWFs' performance requirements. With a monitoring percentage of 70%, Greiff goes beyond the required 60% after its second year of membership. The brand is awarded the 'good'-category with a score of 65 points.

In its financial year 2016-2017, Greiff grew significantly, partly thanks to the launch to its Fairtrade-collection. The brand also launched a new range of outdoor products to complement its current range of products.

In its second year of FWF-membership, Greiff undertook efforts to improve its purchasing practices and to monitor its suppliers. The FWF member learned more about how prices relate to wages. Also, more suppliers were audited than ever before. Greiff actively followed up on the audit results.

Greiff also moved beyond auditing and set up a training for its Bosnian supplier to make management and workers more aware of the FWF Code of Labour Practices and the FWF worker helpline. At its Pakistani supplier, Greiff set up a project with another FWF member to improve productivity and raise awareness on labour standards.

FWF encourages Greiff to continue its current progress. In 2017-2018, it will have to monitor its entire supply chain. Greiff needs to ensure that all its subcontractors are included in its monitoring system. FWF recommends Greiff to learn more about the relationship between prices and wages and start to explore possible solutions for more complex issues like living wages and social dialogue.

## PERFORMANCE CATEGORY OVERVIEW

**Leader:** This category is for member companies who are doing exceptionally well, and are operating at an advanced level. Leaders show best practices in complex areas such as living wages and freedom of association.

**Good:** It is FWF's belief that member companies who are making a serious effort to implement the Code of Labour Practices—the vast majority of FWF member companies—are 'doing good' and deserve to be recognized as such. They are also doing more than the average clothing company, and have allowed their internal processes to be examined and publicly reported on by an independent NGO. The majority of member companies will receive a 'Good' rating.

**Needs Improvement:** Member companies are most likely to find themselves in this category when major unexpected problems have arisen, or if they are unable or unwilling to seriously work towards CoLP implementation. Member companies may be in this category for one year only after which they should either move up to Good, or will be moved to suspended.

**Suspended:** Member companies who either fail to meet one of the Basic Requirements, have had major internal changes which means membership must be put on hold for a maximum of one year, or have been in Needs Improvement for more than one year. Member companies may remain in this category for one year maximum, after which termination proceedings will come into force.

Categories are calculated based on a combination of benchmarking score and the percentage of own production under monitoring. The specific requirements for each category are outlined in the Brand Performance Check Guide.

## 1. PURCHASING PRACTICES

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1a Percentage of production volume from production locations where member company buys at least 10% of production capacity.	98%	Member companies with less than 10% of a production location's production capacity generally have limited influence on production location managers to make changes.	Supplier information provided by member company.	4	4	0

**Comment:** Greiff has four main suppliers from Bosnia, Ukraine, Morocco and Romania from which it sources about 70% of its total production volume. With three of those suppliers, Greiff has established long-term relationships. Greiff aims to work with small to medium suppliers where it can have a significant leverage. At almost all of its suppliers, Greiff has a considerable leverage giving them the opportunity to influence working conditions

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.1b Percentage of production volume from production locations where member company buys less than 2% of its total FOB.	6%	FWF provides incentives to clothing brands to consolidate their supplier base, especially at the tail end, as much as possible, and rewards those members who have a small tail end. Shortening the tail end reduces social compliance risks and enhances the impact of efficient use of capital and remediation efforts.	Production location information as provided to FWF.	3	4	0

**Comment:** At several suppliers, Greiff spends less than 2% of its FOB. This is due to the fact that it sources specific products of low quantities to complete its product range, like caps, scarfs and belts.

**Recommendation:** FWF recommends Greiff to consolidate its supply base where possible, by limiting the number of suppliers in its 'tail end'. To achieve this, members should determine whether suppliers where they buy less than 2% of their FOB are of strategic relevance. Shortening the tail will reduce the social compliance risks the member is exposed to and will allow the member to improve working conditions in a more efficient and effective way.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.2 Percentage of production volume from production locations where a business relationship has existed for at least five years.	92%	Stable business relationships support most aspects of the Code of Labour Practices, and give production locations a reason to invest in improving working conditions.	Supplier information provided by member company.	4	4	0

