



ecovadis

EcoVadis Sustainability Assessment Report

Company rated:
ALIMAK GROUP SWEDEN AB

Overall score: 68 /100
November 2021

Sustainability performance: Advanced

Size: M
Headquarters country: Sweden
Risk country operations: NO
Industry: Manufacture of general-purpose machinery

TABLE OF CONTENTS

1. Sustainability Performance Overview
2. Assessment Benefits
3. Assessment Process
4. EcoVadis Methodology
 - A. Four Themes and 21 Criteria
 - B. Seven Management Indicators
5. Understanding a Scorecard
 - A. Quantitative Information: Scores & Activated Criteria
 - B. Qualitative Information: Strengths & Improvement Areas
 - C. Scoring Scale
6. Environment
7. Labor & Human Rights
8. Ethics
9. Sustainable Procurement
10. 360° Watch Findings
11. Specific Comments
12. Contact Us
13. Appendix: Industry Risk Profile

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

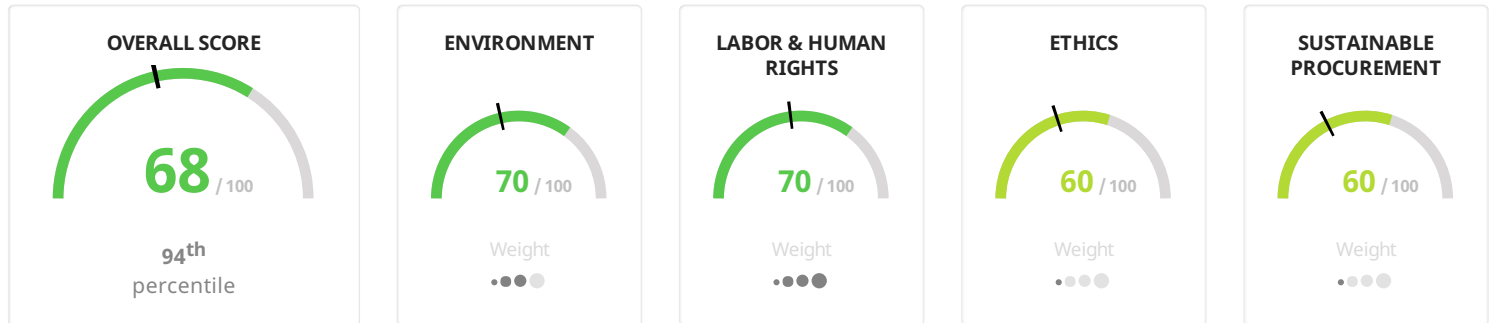
EcoVadis provides the leading solution for monitoring sustainability in global supply chains. Using innovative technology and sustainability expertise, we strive to engage companies and help them adopt sustainable practices.

No part of this document may be reproduced, modified or distributed in any form or manner without prior written permission from EcoVadis. Provided under contract for exclusive use by subscriber:

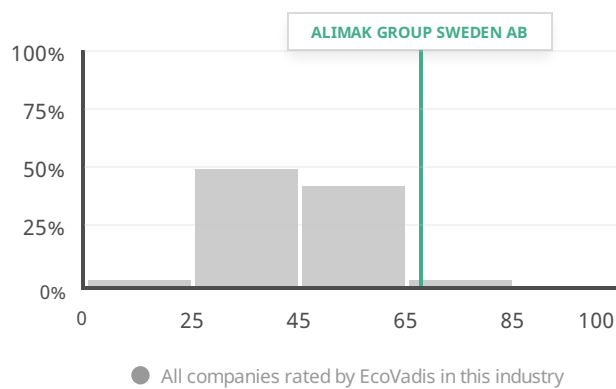
1. SUSTAINABILITY PERFORMANCE OVERVIEW

Score breakdown

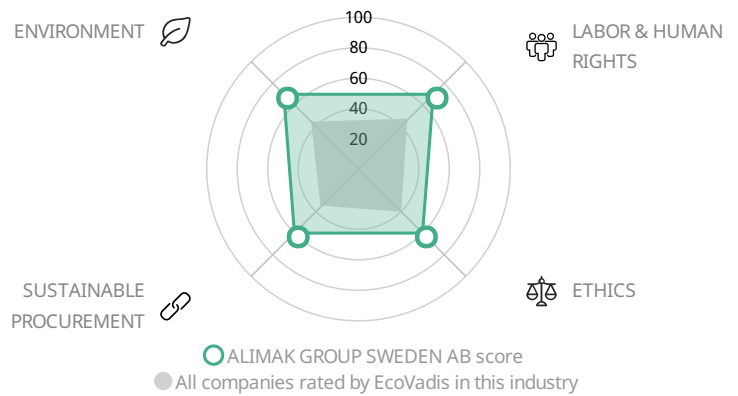
Sustainability performance ● Insufficient ● Partial ● Moderate ● Advanced ● Outstanding — Average score



Overall score distribution



Theme score comparison



ALIMAK GROUP SWEDEN AB has been awarded a gold medal in recognition of sustainability achievement! To receive this medal, companies must have an overall score of 66-73.

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. ALIMAK GROUP SWEDEN AB 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 2,500 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
- Local & Accidental 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, Discrimination & Harassment
- 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	Moderate	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

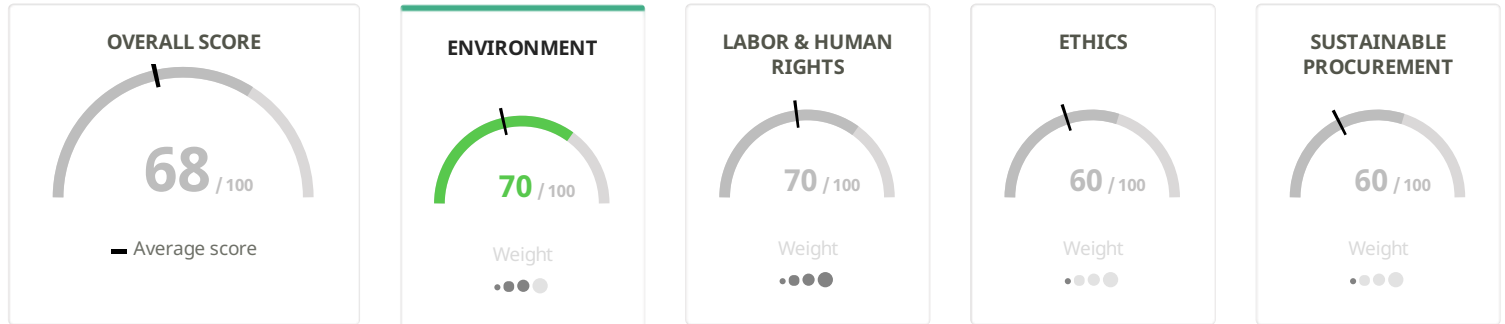
Qualitative information provides more details and insights into a company's score. For each theme, the company is assigned strengths (elements of their sustainability management system that are positive) and improvement areas (elements of their sustainability management system that need to be improved). 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.

