



# ecovadis

## EcoVadis Sustainability Assessment Report

Company rated:  
WALTER AG (GROUP)

Overall score: 76 /100  
July 2024

Sustainability performance: Advanced

Size: L  
Headquarters country: Germany  
Risk country operations: Yes  
Industry: Manufacture of special-purpose machinery

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## ABOUT SUSTAINABILITY

Sustainability is the continuing commitment to act responsibly by integrating social and environmental concerns into business operations. Sustainability goes beyond regulatory compliance to focus on how companies manage their economic, social and environmental impacts, as well as their relationships with stakeholders (e.g. employees, trading partners, government).

## ABOUT THE ASSESSMENT

The EcoVadis methodology framework assesses companies' policies and actions as well as their published reporting related to the environment, labor and human rights, ethics and sustainable procurement. Our team of international sustainability experts analyze and crosscheck companies' data (supporting documents, 360° Watch Findings, etc.) in order to create reliable ratings, taking into account each company's industry, size and geographic location.

## ABOUT ECOVADIS

EcoVadis provides the leading solution for monitoring sustainability in global supply chains. Using innovative technology and sustainability expertise, we strive to engage companies and help them adopt sustainable practices.

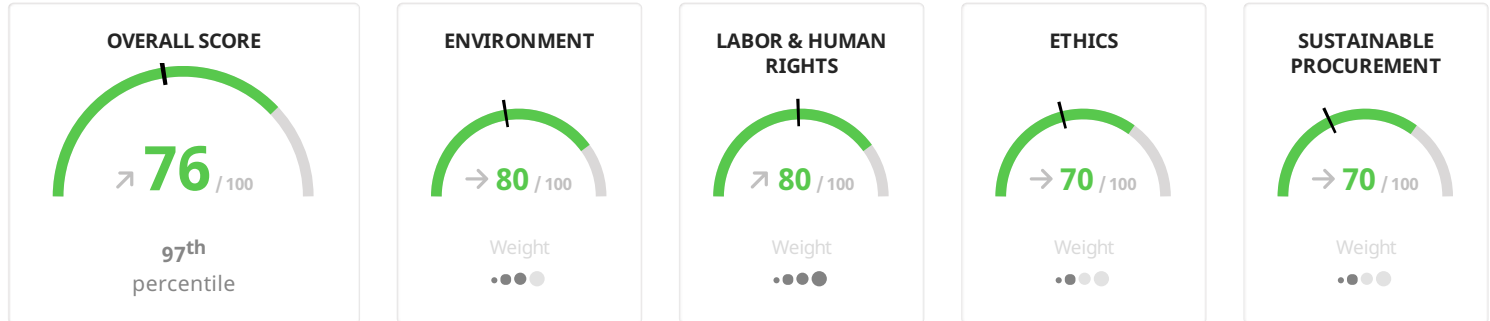
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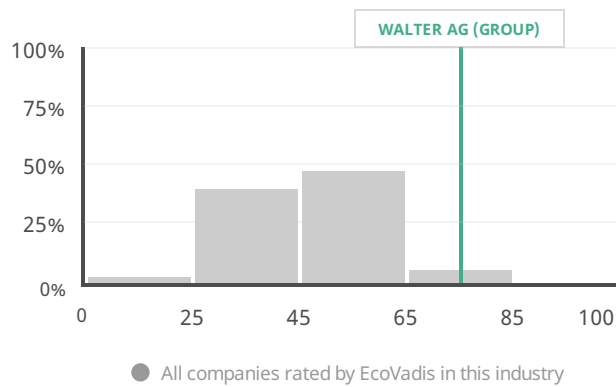
# 1. SUSTAINABILITY PERFORMANCE OVERVIEW

## Score breakdown

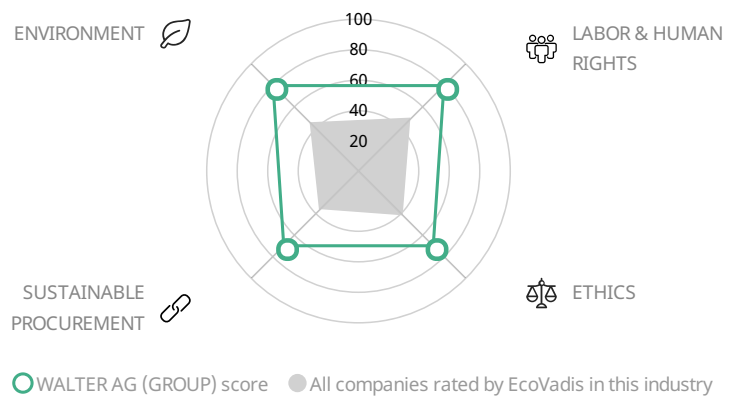
Sustainability performance ● Insufficient ● Partial ● Good ● Advanced ● Outstanding — Average score



## Overall score distribution



## Theme score comparison



WALTER AG (GROUP) has received a Gold Medal in recognition of its sustainability achievement. This award places it in the top of companies assessed by EcoVadis over the past 12 months.

## Corrective Action Plan in progress

The Corrective Action Plan is a collaborative feature designed to support companies' performance improvement. It enables companies to build an improvement plan online, communicate planned and completed corrective actions and share feedback. WALTER AG (GROUP) has a corrective action plan in place and is working on improving their sustainability management system.

\* You are receiving this score/medal based on the disclosed information and news resources available to EcoVadis at the time of assessment. Should any information or circumstances change materially during the period of the scorecard/medal validity, EcoVadis reserves the right to place the business' scorecard/medal on hold and, if considered appropriate, to re-assess and possibly issue a revised scorecard/medal.

## 2. ASSESSMENT BENEFITS

### Understand :

**Get a clear picture of a company's sustainability performance.** The scorecard is the final output of the EcoVadis assessment. It rates and benchmarks a company's sustainability performance in four themes on a scale of 0-100 and highlights strengths and improvement areas.

**Know where a company stands compared to their industry.** Benchmark the company's sustainability performance against the industry with a score distribution graph and theme score comparisons.

**Identify industry trends.** Discover the primary sustainability risks, regulations, hot topics and best practices related to specific industries.

### Communicate :

**Meet customer needs.** More and more companies raise questions about their trading partners' environmental and social performance. The EcoVadis assessment allows companies to demonstrate their commitment.

**Leverage a unique communication tool.** Companies with an EcoVadis Scorecard avoid audit fatigue by sharing one assessment with all requesting customers.

## 3. ASSESSMENT PROCESS

1

### Customer Request

Procurement, CSR, EHS, and Sustainability leaders in enterprises looking to monitor sustainability risk in the supply chain request an EcoVadis assessment for their trading partners.

2

### Questionnaire

Based on a company's specific sustainability risk factors, a customized questionnaire is created. It contains 20 to 50 questions tailored to the industry, size and location.

3

### Document Analysis

Companies are required to provide supporting documentation for their answers to the questionnaire. These documents are reviewed by our analysts.

4

### Public Information

Company information that is publicly available, most often found on the company website, is also collected as evidence of their sustainability performance.

5

### 360° Watch Findings

360° Watch Findings comprise relevant public information about companies' sustainability practices, identified via more than 10,000 data sources. They can have positive, negative or no score impact.

6

### Expert Analysis

Our analysts combine all these elements to produce one unified scorecard per company.

### SCORECARD



## 4. ECOVADIS METHODOLOGY

### A. Four Themes and 21 Criteria

EcoVadis assessments focus on 21 issues which are grouped into 4 themes (Environment, Labor & Human Rights, Ethics, Sustainable Procurement). The 21 issues or criteria are based upon international sustainability standards such as the Global Compact Principles, the International Labour Organization (ILO) conventions, the Global Reporting Initiative (GRI) standard, the ISO 26000 standard, and the CERES principles.

#### 21 sustainability criteria

#### 1. ENVIRONMENT

##### OPERATIONS

- Energy consumption & GHGs
- Water
- Biodiversity
- Air Pollution
- Materials, Chemicals & Waste

##### PRODUCTS

- Product Use
- Product End-of-Life
- Customer Health & Safety
- Environmental Services & Advocacy

#### 2. LABOR & HUMAN RIGHTS

##### HUMAN RESOURCES

- Employee Health & Safety
- Working Conditions
- Social Dialogue
- Career Management & Training

##### HUMAN RIGHTS

- Child Labor, Forced Labor & Human Trafficking
- Diversity, Equity & Inclusion
- External Stakeholders Human Rights

#### 3. ETHICS

- Corruption
- Anticompetitive Practices
- Responsible Information Management

#### 4. SUSTAINABLE PROCUREMENT

- Supplier Environmental Practices
- Supplier Social Practices



### B. Seven Management Indicators

EcoVadis assessments evaluate a company's sustainability management system by looking at seven management indicators. These are used to further customize the assessment by weighting the four themes and their subsequent 21 sustainability criteria.



#### Policies (weight: 25%)

1. Policies: Mission statements, policies, objectives, targets, governance
2. Endorsement: Endorsement of external sustainability initiatives

#### Actions (weight: 40%)

3. Measures: Measures and actions implemented (e.g. procedures, training, equipment)
4. Certifications: Certifications and labels (e.g. ISO 14001)
5. Coverage: Coverage of measures and actions

#### Results (weight: 35%)

6. Reporting: Reporting on Key Performance Indicators (KPIs)
7. 360: Condemnations, Controversies, Awards

## 5. UNDERSTANDING A SCORECARD

The overall score can be better understood by looking at quantitative information (theme scores and activated criteria) and qualitative information (strengths and improvement areas).

### A. Quantitative Information: Scores & Activated Criteria

#### Theme Scores:

Like the overall score, theme scores are on a scale of 1 to 100.

#### Activated Criteria:

Each of the four themes (Environment, Labor & Human Rights, Ethics, Sustainable Procurement) have specific criteria associated with them. Because the questionnaire is customized by industry, size and location, not all 21 criteria are activated for every company and some criteria are weighted more heavily than others.

#### Non-activated

If certain criteria are not activated, then the specific associated issue is not relevant or has very low sustainability risk for that company.

Medium

Medium importance criteria are the issues some sustainability risk is present but not the most pressing.

High

High importance criteria are the issues where the company faces the greatest sustainability risk.

#### ! Risk countries only

Criteria classified as Only in Risk Countries are activated only if the company has significant operations in one or more countries identified as risky.

### C. The Scoring Scale

0 - 24	Insufficient	No engagements or tangible actions regarding sustainability. Evidence in certain cases of misconduct (e.g. pollution, corruption).
25 - 44	Partial	No structured sustainability approach. Few engagements or tangible actions on selected issues. Partial reporting on Key Performance Indicators. Partial certification or occasional labeled product.
45 - 64	Good	Structured and proactive sustainability approach. Engagements/policies and tangible actions on major issues. Basic reporting on actions or Key Performance Indicators.
65 - 84	Advanced	Structured and proactive sustainability approach. Engagements/policies and tangible actions on major issues with detailed implementation information. Significant sustainability reporting on actions and Key Performance Indicators.
85 - 100	Outstanding	Structured and proactive sustainability approach. Engagements/policies and tangible actions on all issues with detailed implementation information. Comprehensive sustainability reporting on actions and Key Performance Indicators. Innovative practices and external recognition.

### B. Qualitative Information: Strengths & Improvement Areas

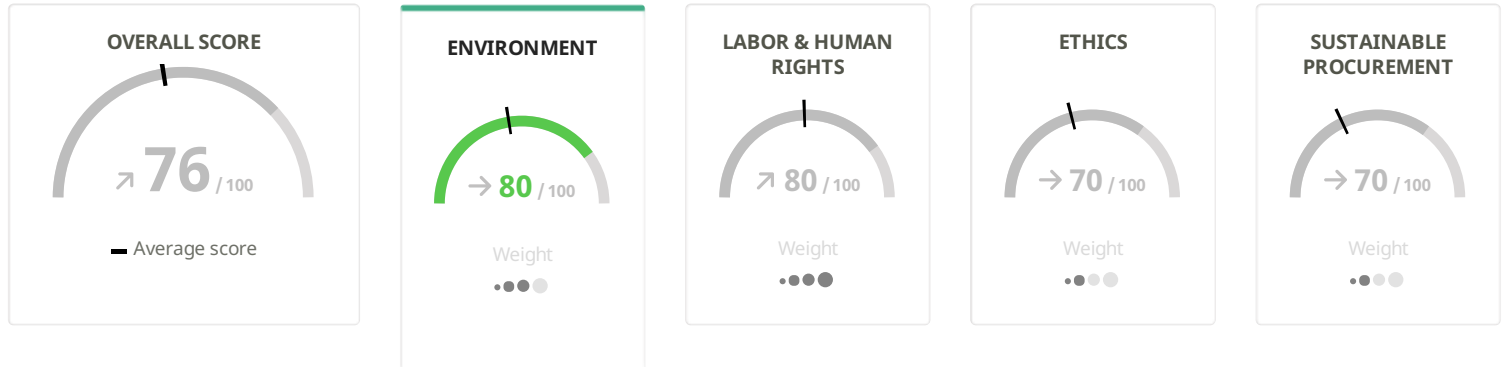
Qualitative information provides more details and insights into a company's score. For each theme, the company is assigned strengths (elements of their sustainability management system that are positive) and improvement areas (elements of their sustainability management system that need to be improved). The strengths and improvement areas are divided according to the three management layers (Policies, Actions, Results) and are also classified by priority.

All improvement areas are automatically added to the company's Corrective Action Plan. They are pre-organized by priority. The Corrective Action Plan is a collaborative feature designed to support companies' performance improvement. It enables companies to build an improvement plan online, communicate planned and completed corrective actions and share feedback.

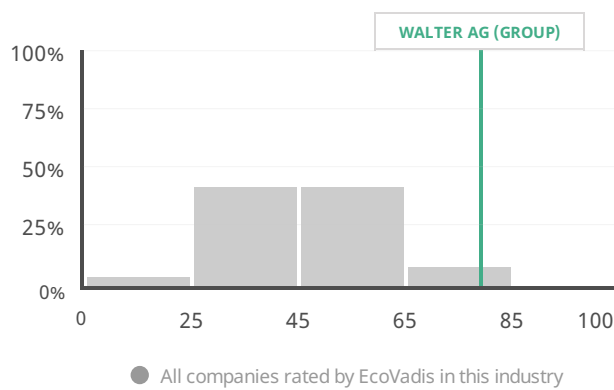
## 6. ENVIRONMENT

This theme takes into account both operational factors (e.g. energy consumption, waste management) and product stewardship (e.g. product end-of-life, customer health and safety issues).

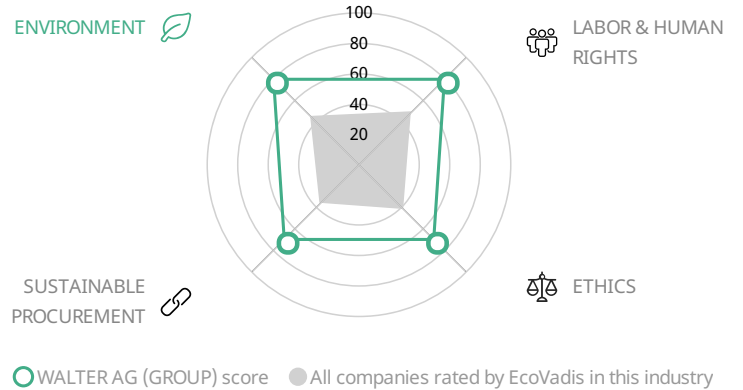
### Environment Score Breakdown



Theme score distribution



Theme score comparison



#### Environment: Activated Criteria

Because the questionnaire is customized by industry, size and location, not all 21 criteria are activated for every company and some criteria are weighted more heavily than others.