Comment: Greiff has a stable supplier base. Its strategy is to have long-term suppliers with whom it works on price, quality and labour standards.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.3 All new production locations are required to sign and return the questionnaire with the Code of Labour Practices before first bulk orders are placed.	Yes	The CoLP is the foundation of all work between production locations and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.	2	2	0

Comment: Greiff started relationships with one new Macedonian supplier to produce outdoor products, but the relationship was ended in the same year based on mutual consent due to the fact that orders were too small for the factory. The FWF questionnaire was signed before the first bulk order was placed.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.4 Member company conducts human rights due diligence at all new production locations before placing orders.	Intermediate	Due diligence helps to identify, prevent and mitigate potential human rights problems at new suppliers.	Documentation may include pre-audits, existing audits, other types of risk assessments.	2	4	0

**Comment:** When selecting a new supplier, Greiff visits the supplier and discusses labour standards. After having done a sample order, Greiff uses the FWF Health and Safety Check list. Greiff also asks the supplier about the wage levels in the factory, so it knows whether the legal minimum wage is paid. In 2016-2017, Greiff improved its process by asking for existing audit reports. The brand also made an abstract of the available FWF country studies and other human rights reports to make staff in contact with new suppliers more aware of country specific risks. Furthermore, Greiff only selects suppliers where it has significant leverage and where it work on improving working conditions with the supplier.

Greiff has not yet integrated labour standards in a concrete and systematic manner in its decision-making process.

**Recommendation:** FWF recommends Greiff to strengthen its human rights due diligence process by further incorporating country-specific human rights risks in its assessment of new suppliers. In case no existing audit report is available, FWF recommends Greiff to obtain more detailed information and documentation on e.g. wages, working hours, the presence of worker representation and health and safety.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.5 Production location compliance with Code of Labour Practices is evaluated in a systematic manner.	Yes	A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.	Documentation of systemic approach: rating systems, checklists, databases, etc.	1	2	0

**Comment:** Greiff evaluates supplier compliance in a systematic manner. In its second year of FWF membership, a large part of its suppliers is already under active monitoring. Greiff has regular discussions with suppliers on CAP follow up. Furthermore, it keeps track of all the improvements in the CAP. The brand holds supplier evaluations several times per year with relevant staff to discuss current issues and supplier progress.

Greiff is in the process of setting up a supplier management system that should evaluate its suppliers on five topics: order processing, customer service, quality, general conditions and corporate responsibility.



**Recommendation:** FWF encourages Greiff to develop an evaluation/grading system for suppliers where compliance with labour standards is a criterion for future order placement. Part of the system can be to create an incentive for rewarding suppliers for realised improvements in working conditions. Furthermore, FWF recommends Greiff to include technical staff, especially those that are daily present at suppliers in the monitoring process of suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.6 The member company's production planning systems support reasonable working hours.	Strong, integrated systems in place.	Member company production planning systems can have a significant impact on the levels of excessive overtime at production locations.	Documentation of robust planning systems.	4	4	0

**Comment:** Greiff has two types of products, namely Never Out of Stock-items (NOS) and specific products that are being ordered by customers (20%). The catalog of the NOS- items has a validity of two years. Therefore, it does not have a high or low season. For the NOS-products, Greiff can give its suppliers a 12-months forecast of its production planning. The actual order placement can differ about 20 per cent. Last minute changes are rare.

The lead time for suppliers from Europe and Morocco is 10 weeks while for Pakistan and Vietnam it is approximately 16 to 26 weeks. For the first group of suppliers, Greiff buys the fabric and sends it to the factories. The second group supplies ready-made garments. Greiff has a large stock and is capable of responding to clients' demands. Since most suppliers supply the stock, some degree of delay is accepted by Greiff and can be discussed.

With the first group (80% of production volume), production is discussed on a daily basis. Delays of fabric are monitored, handled and absorbed by Greiff. It does not influence the lead time for its suppliers. Greiff calculates the standard minutes per style and has started to relate it to the production capacity of several of its most important suppliers.

Its Pakistani supplier suffered from production problems after New Year due to the fact that workers did not return. Greiff accepted the delay of the supplier. Worker retention is not only a problem of the Pakistani supplier, but also of suppliers in Eastern Europe who have a hard time retaining workers and keeping a stable production force so that the production process is not affected.