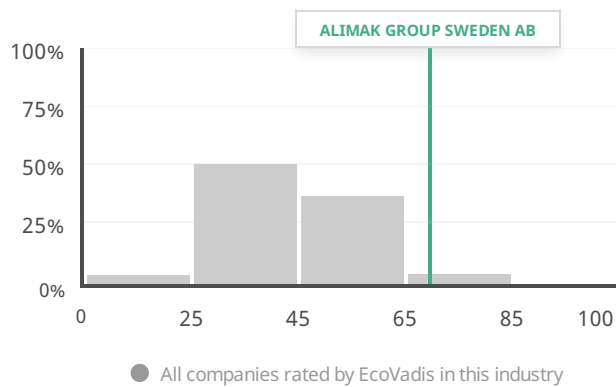
6. ENVIRONMENT

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).

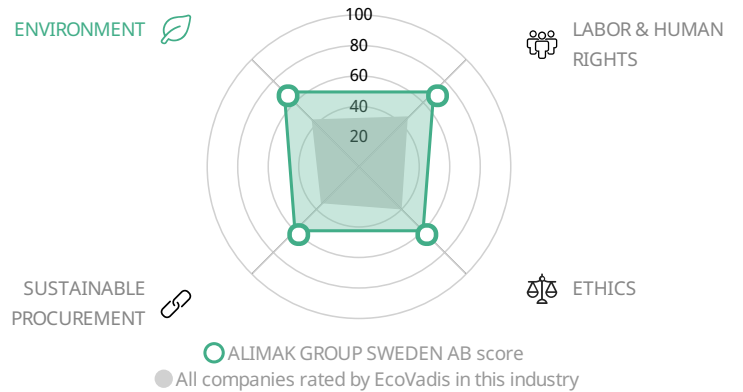
Environment Score Breakdown



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 (16)

Policies

Environmental policy on materials, chemicals & waste

Environmental policy on energy consumption & GHGs

Endorsement of the United Nations Global Compact (UNGC) (at parent company level)

Information

The company's parent company is a Global Compact Signatory.

Guidance

The United Nations Global Compact (UNGC) is a voluntary initiative that encourages businesses worldwide to adopt sustainable and socially responsible policies, and to report on them. Global Compact participants commit to respecting 10 principles on human rights, labor rights, the environment and anti-corruption. The initiative has a mandatory disclosure framework, which obliges business participants to annually report on their progress against the 10 principles in a Communication on Progress (COP). Companies that do not comply with this reporting requirement are removed (or "delisted") from the list of participants after two years.

Actions

Purchase and/or generation of renewable energy

Actions to reduce noise level

Energy and/or carbon audit

Information

The company has provided supporting documentation demonstrating that it has performed an energy audit or carbon assessment.

Guidance

An energy audit is an inspection, survey and analysis of energy flows, within a building, process or system to reduce energy consumption. An energy audit is the first step in identifying opportunities to reduce energy expense and carbon footprints. Carbon assessment or carbon footprint is a measure of the amount of CO2 or other GHG emissions of a defined process expressed as carbon dioxide equivalent and this can be done using a carbon footprint calculator.

The company has obtained an ecolabel/eco-certification

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.

Formal life-cycle analysis performed on key products

Measures for handling hazardous substances

Information

The company has implemented specific measures and concrete actions regarding hazardous materials management.

Guidance

Some potential examples of these measures might include, employee awareness or training programs on hazardous chemicals handling, formalized processes and documentation for transporting hazardous goods and chemicals and the use of safety checklists for safe storage and safe disposal of hazardous chemicals.

Carbon footprint study performed on key products

Information

The company has conducted carbon footprint studies on key products.

Guidance

Carbon footprint studies on key products help companies to measure and reduce energy and carbon emissions from the production as well as during the use phase.

Results

Reporting on total water consumption

Reporting on total weight of hazardous waste

Materiality analysis in sustainability reporting [at parent company level]

Company communicates progress towards the Sustainable Development Goals (SDGs) [at parent company level]

Reporting on scope 2 GHG emissions

Information

The company reports on GHG emissions from the consumption of purchased electricity, heat or steam (not from its own facilities), according to the Greenhouse Gas Protocol (also called 'indirect emissions').

Guidance

Scope 2 emissions exclude GHG emissions from sources that are owned or controlled by the reporting entity (Scope 1 emissions), as well as other indirect emissions, such as GHGs in the supply chain referred to as 'Scope 3' (the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity etc.). The Greenhouse Gas Protocol (GHG Protocol) is an international accounting tool for greenhouse gas emissions. It is the result of a partnership between the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The GHG Protocol Corporate Standard provides standards and guidance to companies and other organizations preparing a GHG emissions inventory. It covers the accounting and reporting of the six greenhouse gases covered by the Kyoto Protocol including CO2, methane, nitrous oxide, HFCs, PFCs and sulphur hexafluoride (SF6). Download the How-to Guide on this topic here (in English).

Improvement Areas (12)

Policies

Medium

Basic environmental policies: lacks details on specific issues

Information

The company has issued formalized statements on environmental issues, which either lack specificity at issue level, do not cover all the major issues the company is confronted with, or lack organizational elements (e.g. review process, dedicated responsibilities, scope of application)

Guidance

A standard environmental policy integrates commitments and/or operational objectives on the main environmental risks the company faces. It is communicated to internal and external stakeholders through a formal dedicated document (e.g. QHSE Policy). A standard environmental policy contains qualitative objectives/commitments specific to those issues. The policy should also incorporate some of the following elements: scope of application, allocation of responsibilities, quantitative objectives (i.e. on energy consumption & GHG emissions), and review mechanisms.

Medium

Inconclusive documentation for policies on water

Medium

Inconclusive documentation for policies on local & accidental pollution

Medium

Inconclusive documentation for policies on product use

Medium

Inconclusive documentation for policies on product end-of-life

Low

No quantitative target on environmental issues

Information

The company's policy does not contain quantitative objectives or targets on environmental issues.

Guidance

Quantitative objectives or targets on environmental issues are considered as fundamental elements of comprehensive policy mechanism. They provide a monitoring framework that helps establish whether policy objectives are being met, and highlight the progress towards set goals. Some examples of specific targets on this topic include quantitative objectives on energy consumption reduction, percentage targets to reduce waste, or targets for a number of products to be eco-labelled. As policy elements, targets can be expressed in absolute or relative terms and must have a valid future deadline (i.e. by 2020 we commit to reduce our energy consumption by 20% from 2015 levels). Download the How-to Guide on this topic here (in English).

Actions

Low

Declares measures on water management, but no supporting documentation available

Information

The company declares it has implemented specific actions on water management, however, no information was found on this topic within the company's supporting documentation.

