



ecovadis

EcoVadis Sustainability Assessment Report

Company rated:
VIESSMANN WERKE GMBH & CO KG (GROUP)

Overall score: 47 /100
May 2022

Sustainability performance: Good

Size: L
Headquarters country: Germany
Risk country operations: Yes
Industry: Manufacture of structural metal products,
tanks, reservoirs and steam generators

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ABOUT SUSTAINABILITY

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

ABOUT THE ASSESSMENT

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

ABOUT ECOVADIS

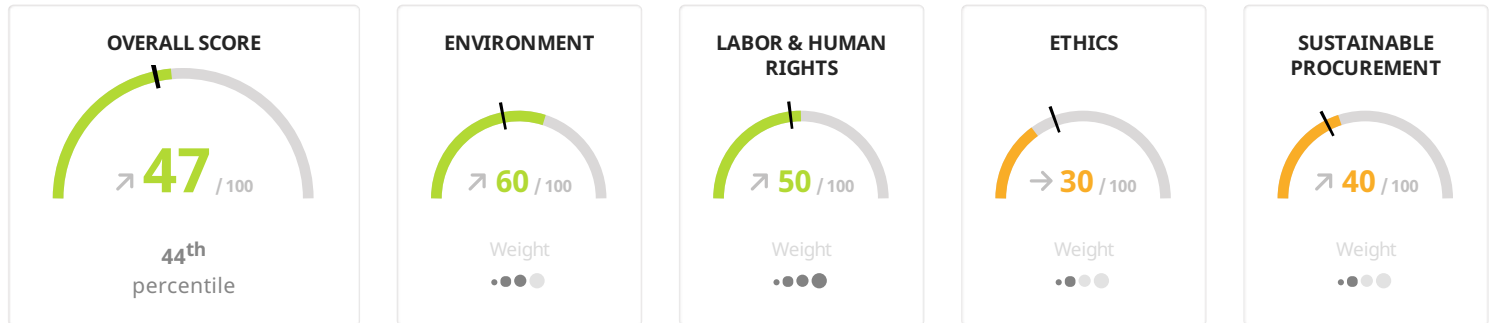
EcoVadis provides the leading solution for monitoring sustainability in global supply chains. Using innovative technology and sustainability expertise, we strive to engage companies and help them adopt sustainable practices.

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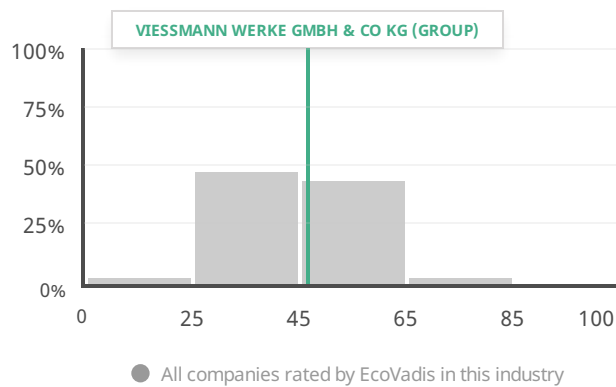
1. SUSTAINABILITY PERFORMANCE OVERVIEW

Score breakdown

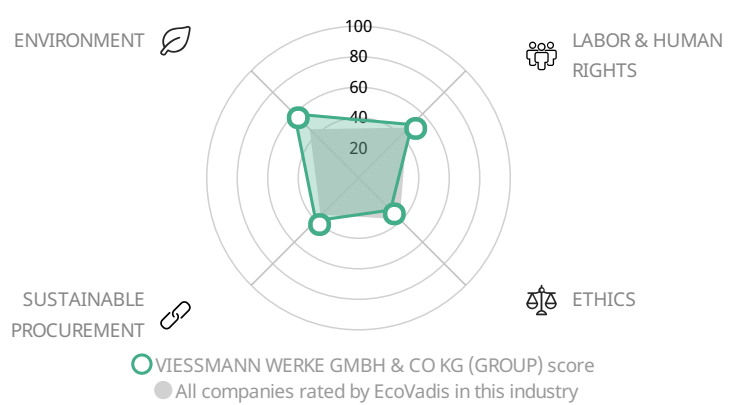
Sustainability performance ● Insufficient ● Partial ● Good ● Advanced ● Outstanding — Average score



Overall score distribution



Theme score comparison



VISSMANN WERKE GMBH & CO KG (GROUP) has been awarded a bronze medal in recognition of sustainability achievement! To receive this medal, companies must have an overall score of 47-56.

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. VISSMANN WERKE GMBH & CO KG (GROUP) has a corrective action plan in place and is working on improving their sustainability management system.