**Recommendation:** FWF encourages Greiff to further integrate the planning of production with its most important suppliers based on regular working hours. Besides knowing the standard minute per style and the total production capacity, FWF recommends to monitor the daily available production capacity and plan orders accordingly. Furthermore, Greiff could reserve specific lines for its production and analyze high and low seasons of the supplier. Greiff can consider shifting a larger part of the production of its NOS-items to the low season. It could start doing this at its most important suppliers and then also apply this practice at its other suppliers.

Since several of its suppliers struggle to retain workers and maintain a stable production force, FWF recommends to perform root cause analysis and assess which effective measures it could take. Greiff could shift more of its production to the period prior to New Year or discuss raising wages at factories where workers leave due to low wages.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.7 Degree to which member company mitigates root causes of excessive overtime.	Intermediate efforts	Some production delays are outside of the control of member companies; however there are a number of steps that can be taken to address production delays without resorting to excessive overtime.	Evidence of how member responds to excessive overtime and strategies that help reduce the risk of excessive overtime, such as: root cause analysis, reports, correspondence with factories, etc.	3	6	0

**Comment:** During a 2016 audit, auditors found that workers at the Bosnian supplier sometimes work excessive overtime hours. Greiff is the only customer at this supplier. Greiff has discussed this with the supplier and investigated root causes. It turned out that the supplier has difficulties in maintaining a stable work force. Furthermore, Greiff produces fair-trade products at this supplier of which customer demand has increased significantly. Greiff closely monitored production capacity of the supplier and also started to work with another supplier to handle the growing demand of fair-trade products.

At its Moroccan supplier where workers regularly did excessive overtime, Greiff has worked with the supplier to properly document working hours. The brand is working with the supplier to limit the number of overtime hours to what is legally allowed.

**Recommendation:** FWF strongly recommends Greiff to support the suppliers with production planning and in retaining workers. The planning of production should be based on a regular working week of 40 hours. Especially for its Bosnian supplier, Greiff could hire a local consultant to further analyze root causes by discussing root causes with management, workers and local stakeholders. Furthermore, Greiff could compare wage levels of the supplier to surrounding factories, support training programmes and start discussions about a living wage-project.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.8 Member company's pricing policy allows for payment of at least the legal minimum wages in production countries.	Country-level policy	The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.	Formal systems to calculate labour costs on per-product or country/city level.	2	4	0

**Comment:** Due to the validity of two years of its catalog, Greiff discusses prices with suppliers over a two-year period. Greiff bases its own prices on the prices given by German Fashion Modeverband, an organisation that represents German fashion brands. Discussions with the supplier about the price is mostly focused on the working minutes per style. The brand discusses prices in a partnership-manner. Through (FWF) country studies and audit reports, the member learned about minimum wage levels in the countries. Greiff asks its suppliers annually to inform the brand about the wage levels (lowest, average, highest) in the factory.

At its Pakistani supplier, Greiff worked with the supplier on an open pricing-model. The FWF-member is now more aware of the costs of fabrics, Cut-Make-Trim, and overhead costs. Greiff is not yet aware how these costs relate to the overall costs of the factory and what kind of costs are included per category.

**Recommendation:** As an advanced step, increased transparency in costing and productivity gives insight in the labour costs per product. This forms the basis for ensuring enough is paid to cover at least minimum wage and for making steps towards living wages. FWF recommends Greiff to assess the labour costs per minute at all of its suppliers and relate that to its pricing. This includes analysis of the overall costs of the supplier, calculate the labour minute cost and relate that to prices.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.9 Member company actively responds if suppliers fail to pay legal minimum wages.	Yes	If a supplier fails to pay minimum wage, FWF member companies are expected to hold management of the supplier accountable for respecting local labour law.	Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.	1	2	-2

**Comment:** At its Ukrainian supplier, auditors could not establish whether the legal minimum wage was paid to all workers due to the complex piece rate system of the supplier. Greiff worked with the supplier to increase transparency and verified that the legal minimum wage was paid to all the workers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.10 Evidence of late payments to suppliers by member company.	No	Late payments to suppliers can have a negative impact on production locations and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.	Based on a complaint or audit report; review of production location and member company financial documents.	0	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.11 Degree to which member company assesses root causes of wages lower than living wages with suppliers and takes steps towards the implementation of living wages.	Basic approach	Sustained progress towards living wages requires adjustments to member companies' policies.	Documentation of policy assessments and/or concrete progress towards living wages.	2	8	0

**Comment:** Greiff collected information on wage levels through audit reports and by annually asking suppliers to inform them about the wage levels. Furthermore, at its Pakistani supplier it worked towards more transparent prices. The brand has not yet taken active steps to start raising wages.