#### Environment: Strengths & Improvement Areas

The Corrective Action Plan is a collaborative feature designed to support companies' performance improvement. It enables companies to build an improvement plan online, communicate planned and completed corrective actions and share feedback. Improvement areas with ongoing corrective actions are marked with labels below.

**Strengths**

**Policies**

**Endorsement of the United Nations Global Compact (UNGC)**

**Information**

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, ethics and sustainable procurement. The company is a formal signatory of this initiative.

**Guidance**

The United Nations Global Compact is a United Nations strategic policy initiative to encourage businesses worldwide to adopt sustainable, both environmentally and socially responsible policies, and to report on their implementation. Companies sign the initiative and then are required to provide overviews of their management system through a mandatory disclosure framework (annual publication of a Communication on Progress [COP]).

**Environmental policy on air pollution**

**Quantitative objectives set on product end-of-life**

**Quantitative objectives set on materials, chemicals & waste**

**Quantitative objectives set on energy consumption & GHGs**

**Environmental policy on customer health & safety**

**Environmental policy on product end-of-life**

**Environmental policy on product use**

**Environmental policy on materials, chemicals & waste**

**Environmental policy on water**

**Environmental policy on energy consumption & GHGs**

**Endorsement of the Science Based Targets initiative - Targets Set**



**Exceptional policy on major environmental issues**

**Information**

The company has issued an exceptional policy that integrates commitments, qualitative and quantitative objectives on major environmental issues.

**Guidance**

Policies are deemed exceptional when all environmental issues are covered by qualitative and quantitative objectives. In addition, an exceptional policy must also have exhaustive organizational elements such as the allocation of responsibilities and formal mechanisms to communicate, review and amend the policy.

**Actions**

**Environmental management system certification covers more than 75% of the assessed scope**

**Supporting documents show an exceptional level of coverage of environmental actions or certification throughout company operations**

**Water audit**

**Use of alternative, less hazardous substances in operations**

**Use of recovered input materials**

**Specialized treatment and safe disposal of hazardous substances**

**Environmental emergency measures in place**

**Reduction of material consumption through process optimization**

**Internal sorting & disposal of waste according to waste streams**

**Actions or training to raise employee awareness on waste reduction & sorting**

**Reduction of internal wastes through material reuse, recovery or repurpose**

**Regular noise measuring campaign (site boundary noise measurements undertaken)**

**Information**

The company provided an evidence of regular noise measuring campaign

**Guidance**

Some examples of actions might include evidence of monitoring mechanisms to keep track of the status of noise emissions during operations.

**Actions to prevent emissions of atmospheric pollutants and other environmental nuisances (e.g. noise, odor, vibration, road and light)**

**Information**

The company has proactive actions in place to prevent emissions of atmospheric pollutants and other environmental nuisances (e.g. noise, odor, vibration, road and light)

**Guidance**

Some examples of actions might include evidence of improvement or modification of production processes, enhanced equipment efficiency and any other factors leading to the prevention of atmospheric pollutants or other environmental nuisances at the generation source. This is differentiated from the mitigation actions which aim to reduce the impacts of the unavoidable emissions. Air and other environmental nuisances include dust, PM, VOC, SO<sub>2</sub>, NO<sub>x</sub>, noise, odor, vibration, light pollution and road congestion.

**Wastewater quality assessment**

**On-site or off-site wastewater treatment facilities**

**Training of employees on energy conservation/climate actions**

**Purchase and/or generation of renewable energy**

**Company-specific emergency preparedness and response procedure regarding customer health and safety**

**Information**

The company has provided evidence of a company-specific emergency preparedness and response procedure regarding customer health and safety.

**Guidance**

The company demonstrates evidence of formalized instructions or operational processes to prepare for incidents related to customer health and safety and offer emergency support or real-time assistance to customers.

**Purchase of verified carbon offset credits**

**Improvement of energy efficiency through technology or equipment upgrades**

**ISO 50001 certified**

**Information**

The company has provided a valid ISO 50001 certificate for at least one of its operational sites.

**Guidance**

ISO 50001:2011 specifies requirements for establishing, implementing, maintaining and improving an energy management system, whose purpose is to enable an organization to follow a systematic approach in achieving continual improvement of energy performance, including energy efficiency, energy use and consumption. The ISO 50001 standard, previously known as DIN EN 16001, was launched in June 2011. It is fully aligned with ISO 14001.

**ISO 14001 certified**

**Information**

The company has provided a valid ISO 14001 certificate that covers all of its operations.

**Guidance**

The ISO 14001 standard belongs to the ISO 14000 series, a family of environmental management standards developed by the International Organization for Standardization (ISO) designed to provide an internationally recognized framework for environmental management, measurement, evaluation and auditing. The standard serves as a framework to assist organizations in developing their own environmental management system and is based on the continuous Plan-Do-Check-Act cycle.

**Use of waste heat recovery system(s) or combined heat and power unit(s)**

**Information**

The company has implemented a process to be able to use heat from production processes to produce energy.

**Guidance**

Cogeneration or combined heat and power (CHP) is a system that simultaneously generates at least two different forms of energy from a single fuel source. The electricity generator recovers and reuses its own waste heat from combustion of processed natural gas or petroleum gas, for example to generate steam that drives auxiliary turbines to produce additional power.

**Training employees to safely handle and manage hazardous substances**

**Information**

The company has provided supporting documentation demonstrating that it provides regular training on work processes for labeling, storing, handling and transporting hazardous goods

**Guidance**

Proper labeling of hazardous substances might include alignment with the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals or other regional schemes like TSCA, IESCS. The company may also train its employees regarding the proper storage and handling of hazardous goods, such as procedures to avoid accidental spills or instructions on the use of appropriate personal protective equipment (PPE) in the handling of hazardous goods. Transportation procedures might include checklists for loading/unloading hazardous goods or procedures in place to ensure that all necessary information is included on documents for consignment of hazardous goods.

**Energy efficient cooling options implemented on key products**

**Actions for labeling, storing, handling and transporting hazardous substances**

**Information**

The company has implemented a procedure regarding the proper labeling, storage, handling and transportation of hazardous products

**Guidance**

Proper labeling might include alignment with the Globally Harmonized System of Classification and Labeling of Chemicals (GHS) or other regional schemes like TSCA, IESCS. The company also has formalized procedures regarding the proper storage and handling of hazardous goods, such as procedures to avoid accidental spills or instructions on the use of appropriate personal protective equipment (PPE) in the handling of hazardous goods. Transportation procedures might include checklists for loading/unloading hazardous goods or procedures in place to ensure that all necessary information is included on documents for consignment of hazardous goods.

**Company-specific recycle or reuse programs (e.g. company-specific infrastructure or formal partnership established)**

**Information**

The company has implemented specific recycle or reuse programs with regards to recycling or reuse of materials, chemicals and/or waste.

**Guidance**

Examples of such measures might include installations of specific infrastructure for recycling of waste, agreements with equipment manufacturers to take back equipment for recycling, contracts with specialist waste collectors (e.g. for used oil, metals), and joint working groups with several other companies in the same industry sector / in the same region to set up a common collection and disposal scheme.

**Control of wastewater generated in finishing operations such as quenching and deburring**

**Information**

The company has implemented working processes that control the wastewater generated in finishing operations such as quenching and deburring.

**Guidance**

It is important for companies to deal with water issues and impacts of their company's activities, including the emission of waste water. Certain sectors and activities will emit large amounts of wastewater from processes like quenching and deburring, which use water to cool materials and products during manufacturing. Companies can implement various actions in order to minimize wastewater, such as closed-loop water cooling systems, wastewater treatment installations on site, and steps to monitor water levels.

**Work processes or technologies implemented to mitigate emissions of dust and/or particulate matter**

**Information**

The company has implemented specific measures to avoid emissions of dust or particles.

**Guidance**

Some examples of actions on this topic include (but are not limited to): emission control devices for drilling operations, covering stock piles of soil or sand with tarps to reduce fugitive dust emissions, training of employees on the proper handling of construction materials and dismantlement to reduce fugitive emissions.

**Dedicated feedback channel on health & safety issues of products**

**Information**

The company has implemented a channel for collection of external feedback regarding any potential health and safety issues of the company's products.

**Guidance**

External sources can provide feedback regarding any issues with the health and safety of products through a channel that is set up by the company. This is a good way for the company to be able to monitor and receive feedback regarding any potential health and safety risks to the customers, that may stem from their products. This can help reduce and/or remove the dangers that products could potentially pose on customers. By implementing a feedback program, the company can greatly reduce the risks as well as reduce the number of recalls. The company can greatly reduce the risks faced by its customers and their families as well as reduce the number of health and safety incidents for their customers who use their products.

**Formal lifecycle analysis performed on key products**

**Information**

The company has implemented a formal lifecycle analysis on key products.

**Guidance**

The company has a life-cycle analysis on key products to assess the environmental impacts associated with all the stages of a product's life from cradle to grave (i.e. from raw material extraction through materials processing, manufacture, distribution, use, repair and maintenance, and disposal or recycling). Life-cycle analyses enable the compilation of an inventory of relevant energy and material inputs and environmental releases.

**Company awareness program for customers on health & safety issues associated with products/services**

**Information**

The company has a specific awareness program for customers on health and safety issues related to products and services.

**Guidance**

Some examples of areas it could cover include training on protective measures to be taken by the customers, provision of information on product composition, etc. The training could cover international and industry standards, explaining how call back procedures can be used to report customer risks, and how to apply certain management systems such as the Hazard Analysis and Critical Control Points (HACCP).

**Results**

**Total gross Scope 2 reporting value confirmed in supporting documentation**

**Information**

It was confirmed in the documentation provided by the company that the declared value for total gross Scope 2 is true.

**Guidance**

The company provided supporting documentation which show that the reported value for total gross Scope 2 reporting value is true.

**Total gross Scope 1 reporting value confirmed in supporting documentation**

**Information**

It was confirmed in the documentation provided by the company that the declared value for total gross Scope 1 is true.

**Guidance**

The company provided supporting documentation which show that the reported value for total gross Scope 1 reporting value is true.

**Reporting on total gross Scope 2 GHG emissions (market or location based)**

**Information**

The company demonstrates that there is public or internal reporting of consolidated data on the total gross Scope 2 GHG emissions (market or location based).

**Guidance**

The company provided data which show the total gross Scope 2 GHG emissions (market or location based), these emissions refer to the GHG emissions resulting from the generation of purchased or acquired electricity, steam, heating, and cooling.

**Reporting on total gross Scope 1 GHG emissions**

**Information**

The company demonstrates that there is public or internal reporting of consolidated data on the total gross Scope 1 GHG emissions.

**Guidance**

The company provided data which show the total gross Scope 1 GHG emissions, these are direct GHG emissions which occur from sources that are owned or controlled by the company, such as emissions from combustion in owned or controlled boilers, furnaces, vehicles; emissions from chemical production in owned or controlled process equipment.

**Total gross Scope 3 downstream GHG emissions value confirmed in supporting documentation**

**Reporting on total gross Scope 3 downstream GHG emissions**

**Reporting in accordance with GRI Universal Standards**

Declares some sites/operations located in or near biodiversity-sensitive areas, but the activities do not negatively affect those areas (not verified)

Total gross Scope 3 GHG emissions reporting value confirmed in supporting documentation

Reporting on total water consumption

Reporting on total gross Scope 3 GHG emissions

Materiality analysis in sustainability reporting

External assurance or verification of sustainability reporting

**Information**

The company has provided evidence of external assurance or verification of sustainability reporting by an independent third party in the documents provided.

**Guidance**

The company has provided valid evidence of external assurance of sustainability reporting through an independent third party such as KPMG or Deloitte (or others) which ensures the quality and credibility of the qualitative and quantitative information reported by the organization.

Company communicates progress towards the Sustainable Development Goals (SDGs)

Parent company reports to CDP

**Information**

The company's parent company has responded to the Carbon Disclosure Project (CDP) survey (either Investor or Supply Chain Responses).

**Guidance**

The Carbon Disclosure Project is an independent not-for-profit organization, after an initiative led by the institutional investor community. Each year, large corporations are asked through comprehensive questionnaires to disclose their greenhouse gas emissions and climate change strategies in their CDP response. EcoVadis and the CDP have an active partnership which facilitates the assessment process for companies which are answering to the CDP questionnaires. Through this partnership, EcoVadis collects and analyzes available CDP answers and allows respondent companies to skip energy consumption & GHG related KPIs in the Ecovadis survey.

Reporting on total energy consumption

**Information**

The company has reported KPIs with regard to total energy consumption either through formal documentation or questionnaire declaration.

**Guidance**

Total energy consumed represents total primary energy consumption reported in kWh. Total energy consumed may include e.g. consumption of coal and coke (in Kg) reported in kWh and/or consumption of oil, LPG and electrical power in kWh.

**Standard reporting on environmental issues**

**Information**

There is evidence of formal reporting implemented regarding the management and the mitigation of the company environmental footprint from its supporting documentation, including key performance indicators (KPIs), statistical figures or associated concrete actions.

**Guidance**

Reporting items are standard in terms of quality and quantity, do cover the main issues, are meaningful enough, and are regularly updated. Examples of key performance indicators include total electricity consumption, electricity consumed per kg of product or per unit produced. Comprehensive reporting on environmental issues will additionally have KPIs reported in a formal public document available to stakeholders, and will be in compliance with the Global Reporting Initiative guidelines or other external sustainability reporting standards.

**Improvement Areas**

**Results**

**Low** Declares reporting on total weight of hazardous waste, but no supporting documentation available

**Low** Declares reporting on total weight of non-hazardous waste, but no supporting documentation available

**Low** No information related to reporting on total amount of renewable energy consumed

**Low** Declares reporting on total weight of waste recovered, but no supporting documentation available

**Low** No information on reporting on total weight of air pollutants

**Information**

The company has not provided documents about reporting on total weight of air pollutants. Air pollutants refer to any direct or indirect emission of pollutants into the air, indoor and outdoor.

**Guidance**

There is no reporting documentation available about total weight of air pollutants. Air pollutants refer to any direct or indirect emission of pollutants into the air, indoor and outdoor. These pollutants include SOx (sulphur oxides), NOx (nitrogen oxides), CO (carbon monoxide), PM (particulate matter), Heavy metals, POPs (persistent organic pollutants), VOCs (volatile organic compounds), ODS (ozone-depleting substances), NH3 (ammonia), other (hazardous) chemicals regulated by REACH and CLP including their compounds.

Low

No information on reporting on total amount of water recycled and reused

**Information**

The company has not provided documents about reporting on total amount of water recycled and reused.