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

2. ASSESSMENT BENEFITS

Understand :

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

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

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

Communicate :

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

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

3. ASSESSMENT PROCESS

1

Customer Request

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

2

Questionnaire

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

3

Document Analysis

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

4

Public Information

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

5

360° Watch Findings

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

6

Expert Analysis

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

SCORECARD



4. ECOVADIS METHODOLOGY

A. Four Themes and 21 Criteria

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

21 sustainability criteria

1. ENVIRONMENT

OPERATIONS

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

PRODUCTS

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

2. LABOR & HUMAN RIGHTS

HUMAN RESOURCES

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

HUMAN RIGHTS

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

3. ETHICS

- Corruption
- Anticompetitive Practices
- Responsible Information Management

4. SUSTAINABLE PROCUREMENT

- Supplier Environmental Practices
- Supplier Social Practices



B. Seven Management Indicators

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



Policies (weight: 25%)

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

Actions (weight: 40%)

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

Results (weight: 35%)

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

5. UNDERSTANDING A SCORECARD

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

A. Quantitative Information: Scores & Activated Criteria

Theme Scores:

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

Activated Criteria:

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

Non-activated

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

Medium

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

High

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

! Risk countries only

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

C. The Scoring Scale

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

B. Qualitative Information: Strengths & Improvement Areas

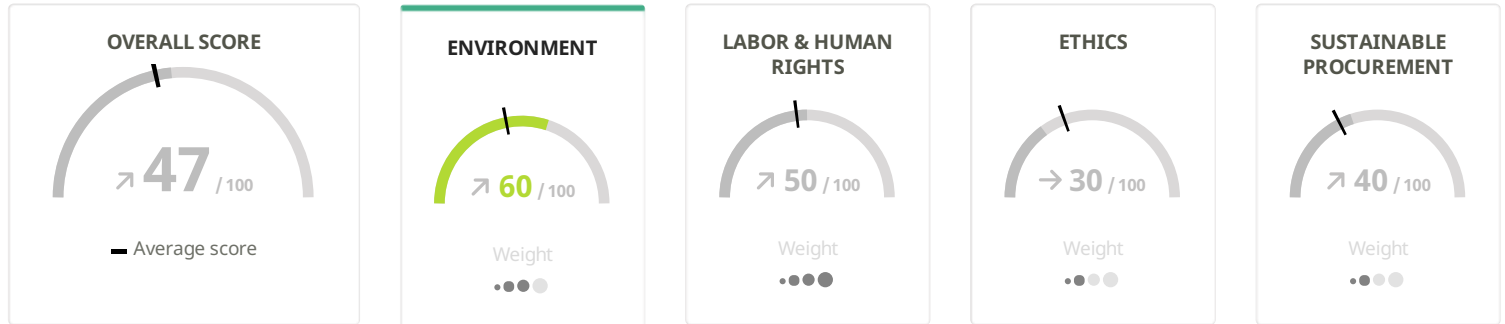
Qualitative information provides more details and insights into a company's score. For each theme, the company is assigned strengths (elements of their sustainability management system that are positive) and improvement areas (elements of their sustainability management system that need to be improved).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

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

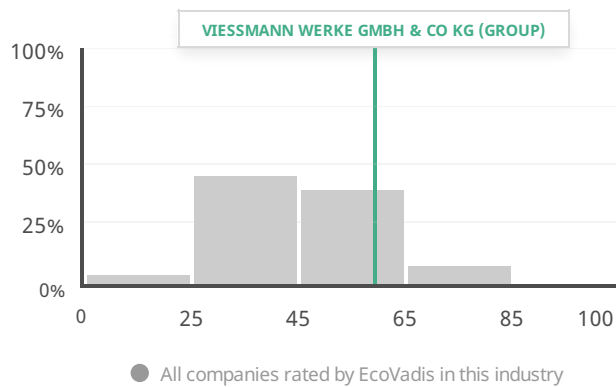
6. ENVIRONMENT

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

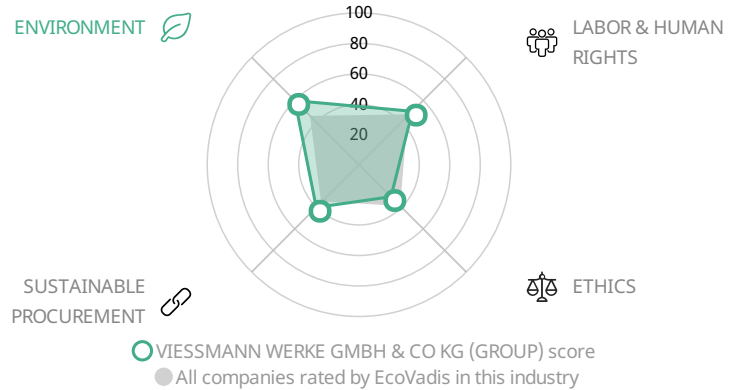
Environment Score Breakdown



Theme score distribution



Theme score comparison



Environment: Activated Criteria

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

Environment: Strengths & Improvement Areas

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

Strengths (46)

Policies

Quantitative objectives set on energy consumption & GHGs

Environmental policy on materials, chemicals & waste

Environmental policy on energy consumption & GHGs

Endorsement of the Science Based Targets initiative - Targets Set

Endorsement of external initiative on environmental issues [e.g. Klimaschutz Unternehmen e.V., Energieeffiziente Gebäude BDI, dezentrale Energietechnologie e.V. (deENet), Allianz für Gebäude-Energie-Effizienz (geea)]

Information

There is evidence of public adherence to an external initiative on environmental issues or membership in a voluntary initiative on environmental issues within the company's supporting documentation, or on the website of the initiative.