Guidance

Some examples of actions on this topic include: water treatment, recycling and reuse, reduction of wastewater discharge, measurement and control mechanisms for organic water pollutant (BOD) or chemical oxygen demand (COD). Download the How-to Guide on this topic here.

Low

Declares measures on environmental impacts from product end-of-life, but no supporting documentation available

Information

The company declares it has implemented actions on mitigating environmental impacts from product end-of-life. However, no information was found on this topic in the supporting documentation.

Guidance

Some examples of actions on this topic include company take-back programs, formal life cycle analysis on key products and designing packaging for easy dismantling or recyclability.

Results

High

Reporting available on environmental issues, but some material topics are not covered

Information

There is some evidence of formal reporting on environmental issues in the supporting documentation. It may include key performance indicators (KPIs), or statistical figures. However reporting elements may be limited in terms of quality or quantity, may not cover the main issues, or reporting is not regularly updated.

Guidance

Based on the information provided for the assessment, reporting does not cover a major portion of relevant issues. To improve the quality of reporting, KPIs could include material issues for the company's environmental performance. For example, annual figures on electricity consumption and GHG emissions, waste management, or any other available KPIs. For more information on the specific environmental performance KPIs please refer to the GRI Standards. Download the How-to Guide on this topic here (in English).

Low

Declares reporting on total energy consumption, but no supporting documentation available

Low

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

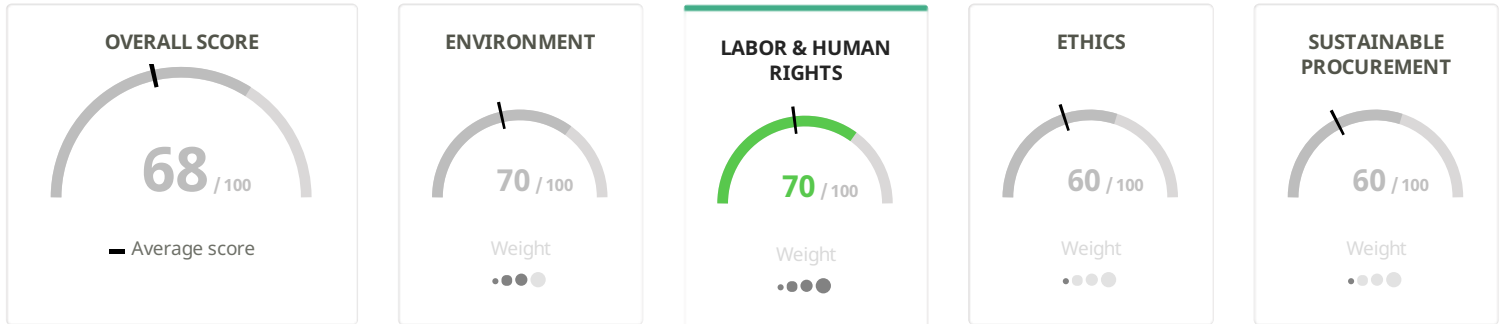
Low

Declares reporting on total gross Scope 1 GHG emissions, but no supporting documentation available

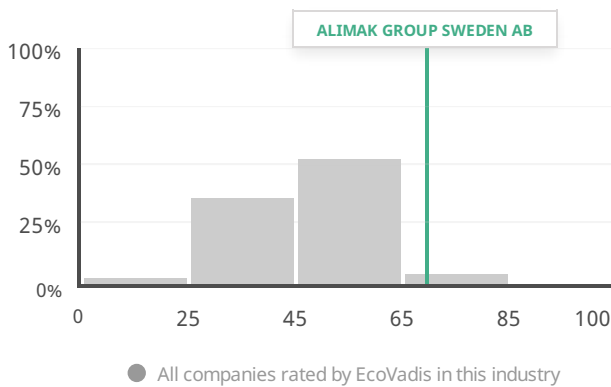
7. LABOR & HUMAN RIGHTS

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).

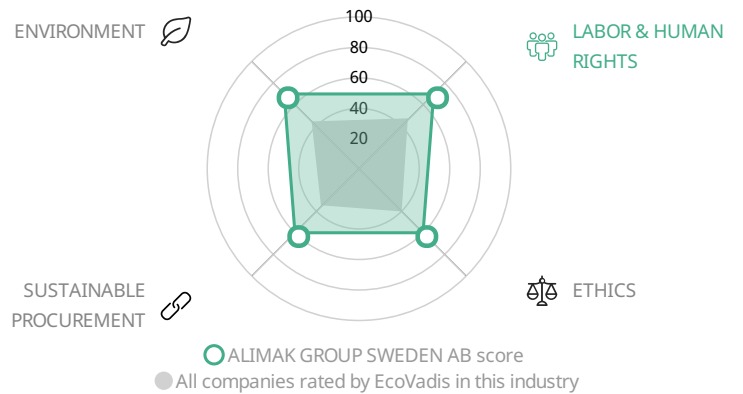
Labor & Human Rights Score Breakdown



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 (25)

Policies

Labor & human rights policy on diversity, discrimination & harassment

Labor & human rights policy on 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 employee health & safety

Standard policy on a majority of labor or human rights issues

Information

A standard labor and human rights policy includes commitments and/or operational objectives on the main labor and human rights risks the company faces.

Guidance

A comprehensive labor and human rights policy includes commitments and/or operational objectives on the majority of labor and human rights risks the company faces, and integrates quantitative objectives (i.e. targets) on those risks. It is also mandatory for the policy to incorporate some of the following elements: scope of application, allocation of responsibilities, and/or a formal review process. Policies are deemed exceptional when all labor practice and human rights issues are covered by qualitative and quantitative objectives, in addition to all of the aforementioned elements.

Endorsement of the United Nations Global Compact (UNGC) (at parent company level)

Information

The company's parent company is a Global Compact Signatory.

Guidance

The United Nations Global Compact (UNGC) is a voluntary initiative that encourages businesses worldwide to adopt sustainable and socially responsible policies, and to report on them. Global Compact participants commit to respecting 10 principles on human rights, labor rights, the environment and anti-corruption. The initiative has a mandatory disclosure framework, which obliges business participants to annually report on their progress against the 10 principles in a Communication on Progress (COP). Companies that do not comply with this reporting requirement are removed (or "delisted") from the list of participants after two years.

Actions

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.

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 agreement on working conditions

Awareness training on child labor, forced labor and human trafficking

Training on health and safety issues for subcontractors working on the company premises

Information

The company trains its subcontractors on health and safety issues on the company premises.

Guidance

The company has implemented training on health and safety issues for its subcontractors. Safety training aims at implementing health and safety procedures into specific job practices and at raising awareness and skills to an acceptable standard. For example, safety training covers topics such as accident prevention and safety promotion, safety compliance, use of personal protective equipment, chemical and hazardous materials safety, and workplace emergency response procedures. A best practice is to have a training matrix which helps to keep track of which subcontractors 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 subcontractor understands best and to carry out tests or quizzes to ensure training concepts have been successfully transmitted to participants.