**Guidance**

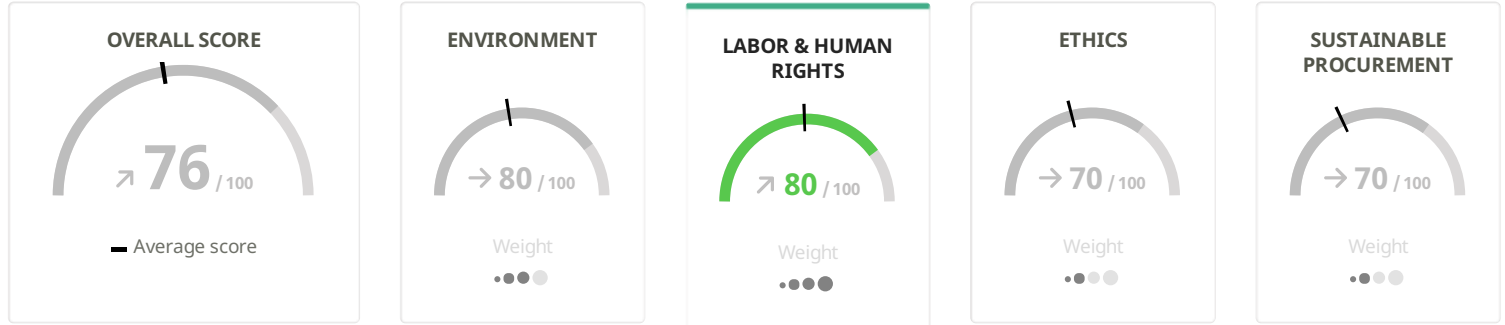
There is no reporting documentation available about total amount of water recycled and reused. Recycled or reused water is water and wastewater (treated or untreated) that has been used more than once before being discharged from the undertaking's boundary, so that water demand is reduced. This may be in the same process (recycled), or used in a different process within the same facility or another of the undertaking's facilities (reused).



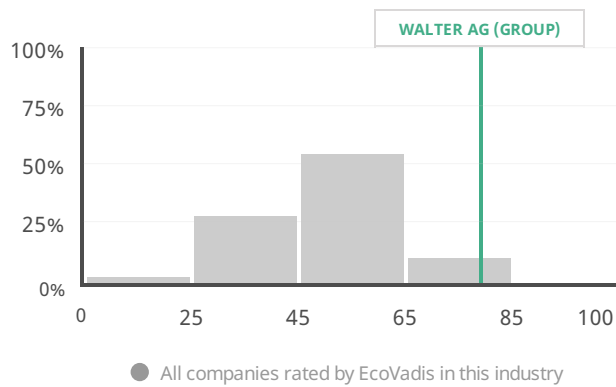
## 7. LABOR & HUMAN RIGHTS

This theme takes into account both internal human resources (e.g. health and safety, working conditions, career management) and human rights issues (e.g. discrimination and/or harassment, child labor).

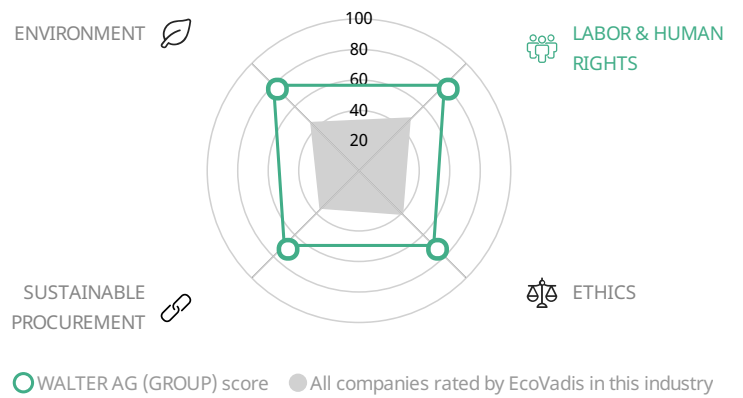
### Labor & Human Rights Score Breakdown



Theme score distribution



Theme score comparison



#### Labor & Human Rights: Activated Criteria

Because the questionnaire is customized by industry, size and location, not all 21 criteria are activated for every company and some criteria are weighted more heavily than others.

#### Labor & Human Rights: Strengths & Improvement Areas

The Corrective Action Plan is a collaborative feature designed to support companies' performance improvement. It enables companies to build an improvement plan online, communicate planned and completed corrective actions and share feedback. Improvement areas with ongoing corrective actions are marked with labels below.



**Strengths**

**Policies**

**Endorsement of the United Nations Global Compact (UNGC)**

**Information**

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, ethics and sustainable procurement. The company is a formal signatory of this initiative.

**Guidance**

The United Nations Global Compact is a United Nations strategic policy initiative to encourage businesses worldwide to adopt sustainable, both environmentally and socially responsible policies, and to report on their implementation. Companies sign the initiative and then are required to provide overviews of their management system through a mandatory disclosure framework (annual publication of a Communication on Progress [COP]).

**Quantitative objectives set on employee health & safety**

**Labor & human rights policy on diversity, equity & inclusion**

**Labor & human rights policy on child labor, forced labor & human trafficking**

**Information**

The company has issued a formal policy that integrates commitments and/or operational objectives on child labor, forced labor & human trafficking.

**Guidance**

The company has implemented a policy on the prevention of child labor, forced labor & human trafficking in its operations. There are at least qualitative objectives/commitments which specifies the efforts to be made by the company to eradicate the occurrence of child labor, forced labor & human trafficking.

**Labor & human rights policy on career management & training**

**Labor & human rights policy on social dialogue**

**Labor & human rights policy on working conditions**

**Labor & human rights policy on employee health & safety**

**Comprehensive policy on a majority of labor or human rights issues**

**Information**

The company has issued a formal comprehensive policy that integrates commitments, qualitative and quantitative objectives on labor or human rights issues in the company's operations.

**Guidance**

Policies are deemed exceptional when all labor/human rights issues are covered by qualitative and quantitative objectives, in addition to some of the following elements: scope of application, allocation of responsibilities, and formal review processes. Download the How-to Guide on this topic here (in English).

**Actions**

**Labor and human rights management system certification covers more than 75% of the assessed scope**

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**Supporting documents show an exceptional level of coverage of labor and human rights actions or certification throughout company operations**

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**Actions in place to ensure health and safety of non-employee workers and other contracted workers on premises**

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**Skills development program tailored to employee needs**

**Information**

The company demonstrates evidence of a skills development program that is tailored to employee needs.

**Guidance**

The company demonstrates evidence of comprehensive training program (on-site, digital, or hybrid) that identifies an employee's skills profile or training needs (including hard and/or soft skills) and provides learning paths for the employee to address or improve on these training needs. Training completion records or training slides without any details on how it was tailored to the employees training needs will not be accepted.

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**The company declares its main operation(s) is located in a region where the right to freedom of association is not restricted by local law/regulation (not verified)**

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**Actions to control hazardous substance exposure**

**Information**

The company has taken actions to limit/control the exposure of employees to hazardous substances at the workplace.

**Guidance**

The company has implemented actions such as work instructions, installation records of enclosures, ventilation or extraction systems, job rotation or work adjustment procedures to minimize employees' contact with chemicals or other hazardous substances. These actions have been taken to limit the negative health effects that these hazardous substances can have on employees after prolonged exposure at the workplace.

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**Equipment safety inspections or audits**

**Information**

The company conducts regular inspections and/or audits of equipment used at work to ensure employee health and safety.

**Guidance**

The company conducts audits of control and/or inspections for equipment that employees use daily. The actions conducted include evaluation reports on equipment safety, work instructions on equipment safety, tracking record of equipment used or audits conducted by a third party regarding equipment used.

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**Employee health and safety emergency action plan**

**Information**

The company has formal procedures that have been communicated to all employees regarding accidents, injuries, provision of emergency equipment, emergency evacuation, first aid, fire drills and other situations regarding health and safety at the workplace.

**Guidance**

A health and safety emergency action plan is a document that demonstrates the health and safety plan created by each company in order to guide its employees when facing emergency situations. These emergency situations depend on the operations of the company as well as their workforce, but also include accidents related to operations of heavy equipment, injuries, fires, chemical spills, explosions, falls, among others.

**Other proactive actions to prevent child and/or forced labor**

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**Family Friendly programs (FFPs) implemented (e.g. parental or care leaves, childcare services or allowances)**

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**Affinity or other support groups for minorities/vulnerable groups**

**Information**

The company has put in place support groups for employees who belong to minority or vulnerable groups.

**Guidance**

Companies should give special attention to those persons who belong to disadvantaged and marginalized groups in society. People from minority or vulnerable groups can be disabled people, refugees, ethnic minorities or indigenous people. To ensure non discriminatory treatment for these people the company should put in place support groups to put in place affinity groups to improve their acceptance at their workplace.

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**ISO 45001 certified**

**Information**

The company has provided a valid ISO 45001 certificate that covers all of its operations.

**Guidance**

ISO 45001 is an international standard for occupational health and safety management systems. It addresses employee health and safety issues and involves an external audit on the facilities' health & safety conditions. Organizations that implement ISO 45001 have a clear management structure with defined authority and responsibility, clear objectives for improvement, with measurable results and a structured approach to risk assessment. This includes the monitoring of health and safety management failures, auditing of performance and review of policies and objectives.

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**Compensation for extra or atypical working hours**

**Information**

The company provides additional remuneration to compensate for overtime work.

**Guidance**

Extra or atypical hours refers to all hours worked in excess of the normal hours (could be overtime hours for instance). Employees should be provided additional compensation for overtime and/or other forms of atypical working hours.

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**Communication to all employees of remuneration process (e.g. salary grid, procedure for salary advancement)**

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**Employee satisfaction survey**

**Information**

The company conducts a survey to employees regarding satisfaction in the work environment.

**Guidance**

An employee satisfaction survey can be conducted by companies to gain information on how and if employees are satisfied in the work environment. The results of these surveys can be used by companies to get feedback on employees about their engagement, morale, and satisfaction at work.

**Collective bargaining agreement on career management & training**

**Information**

There is a collective agreement between an employer, its employees, and in accordance with national regulations regarding any of the following labor issues: employees' health & safety, working conditions, career management & training, discrimination and/or harassment.

**Guidance**

Social dialogue entails all types of negotiation, consultation or simply exchange of information between representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. A collective agreement is an agreement in writing regarding working conditions and terms of employment concluded between an employer, on the one hand, and one or more representative workers' organizations, in accordance with national laws and regulations, on the other. Content of collective agreements should focus on the most important social dialogue topics; e.g. a collective agreement regarding career management & training.

**Collective bargaining agreement on working conditions**

**Information**

There is a collective bargaining agreement between an employer, its employees, and in accordance with national regulations regarding working conditions. A collective bargaining agreement is an agreement in writing regarding working conditions and terms of employment concluded between an employer, on the one hand, and one or more representative workers' organizations, in accordance with national laws and regulations, on the other.

**Guidance**

There is a collective bargaining agreement between an employer, its employees, and in accordance with national regulations regarding discrimination and/or harassment. A collective bargaining agreement is an agreement in writing regarding working conditions and terms of employment concluded between an employer, on the one hand, and one or more representative workers' organizations, in accordance with national laws and regulations, on the other.

**Collective bargaining agreement on employees' health & safety**

**Information**

There is a collective bargaining agreement between the organization, its employees, and in accordance with national regulations regarding employees' health & safety. A collective bargaining agreement is an agreement in writing regarding working conditions and terms of employment concluded between an employer, on the one hand, and one or more representative workers' organizations, in accordance with national laws and regulations, on the other.

**Guidance**

Social dialogue entails all types of negotiation, consultation or simply exchange of information between representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. A collective bargaining agreement is an agreement in writing regarding working conditions and terms of employment concluded between an employer, on the one hand, and one or more representative workers' organizations, in accordance with national laws and regulations, on the other. Content of collective bargaining agreements should focus on the most important social dialogue topics; e.g. a collective bargaining agreement regarding employees' health & safety.

**Flexible organization of work (eg. remote work, flexi-time)**

**Information**

The company has official measures to promote work-life balance in place, which have been found within the supporting documentation. The company provides flexible hours and organization for employees to work.

**Guidance**

The company has implemented working practices that acknowledge and aim to support the needs of staff in achieving a balance between their home and working lives. The company has supporting documentation showing a flexible organization of working hours is provided for employees, which can include evidence of options for part-time work, telecommuting or remote work, job-shares, and other forms of variable work schedules.

**Health care coverage of employees in place**

**Awareness training on child labor, forced labor and human trafficking**

**Grievance mechanism on discrimination and/or harassment issues**

**Information**

The company has implemented a formal whistleblower procedure which encourages employees (and external stakeholders) to report potential violations of the company's discrimination and/or harassment policies.

**Guidance**

Employees can report on areas such as violations of the company's discrimination and/or harassment policy (e.g. on hiring, remuneration, training, promotion) through anonymous and secure communication channels. In addition, non-retaliation is ensured.

**Awareness training regarding diversity, discrimination, and/or harassment**

**Employee representatives or employee representative body (e.g. works council)**

**Information**

The company has implemented representation for employees in the form of elected employee representatives or a representative body.

**Guidance**

Social dialogue entails all types of negotiation, consultation or simply exchange of information between representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. Employee representatives can include representatives who are freely elected by the workers of the company in accordance with provisions of national laws, or any union, works council or other agency or representative body recognized for the purposes of bargaining collectively on behalf of any employee. They are the point of contact between the workforce and management. They can/must be consulted by management on certain topics (e.g. collective redundancy).

**Employee health & safety risk assessment**

**Information**

The company has provided documents which demonstrate that an employee health and safety risk assessment has been conducted. The assessment took into consideration the daily operational tasks of employees, the health and safety hazards present at the workplace and the associated risks and has a proposed corrective action plan to address these identified risks.

**Guidance**

A health and safety risk assessment is systematically conducted to identify and evaluate the potential impact of operational tasks or conditions on employees' health and safety. The main elements of a complete risk assessment are; 1) description of hazards or risk factors identified to have the potential to cause harm and determining the significance of the risks. 2) periodic review of risks to reflect the latest risks and health and safety environment in the business. 3) presence of a preventive and corrective action plan in the form of steps and/or recommendations that an organization needs to take to effectively prevent and address the risks identified, mapped & evaluated in risk assessments. If applicable, the results of a health and safety risk assessment should be made available to relevant stakeholders such as employees, members of the health and safety committee, staff representatives, the occupational physicians, and labor inspectors.

**Grievance mechanism on child labor, forced labor and/or human trafficking issues**

**Information**

The company has established a grievance mechanism to report child labor, forced labor or human trafficking issues if identified in the company's operations.

**Guidance**

The company has established a reporting mechanism for different parties to report child labor, forced labor and/or human trafficking issues if found in the company's operations. The elements of the grievance mechanism includes firstly a communication channel communicated to all stakeholders about the presence of a grievance mechanism and the provision of support for those who may face particular barriers (ie. language, minority status).The second element is a non-retaliation policy to protect those who make use of the grievance mechanism and the third element is a confidentiality policy for those who make use of the grievance mechanism.

**Regular assessment of individual performance**

**Information**

The company demonstrates evidence of regular assessments of individual performance.

**Guidance**

The company has a process in place to quantitatively and/or qualitatively assess and review employee's job performance on a regular basis. This includes processes such as performance reviews to allow the company to identify areas for improvement, provide support and guidance to employees as well as recognizing and rewarding top performers.