**Recommendation:** FWF encourages Greiff to assess the hypothetical cost effects of increasing wages towards benchmarks that are included in the wage ladder. To support companies in this process FWF has developed a calculation model that estimates the effect on FOB and retail prices under different pricing models.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
1.12 Percentage of production volume from factories owned by the member company (bonus indicator).	None	Owning a supplier increases the accountability and reduces the risk of unexpected CoLP violations. Given these advantages, this is a bonus indicator. Extra points are possible, but the indicator will not negatively affect an member company's score.	Supplier information provided by member company.	N/A	2	0

## PURCHASING PRACTICES

Possible Points: 44

**Earned Points: 28**

## 2. MONITORING AND REMEDIATION

BASIC MEASUREMENTS	RESULT	COMMENTS
% of own production under standard monitoring (excluding low-risk countries)	62%	
% of production volume where monitoring requirements for low-risk countries are fulfilled	8%	FWF low risk policy should be implemented. 0 = policy is not implemented correctly. N/A = no production in low risk countries.
Meets monitoring requirements for tail-end production locations.	N/A	1st or 2nd year member and tail-end monitoring requirements do not apply.
Total of own production under monitoring	70%	Minimums: 1 year: 40%; 2 years 60%; 3 years+: 80-100% Measured as a percentage of turnover.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.1 Specific staff person is designated to follow up on problems identified by monitoring system	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	2	2	-2

Comment: Greiff has a CSR-officer designated to follow up on problems identified by the monitoring system.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.2 Quality of own auditing system meets FWF standards.	Member makes use of FWF audits and/or external audits only	In case FWF teams cannot be used, the member companies' own auditing system must ensure sufficient quality in order for FWF to approve the auditing system.	Information on audit methodology.	N/A	0	-1

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.3 Audit Report and Corrective Action Plan (CAP) findings are shared with factory and worker representation where applicable. Improvement timelines are established in a timely manner.	Yes	2 part indicator: FWF audit reports were shared and discussed with suppliers within two months of audit receipt AND a reasonable time frame was specified for resolving findings.	Corrective Action Plans, emails; findings of followup audits; brand representative present during audit exit meeting, etc.	2	2	-1

Comment: In 2016-2017, two of Greiffs' suppliers were audited. Greiff shared the report with factory management and set up timelines in a timely manner.

Recommendation: FWF recommends to share audit reports with worker representatives and involve them in following up, if applicable.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.4 Degree of progress towards resolution of existing Corrective Action Plans and remediation of identified problems.	Basic	FWF considers efforts to resolve CAPs to be one of the most important things that member companies can do towards improving working conditions.	CAP-related documentation including status of findings, documentation of remediation and follow up actions taken by member. Reports of quality assessments. Evidence of understanding relevant issues.	4	8	-2

Comment: In 2016-2017, two main suppliers in Bosnia and Ukraine were audited by Greiff. The brand actively followed up and worked with these suppliers on improving documentation, health and safety issues and discussed the complex piece rate system. At its Ukrainian supplier, Greiff also ensured that two stokers no longer did excessive overtime. A training on labour standards was given to management and workers at its Bosnian supplier.

Together with another FWF member, Greiff set up a project at its Pakistani supplier to improve productivity and raise awareness of labour standards. The project will continue in 2017-2018. Its Moroccan supplier improved several health and safety issues and created decent canteen facilities, but verification after a complaint showed that breastfeeding time was still not given, there was double bookkeeping and social security was not paid in full. Greiff is actively monitoring this supplier.

Greiff continues to audit more suppliers to reach a monitoring percentage of 80-90%. At its current suppliers, first improvements have been made. Greiff has also started to create more awareness among workers and management about labour standards.