Whistleblower procedure on human rights issues

Information

The company has implemented whistleblower mechanisms on human rights issues.

Guidance

A whistleblower procedure is a grievance mechanism for stakeholders to report any wrongdoings, concerns or breaches related to human rights issues. An effective whistleblower procedure must provide stakeholders with an identified communication channel to report their concerns, as well as protect the whistleblowers' confidentiality and rights to non-retaliation. The procedure may also be handled by a third party.

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).

Internal audits on health & safety issues

Information

The company carries out internal audits on health & safety issues

Guidance

Internal audits of the operational health and safety management system are conducted in order to determine whether the management system complies with the functioning plan for health and safety management, with respect to legal requirements or to standards the company wishes to achieve beyond compliance. Internal audits are done to review and evaluate the performance and effectiveness of procedures in place, and are useful to expose gaps in the effective implementation of the health and safety management system. A typical internal audit programme, includes series of audits, is established for one year and covers all the relevant areas and activities stipulated by the audit criteria/requirements.

Specific measures on discrimination issues

Information

The company has implemented specific actions concerning discrimination issues

Guidance

Discrimination is defined as different treatment given to people in hiring, remuneration, training, promotion, and termination which is based on race, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation or age (source: ISO 26000). Some examples of actions taken by companies to mitigate the risk of discrimination include training for managers on the subject, implementation of whistle blowing procedures, disciplinary measures and other specific measures for integration of people with disabilities, senior employees and women.

Provision of protective equipment to all impacted employees

Information

The company provides personal protective equipment to all impacted employees

Guidance

Personal protective equipment, commonly referred to as "PPE", is equipment worn to minimize exposure to a variety of health and safety hazards. Examples of PPE include items such as gloves, foot and eye protection, protective hearing devices (earplugs, muffs) hard hats, respirators and full body suits. (Source: Occupational Safety and Health Administration (OSHA)) When engineering, work practice and administrative controls are not feasible or do not provide sufficient protection, employers must provide personal protective equipment (PPE) to their employees and ensure their systematic use. In general, employees should properly wear PPE, attend training sessions on PPE, care for, clean and maintain PPE, and inform a supervisor of the need to repair or replace PPE.

Employee health & safety detailed risk assessment

Information

The company carries out employee health & safety detailed risk assessments

Guidance

The company has carried out detailed risk assessment of health and safety. Occupational health and safety risk assessments are a crucial step in the prevention process. They involve the identification of all the potential hazards an employee may face while carrying out regular duties and which type of employees may be more exposed to hazards (by job function). The level of risk, records of significant findings and proposition of preventive actions are also highlighted, in addition to plans for regular review of the risk assessment. 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.

Measures to prevent discrimination during recruitment phase

Information

The company has proactive measures in place to avoid discrimination during the recruitment phase

Guidance

Discrimination is defined as different treatment given to people in hiring, remuneration, training, promotion, and termination. Discrimination can be based on race, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation or age (source: ISO 26000). Some examples of measures to prevent discrimination during the recruitment phase are: to have a predefined procedure covering the selection process, to establish a pre-determined and non-discriminatory role profile for the open position based on skills competencies which the successful applicant must meet, and to encourage diversity amongst applicants.

Regular assessment (at least once a year) of individual performance

Information

The company carries out regular assessments or appraisal of individual performance at least on a yearly basis for employees

Guidance

The company has implemented regular assessment of employee performance. Regular assessments of employees aim to evaluate employee individual performance and productivity, combining both written and oral elements, and are based on a systematic and periodic process linked with a pre-established criteria and organizational objectives. The best practice concerning this criteria is to have a review with the employee at least annually, and to include employee self-assessments aimed at maintaining employee engagement in their own performance and overall organizational objectives. Setting and measuring goals related to the employee's career objectives, as well as including manager and peer feedback on the employee's performance are all important components in this regular assessment process.

Active preventive measures for stress and noise

Information

The company has preventive measures in place against stress and noise

Guidance

The company has measures in place to monitor, prevent and report on noise level and to control the stress level of employees within the company premises. Noise-induced hearing loss is one of the most prominent and most recognised occupational diseases in the Member States of the European Union. Typical sectors for workers exposed to loud noises include construction, agriculture, forestry, manufacturing of metal and wood, mining and quarrying. The definition of stress used by Health and Safety Executive (HSE), namely "the adverse reaction people have to excessive pressures or other types of demand placed on them." Work-related stress can be caused by poor work design (for example, lack of control over work processes), poor management, unsatisfactory working conditions, and a lack of support from colleagues and supervisors. Some examples of measures to reduce stress include: provision of appropriate employee support services, conducting stress risk assessments, ensuring that employees are appropriately trained to fulfill their roles, monitoring working hours and overtime, ensuring that employees take their full holiday entitlement, and offering appropriate support to employees who are experiencing stress outside of work.

Provision of skills development training

Information

The company provides training to its employees to develop their skills

Guidance

The company has implemented vocational training and instruction, which include skills development training, education paid for in whole or in part by the company, with the goal to provide opportunities for career advancement (Source: Global Reporting Initiative G3). Examples of on-the-job training to enhance employee skills are coaching, mentoring, job rotation, apprenticeships, etc. Total number of hours of training per employee per year can be a significant key performance indicator for this action.

Joint labor management health & safety committee in operation

Information

The company has a joint labor management health & safety committee in place

Guidance

It is important to have a committee in place composed of both workforce and management personnel dedicated to address the health and safety risks faced by employees (Source: International Labor Organization (ILO), 1929). These committees identify potential health and safety issues and offer timely and effective solutions to continuously improve workplace safety. Regular (monthly) inspections are recommended. For French companies, it is commonly known as the "Comité d'hygiène, de sécurité et des conditions de travail (CHSCT)" and it is mandatory for companies with more than 50 employees.

Results

Materiality analysis in sustainability reporting [at parent company level]

Company communicates progress towards the Sustainable Development Goals (SDGs) [at parent company level]

Improvement Areas (7)

Policies

Medium

Inconclusive documentation for policies on working conditions

Low

No quantitative target on labor and human rights issues

Information

Company policy does not contain quantitative targets on labor and human rights issues.

Guidance

Quantitative objectives or targets on labor and human rights issues are considered as fundamental elements of comprehensive policy mechanism. They provide a monitoring framework that helps establish whether policy objectives are being met, and highlight the progress towards set goals. Some examples of specific targets on this topic include quantitative objectives on health & safety indicators (i.e. accident frequency and accident severity rates), quantitative objectives on percentage of employees trained on discrimination and quantitative objectives on number of employees covered by social benefits. As policy elements, targets can be expressed in absolute or relative terms and must have a valid future deadline (i.e. by 2020 we commit to train 100% of employees on discrimination). Download the How-to Guide on this topic here (in English).