**Regular employee health check-up**

**Information**

The company has been conducting regular health screening tests for employees.

**Guidance**

The company has made regular health check arrangements for employees through health service contracts or employee health surveillance procedures. These periodical and relevant occupational health check-ups provided to employees have had a particular focus on the health risk factors that the employees are exposed to at the workplace. Some of the health risks are; exposure to chemicals, potentially dangerous machines, noise, or other potential hazards to allow for early detection of effects on health and timely treatment.

**Actions to prevent noise exposure**

**Information**

The company has taken actions to minimize the noise exposure of employees at the workplace.

**Guidance**

The company has implemented actions to limit the noise exposure of employees by implementing work instructions to prevent noisy work environments or by implementing records of noise barriers or noise cancelling equipment, or noise inspection reports.

**Actions to promote the inclusion of employees with disabilities**

**Information**

The company has implemented specific measures to integrate disabled persons into the workforce.

**Guidance**

Emerging studies determine that there is a true business case for the integration of disabled employees into the workforce beyond its roots as a socially responsible business practice. Evidence states that disabled employees have comparable productivity rates, lower accident rates, and higher job retention trends. People with disabilities also represent an untapped source of skills and talent, including technical skills if they have access to training and transferable problem-solving skills developed in daily life. Hiring disabled employees can contribute to the overall diversity, creativity and workplace morale. Some potential examples of implementation measures could include specific outreach techniques and programs, the provision of reasonable accommodation to meet individual needs, and allocating designated human resources management staff with knowledge on disadvantaged or work-related disability issues, etc. (source: ILO)

**Individual development and career plan for all employees**

**Information**

The company demonstrates evidence of creating individual development and career plans for all employees.

**Guidance**

Career planning is an ongoing process that can help employees manage their learning and development/progress within the company. It is also a key component of a company's attraction and retention strategy. The company has mechanisms in place to provide career opportunities to employees, allowing them to access to promotions and higher pay. For example, an individual development plan can be put in place by analyzing skills and competencies needed by the employees to achieve their short, mid and long term goals. This process should also be coupled with the annual review process of the employee.

**Training of employees on health and safety risks and best working practices**

**Information**

The company has provided its employees with necessary training to strengthen their knowledge about health and safety risks at work and good working practices.

**Guidance**

The company has provided training with the help of training materials (slide decks, training content summaries) and/or evidence of training execution (progress reports, certificates of completion, attendance sheets) to demonstrate the execution of training programs regarding health and safety risks at work and good working practices. A best practice is to have a training matrix which helps to keep track of which employees have been trained, the date of the training, the training topic, and expected dates for refresher trainings. Monitoring of training attendance certificates is also suggested. It is also a best practice to have the training carried out in the language that the employees understand best and to carry out tests or quizzes to ensure training concepts have been successfully transmitted to participants.

**Results**

**Reporting on the percentage of women at top management level**

**Information**

The company demonstrates that there is public or internal reporting of consolidated data on the percentage of women at top management level.

**Guidance**

The company provided data on the percentage of women at top management level. Top management level should include all management levels below the company's board of directors, e.g. Chief Officers (CEO, CFO, CTO, etc); as well as members of mid and top management (Directors, VPs, Team Leaders, etc).

**Reporting on number of recordable work-related accidents**

**Information**

The company demonstrates that there is public or internal reporting of consolidated data on the recorded number of work-related accidents.

**Guidance**

The company provided data which show the recorded number of work-related accidents. An accident refers to an incident that results in injury or ill health.

**Reporting on number of days lost to work-related injuries, fatalities and ill health**

**Information**

The company demonstrates that there is public or internal reporting of consolidated data on the number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.

**Guidance**

The company provided data which show the recorded number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health. This metric applies to employees. Work-related injuries and work-related ill health arise from exposure to hazards at work. Injuries and ill health that occur when working from home are work related; if the injury or ill health occurs while the worker is performing work from home and the injury or ill health is directly related to the performance of work.



**Reporting on the percentage of employees from minority and/or vulnerable groups in the whole organization**

**Information**

The company has provided documents which demonstrate public or internal reporting of consolidated data on the percentage of workers from minority groups and/or vulnerable groups employed in the whole organization.

**Guidance**

The company demonstrates evidence of public or internal reporting of employees from minority and/or vulnerable groups in the whole organization. A minority group is usually defined as a group of people with common interests or characteristics (e.g. ethnicity, race, religion, sexual orientation, disability, or gender identity) which distinguish them from the majority of the population. Vulnerable workers are those with some specific physical, social, political, or economic condition or characteristic that places them at higher risk of suffering a burden (e.g. children and youth, the elderly, people with disabilities, refugees, etc). There was no negative repercussion on the EcoVadis rating if the KPIs are not available. Reporting for a partial scope or outside of company operations (e.g. from a subsidiary, parent company, sister company, etc.) is not guaranteed to have an impact on the assessment.

**Reporting on the percentage of women employed in relation to the whole organization**

**Reporting in accordance with GRI Universal Standards**

**Report on percentage of women within the organization's board**

**Materiality analysis in sustainability reporting**

**External assurance or verification of sustainability reporting**

**Information**

The company has provided evidence of external assurance or verification of sustainability reporting by an independent third party in the documents provided.

**Guidance**

The company has provided valid evidence of external assurance of sustainability reporting through an independent third party such as KPMG or Deloitte (or others) which ensures the quality and credibility of the qualitative and quantitative information reported by the organization.

**Company communicates progress towards the Sustainable Development Goals (SDGs)**

**Improvement Areas**

**Policies**

Low

Inconclusive documentation for policies on health and safety for subcontractors working on the premises

**Low** No quantitative target set on living wage

**Information**

The company has not set quantitative target on living wage.

**Guidance**

A quantitative target regarding living wage, which is the minimum income necessary for a worker to meet their basic needs, has not been set.

**Actions**

**Low** Declares measures on living wage, but no supporting documentation available

**Information**

The company has not provided documents about their measures on living wage.

**Guidance**

There is no supporting documentation available about living wage even though it has been declared.

**Results**

**High** Insufficient reporting on labor and human rights issues

**Information**

The company has provided reporting figures or Key Performance Indicators (KPIs) on some relevant labor and human rights issues but the reporting figures are limited in terms of quantity or quality.

**Guidance**

The company has provided KPIs only on some of the relevant labor and human rights topics but the quality, transparency and level of reporting is not up to the required level. To improve labor and human rights data communication to its stakeholders, the company should provide KPIs on the majority of activated labor and human rights topics. Some additional quality factors which might also affect the level of reporting are; (1) External assurance to assess the quality and credibility of the qualitative and quantitative information reported by the organization, (2) Alignment with reporting standards such as GRI Core/Universal/Comprehensive, SASB,...etc. (3) Materiality analysis to identify the most relevant environmental issues based on the company's activity (4) The reporting reporting figures should not be more than 2 years old. (XS company: KPIs/Reporting figures provided at parent level only and/or provided for only one or a few material labor and human rights topics and/or the time period covered by the reporting figures might be too short, time period should be 12 months or more.)

**Low** No information on average hours of training per employee

**Information**

No company declaration and no evidence within the supporting documentation of its yearly average training hours for each employee.

**Guidance**

Average training hours per employee refers to the total hours of skill development related training delivered to the employees in relation to the number of employees.

Low

No information regarding reporting on living wage issues

**Information**

The company has not provided documents about reporting on living wage issues.

**Guidance**

There is no reporting documentation available about living wage issues.

Low

Declares reporting on ratio of the annual total compensation of the highest paid individual, to the median annual total compensation for all employees, but no supporting documentation available

**Information**

The company has not provided documents about ratio of the annual total compensation for the highest paid individual, to the median annual total compensation for all employees.

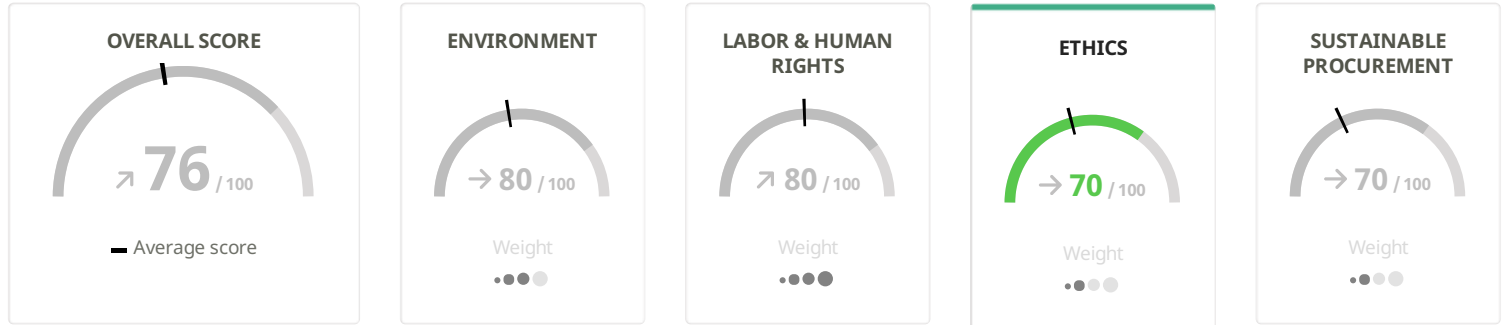
**Guidance**

There is no supporting documentation available about ratio of the annual total compensation for the highest paid individual, to the median annual total compensation for all employees even though it has been declared. Annual total compensation includes salary, bonus, stock awards, option awards, non-equity incentive plan compensation, change in pension value, and nonqualified deferred compensation earnings provided over the course of a year.

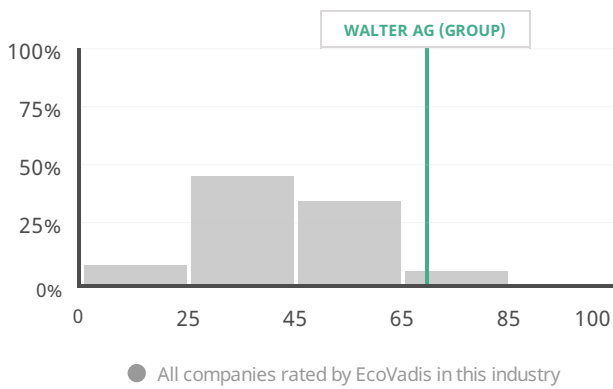
## 8. ETHICS

This theme focuses primarily on corruption and bribery issues, and also takes into account anticompetitive practices and responsible information management.

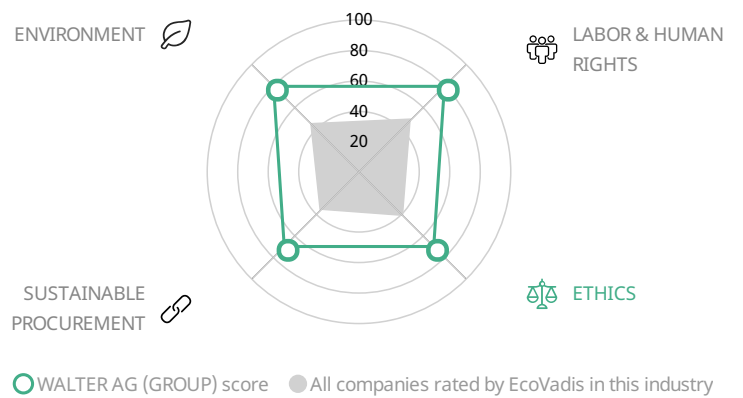
### Ethics Score Breakdown



Theme score distribution



Theme score comparison



#### Ethics: Activated Criteria

Because the questionnaire is customized by industry, size and location, not all 21 criteria are activated for every company and some criteria are weighted more heavily than others.

#### Ethics: Strengths & Improvement Areas

The Corrective Action Plan is a collaborative feature designed to support companies' performance improvement. It enables companies to build an improvement plan online, communicate planned and completed corrective actions and share feedback. Improvement areas with ongoing corrective actions are marked with labels below.

**Strengths**

**Policies**

**Endorsement of the United Nations Global Compact (UNGC)**

**Information**

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, ethics and sustainable procurement. The company is a formal signatory of this initiative.

**Guidance**

The United Nations Global Compact is a United Nations strategic policy initiative to encourage businesses worldwide to adopt sustainable, both environmentally and socially responsible policies, and to report on their implementation. Companies sign the initiative and then are required to provide overviews of their management system through a mandatory disclosure framework (annual publication of a Communication on Progress [COP]).

**Policy on fraud**

**Policy on conflict of interest**

**Disciplinary sanctions to deal with policy violations**

**Information**

There is evidence within the supporting documentation provided that the company has implemented structured mechanisms to deal with policy violations such as disciplinary actions.

**Guidance**

In order to ensure the adequate implementation of business ethics policies, companies should establish procedures to administer investigations and sanction employees for eventual violations (i.e. disciplinary measures up to and including possible termination).

**Policy on information security**

**Information**

The company has issued a formal standard policy that integrates commitments in the form of qualitative objectives on information security issues. The policy is formalized in a document such as a Code of Ethics and includes at least some organizational elements (e.g. review process, dedicated responsibilities, scope of application).

**Guidance**

It is imperative for companies who manage sensitive information to set commitments on the protection and responsible management of third-party data. The security of third party data encompasses the protection of customer personal identification information (PII) and the protection of third party intellectual property rights.

**Policies on corruption**

**Information**

There is a formal policy that integrates qualitative objectives/commitments on anti-corruption & bribery issues (including for example conflict of interest, fraud and money laundering) in the supporting documentation provided by the company.

**Guidance**

Corruption & bribery covers all forms of corruption issues at work namely extortion, bribery, conflict of interest, fraud, money laundering. A comprehensive policy is formalized in a standalone document or is part of a Code of Ethics/Conduct on the issues mentioned and incorporate as well some of the following elements: scope of application, allocation of responsibilities, quantitative objectives, and review mechanisms.

**Dedicated responsibility for ethics issues**

**Comprehensive policies on ethics issues**

**Information**

A comprehensive policy on business ethics issues integrates commitments and/or operational objectives on all or almost all of the main fair business practices issues a company is confronted with: namely corruption & bribery issues, and information security and responsible marketing if applicable. It is also compulsory to have additional elements such as formal mechanism to communicate on business ethics, scope of the policy's application and allocation of responsibilities, among others.

**Guidance**

Policies are deemed exceptional when all business ethics issues are covered by qualitative and quantitative objectives. Additionally, an exceptional policy has exhaustive organizational elements such as allocation of responsibilities, mechanisms to deal with policy violations, formal review process, communication of the policy to all employees and business partners, etc.

**Actions**

**Whistleblower procedure for stakeholders to report information security concerns**

**Whistleblower procedure for stakeholders to report corruption and bribery**

**Information security due diligence program on third parties in place**

**Information**

The company has implemented systematic compliance and due-diligence measures when dealing with third-party intermediaries (i.e. commission agents, brokers, sales representatives, distributors, contractors, customs brokers, consultants) acting on its behalf.