**Recommendation:** FWF encourages Greiff to continue its monitoring efforts and start working on more complex issues like living wages and social dialogue. Furthermore, Greiff should roll-out its training programme to reach out to more managers and workers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.5 Percentage of production volume from production locations that have been visited by the member company in the previous financial year.	97%	Formal audits should be augmented by annual visits by member company staff or local representatives. They reinforce to production location managers that member companies are serious about implementing the Code of Labour Practices.	Member companies should document all production location visits with at least the date and name of the visitor.	4	4	0

Comment: Greiff visited almost all its production locations in 2016-2017.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.6 Existing audit reports from other sources are collected.	Yes and quality assessed	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs. Reports of quality assessments.	2	3	0



**Comment:** From three suppliers, Greiff received an external audit report. It analyzed the reports with the Audit Quality Assessment Tool. The brand received the CAP from another FWF member at one supplier. Greiff has not yet set up a CAP with the two other suppliers.

**Recommendation:** FWF recommends Greiff to work towards setting up a CAP that includes timelines with the suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.7 Compliance with FWF risk policies.	None of the specific risk policies apply	Aside from regular monitoring and remediation requirements under FWF membership, countries, specific areas within countries or specific product groups may pose specific risks that require additional steps to address and remediate those risks. FWF requires member companies to be aware of those risks and implement policy requirements as prescribed by FWF.	Policy documents, inspection reports, evidence of cooperation with other customers sourcing at the same factories, reports of meetings with suppliers, reports of additional activities and/or attendance lists as mentioned in policy documents.	N/A	6	-2
Compliance with FWF enhanced monitoring programme Bangladesh	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF Myanmar policy	Policies are not relevant to the company's supply chain			N/A	6	-2
Compliance with FWF guidance on abrasive blasting	Policies are not relevant to the company's supply chain			N/A	6	-2

Comment: Greiff is not active in Bangladesh and Myanmar and does not make use of abrasive sandblasting.

The brand is active in several high risk areas, for example Turkey. For most countries it sources from, Greiff looked into high risk issues by collecting FWF country studies and human rights reports.

With its Turkish agent and supplier, Greiff also discussed the employment of Syrian refugees.

Greiff has partially related its knowledge about high risk issues to the assessment of new and current suppliers.

**Recommendation:** FWF encourages Greiff to increase its knowledge of high risk issues in countries where it sources from. FWF recommends Greiff to further incorporate this knowledge in its risk assessment of suppliers and actively discuss and verify at suppliers whether such risks are also present at its suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.8 Member company cooperates with other FWF member companies in resolving corrective actions at shared suppliers.	Active cooperation	Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the chances of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers.	Shared CAPs, evidence of cooperation with other customers.	2	2	-1

**Comment:** At its Pakistani supplier, Greiff has set up a project with another FWF member to improve productivity and working conditions. At another Macedonian factory, both FWF members stopped cooperation with the factory due to communication issues. Both members were in touch and informed each other about their relationship with the supplier.

Greiff actively informs one of its customers who is a FWF-member, about where production for this customer takes place and the progress Greiff makes in improving working conditions.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.9 Percentage of production volume where monitoring requirements for low-risk countries are fulfilled.	50-100%	Low-risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with national and international standards and laws.	Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.	1	2	0

**Comment:** Greiff ensured that it has the FWF questionnaire of all its suppliers in low-risk countries, that the FWF Code of Labour Practices is posted. Greiff visits these suppliers regularly. Since these suppliers are from Germany, Czech Republic and Hungary, there were no specific country risks that Greiff had to mitigate for.

**Recommendation:** FWF recommends Greiff to take additional activities to monitor suppliers in low-risk countries. Such additional measures could be to plan audits, conduct a wage analysis or organize or participate in supplier seminars with factory management and agents to discuss social compliance.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.10 Extra bonus indicator: in case FWF member company conducts full audits above the minimum required monitoring threshold.	None	FWF encourages all of its members to audit/monitor 100% of its production locations and rewards those members who conduct full audits above the minimum required monitoring threshold.	Production location information as provided to FWF and recent Audit Reports.	N/A	3	0

**Comment:** Greiff is in the second year of its membership and has monitored 70% of its supply chain, where 60% is required. There are several suppliers which do not belong to the tail end and have not yet been audited. Therefore, the indicator is scored N/A

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.11 Questionnaire is sent and information is collected from external brands resold by the member company.	Yes	FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.	Questionnaires are on file.	1	2	0

**Comment:** In its factory outlet store in Bamberg, Greiff sells items from more than 100 external producers. The size of the orders at a large portion of these external producers is usually very small. Greiff sent the questionnaire to all of its external producers. In total, 48 external producers had returned the questionnaire, amounting to 44% of the total external sales volume.