Results

High

Reporting available on labor and human rights issues, but some material topics are not covered

Information

There is some evidence of formal reporting on labor practices or human rights issues in the supporting documentation. It may include key performance indicators (KPIs), or statistical figures. However reporting elements may be limited in terms of quality or quantity, may not cover the main issues, or reporting is not regularly updated.

Guidance

Based on the information provided for the assessment, reporting does not cover a major portion of relevant issues. To improve the quality of reporting, KPIs could include injury rates, number of employees covered by social benefits, number of employees trained on discrimination, or the % of employees covered by collective bargaining agreements just to name a few. For more information on examples of specific labor and human rights related KPIs, please refer to the Global Reporting Initiative. Download the How-to Guide on this topic here (in English).

Low

Declares reporting on accident frequency rate, but no supporting documentation available

Low

Declares reporting on accident severity rate, but no supporting documentation available

Low

Declares reporting on average training hours per employee, but no supporting documentation available

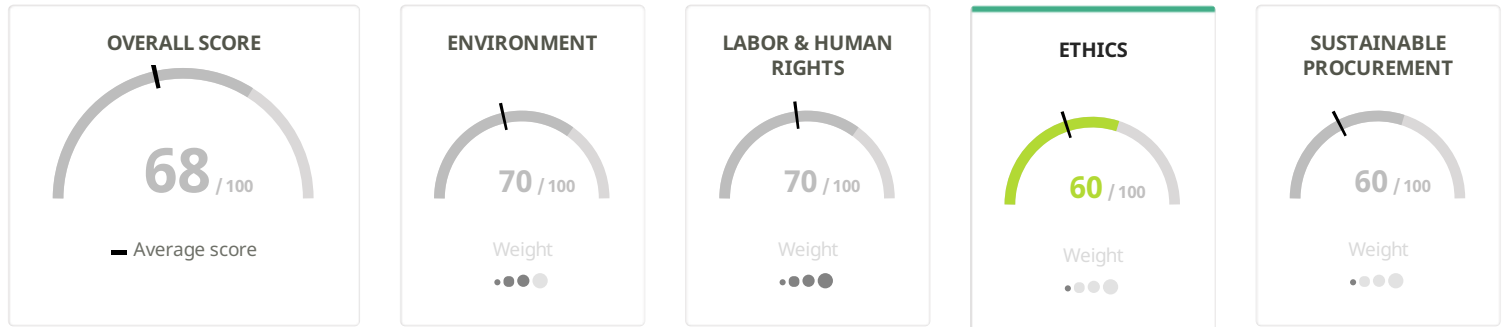
Low

Declares reporting on percentage of women in top executive positions, but no supporting documentation available

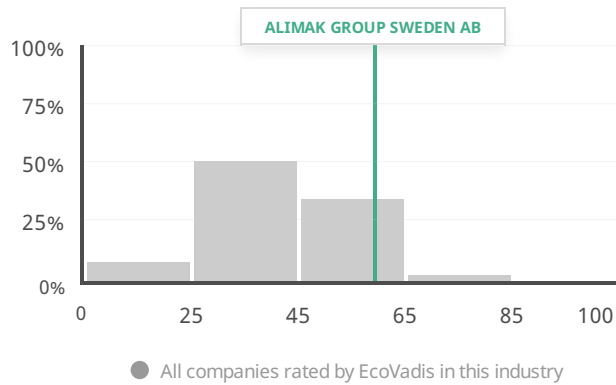
8. ETHICS

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

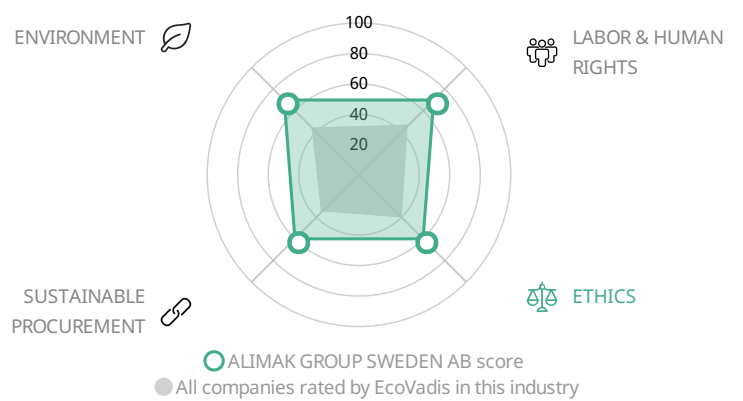
Ethics Score Breakdown



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 (12)

Policies

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.

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. Download the How-to Guide on this topic here (in English).

Endorsement of the United Nations Global Compact (UNGC) (at parent company level)

Information

The company's parent company is a Global Compact Signatory.

Guidance

The United Nations Global Compact (UNGC) is a voluntary initiative that encourages businesses worldwide to adopt sustainable and socially responsible policies, and to report on them. Global Compact participants commit to respecting 10 principles on human rights, labor rights, the environment and anti-corruption. The initiative has a mandatory disclosure framework, which obliges business participants to annually report on their progress against the 10 principles in a Communication on Progress (COP). Companies that do not comply with this reporting requirement are removed (or "delisted") from the list of participants after two years.

Actions

Whistleblower procedure to report ethics issues

Information

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

Guidance

A whistleblower procedure is a grievance mechanism for stakeholders to report any wrongdoings, concerns or breaches of the company business ethics policies. An effective whistleblower procedure must provide stakeholders with an identified communication channel to report their concerns, as well as protect the whistleblowers' confidentiality and rights to non-retaliation. The procedure may also be handled by a third party.

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

Materiality analysis in sustainability reporting [at parent company level]

Company communicates progress towards the Sustainable Development Goals (SDGs) [at parent company level]

Improvement Areas (3)

Actions

High No supporting documentation regarding awareness trainings on ethics issues

Information

No company declaration and no evidence within the supporting documentation regarding the implementation of awareness trainings on business ethics issues.

Guidance

Specific awareness or training programs are implemented to enable employees to identify and address the common business ethics issues that arise in a workplace. Such program may be conducted either online or in person, and should include regular audits to ensure the training effectiveness.

High No supporting documentation regarding an ethics 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 business ethics 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.

Low No supporting documentation regarding corruption risk analysis performed

Information

No company declaration and no evidence within the supporting documentation regarding the implementation of a periodic corruption & bribery risk assessments.