**Guidance**

Provisions in key international laws hold companies liable for information security related misconduct committed in the context of their relationships with third parties (i.e. their agents, consultants, suppliers, distributors, joint-venture partners, or any individual or entity that has some form of business relationship with the organization). Given the risk exposures caused by third-parties, it is important that companies have adequate due diligence procedures in place. Due diligence is the process of gathering independent information to gain an understanding of the risks associated with a third party and visibility of its compliance management systems which address these risks. It can involve background checks and screenings of third party by means of sanction lists, tracking adverse media reports and identifying links to politically exposed persons, assessments of third parties on their own ethics & compliance programs and risk controls. Companies should provide documentation of their procedures that demonstrate how these due diligence efforts are undertaken.

**Incident response procedure (IRP) to manage breaches of confidential information**

**Implementation of a records retention schedule**

**Information security risk assessments performed**

**Information**

The company carries out periodic risk assessments on responsible information security management.

**Guidance**

Risk assessments are a formal process of evaluating and predicting the consequences (positive or negative) of a hazard and their likelihoods/probabilities. Periodic risk assessments on information security allow a company to identify potential information security risks, rate the likely occurrence and the potential impact of the risks, identify security controls, and develop an action plan. Such assessments ensure the presence of a strong compliance program and help to develop a more robust approach to counter breaches in information security management within the organization.

**Audits of control procedures to prevent information security breaches**

**Information**

The company's information security policies and compliance mechanisms are regularly audited.

**Guidance**

Internal controls (for examples four-eyes principle, job rotations, among others) are necessary to regularly monitor the effectiveness and proper implementation of actions put in place to support the responsible information management policies. Periodic audits of those controls, done either through an external third party that performs business ethics audits or an internal audit team, are carried out to ensure their effectiveness and provide reasonable assurance that internal processes are being adhered to.

**Awareness training to prevent information security breaches**

**Information**

The company has delivered awareness trainings to employees on information security issues.

**Guidance**

Information management is the process of collecting, storing, managing and maintaining information securely in all its forms. Through the use of rigorous information management practices, companies can help maintain their credibility and confidence of consumers. Awareness or trainings on such practices are regularly conducted to ensure that employees are familiar with the company's information management policy and procedures. They may be conducted either online or in person, and should include regular testing to ensure the training effectiveness.

**Corruption risk assessments performed**

**Information**

The company carries out periodic corruption & bribery risk assessments.

**Guidance**

Risk assessment are a formal process of evaluating and predicting the consequences (positive or negative) of a hazard and their likelihoods/probabilities. Periodic corruption and bribery risk assessments allow a company to identify potential bribery and corruption risks, rate the likely occurrence and the potential impact of the risks, select the appropriate anti-corruption controls, and develop an action plan. Such assessments ensure the presence of a strong compliance program and help to develop a more robust approach to counter bribery and corruption activities by the organization.

**Measures to protect third party data from unauthorized access or disclosure**

**Information**

The company has implemented measures to protect customer or client data from unauthorized access or disclosure.

**Guidance**

The company has taken measures to limit access to customer or client data within its own operation, or have implemented measures to secure its information system including such data so as to protect the data from unauthorized access or disclosure.

**Measures for gaining stakeholder consent regarding the processing, sharing and retention of confidential information**

**Information**

The company has implemented measures to consult with customers/clients on their personal/confidential data.

**Guidance**

Consulting with customers/clients on their personal/confidential data helps to eliminate risks around confidentiality breaches, which is one of the major concerns from customers nowadays.

**Audits of control procedures to prevent corruption**

**Information**

The company's anti-corruption and bribery policies and compliance mechanisms are regularly audited.

**Guidance**

Internal controls (for example four-eyes principle, job rotations, among others) are necessary to regularly monitor the effectiveness and proper implementation of actions put in place to support anti-corruption and bribery policies. Periodic audits of those controls, done either through an external third party that performs business ethics audits or an internal audit team, are carried out to ensure their effectiveness and provide reasonable assurance that internal processes are being adhered to.

**Specific approval procedure for sensitive transactions (e.g. gifts, travel)**

**Information**

The company has implemented a verification process for sensitive transactions.

**Guidance**

Sensitive transactions are a broad range of business dealings which involve higher ethics-related risks. Some examples include (non-exhaustive) gifts, travel arrangements and other types of hospitality, which are common in the business world, but may in fact constitute unethical or even illegal kickbacks, bribes or payoffs to influence decision affecting a company's operations, etc. Such transactions also comprise facilitation payments which are usually made with the intention of expediting an administrative process and may be considered as a form of corruption. As such, a verification procedure should be put in place to review and approve any sensitive transactions made by the company.

**Results**

**Reporting in accordance with GRI Universal Standards**

**Materiality analysis in sustainability reporting**

**External assurance or verification of sustainability reporting**

**Information**

The company has provided evidence of external assurance or verification of sustainability reporting by an independent third party in the documents provided.

**Guidance**

The company has provided valid evidence of external assurance of sustainability reporting through an independent third party such as KPMG or Deloitte (or others) which ensures the quality and credibility of the qualitative and quantitative information reported by the organization.

**Company communicates progress towards the Sustainable Development Goals (SDGs)**

**Comprehensive reporting on ethics issues**

**Improvement Areas**



**Actions**

Medium

Supporting documents show a medium level of coverage of ethics actions or certification throughout company operations

**Information**

The company has provided supporting documentation demonstrating a medium level of deployment of concrete actions throughout its operations to support its business ethics engagements and policies.

**Guidance**

The company has provided supporting documentation demonstrating a medium level of deployment of concrete actions throughout its operations to support its business ethics engagements and policies.

Medium

No conclusive documentation on awareness training to prevent corruption and bribery

**Information**

No company declaration and no evidence within the supporting documentation regarding the implementation of awareness or training programs on anti-corruption & bribery issues for employees.

**Guidance**

According to the ISO 26000 guideline, "Corruption can be defined as the abuse of entrusted power for private gain". There are all forms of public and proprietary corruption in the workplaces such as extortion, bribery, conflict of interest, fraud, money laundering. Since corruption undermines a company's effectiveness and ethical reputation, awareness or trainings on anti-corruption & bribery issues are regularly conducted to ensure that employees are familiar with the company's policy and procedures. They may be conducted either online or in person, and should include regular testing to ensure the training effectiveness.

Low

No conclusive documentation regarding an anti-corruption due diligence program on third parties

**Information**

No company declaration and no evidence within the supporting documentation regarding the implementation of systematic compliance and due-diligence measures when dealing with third-party intermediaries (i.e. commission agents, brokers, sales representatives, distributors, contractors, customs brokers, consultants) acting on its behalf.

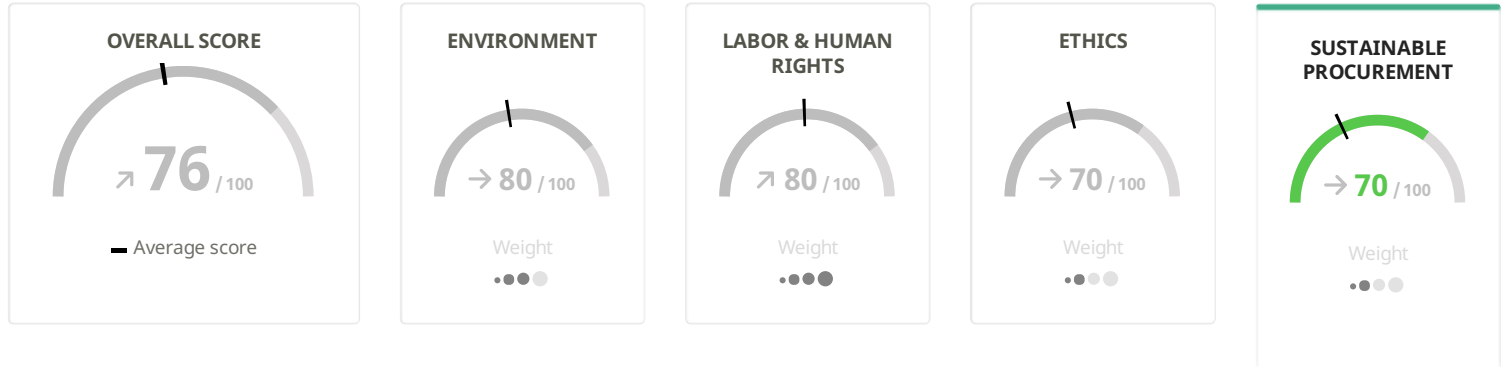
**Guidance**

Provisions in key international laws hold companies liable for corruption related misconduct committed in the context of their relationships with third parties (i.e. their agents, consultants, suppliers, distributors, joint-venture partners, or any individual or entity that has some form of business relationship with the organization). Given the risk exposures caused by third-parties, it is important that companies have adequate due diligence procedures in place. Due diligence is the process of gathering independent information to gain an understanding of the risks associated with a third party and visibility of its compliance management systems which address these risks. It can involve background checks and screenings of third party by means of sanction lists, tracking adverse media reports and identifying links to politically exposed persons, assessments of third parties on their own ethics & compliance programs and risk controls. Companies should provide documentation of their procedures that demonstrate how these due diligence efforts are undertaken.

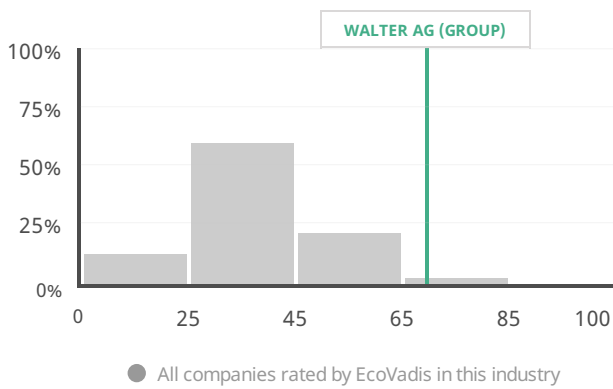
## 9. SUSTAINABLE PROCUREMENT

This theme focuses on both social and environmental issues within the company supply chain.

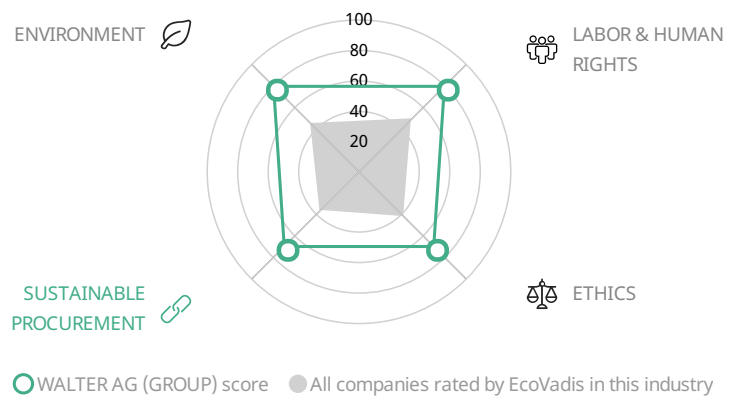
### Sustainable Procurement Score Breakdown



Theme score distribution



Theme score comparison



#### Sustainable Procurement: Activated Criteria

Because the questionnaire is customized by industry, size and location, not all 21 criteria are activated for every company and some criteria are weighted more heavily than others.

#### Sustainable Procurement: Strengths & Improvement Areas

The Corrective Action Plan is a collaborative feature designed to support companies' performance improvement. It enables companies to build an improvement plan online, communicate planned and completed corrective actions and share feedback. Improvement areas with ongoing corrective actions are marked with labels below.



**Strengths**

**Policies**

**Endorsement of the United Nations Global Compact (UNGC)**

**Information**

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, ethics and sustainable procurement. The company is a formal signatory of this initiative.

**Guidance**

The United Nations Global Compact is a United Nations strategic policy initiative to encourage businesses worldwide to adopt sustainable, both environmentally and socially responsible policies, and to report on their implementation. Companies sign the initiative and then are required to provide overviews of their management system through a mandatory disclosure framework (annual publication of a Communication on Progress [COP]).

**Endorsement of the Responsible Minerals Initiative (RMI, formerly CFSI)**

**Information**

The Conflict-Free Sourcing Initiative (CFSI) aims to help companies make informed choices about conflict minerals in their supply chains. The company is a formal signatory of this initiative.

**Guidance**

The Conflict-Free Sourcing Initiative (CFSI) aims to help companies make informed choices about conflict minerals in their supply chains through: access to RCOI data, opportunities to shape industry responses, developing new solutions, facilitated engagement with stakeholder groups, and ability to contribute perspective to development of new tools and resources.

**Policy on conflict minerals issues**

**Information**

There is a formal policy regarding conflict minerals issues in the supporting documentation provided by the company. The policy is present in a dedicated policy document or in a dedicated section of a larger purpose document.

**Guidance**

Conflict minerals (CM) are gold, tin, tantalum, tungsten and their derivatives that are mined in conditions of armed conflict and human rights abuses, and which are sold or traded by armed groups. A standard policy on conflict mineral issues in the supply chain includes commitments and/or operational objectives designed to mitigate risk on this topic in the company's supply chain. It is communicated to internal and external stakeholders through a formal dedicated document.

**Comprehensive sustainable procurement policies on both social and environmental factors**

**Information**

The company has issued a comprehensive policy that integrates commitments, qualitative and quantitative objectives on the management of its sustainable procurement issues.

**Guidance**

The existing policy covers both environmental and social issues that the company may impact through its procurement strategy. Policies are deemed exceptional when they integrate not only qualitative but also quantitative operational objectives on all material sourcing risks the company faces, in addition to the following organizational elements: regular review mechanisms, a scope of application, the allocation of responsibilities, and communication of the policy to all stakeholders.

**Actions**

**50-100% of suppliers for which conflict minerals information is available (e.g. CMRT)**

**Supplier sustainability code of conduct in place**

**Information**

The company has provided formalized documents that demonstrate evidence of a supplier CSR code of conduct in place.

**Guidance**

There is evidence of a separate supplier code of conduct document that outlines the company's expectations for their suppliers to follow in order to be socially and environmentally responsible.

**Grievance mechanism allowing any interested parties to voice and record concerns on conflict minerals**

**Selected suppliers required to fill Conflict Minerals Reporting Template (CMRT)/other customized conflict mineral-related questionnaire**

**Information**

The company requires that all identified priority suppliers must fill in the reporting template of the Conflict-free Sourcing Initiative.

**Guidance**

The Conflict-free Sourcing Initiative (founded by members of the Electronic Industry Citizenship Coalition - EICC and the Global e-Sustainability Initiative) has developed a free, standardised reporting template (CMRT) that allows a company to track back minerals to the smelter where they have been processed. A company who requires their first-tier suppliers to fill out this template can find out from which smelters it is sourcing its minerals, thus ensuring a full traceability of their supply chain.

**Investigation or traceability system of the supply chain (smelters, trades, mines) on conflict minerals due diligence (e.g. third party on site audit in place)**

**Detailed conflict minerals risk analysis (per product or purchasing category) across the supply chain (e.g. manufactures)**

**Formal assessment of suppliers' progress with regards to REACH requirements**

**Information**

There is some evidence of formal reporting on concrete actions or measures implemented regarding supplier compliance with the European REACH regulation.