**Recommendation:** FWF recommends Greiff to collect questionnaires from all external producers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.12 External brands resold by member companies that are members of another credible initiative (% of external sales volume).	5%	FWF believes members who resell products should be rewarded for choosing to sell external brands who also take their supply chain responsibilities seriously and are open about in which countries they produce goods.	External production data in FWF's information management system. Documentation of sales volumes of products made by FWF or FLA members.	1	3	0

**Comment:** One external producer is a FLA member, while another is a FWF-member. Greiff is looking for ways to source more products from FWF/FLA members.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
2.13 Questionnaire is sent and information is collected from licensees.	No licensees	FWF believes it is important for member companies to know if the licensee is committed to the implementation of the same labour standards and has a monitoring system in place.	Questionnaires are on file. Contracts with licensees.	N/A	1	0

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## MONITORING AND REMEDIATION

Possible Points: 28

Earned Points: 19

### 3. COMPLAINTS HANDLING

BASIC MEASUREMENTS	RESULT	COMMENTS
Number of worker complaints received since last check	1	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the complaints system.
Number of worker complaints in process of being resolved	1	
Number of worker complaints resolved since last check	0	

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.1 A specific employee has been designated to address worker complaints	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.	1	1	-1

Comment: Both the CSR-officer and the CEO are responsible for handling complaints.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.2 System is in place to check that the Worker Information Sheet is posted in factories.	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from production location visits, etc.	2	2	0

Comment: Greiff has set up a system to check whether the Worker Information Sheet is posted. During factory visits, it checks whether the sheet is posted. It also asks suppliers to send pictures of a posted Code of Labour Practices.

Recommendation: FWF recommends Greiff to always check whether the FWF CoLP is posted in an accessible and safe place for workers. When asking for pictures of a posted CoLP, Greiff can check the pictures on where the FWF CoLP is posted.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.3 Percentage of FWF-audited production locations where at least half of workers are aware of the FWF worker helpline.	25%	The FWF complaints procedure is a crucial element of verification. If production location based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints. Production location participation in the Workplace Education Programme also count towards this indicator.	Percentage of audited production locations where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism + percentage of production locations in WEP programme.	2	4	0

Comment: At one of the four suppliers that were FWF-audited, a FWF WEP basic took place.

Recommendation: Greiff can stimulate its suppliers to participate in WEP training, to raise awareness about the existence and the functioning of FWF's worker hotline. In addition to sending the worker information sheet, Greiff can use the worker information cards available for download on FWF's website.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.4 All complaints received from production location workers are addressed in accordance with the FWF Complaints Procedure	Yes	Providing access to remedy when problems arise is a key element of responsible supply chain management. Member company involvement is often essential to resolving issues.	Documentation that member company has completed all required steps in the complaints handling process.	3	6	-2

Comment: At its Moroccan supplier, a worker complained to the FWF worker helpline that breast-feeding time was not given, workers were easily disciplined, social security was not paid in full and there was double book-keeping. Previously, a worker had already complained about most of these issues right after a FWF-audit took place in 2015. Despite previous efforts by Greiff to improve the situation, the supplier had not improved on these issues. The complaint was verified by an on-site investigation by a local FWF-team.



Greiff then worked with the supplier towards improvements. Greiff closely monitors the situation, while verification is planned for the end of 2017.

**Recommendation:** FWF recommends Greiff to contact other customers of the Moroccan factory to work together on improvements. Furthermore, Greiff could analyse how its prices relate to the total costs and turnover of the factory and whether Greiff pays a price that is sufficient to pay the actual costs.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
3.5 Cooperation with other customers in addressing worker complaints at shared suppliers	No complaints or cooperation not possible / necessary	Because most production locations supply several customers with products, involvement of other customers by the FWF member company can be critical in resolving a complaint at a supplier.	Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.	N/A	2	0

Comment: The Moroccan supplier where a complaint was lodged is not a shared factory.