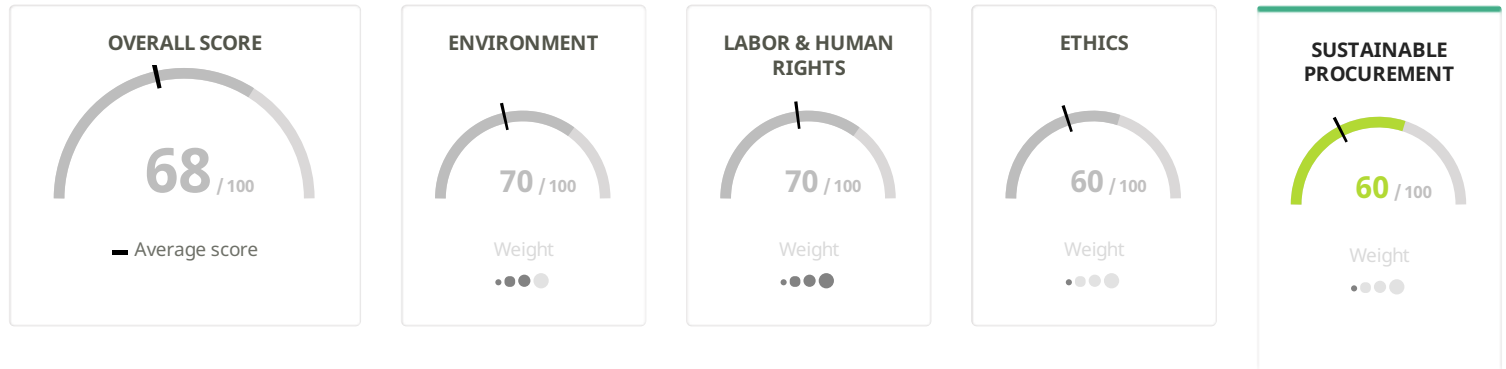
Guidance

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.

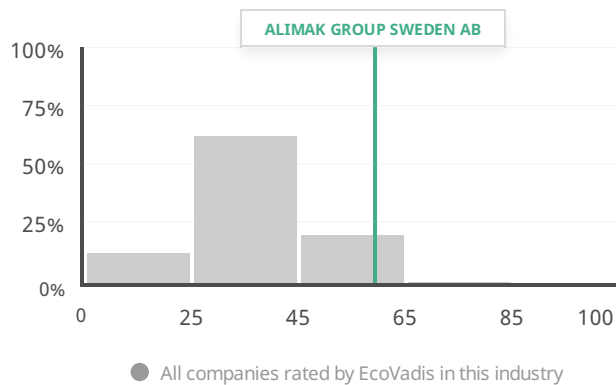
9. SUSTAINABLE PROCUREMENT

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

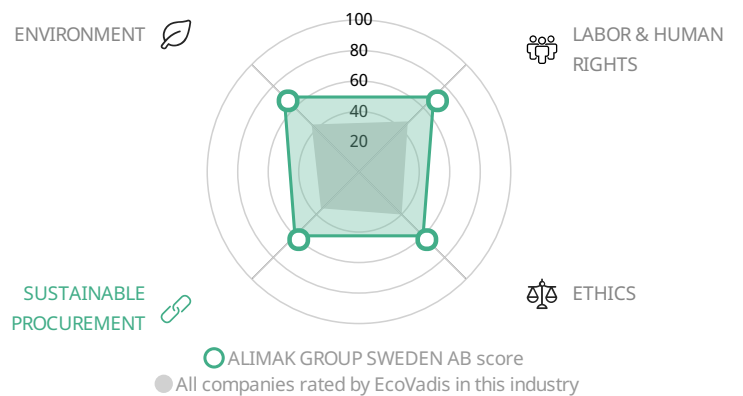
Sustainable Procurement Score Breakdown



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 (6)

Policies

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. Download the How-to Guide on this topic here (in English).

Actions

Supplier sustainability code of conduct in place

Information

The company has issued a specific Supplier Code of Conduct which lists the minimum requirements on environmental, labor and business ethics issues to be followed by its suppliers or subcontractors.

Guidance

A supplier Code of Conduct aims to ensure that suppliers provide safe working conditions for their employees, respect fair business ethics practices to comply with rules and regulations and reduce environmental impacts caused by their operations, among other issues. Typically, suppliers are required to uphold the standards in a Code of Conduct in order to continue in a business relationship with their client (i.e. the company undergoing the EcoVadis evaluation).

On-site audits of suppliers on environmental or social issues

Information

The company's supporting documentation demonstrates evidence of on-site supplier audits on environmental and/ or social issues through audit reports or third party audit certificates.

Guidance

Evidence of internal/external on site audits is recent enough (i.e. less than 12 months). Audits can be announced or unannounced and are systematically conducted at least for suppliers most exposed to sustainability risks. External audits are carried out by credible third party auditors and recognized environmental and/or social auditing standards are utilized (e.g. SMETA, EICC). Audits are directly conducted via field visits, i.e. on the suppliers' operational sites and/or business premises.

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

Information

The company provides evidence in supporting documentation of supplier assessments (in-house, 3rd party, or self-assessments) on environmental (including regulatory issues), social and/or ethical issues.

Guidance

Supplier sustainability assessments are an effective way to obtain and validate pertinent information from suppliers on sustainability issues to facilitate a better understanding of supplier performance. These are often requested by the company undergoing the EcoVadis evaluation to their own suppliers. Sustainability supplier assessments can be done through checklists, questionnaires or online forms and can be conducted by the client (undergoing the EcoVadis evaluation), a reliable third party or by the supplier itself. The objectives of such assessments are to identify general and sustainability-related practices as well to help identify high-risk suppliers and the need for further risk mitigation actions.

Results

Materiality analysis in sustainability reporting [at parent company level]

Company communicates progress towards the Sustainable Development Goals (SDGs) [at parent company level]

Improvement Areas (6)

Policies

Medium No information regarding a policy on conflict minerals issues

Information

No company declaration and no evidence found within the supporting documentation regarding a policy on conflict minerals issues.

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 minerals issued in the supply chain includes commitments and/or operational objectives designed to mitigate risk on environmental, social and ethical issues in the company's supply chain activities. It is communicated to internal and external stakeholders through a formal dedicated document.

Actions

High Declares conducting sustainability risk analysis (i.e. prior to supplier assessments or audits), but no supporting documentation available

Information

The company declares carrying out an in-depth screening of its spend categories to map potential sustainability risk but there is no evidence within the supporting documentation provided by the company.

Guidance

Sustainability risk mapping allows companies to identify, prevent and reduce social and environmental risks in the supply chain. The company can conduct a sustainability risk mapping of its suppliers based on criteria such as procurement category, geographical presence of suppliers and total spend. Sustainability risk mapping is done before deciding to carry out assessments or audits in order to select which suppliers should receive assessments or audits.

High Declares social or environmental clauses included in supplier contracts, but no supporting documentation available

Information

The company declares having social or environmental clauses included in supplier contracts but there is no evidence within the supporting documentation provided by the company.

Guidance

Provisions/clauses in business contracts that cover social & environmental issues which are not directly connected to the subject matter of the specific contract. It's a tool defining the behaviour/setting the expectations and for engaging with suppliers on sustainability. Commercial legal contract between the company and its supplier, usually mention termination of contract when expectations concerning sustainability issues are not met.