**Guidance**

REACH (Registration, Evaluation and Authorisation of Chemicals) is a regulation from the European Union that addresses the production and use of chemical substances and their potential impacts on both human health and the environment. It requires all companies manufacturing or importing chemical substances into the European Union in quantities of one tonne or more per year to register these substances to the European Chemicals Agency (ECHA) in Helsinki, Finland.

**Capacity building of suppliers on environmental or social issues (e.g. corrective actions, training)**

**Information**

The company has provided formalized documents that demonstrate capacity building of suppliers on environmental or social issues to improve their understanding of environmental and/or social issues.

**Guidance**

There is evidence of proactive or corrective action capacity-building training materials and/or programs to suppliers with the aim of improving their understanding of environmental and/or social issues.

**On-site audits of suppliers on environmental or social issues**

**Information**

The company has provided formalized documents that demonstrate on-site audits of suppliers on environmental or social issues.

**Guidance**

There is evidence of employee instructions or operational process relating to on-site audits of the company's suppliers, unannounced or announced, to identify non-conformances to the mandatory sustainability requirements.

**Regular supplier assessment (e.g. questionnaire) on environmental or social practices**

**Information**

The company has provided formalized documents that demonstrate evidence of a supplier assessment (e.g. questionnaire) on environmental or social practices.

**Guidance**

There is evidence of a questionnaire-based review of a supplier's sustainability practices which is remote either done by a third party or directly by the supplier without verification (i.e. self-assessment).

**Training of buyers on social and environmental issues within the supply chain**

**Information**

The company has provided formalized documents that demonstrate training of buyers on social and environmental issues within the supply chain.

**Guidance**

There is evidence of a training materials, programs and additional evidence of training execution such as progress reports, certifications of completion with company name. This demonstrates training of the company's procurement professionals on sustainable purchasing to ensure their understanding of social and environmental issues and their integration into the procurement function.

**Sustainability risk analysis (i.e. prior to supplier assessments or audits)**

**Information**

The company has provided formalized documents that demonstrate evidence of a CSR risk analysis process to identify which suppliers, products or purchasing categories expose the company to sustainability risks.

**Guidance**

There is evidence of a process to identify which suppliers, products or purchasing categories expose the company to sustainability risks. The result of this risk analysis demonstrates evidence of consideration whether further action should be taken on a particular supplier, product or purchasing category.

**Results**

**Total gross Scope 3 upstream GHG emissions value confirmed in supporting documentation**

**Reporting on total gross Scope 3 upstream GHG emissions**

**Reporting in accordance with GRI Universal Standards**

**Materiality analysis in sustainability reporting**

**External assurance or verification of sustainability reporting**

**Information**

The company has provided evidence of external assurance or verification of sustainability reporting by an independent third party in the documents provided.

**Guidance**

The company has provided valid evidence of external assurance of sustainability reporting through an independent third party such as KPMG or Deloitte (or others) which ensures the quality and credibility of the qualitative and quantitative information reported by the organization.

**Company communicates progress towards the Sustainable Development Goals (SDGs)**

**Publication of Conflict Minerals Reporting Template (e.g. CMRT, other type of template)**

**Information**

The company publishes a due diligence report on conflict minerals issues via an CFSI/EICC Conflict Mineral report to report on the list of smelters/refiners in the supply chain.

**Guidance**

The Conflict Minerals Reporting Template (CMRT) is a free, standardized reporting template developed by the Conflict-Free Sourcing Initiative that facilitates the transfer of information through the supply chain regarding mineral country of origin and smelters and refiners being utilized. The template also facilitates the identification of new smelters and refiners to potentially undergo an audit via the CFSI's Conflict-Free Smelter Program.

**Standard reporting on sustainable procurement issues**

**Information**

There is evidence of formal reporting implemented regarding both labor and human rights issues from the company supporting documentation, including key performance indicators (KPIs), statistical figures or associated concrete actions.

**Guidance**

Reporting items are standard in terms of quality and quantity, do cover the main issues, are meaningful enough, and are regularly updated. KPIs may include (but are not limited to): the percentage of suppliers covered by sustainable procurement measures, and percentage of buyers trained on sustainable procurement issues. Comprehensive reporting on sustainable procurement issues will additionally have KPIs reported in a formal public document available to stakeholders, and will be in compliance with the Global Reporting Initiative guidelines or other external sustainability reporting standards.

**Improvement Areas**

**Actions**

**High** No conclusive documentation on the integration of social or environmental clauses into supplier contracts

**Information**

The company lacks evidence of formalized documents that demonstrate the integration of social or environmental clauses into supplier contracts.

**Guidance**

There is no conclusive evidence of provisions/clauses in business contracts that cover labor practices and human rights issues such as good working conditions, health and safety precautionary measures, anti-discrimination/anti-harassment measures and/or environmental issues such as energy consumption and GHG emissions reduction, biodiversity, or waste management initiatives which are not directly connected to the contract subject matter with the aim to set the expectations on sustainability.

Medium

Supporting documents show a medium level of coverage of sustainable procurement actions throughout company operations or supplier base

**Information**

The company has provided supporting documentation demonstrating a medium level of deployment of concrete actions throughout its operations to support its sustainable procurement engagements and policies.

**Guidance**

Companies with more than 1000 employees and/or more than one operational site (such as manufacturing plants, offices, divisions, branches) have inherently greater potential sustainability risks and impacts. Therefore, the coverage/ deployment of actions and certifications are important as a higher level of deployment provides higher assurance of an effective, company-wide sustainability management system. Some examples of proxies used to determine the level of deployment of actions within the sustainable procurement theme (non-exhaustive) are % of suppliers audited/assessed on sustainability, % of employees trained on sustainable procurement, % of all suppliers who have signed the sustainable procurement charter/supplier code of conduct, etc.

## 10. 360° WATCH FINDINGS

14 Feb 2023 | <https://www.droits-salarie...>

Impact on Score

**Neutral** →

valid from 1 Sep 2022 to 1 Oct 2027

Impacted themes



### Accords d'entreprise chez Walter France

Les négociations entre la direction de Walter France et les instances représentatives du personnel ont abouti sur les accords et avenants suivants. Les résultats des négociations avec les partenaires sociaux chez Walter France précisent les droits, avantages et obligations de l'employeur et des salariés.

15 Nov 2022 | <https://www.reutlingen.igm...>

Impact on Score

**Neutral** →

valid from 30 Jul 2024 to 15 Dec 2027

Impacted themes



### Escalation in the wage dispute [DE]

IG Metall intensifies warning strikes in the region and plans further escalation in the wage dispute. A total of more than 1,000 employees took part in the third major wave of warning strikes in the metal and electrical industry (ME) in the districts of Reutlingen and Tübingen this Friday: Kion in Mittelstadt; Andritz, Burkhardt+Weber in Reutlingen; Walter AG and MeWesta in Münsingen; Berghof in Eningen; Walter Maschinenbau in Tübingen and Weinmann in St. Johann.

28 Jun 2022 | <https://www.swr.de/swraktu...>

Impact on Score

**Neutral** →

valid from 1 Jun 2022 to 1 Jul 2027

Impacted themes



### Job cuts regulated at Walter-AG [DE]

Walter AG is cutting 92 of 148 jobs in production at the Tübingen site. After tough negotiations, Walter AG and the works council agreed on this compromise. There should be a social plan. Walter AG wants to implement the downsizing as amicably as possible through a volunteer program in order to largely avoid redundancies.

12 Mar 2021 | <http://www.swp.de/suedwest...>

Impact on Score

**Neutral** →

valid from 1 Mar 2021 to 1 Apr 2026

Impacted themes



### Warning strike at Walter and Mewesta [DE]

On the occasion of collective bargaining in the metal and electrical industry, the metal industry union (IG Metall) called on the employees of the Münsinger works of Walter AG and Mewesta Hydraulik GmbH and Co KG to go on a warning strike.

29 Sep 2020 | <http://www.faz.net/aktuell...>

Impact on Score

**Neutral** →

valid from 1 Sep 2020 to 1 Oct 2025

Impacted themes



### Full salary for five years without work [DE]

After a good 130 years, the history of the Frankfurt tool factory Günther & Co., founded by parent company Walter AG, ends on March 31st. 210 employees lose their jobs.

7 Feb 2020 | <http://www.faz.net/aktuell...>

Impact on Score

**Neutral** →

valid from 1 Feb 2020 to 1 Mar 2025

Impacted themes



### Protests at Walter AG [DE]

Negotiations on the closure of the Walter AG plant in Frankfurt-Rödelheim are ongoing. The employees want to fight together with IG Metall for the preservation of the location. Around 100 of the company's approximately 200 employees demonstrated with trade union representatives on Thursday morning in Frankfurt-Rödelheim against the announced closure of the site.

### Expired

1 Dec 2019 | <https://www.insblue.com.cn...>

Impact on Score

**Neutral** →

valid from 1 Jan 2019 to 1 Feb 2024

Impacted themes



### In 2019, Sandvik Mining and Construction Machinery (Luoyang) Co., Ltd. was cited in the Insblue Database Environmental Supervision Records [CN]

On January 23, 2019, the company was fined RMB 30,000 by Luoyang Environmental Protection Bureau due to violation of Air Pollution Prevention and Control Regulations

11 Jun 2024 |

Impact on Score

**Neutral** →

valid from 30 Jul 2024 to 11 Jul 2029

### No records found for this company on Compliance Database



360° Watch Findings comprise relevant public information about companies' sustainability practices that have been identified via more than 10,000 data sources (including NGOs, press and trade unions). 360° Watch Findings are incorporated into the EcoVadis assessment and can have positive, negative or no score impact.

**EcoVadis is connected to the following international sources:**


- Sustainability networks and initiatives (e.g. AccountAbility, Business for Social Responsibility, CSR Europe)
- Trade unions and employers' organizations
- International organization (e.g. United Nations, European Court of Human Rights, Global Compact, International Labor Organization, World Bank)
- NGOs (e.g. China Labor Watch, Greenpeace, WWF, Movimento Difesa del Cittadino)
- Research institutes and specialized press (e.g. CSR Asia, Blacksmith Institute, Corpwatch)

**11. SPECIFIC COMMENTS**


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Additional comments from our analysts pertaining to the assessment.

**Specific comments**

-  No records found in third party risk and compliance database.

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-  The company demonstrates an advanced sustainability management system that covers all four themes under review.

**12. CONTACT US**

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Any questions or need help? Visit our Help Center at [support.ecovadis.com](https://support.ecovadis.com)

# APPENDIX:

## INDUSTRY RISK PROFILE

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Discover the primary sustainability risks, regulations, hot topics and best practices related to specific industries.

EcoVadis determines industry based on the International Standard Industrial Classification of All Economic Activities (ISIC), which is a compilation of all global economic activities published by the United Nations Statistical Commission. Its main purpose is to provide a set of activity categories that can be utilized for the collection and reporting of statistics according to such activities.

It is possible that a company has operations in more than one industry. In these cases, EcoVadis classifies companies based on their main area of operation, as determined by sustainability risk and/or total revenue.

## CRITERIA ACTIVATION BY THEME:

Discover the primary sustainability risks, regulations, hot topics and best practices related to specific industries.

### Environment

High	Energy consumption & GHGs
Medium	Water
Non-activated	Biodiversity
Medium	Air Pollution
Medium	Materials, Chemicals & Waste
Medium	Product Use
Medium	Product End-of-Life
Medium	Customer Health & Safety
Non-activated	Environmental Services & Advocacy

### Labor & Human Rights

High	Employee Health & Safety
Medium	Working Conditions
Medium	Social Dialogue
Medium	Career Management & Training
Medium	Child Labor, Forced Labor & Human Trafficking
Medium	Diversity, Equity and Inclusion
Non-activated	External Stakeholder Human Rights

### Ethics

Medium	Corruption
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Non-activated

Anticompetitive Practices

Medium

Responsible Information Management

**Sustainable Procurement**



Medium

Supplier Environmental Practices

Medium

Supplier Social Practices

## KEY SUSTAINABILITY ISSUES

Find qualitative explanations of the key sustainability issues and risk associated with Manufacture of special-purpose machinery



### Environment

Importance

Sustainability issue

High

Energy consumption & GHGs

#### Definition

Energy consumption (e.g. electricity, fuel, renewable energies) used during operations and transport. Greenhouse gases direct and indirect emissions including CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC, PFC and SF<sub>6</sub>. Also includes production of renewable energy by the company.

#### Industry issues

Manufacturing of special purpose machinery such as tractors used in agriculture and forestry, and machine tools for working metals is energy intensive. Energy conservation during production is crucial to minimize environmental impacts, such as greenhouse gas emissions. Increases in the cost of energy have stimulated development of both energy- and material- saving technologies. The electronic industry is estimated to contribute two percent of global greenhouse gas (GHG) emissions (1). These emissions are primarily from manufacturing stage and consumer use. Therefore, energy efficiency is an important topic for the industry and the community started to recognize the impact of energy use on both company finances and the environment. Energy consumption monitoring or audits could be the first step of identifying opportunities for potential savings. Furthermore, optimization of building infrastructure and investments in energy efficient machinery can also be options for companies to improve power deployment. Many manufacturing companies have developed energy management systems or carbon management programs. Certifications can act as guiding principles for successful energy management systems. ISO 50001:2011 is a world-renowned Energy Management System that is suitable for any organization irrespective of size, sector, or geographical location (2). Initiatives to mitigate risks in the sector include the use of alternative modes of transportation, energy efficient lighting at manufacturing plants and insulation of buildings. Sector leaders conduct energy audits and invest in wind and solar energy installations. Other possibilities or initiatives for emission disclosure and endorsement include: Carbon Disclosure Project (CDP), Green Freight Europe, Green Freight Asia and EPA Greenhouse Gas Reporting Program. Despite this sector being a relatively low-energy consumer, this does not degrade the importance of energy efficiency. For this industrial sector, measures should be geared towards the use of technologies that contribute to saving energy in relation to day-to-day business energy consumption. Examples of key success factors for energy consumption reduction include Power Usage Effectiveness (PUE) and "Green IT" programs (aiming at reducing energy consumption of data centers) and the implementation of an energy management system.

Medium

Water

**Definition**

Water consumption during operations. Pollutants rejected into water.

**Industry issues**

The manufacture of special purpose machinery does not require as much water as other manufacturing industries such as iron and steel. Nevertheless, significant risks of water pollution during the manufacturing process exist. Companies must properly control and treat wastewater, identify any leakage and ensure the safe handling of chemicals. Waste water retained in unsealed or leaking holding ponds can seep into the groundwater and may contaminate the local water table and aquifers. To reduce water consumption, companies in the sector conduct risk assessments, build in-house water recycling systems, and utilize innovative water purification technologies to ensure cleanliness of wastewater discharge. Specific technologies include ion exchange technologies, reverse osmosis and nanofiltration technologies. Companies operating in this sector should seek to reduce their water consumption as much as possible. Examples of industry best practice with respect to water usage include rainwater harvesting, wastewater treatment to reduce liquid waste discharged into the environment, as well as fresh water risk assessments (which include analyses of risk levels to water sources, supply reliability, efficiency, and quality of discharges). Commitment to sustainable water use can be demonstrated through membership with CEO Water Mandate or CDP Water Disclosure.

Medium

Air Pollution

**Definition**

Impact from operations on local environment around company facilities: emissions of dust, noise and odor. It also includes accidental pollution (e.g. spills) and road congestion around the operation facilities.