## COMPLAINTS HANDLING

Possible Points: 13

**Earned Points: 8**

## 4. TRAINING AND CAPACITY BUILDING

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.1 All staff at member company are made aware of FWF membership.	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.	1	1	-1

Comment: Greiff has informed its staff through the intranet, emails and notices and it has designed a CSR-brochure for both staff and customers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.2 All staff in direct contact with suppliers are informed of FWF requirements.	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.	2	2	-1

Comment: Staff of Greiff participated in the German stakeholder meeting and the annual conference. It has not yet provided training to staff related to the promotion of labour standards..

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.3 All sourcing contractors/agents are informed about FWF's Code of Labour Practices.	Yes + actively support COLP	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of member company to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.	2	2	0

Comment: Greiff makes use of four intermediaries. All intermediaries are informed about the FWF CoLP. Where possible, Greiff includes the intermediaries in CAP follow up.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.4 Production location participation in Workplace Education Programme (where WEP is offered; by production volume)	1%	Lack of knowledge and skills on best practices related to labour standards is a common issue in production locations. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.	1	6	0

**Comment:** Greiff did not enroll suppliers in the Workplace Education Programme. One Macedonian supplier had been trained by FWF before production started.

**Recommendation:** In order to ensure awareness and enhance understanding of the relevant labour standards, grievance mechanisms and the importance of a good mechanism for communication between employers and workers in the workplace, FWF developed the Workplace Education Programme. FWF currently offers the following training modules for the WEP: Basic, Communication, Gender Based Violence, Supervisor and the Factory Guide. More info on availability in countries can be found on the FWF website. Greiff should motivate its main supplier(s) in countries where FWF is active to organize WEP training sessions.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
4.5 Production location participation in trainings (where WEP is not offered; by production volume)	38%	In areas where the Workplace Education Programme is not yet offered, member companies may arrange trainings on their own or work with other training-partners. Trainings must meet FWF quality standards to receive credit for this indicator.	Curricula, other documentation of training content, participation and outcomes.	3	4	0

**Comment:** Greiff organized a training session in Bosnia at one of its suppliers. Both management and workers were trained on FWF, the FWF CoLP and the FWF worker helpline.

**Recommendation:** FWF recommends Greiff to train more suppliers on FWF, the FWF CoLP and the FWF worker helpline. Furthermore, Greiff could look for training organisations that offer more advanced training on, for example social dialogue.

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## TRAINING AND CAPACITY BUILDING

Possible Points: 15

Earned Points: 9

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## 5. INFORMATION MANAGEMENT

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.1 Level of effort to identify all production locations	Intermediate	Any improvements to supply chains require member companies to first know all of their production locations.	Supplier information provided by member company. Financial records of previous financial year. Documented efforts by member company to update supplier information from its monitoring activities.	3	6	-2

**Comment:** Greiff is well aware of its direct suppliers. In 2016-2017, the brand started to include subcontractors in its monitoring system. At the same time, audit reports showed that subcontractors were used for Greiff, while they were not part of its monitoring system.

**Requirement:** After the end of each financial year, affiliates must confirm their list of suppliers and provide relevant financial data. Greiff needs to ensure that it knows all of its production locations as soon as possible and start monitoring them. This includes all subcontractors for printing, embroidery and knitting.

**Recommendation:** Affiliates are advised to develop a systematic approach to complete the supplier list. Part of the approach can be:

- 1) Automatically include information from audit reports and complaints;
- 2) Business relationships with agents include transparency of production locations;
- 3) Agreements with factories on the use of subcontractors stating clearly that when subcontractors are used, they are included in the monitoring system and information is shared on the subcontracted production process.

The supplier register of the previous financial year has to be complete and accurate; production locations of all suppliers must be listed, including subcontractors. Correct FOB percentages should be given per supplier to show the relevance of each supplier in relation to the affiliate's total purchasing volume. These can be calculated on the basis of payments made during the previous financial year. Greiff is asked to notify FWF as soon as possible in case unknown subcontractors are discovered.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
5.2 CSR and other relevant staff actively share information with each other about working conditions at production locations.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.	1	1	-1

**Comment:** Important events and information are exchanged among the head of departments in a weekly meeting; the CSR department receives the notes. Regular meetings between management, CSR, disposition, Head of Purchasing and the Technical manager are held to update them on the working conditions at suppliers.

All staff can access the material on working conditions, including the CAPs of factories.