Low

Declares conducting a formal assessment of suppliers' progress with regards to REACH requirements, but no supporting documentation available

Information

The company declares the completion of a formal assessment of its suppliers regarding their progression toward full compliance with the REACH regulation, but no information was found on this topic within the supporting documentation.

Guidance

REACH (Registration, Evaluation and Authorization of Chemicals) is a regulation of the European Union that addresses the production and use of chemical substances as well as their potential impacts on both human and environmental health. The regulation requires that all companies manufacturing or importing chemical substances into the European Union in quantities of one tone or more per year register these substances to the European Chemicals Agency (ECHA).

Low

No information on measures implemented to mitigate conflict minerals issues

Information

No company declaration and no evidence within the supporting documentation on actions implemented to mitigate conflict mineral issues.

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. Some examples of measures might include detailed CM risk analysis, mechanisms to identify all upstream suppliers potentially exposed to using CM, measures to obtain additional information on CM from suppliers (i.e. formal procedure, escalation steps), requirement to first tier suppliers to fill an EICC reporting template, and/or investigation of smelters or refiners' conflict minerals due diligence processes.

Results

Low

No information on due diligence reporting on conflict minerals

10. 360° WATCH FINDINGS

8 November 2021

No records found for this company on Compliance Database

null

→ No score impact

360° Watch Findings comprise relevant public information about companies' sustainability practices that have been identified via more than 2,500 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

Additional comments from our analysts pertaining to the assessment.

Specific comments

 No records found in third party risk and compliance database.

 The company demonstrates an advanced management system on environmental issues.

 The company demonstrates an advanced management system on labor & human rights issues.

12. CONTACT US

Any questions or need help? Visit our Help Center at support.ecovadis.com

APPENDIX:

INDUSTRY RISK PROFILE

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	Local & Accidental Pollution
Medium	Materials, Chemicals & Waste
Medium	Product Use
Medium	Product End-of-Life
Non-activated	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, Discrimination & Harassment
Non-activated	External Stakeholder Human Rights

Ethics

Medium	Corruption
--------	------------

Medium

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 general-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 CO₂, CH₄, N₂O, HFC, PFC and SF₆. Also includes production of renewable energy by the company.

Industry issues

Manufacturing of general purpose machinery such as power-driven hand tools, office machinery, air conditioners and lifting and handling equipment 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, inspecting for refrigerant leaks in the air conditioner manufacturing process, and replacing gasoline-powered forklifts for logistics with electric models. Sector leaders use alternative sources of energy such as hydropower which utilizes the in-house cooling water, and wind and solar power to provide electricity for equipment such as outdoor lighting. 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 general 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, chase 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

Local & Accidental 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 pollution may result from manufacturing general purpose machinery such as engines, turbines, pumps and power-driven hand tools. Noise pollution is caused by equipment 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. The directive includes among others the inspection of industrial installations, reporting on compliance and protection of the soil (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 general purpose machinery sector generate significant levels of waste such as sludge, metals, toxic. Producing machinery results in the generation of hazardous chemicals. 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 general 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 Daikin and Groupe Ciat have implemented initiatives such as recycling programs for paper and batteries and training programs on chemical and hazardous materials.

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 general purpose machinery such as power-driven hand tools, heat exchangers, air conditioners and lifting and handling equipment are energy intensive and consume significant amounts of materials. Companies in this sector conduct life cycle assessments or carbon footprint studies on key products during the planning and design phase to facilitate the development of eco-products. Other strategies adopted by companies in the sector include the use of inverter products that improve energy efficiency, use of refrigerants with minimal environmental impact, the development of energy-efficient air conditioners and heat-pump type space heaters.

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. General purpose machinery such as power-driven hand tools, office machinery, air conditioners, lifting and handling equipment usually 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 is important 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. Strategies adopted by companies include recycling schemes for air conditioning units, recovering refrigerants from products, take back programs, and life cycle assessment on products during the R&D phase. 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 (6). Most of this waste ends up in developing countries, where lenient policy and regulation is in place, such as China, India, and Nigeria (7). 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.



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 (8). 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 (9). 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 (10). 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 (11) 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 (12). 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 (13). The manufacturing sector itself is reported as one of the most relevant for child labor (14). 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 (15). 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 (16). 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 (14). 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(17). 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 (18).

Medium

Diversity, Discrimination & Harassment

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% (19). 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 (20). 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

Anticompetitive Practices

Definition

Deals with anti-competitive practices including among others: bid-rigging, price fixing, dumping, predatory, pricing, coercive monopoly, dividing territories, product tying, limit pricing, and the non respect of intellectual property.

Industry issues

Industry cartel behavior harms a wide range of stakeholders. When companies form cartels, market dominance prevents smaller businessmen from accessing and competing in markets, and consumers are unable to freely select the quality and variety of goods and services they desire. Buyers working in a cartelized sector are also subjected to higher prices that ultimately cut into the company's bottom line. In order to ensure market competition, antitrust enforcement has received greater attention from US, EU and global law enforcement agencies in recent years. The electronics sector has been subjected to enhanced antitrust scrutiny due to large cartel settlements, most notably in the components sector: the cathode ray tube cartel in 2006, involving major market players such as Samsung, Philips, LG Electronics and Panasonic was even described as a textbook case (21). As part of their compliance systems, companies in the electronics sector should implement internal controls to prevent employees and business partners from engaging in anti-competitive practices. Employees should be adequately trained in the market impacts caused by such behaviors. Providing clear and detailed competitor interaction guidelines is one effective way to raise awareness among key employees. Lastly, companies should have an effective whistleblower procedure allowing employees to confidentially report collusion concerns without retaliation by employers.

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, 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 (27). 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. Almost immediately after Target's information breach, the company's net earnings for the fourth quarter were down 46 percent from the same period the year before. Over time, Target will pay an estimated US\$1.4 billion when factoring ongoing legal costs, class-action lawsuits by consumers and business partners, and credit monitoring services for affected consumers (28). 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 (22). 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

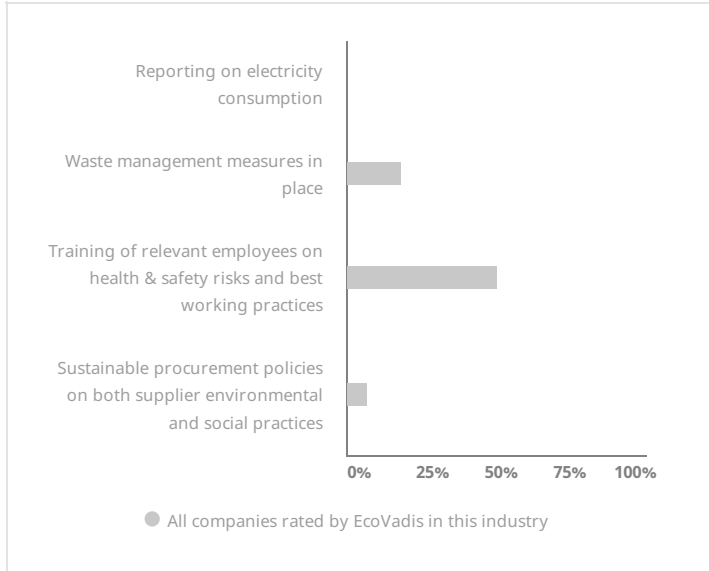
Definition

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.