**Industry issues**

Diverse local pollutions may result from manufacturing special purpose machinery such as textile machinery, machine tools and tractors used in agriculture and forestry. Noise pollution is caused by equipments and machinery. Dust and fumes are generated at many stages during the manufacturing process. (3) Companies have to install and maintain adequate filters properly. In addition, there are significant risks of spillage or pollution linked to the handling and storing of chemicals that may contaminate air, soil and water. National legal frameworks impose procedures to mitigate the risk of accidents (e.g. the IPPC directive in the European Union (4)).

Medium

Materials, Chemicals & Waste

**Definition**

Consumption of all types of raw materials and chemicals. Non-hazardous and hazardous waste generated from operations. Also includes air emissions other than GHG (e.g. SOx, NOx).

**Industry issues**

In line with other manufacturers, companies within the special purpose machinery sector generate significant levels of waste such as sludge, metals, toxic materials, wooden pallets as well as air pollution by emitting oxides of sulphur, nitrogen dioxide and carbon monoxide. These pollutants include gaseous substances. Producing machinery results in the generation of hazardous chemicals. Industries in this sector have to abide by regulations such as RoHS, WEEE and REACH and must ensure compliance along their supply chain as well. The Registration, Evaluation and Authorization and Restriction of Chemicals Regulation (REACH) provides a framework for chemicals management across the EU and includes in its scope substances used by the electrical and electronic industries. Under the REACH framework, manufacturers have to ensure that the substances they produce, put on the market or use do not adversely affect human health or the environment. REACH also requires all companies producing chemical substances in the European Union or importing them in quantities over one ton per year to register these substances with the European Chemicals Agency (5). Reducing the generation of these wastes at the source, or recycling these wastes, will benefit special purpose machinery manufacturers by increasing product yields, reducing raw material needs, reducing disposal costs, and reducing the liabilities associated with hazardous waste management. Proactive companies in the sector such as Sandvik have adopted strategies such as utilizing waste treatment plants and external companies for landfills.

Medium

Product Use

**Definition**

Environmental impacts generated from the direct use of products. Can include energy, water, materials and chemicals use.

**Industry issues**

The use of special purpose machinery such as textile machinery, machine tools and tractors used in agriculture and forestry is energy intensive and consumes significant amounts of materials. Additionally, these machines pollute the environment by exhausting gases and emissions and noise. Especially the reduction of fuel consumption can contribute to less harmful environmental impacts (6). Companies in this sector should conduct life cycle assessments in the R&D phase to identify relevant improvements for product development. Other strategies adopted by companies in this sector include the use of fuel efficient engines, and low voltage products to increase energy efficiency.

Medium

Product End-of-Life

**Definition**

Direct Environmental impacts generated from the end-of-life of the products. These impacts can include hazardous, non-hazardous waste generated, emissions and accidental pollution.

**Industry issues**

A product is considered at its end-of-life when it completes its service life time. Special purpose machinery such as machine tools become obsolete or come to the end of their useful life after a few years of service. The end-of-life aspect of the product has major importance since those materials contain metal pieces that could be melted and also usually contain some chemical elements. The economically, socially and environmentally sustainable option is to take back, reuse, recycle and/or properly dispose of these products at their end-of-life. Furthermore, waste electrical and electronic equipment (WEEE) displays a concern for this industry. It is estimated that approximately 20-50 million tons of electronic waste are generated worldwide each year (7). Most of this waste ends up in developing countries, where lenient policy and regulation is in place, such as China, India, and Nigeria (8). In contrast, strict regulations are imposed in most developed countries regarding the disposal of electronic waste. For instance, the European Union has two comprehensive directives on electronic waste management: the WEEE and Restriction of Hazardous Substances (RoHS). The WEEE Directive requires manufacturers to make changes throughout the equipment's production cycle, including improved product design for easy dismantling, recycling, and reuse. The directive also includes the provision of comprehensive separate WEEE collection points and processing systems, which allow WEEE to be easily returned by consumers, then collected, transported, and processed effectively and economically. In addition, the RoHS Directive, which has a close link with WEEE Directive, aims to eradicate certain hazardous substances from new electrical and electronic equipment, including lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls, and polybrominated diphenylethers. Manufacturers are responsible for ensuring that the products meet the requirements of the directive. With increasing legislations, electrical appliance products' end-of-life will continue to be of public concern. As such, manufacturers may step up by investing on research and development of green product design to facilitate end-of-life recycling and dismantling as well as establishing a take-back program with wide coverage on regions to exceed the current legislative requirements.

Medium

Customer Health & Safety

**Definition**

Negative health and safety impacts of products and services on customers or consumers.

**Industry issues**

A large amount of accidents happens due to the used machinery. With regards to for example the agricultural sector, this includes mainly moving and overrunning vehicles. Hence, it is important for companies to provide their customers with corresponding instructions and health and safety information. This can include among others awareness on wearing correct personal protective equipment and the provision of seat belts (9). Other hazards can occur with regard to electronic safety and possible incidents, such as fires or smoke. Again, corresponding information can help customers detect and handle probable risks.





Labor & Human Rights

Importance

Sustainability issue

High

Employee Health & Safety

**Definition**

Deals with health and safety issues encountered by employees at work i.e. during operations and transport. Includes both physiological and psychological issues arising from, among others, dangerous equipment, work practices and hazardous substance.

**Industry issues**

Manufacturing exposes workers to several health & safety risks, including exposure to heavy metals and hazardous chemicals, and ergonomic problems from long working hours. Insufficient ventilation, inadequate protection gear and the lack of relevant information on the dangers of chemicals contribute to accidents and illness within this kind of working environment. Temporary workers, which this sector tends to use frequently, also often report that they receive inadequate training on occupational safety and health and unfamiliar with safety measures (10). To minimize occupational safety risks, manufacturers should first undertake a detailed risk assessment to understand the existing and potential risks in the working environment. Companies should adopt a health & safety management system that is customized to the manufacturing infrastructure and identify feasible safety goals. This can be done through safety training, distribution of protective equipment and safety manuals, and through implementing these safety measures to workers' daily routines and periodical monitoring to ensure a safe work environment. To further establish a solid health & safety management system, audits to obtain recognizable health & safety certifications such as OHSAS 18001/ ISO 45001 will demonstrate the company's commitment in workers' health & safety towards stakeholders.

Medium

Working Conditions

**Definition**

Deals with working hours, remunerations and social benefits granted to employees.

**Industry issues**

Human capital investment is increasingly important for companies seeking to develop a sustainable workforce while reducing hiring costs associated with high employee turnover. Employees should be adequately compensated through wages and other social benefits that reflect regional variations in living costs and state provided social protections. According to the 2017 International Trade Union Confederation Global Poll, nearly half of global respondents claim that their household incomes fail to accommodate cost of living. 84% of respondents believe that national minimum wages are insufficient to enable workers to lead a decent life (11). In the absence of public provision of social protection, including healthcare, family vacation and rest periods, workers are likely to change employers in order to obtain livable wages and adequate social protections. Companies that voluntarily develop human capital management systems position themselves to attract and retain the best talent, while preventing operational disruptions caused by worker strikes. In determining adequate wages companies operating in less developed countries where minimum wage laws are deemed inadequate, companies should default to wage standards established by ILO conventions. In addition to benchmarking with international standards, companies should also engage their workers through labor unions or employee representatives to determine workers' needs. In countries where unions and worker appointed representatives are illegal, it is key to leverage employee satisfaction surveys and other forms of worker voice tools to determine worker needs. When operating in countries where state provided social protections are minimal or absent, companies should provide employees with employer paid healthcare benefits and retirement pensions.

Medium

Social Dialogue

**Definition**

Deals with structured social dialogue i.e. social dialog deployed through recognized employee representatives and collective bargaining.

**Industry issues**

Social dialogue, as defined by the International Labour Organization, includes all types of negotiation, consultation or exchange of information between, or among, government representatives, employers and workers (12). Companies that promote social dialogue through unions and other forms of worker-selected representatives are in a better position to obtain better visibility of potential health and safety issues and worker grievances around wages, working conditions, career development. A vast majority of the International Trade Union Confederation’s 2017 respondents disapprove of their working conditions, including wages, benefits and job security. As a result of the concerns by global workers, 91% of respondents are in support of laws that give workers the right to collective bargaining, while 85% want the right to unionize (9). When worker issues are not identified and remedied, companies and their supply chain partners risk business interruptions caused by worker strikes. While there is no “one size fits all” model of social dialogue that can be readily exported from one country to another due to cultural and political factors, adapting social dialogue to the national situation is key to ensuring local ownership of the worker engagement process. When companies engage in worker dialogue, they are in a better position to manage talent retention issues that potentially hinder long-term business sustainability. Given the importance of social dialogue in helping establish policies and procedures that promote both employer and employee interests, companies should work to promote collective bargaining, regardless of national laws that prohibit such activity. Collaboration with work councils, labor unions or worker representatives can be leveraged to address working conditions, remuneration, skills development and occupational health and safety needs. In countries where union membership is not permitted, or are insignificant due to low member rates, companies should establish alternative modes of social dialogue that promote worker interests.

Medium

Career Management & Training

**Definition**

Deals with main career stages i.e. recruitment, evaluation, training and management of layoffs.

**Industry issues**

In addition to fair pay, social benefits, and safe and stimulating working conditions, companies in the plastics production industry should include occupational skills development in their human capital management strategies. Occupational skills development, through formal training, developmental assignments, and feedback, provides mutual benefits for employees and employers. Manufacturers will benefit from a higher skilled workforce capable of meeting market demands, and workers will develop skills necessary for promotions and/or future employment opportunities in the sector. Workers are increasingly demanding occupational skills development in order to stay up-to-date on technological developments, ultimately ensuring they remain competitive on the job market. The reciprocal benefits ultimately reduce employee turnover costs, evidenced by one Harvard Business Review article (13) that finds that thriving workers are 32% more committed to their organization and 46% more satisfied with their jobs. To take advantage of the benefits provided by a skilled workforce, manufacturers should develop and implement occupational training and development programs. Ongoing employee evaluations accompanied by continuous feedback should be deployed to identify skills that enable employees to be placed in positions that allow for promotions. Lastly, companies should ensure that, when necessary, workers performing redundant tasks are helped to access other responsibilities through training. Occupational skills development programs can benefit companies across all functional areas and should therefore be embedded throughout all operations.

Medium

Child Labor, Forced Labor & Human Trafficking

**Definition**

Deals with child, forced or compulsory labor issues within the company owned operations.

**Industry issues**

According to the International Labor Organisation (ILO), child labor, forced labor and human trafficking encompasses all work or service which is exacted from any child or adult under the threat of a penalty and for which the person has not offered himself or herself voluntarily (14). Forced labor is observed in all types of economic activity in every country, including the Manufacture of machinery and equipment. An estimated 24.9 million people are reported to be trapped in forced labor, comprising 16 million in the private economy and 4.1 million by state authorities (15). The manufacturing sector itself is reported as one of the most relevant for child labor (16). In the manufacture of machinery, workers may face hazardous working conditions such as exposure to extreme temperatures and hazardous chemicals, low wages and use of dangerous machinery (17). In this industry, both internal and international migrants make up a significant proportion of the workforce in many countries. Recruitment agents and labor contractors are heavily involved in the supply of labor to the machinery manufacturing sector which increases workers' risk of being trafficked (18). On the other hand, children working in this industry are required to work with dangerous machinery, equipment, and tools, or are involved in the manual handling or transporting heavy loads; and work in an unhealthy environment which may expose children to hazardous substances or vibrations damaging their health (19). Modern-day slavery has come under increasing scrutiny in recent years, putting regulatory and consumer pressure on companies to ensure their operations are free from forced labor, child labor and other forms of slavery. Hence, in an attempt to eradicate this issue, manufacturers can sign International Framework Agreements (or Global Framework Agreements) through which they commit to respect the same labor rights standards in all the countries where the company operates, including with respect to child labor(19). They can control safety risks identified through risk assessment so that young employees of legal working age can perform the tasks safer or transfer them to locations where work is more suitable. Companies can invest in mechanising the tasks to remove the need for child labor and also increase efficiency (20).

Medium

## Diversity, Equity and Inclusion

**Definition**

Deals with discrimination and harassment prevention at the workplace. Discrimination is defined as different treatment given to people in hiring, remuneration, training, promotion, termination; based on race, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation or age. Harassment may include physical, psychological and verbal abuse in the work environment.

**Industry issues**

Developing a diverse workforce is not only a socially responsible business practice, it is also good for business. Diverse workforce unlocks business innovation and drives market growth due to the knowledge that workers from different gender, sexual orientation, race and ethnicity bring to their functions. More diverse companies are rather able to win top talent and improve customer orientation, employee satisfaction, and decision making, each of which lead to increasing financial returns. A 2015 report by McKinsey found that companies in the top quartile for racial and ethnic diversity are 35% more likely to have financial returns above their respective national industry medians, and companies in the top quartile for gender diversity are 15% more likely to have financial returns above their respective national industry medians. In the United States, there is a linear relationship between racial and ethnic diversity and better financial performance: for every 10% increase in racial and ethnic diversity on the senior-executive team, earnings before interest and taxes (EBIT) rise 0.8% (21). Many of the world's biggest and most successful companies have advanced diversity strategies that include respect of LGBT. Nearly 90% of Fortune 500 companies prohibit discrimination based on sexual orientation and gender identity and almost 60% of them extend benefits to the same-sex partners of their employees (22). Given the higher returns associated with a diverse workforce, it is important that companies take steps to promote diversity in their operations. Companies must first create an environment that is welcoming of workers from all social backgrounds. Anti-discrimination and harassment policies should be framed to protect workers from all social backgrounds including, but not limited to, gender, race, ethnicity and national identity and increasingly important - sexual identity. While most countries have laws that prohibit discrimination, differences exist in the scope of groups protected and the level of enforcement—making it a strategic challenge for companies that operate in less progressive countries. When developing policies for operations in such locations, it is key for companies to be as inclusive as possible and to keep the business benefits in mind. In order to reinforce policies, diversity training should be provided to all employees, and anti-discrimination training should be required of all management levels—particularly human resources—with decision making authority. Human resources personnel should perform frequent internal salary audits to determine where wage gaps exist between different social groups within the organization. Additional pro-diversity measures that reinforce non-discriminatory efforts include employee cultural and gender associations that enable social groups to share experiences related to professional integration and networking. Lastly, an effective whistleblowing procedure should be available to all employees to report concerns related to, or violations of, established anti-discrimination policy.



Ethics

Importance

Sustainability issue

Medium

Corruption

**Definition**

Deals with all forms of corruption issues at work, including among other things extortion, bribery, conflict of interest, fraud, money laundering.