**Recommendation:** It is advised to make relevant staff aware of the available tools FWF offers, such as monitoring CAP documents, reports on living wage and access to FWF's online information system. Purchasing and technical staff is recommended to share reports from factory visits that include a status update of implementing the CoLP.

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## INFORMATION MANAGEMENT

Possible Points: 7

Earned Points: 4

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## 6. TRANSPARENCY

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.1 Degree of member company compliance with FWF Communications Policy.	Minimum communications requirements are met AND no significant problems found	FWF's communications policy exists to ensure transparency for consumers and stakeholders, and to ensure that member communications about FWF are accurate. Members will be held accountable for their own communications as well as the communications behaviour of 3rd-party retailers, resellers and customers.	FWF membership is communicated on member's website; other communications in line with FWF communications policy.	2	2	-3

**Comment:** Greiff communicates about FWF on its website, in tenders and to its customers. Communication adheres to the FWF communications policy. FWF only suggested to make some minor changes to its communication.

**Recommendation:** FWF recommends Greiff to communicate more actively about FWF and the progress it makes towards improving working conditions. Furthermore, FWF encourages Greiff to continue the steps Greiff is taking towards more transparency.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.2 Member company engages in advanced reporting activities	Published Performance Checks, Audits, and other efforts lead to increased transparency	Good reporting by members helps to ensure the transparency of FWF's work and shares best practices with the industry.	Member company publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.	1	2	0

**Comment:** Despite the fact that Greiff is working towards transparency through MyGreiff and is also open about the issues at suppliers in its social report, it has not yet disclosed production locations. Neither did it publish their first Brand Performance Check report, audits.



**Recommendation:** FWF strongly recommends to publish the Brand Performance Check on its website. The brand should actively communicate about the progress it is making in improving labour conditions at its suppliers.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
6.3 Social Report is submitted to FWF and is published on member company's website	Complete and accurate report published on member's website	The social report is an important tool for members to transparently share their efforts with stakeholders. Member companies should not make any claims in their social report that do not correspond with FWF's communication policy.	Social report that is in line with FWF's communication policy.	2	2	-1

Comment: Greiff submitted its social report and put it on its website.

## TRANSPARENCY

Possible Points: 6

**Earned Points: 5**

### Additional comments on Transparency:

Greiff developed MyGreiff, a tool which makes it possible for customers to trace their products. The tool shows in which country the processes for weaving, dyeing and Cut Make Trim took place.

## 7. EVALUATION

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management	Yes	An annual evaluation involving top management ensures that FWF policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.	2	2	0

Comment: Greiff evaluates FWF membership and the outcome of the Brand Performance Check with top management annually.

PERFORMANCE INDICATORS	RESULT	RELEVANCE OF INDICATOR	DOCUMENTATION	SCORE	MAX	MIN
7.2 Level of action/progress made on required changes from previous Brand Performance Check implemented by member company.	49%	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Progress on achieving these requirements is an important part of FWF membership and its process approach.	Member company should show documentation related to the specific requirements made in the previous Brand Performance Check.	2	4	-2

Comment: Greiff had two requirements after last years' Brand Performance Check. Greiff successfully worked on analyzing country risks. It collected country information and made them accessible to relevant staff.

## EVALUATION

Possible Points: 6

Earned Points: 4

## RECOMMENDATIONS TO FWF

Greiff did not have any recommendations for FWF.

## SCORING OVERVIEW

CATEGORY	EARNED	POSSIBLE
Purchasing Practices	28	44
Monitoring and Remediation	19	28
Complaints Handling	8	13
Training and Capacity Building	9	15
Information Management	4	7
Transparency	5	6
Evaluation	4	6
Totals:	77	119

### BENCHMARKING SCORE (EARNED POINTS DIVIDED BY POSSIBLE POINTS)

65

### PERFORMANCE BENCHMARKING CATEGORY

Good

## BRAND PERFORMANCE CHECK DETAILS

Date of Brand Performance Check:

07-09-2017

Conducted by:

Wilco van Bokhorst

Interviews with:

Hans-Peter Beck - CEO

Nicole Wagner - CSR Manager

Jürgen Lützelberger - Head of Purchasing, Product Management and Marketing

Robert Pröll - Technical manager

Sabine Sahliger, Chief Financial Officer