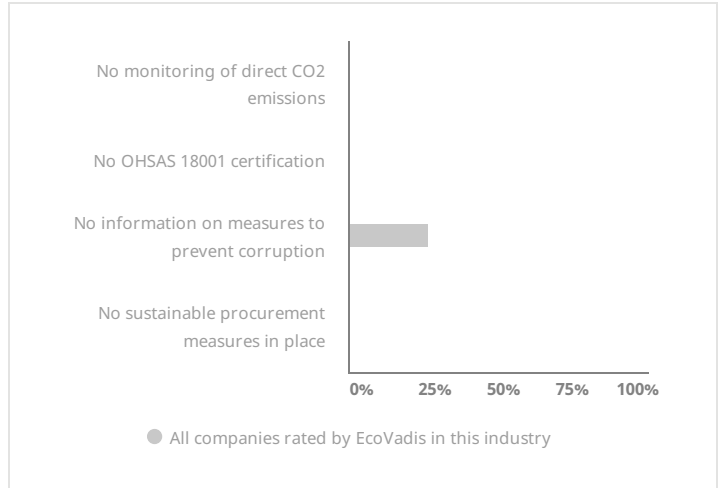
Industry issues

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 (23). 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 (24). 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 (25). 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 (26). 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
Active whistleblowing procedure in place	36%
Audit or assessment of suppliers on CSR issues	29%
Carbon disclosure project (CDP) respondent	6%
Global Compact Signatory	10%
ISO 14001 certified (at least one operational site)	32%
OHSAS 18001/ISO 45001 certification or equivalent (at least one operational site)	20%
Policy on sustainable procurement issues	24%
Reporting on energy consumption or GHGs	29%
Reporting on health & safety indicators	23%

Main Regulations and Initiatives

EU Directive 2006/42/CE on machinery

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

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/ttn/atw/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

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

EU directive WEEE (waste electrical and electronic equipment)

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=476>

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

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

 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

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 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/corporate/mne/>

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**

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>

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**

Sources

1- EICC, 2010, A Practical Approach to Greening the Electronics Supply Chain.

https://www.bsr.org/reports/BSR_EICC_A_Practical_Approach_to_Greening_the_Electronics_Supply_Chain.pdf

2- International Organization for Standardization, 2011, ISO 50001:2011.

http://www.iso.org/iso/catalogue_detail?csnumber=51297

3- Travis Haynam, Sustainable Manufacturer Network, 2011, Energy-efficient and EPA-compliant air pollution control.

<http://sustainablemfr.com/air-emissions/energy-efficient-epa-compliant-air-pollution-control>

4- European Commission, 2016, The IPPC Directive.

http://ec.europa.eu/environment/archives/air/stationary/ippc/ippc_revision.htm

5- ECHA, n. d. , Understanding REACH.

<https://echa.europa.eu/regulations/reach/understanding-reach>

6- Li, R., Tee, T., 2012, A Reverse Logistics Model For Recovery Options Of E-waste Considering the Integration of the Formal and Informal Waste Sectors.

<http://www.sciencedirect.com/science/article/pii/S1877042812007331>

7- Wang, Z., Zhang, B., Guan, D., 2016, Take responsibility for electronic-waste disposal.

<https://www.nature.com/news/take-responsibility-for-electronic-waste-disposal-1.20345>

8- ILO, 2014, Ups and downs in the electronics industry: Fluctuating production and the use of temporary and other forms of employment.

https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/meetingdocument/wcms_317267.pdf

9- International Trade Union Confederation, 2018, ITUC Global Rights Index 2018.

<https://www.ituc-csi.org/IMG/pdf/ituc-global-rights-index-2018-en-final-2.pdf>

10- ILO, n. d., Social Dialogue - Finding a common voice.

<http://www.ilo.org/public/english/dialogue/download/brochure.pdf>

11- Spreitzer, G., Porath, C. 2012. Creating Sustainable Performance

<https://hbr.org/2012/01/creating-sustainable-performance>

12- International labor organisation, 2021

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0:NO::P12100_ILO_CODE:C029

13- Global Slavery index, 2017

https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575540.pdf

14- Global Estimates of Child Labour, 2016

https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575499.pdf

15- Safety and health in the use of machinery, 2013

https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---safework/documents/normativeinstrument/wcms_164653.pdf

16- Global report on trafficking in Persons, 2020

https://www.unodc.org/documents/data-and-analysis/tip/2021/GLOTIP_2020_15jan_web.pdf

17- ILO-IOE Child labour guidance tool for business, 2015

<https://www.ilo.org/ipecinfo/product/download.do?type=document&id=27555>

18- ILO : Checkpoints for Companies Eliminating and Preventing Child Labour, 2016

https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_456960.pdf

19- Hunt et al. (McKinsey&Company), 2015, Why diversity matters.

<https://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters>

20- Human Rights Campaign Foundation, 2016, Corporate Equality Index 2017.

<http://assets2.hrc.org/files/assets/resources/CEI-2017-FinalReport.pdf>

21- European Commission, 2012, Antitrust: Commission fines producers of TV and computer monitor tubes € 1.47 billion for two decade-long cartels.

http://europa.eu/rapid/press-release_IP-12-1317_en.htm

22- Larry Ponemon, 2018, Calculating the Cost of a Data Breach in 2018, the Age of AI and the IoT.

<https://securityintelligence.com/ponemon-cost-of-a-data-breach-2018/>

23- Andrew Roberts, 2015, Legal Ramifications of Data Breaches.

<https://www.stratokey.com/blog/Legal-ramifactions-of-data-breaches>

24- Responsible Minerals Initiative, 2019.

http://www.responsiblebusiness.org/initiatives/rmi/?utm_source=homepage&utm_medium=button&utm_campaign=RMI

25- RMI, 2019, What are conflict minerals?

<http://www.responsiblemineralsinitiative.org/about/faq/general-questions/what-are-conflict-minerals/>

26- GoodElectronics, 2009, Reset - Corporate social responsibility in the global electronics supply chain.

<https://goodelectronics.org/reset/>

27- Global Witness, 2011, The Dodd Frank Act's Section 1502 on conflict minerals.

<https://www.globalwitness.org/en/archive/dodd-frank-acts-section-1502-conflict-minerals/>

28- EPS News, 2016, EU Agrees on Conflict Minerals Proposal

<https://epsnews.com/2016/06/17/25179/>