**Industry issues**

Corruption distorts fair markets and increases business costs. Global anti-corruption laws are becoming more stringent in their expectations that companies establishing effective controls to prevent all types of corruption. Business exposures to corruption vary depending on the nature, scope and location of a company's international activity. They can arise both when companies seek to sell their products and services directly to foreign governments and state-owned entities and in the form of bribe payments in return for favorable contracting decisions. Risks can also take other, less obvious forms, such as when companies face shakedowns from customs inspectors and tax assessors during efforts to import or export raw materials or finished products. Additionally, risks can surface when companies operate manufacturing facilities in foreign countries, which requires frequent interaction with hosts of foreign officials ranging from maintaining utility service to paying local taxes and securing police protection. To minimize corruption risks, companies should implement a risk-based due diligence procedure to identify opportunities or situations where corrupt transactions are possible. It is important that companies identify anti-corruption training needs in order to keep employees abreast on the regional or sector environment that exposes them to potential risks. Lastly, companies must document and maintain detailed records of all due diligence measures in order to minimize liability in the event that the company is implicated in corruption investigations involving internal employees or third-party relationships.

Medium

## Responsible Information Management

**Definition**

Deals with third-party data protection and privacy which encompasses the protection of customer personal identification information (PII) and third party intellectual property rights.

**Industry issues**

Breaches of stakeholder data, including proprietary intellectual property, trade secrets and consumer PII expose companies to operational seizures, financial and reputational impacts caused by stakeholder lawsuits. According to PWC's 2016 Global State of Information Security Survey, the theft of hard intellectual property increased 56% in 2015 (28), indicating that cyber criminals have identified the value that successful attacks can yield. The financial impacts of information security breaches can be both immediate and drawn out over several years, due to possible litigation action by parties who lost confidentiality of their information entrusted to the breached company. It may also result in investor divestment, which ultimately could lead to lower share prices. Regulatory violations remain severe. The Ponemon Institute estimates the global average cost of a cyber-attack to be US\$4 million (29). Beyond direct regulatory and financial penalties, breaches in a company's information management system can cause long term distrust in the company's information security management. The electronics industry is directly exposed to high information security risks, as it manufactures the very products storing sensitive data. Electronics companies should implement a privacy-by-design approach, in which data privacy considerations are taken into account from the very beginning of the product development process. In case privacy features were not implemented in the earlier development stages, later changes to the product design can be very costly. It is therefore vital to treat information security as a central business issue, rather than a mere IT problem. Appropriate risk mitigation actions include a thorough risk assessment of information security issues, adequate training of employees and regular audits of internal controls. Finally, implementing adequate incident response plans is crucial to prevent the spread of breaches to business partners and customers. The plan should appoint a cross-functional response team, establish clear roles and outline precise escalation procedures and communication protocols.



Sustainable Procurement

Importance

Sustainability issue

Medium

Supplier Environmental Practices

**Definition**

Deals with environmental issues within the supply chain i.e. environmental impacts generated from the suppliers and subcontractors own operations and products.

**Industry issues**

Fast-changing preference of consumers gives rise to high demand for brand-new devices. There is an exponential need of minerals and metals, given the fact that at least 35 different minerals are required for manufacturing of electronics. Meanwhile, unethical mining and production practice is not rare, especially in developing countries, posing destructible harm to the environment. Abandoned mine waste including toxic metals and acid from waste ore could also pollutes the water surrounding, killing marine organisms and contaminating drinking water. Nowadays, sustainable extraction and processing of raw materials in electronic manufacturing industry is under great concern. Different stakeholders in society consent that private sector should bear the responsibility in managing supply chains more sustainably. Yet, the complexity and enormous scale in nature make it very difficult. The Responsible Business Alliance (RBA) and the Global e-Sustainability Initiative (GeSI) are two international initiatives in supporting global electronics and ICT supply chain sustainability and promote effective industry actions around the globe. Initiatives such as the Responsible Raw Materials Initiative by RBA and GeSi could help companies to understand the best practices among the industry and develop appropriate and suitable way to assess their risk in raw materials supply chain (23). Environmental issues in the supply chain of companies in the electronics sector can be effectively addressed through a variety of due diligence management activities. This may start with developing a supplier code of conduct, contract clauses or a risk analysis of the supplier base. Once expectations with regard to environmental factors are set, further monitoring, evaluation or capacity building should follow, which may lead to long-term partnerships with suppliers to address major environmental concerns along the value chain.

Medium

Supplier Social Practices

**Definition**

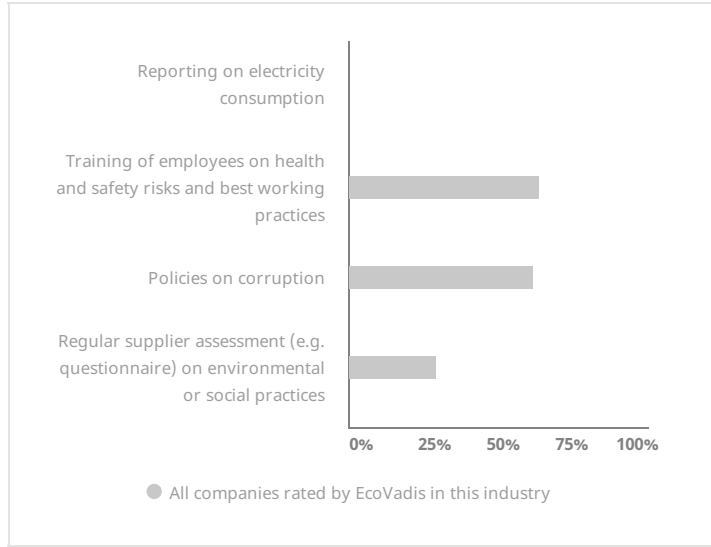
Deals with labor practices and human rights issues within the supply chain i.e. labor practices and human rights issues generated from the suppliers and subcontractors own operations or products.

**Industry issues**

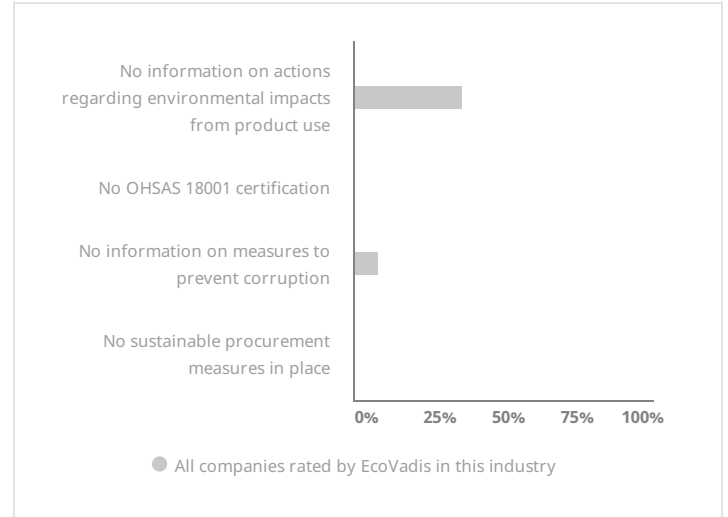
To prevent supply disruptions and potentially costly litigation, companies should work to embed their human rights and labor practices commitments throughout their supply chain in order to address operational impacts on stakeholders. Companies must ensure that subcontractors are covered by at least standard social measures, especially relating to health and safety conditions. Furthermore, conflict minerals is one of the most important, timely issues for the electronics sector; they are defined as natural resources whose systematic exploitation and trade in the context of conflict contribute to, benefit from, or result in the commission of serious violations of human rights, violations of international humanitarian law, or violations amounting to crimes under international law. Companies sourcing from these conflict zones, especially in African countries like the Congo, can face a number of specific human rights risks, as these minerals are known to directly or indirectly benefit armed groups in the covered countries. As defined by the US legislation, conflict minerals currently include the metals tantalum, tin, tungsten and gold, which are the derivatives of the minerals cassiterite, columbite-tantalite and wolframite, respectively. Downstream companies often refer to the derivatives of these minerals as 3TG (24). As a result of increasing importance on extended supply chain responsibility beyond the first or second tier suppliers, these companies are increasingly acknowledging that the mining phase is part of their supply chain (25). Governmental, industry-focused and social issue-focused groups such as the US Government Accountability Office, the Organization for Economic Co-operation and Development (OECD), the Responsible Minerals Initiative (RMI), and the Global e-Sustainability Initiative (GeSI) have been working to raise awareness and bring about change. On 21 July 2010, in response to these concerns, the United States Congress enacted legislation that requires certain public companies to provide disclosures about the use of specified conflict minerals emanating from the Democratic Republic of Congo (DRC) and nine adjoining countries (26). In 2017, the European Union has also passed its own conflict minerals regulation, requiring large EU importers of 3TG to perform due diligence on their suppliers worldwide (27). To minimize social liability deriving from the supply chain, companies should develop a supplier risk-based due diligence procedure to identify high-risk suppliers, establish a supply chain mapping, engage suppliers through training and on-site audits, and integrate whistle-blowing procedures on the supplier's behalf.



**Key industry Strengths**



**Key industry Improvement Areas**



**Sustainability KPIs Overview**

KPI	All companies rated by EcoVadis in this industry
<b>Audit or assessment of suppliers on CSR issues</b>	33%
<b>Carbon disclosure project (CDP) respondent</b>	10%
<b>Global Compact Signatory</b>	12%
<b>Grievance mechanism or whistleblowing procedure in place</b>	28%
<b>ISO 14001 certified (at least one operational site)</b>	34%
<b>ISO 45001 certification or equivalent (at least one operational site)</b>	21%
<b>Policy on sustainable procurement issues</b>	32%
<b>Reporting on energy consumption or GHGs</b>	41%
<b>Reporting on health &amp; safety indicators</b>	29%

## Main Regulations and Initiatives

### EU Directive 2006/42/CE on machinery

[http://ec.europa.eu/enterprise/sectors/mechanical/documents/legislation/machinery/index\\_en.htm](http://ec.europa.eu/enterprise/sectors/mechanical/documents/legislation/machinery/index_en.htm)

 Regulatory

Revised Machinery Directive 2006/42/EC (includes improvements on safety of the current Machinery Directive 98/37/EC). Deadline for national law transposition: 29th June 2008.

 Environment

### EU Directive on Noise Pollution

<http://ec.europa.eu/environment/noise/>

 Regulatory

On top of the corrective measures applicable to some sources of noise, in 2002 the European Union adopted a Directive setting out a Community approach to the management and evaluation of ambient noise in order to protect public health.


 Environment

### ILO convention 174 and recommendation 181 "Prevention of Major Industrial Accidents"

<http://www.ilo.org/ilolex/cgi-lex/convde.pl?C174>

 Regulatory

International instruments on the prevention of industrial accidents

 Labor & Human Rights

### US National Emission Standards for Hazardous Air Pollutants for Iron and Steel Foundries

<http://www.epa.gov/ttnatw01/ifoundry/ifoundrypg.html>

 Regulatory

In 2004, the EPA issued national emission standards to control hazardous air pollutants emitted from iron and steel foundries. This action amends the work practice requirements for materials certification and scrap selection/inspection programs.

 Environment

### Universal Declaration of Human Rights

<http://www.un.org/Overview/rights.html>

 Regulatory

The Universal Declaration of Human Rights (UDHR) is an advisory declaration adopted by the United Nations General Assembly (10 December 1948 )

 Labor & Human Rights

### EU directive EuP (Energy using Products)

[http://europa.eu/legislation\\_summaries/other/l32037\\_en.htm](http://europa.eu/legislation_summaries/other/l32037_en.htm)

 Regulatory

The directive 2005/32/EC became law in the European Union on August 2005. The EuP Directive focus on the design phase to improve energy efficiency of energy using products.

 Environment

### EU directive WEEE (waste electrical and electronic equipment)

[http://ec.europa.eu/environment/waste/weee/legis\\_en.htm](http://ec.europa.eu/environment/waste/weee/legis_en.htm)

 Regulatory


The WEEE directive sets collection, recycling and recovery targets for all types of electrical goods. It imposes the responsibility for the disposal of waste electrical and electronic equipment on the manufacturers of such equipment.

 Environment

### Standard SA8000 (Social Accountability)

<http://www.sa-intl.org/index.cfm?fuseaction=Page.viewPage&pageId=617&parentID=477>

The SA8000 standard is a global social accountability standard for decent working conditions, developed and overseen by Social Accountability International (SAI). It is an auditable certification standard based on international workplace norms of International Labour Organisation (ILO) conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child.

 Labor & Human Rights

### Standard ISO 14000 (International Standard Organisation)

[http://www.iso.org/iso/iso\\_14000\\_essentials](http://www.iso.org/iso/iso_14000_essentials)

The ISO 14000 family addresses various aspects of environmental management

 Environment

### International Labor Organization's Fundamental Conventions

[http://www.ilo.org/wcmsp5/groups/public/--ed\\_norm/--declaration/documents/publication/wcms\\_095895.pdf](http://www.ilo.org/wcmsp5/groups/public/--ed_norm/--declaration/documents/publication/wcms_095895.pdf)

 Regulatory

The Governing Body of the International Labour Office has identified eight Conventions as fundamental to the rights of human beings at work. These rights are a precondition for 12 the others in that they provide a necessary framework from which to strive freely for the improvement of individual and collective conditions of work.

 Labor & Human Rights

**Standard OHSAS 18001 (Occupational Health and Safety Assessment Series)**

<http://www.ohsas-18001-occupational-health-and-safety.com/index.htm>

OHSAS 18000 is an international occupational health and safety management system specification.

 **Labor & Human Rights**

**United Nations Convention against Corruption (UNCAC)**

<http://www.unodc.org/unodc/en/treaties/CAC/index.html>

 Regulatory

The UNCAC is the first leg12y binding international anti-corruption instrument. In its 8 Chapters and 71 Articles, the UNCAC obliges its States Parties to implement a wide and detailed range of anti-corruption measures affecting their laws, institutions and practices.

 **Ethics**

**OECD guidelines for multinational enterprises**

[http://www.oecd.org/about/0,2337,en\\_2649\\_34889\\_1\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/about/0,2337,en_2649_34889_1_1_1_1_1,00.html)

The Guidelines are recommendations addressed by governments to multinational enterprises operating in or from adhering countries. They provide voluntary principles and standards for responsible business conduct in a variety of areas including employment and industrial relations, human rights, environment, information disclosure, combating bribery, consumer interests, science and technology, competition, and taxation.

 **All themes**

**Standard ISO 26000 (International Standard Organisation)**

<http://www.iso.org/iso/pressrelease.htm?refid=Ref972>

The future International Standard ISO 26000, Guidance on social responsibility, will provide harmonized, glob12y relevant guidance based on international consensus among expert representatives of the main stakeholder groups and so encourage the implementation of best practice in social responsibility worldwide.

 **All themes**

**Foreign Corrupt Practices Act of 1977**

<http://www.usdoj.gov/criminal/fraud/fcpa/>

 Regulatory

The Foreign Corrupt Practices Act of 1977 (FCPA) prohibits payments, gifts, or Practices Act contributions to officials or employees of any foreign government or government-owned business for the purpose of getting or retaining business.

 **Ethics**

**United Nations Global Compact (10 principles)**

<http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html>

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of ten principles in the areas of human rights, labour standards, the environment, and anti-corruption:

 **All themes**

**Standard Global Reporting Initiative's (GRI)**

<https://www.globalreporting.org/Pages/default.aspx>

The GRI is a network-based organization, that has set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.

 **All themes**

**Carbon disclosure project**

<https://www.cdp.net>

CDP is an international, not-for-profit organization providing the only global system for companies and cities to measure, disclose, manage and share vital environmental information.

 **Environment**

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