Guidance

Such initiatives can encompass many environmental issues, be specific, intergovernmental, multi-stakeholder, business-led, cross-sector or sector-specific. Examples include Global Compact, Electronic Industry Citizenship Coalition (EICC), Responsible Care, US Green Building Council Membership, etc.

Endorsement of the United Nations Global Compact (UNGC)

Information

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

Guidance

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

Actions

Wastewater quality assessment

On-site or off-site wastewater treatment facilities

Water-stress assessment or mapping performed to identify exposure to water-related risks

Reduction of GHG emissions through operational efficiency improvements

Fuel switch to achieve higher energy efficiency and/or lower carbon emission intensity

Purchase and/or generation of renewable energy

Company-specific emergency preparedness and response procedure regarding local pollution

Measures to detect and/or eliminate accidental water contamination (e.g. groundwater, surface water)

Reduction of carbon emissions in transportation

Improvement of energy efficiency through technology or equipment upgrades

Technologies or practices to recycle or reuse water

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.

ISO 50001 certified

Information

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

Guidance

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

Measures to reduce energy consumption

Information

The company has implemented specific measures to reduce the consumption of energy related to its activities.

Guidance

Examples might include selection of energy efficient equipment e.g. energy star office equipment, switching to LED lamps, improvement of building isolation.

Measures to reduce noise at worksite/construction site

Information

The company has implemented specific measures to reduce the noise related to operation of construction sites or worksites. Noise could come from tools or machinery (such as concrete breakers), use of explosives, delivery vehicles to name a few.

Guidance

Noise generated from construction activities could be a nuisance for the surrounding areas. Examples of measures might include selecting less noisy processes (e.g. block splitters instead of cut-off saws), using quiet equipment or fitting silencers to devices, and improving organisational practices such as restricting delivery to specific hours and interrupting the path of airborne noise by using noise enclosures or barriers.

Measures to reduce hazardous waste of solvents

Information

The company has implemented concrete actions to ensure effective reduction of hazardous waste of solvents.

Guidance

The company has implemented specific processes in order to reduce the hazardous waste of solvents. Examples of specific work processes in place might include the replacement or reduction hazardous solvents through the replacement with non-hazardous solvents, research and development to identify less hazardous or non-hazardous alternatives, or use of third parties or specific processes to properly collect, store, and recycle solvents.

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

Information

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

Guidance

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

Closed-loop water cooling system in place

Information

The company has a closed loop water cooling system in place. A closed loop water cooling system is a closed circulation system which allows for zero water discharge. The system reuses contaminated water accumulated in buildings, industrial plants and facilities as a coolant

Guidance

Water cooling systems are commonly used for large industrial facilities such as steam electric power plants, hydroelectric generators, petroleum refineries and chemical plants, but can also be implemented in small and medium enterprises.

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

Information

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

Guidance

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

Measures to reuse or recycle waste

Information

The company has implemented specific measures to reuse or recycle the waste produced.

Guidance

Examples of measures might include collecting and re-using the waste on site, sorting and ensuring the waste is collected by a specialist waste company.

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

Information

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

Guidance

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

Partnership established to help dispose of waste that the company cannot recycle

Information

The company has established a working relationship with a partner to ensure the disposal of the waste it cannot recycle.

Guidance

Examples of partnership might include agreement with equipment manufacturers so that they deal with unwanted equipment, contracts with specialist waste collectors (e.g. for used oil, metals), and joint working groups with several other companies in the same industry sector / in the same region to set up a common collection and disposal scheme.

ISO 14001 certified (at least one operational site)

Information

The company has provided a valid ISO 14001 certificate that covers at least one operating site

Guidance

ISO 14001 is the internationally recognised standard for the environmental management of businesses. It prescribes controls for those activities that have an effect on the environment. These include the use of natural resources, handling and treatment of waste and energy consumption. Organizations that implement ISO 14001 have a clear management structure with defined authority and responsibility, clear objectives for improvement, with measurable results and a structured approach to environmental impacts. This includes the monitoring of environmental system management failures, auditing of performance, and review of policies and objectives.

Waste management measures in place

Information

The company has implemented specific actions regarding management of waste.

Guidance

Examples of such measures include (but are not limited to): procedures to reuse or recycle waste, waste separation and waste sorting procedures, work process to optimize material consumption or to reduce waste, waste disposal arrangements etc.

Reduction of water consumption through innovative equipments, methods or technologies

Information

The company has implemented measures for reducing water consumption. They can be a new process, a facility feature, etc.

Guidance

In order to reduce its water consumption the company can select to modify its current arrangements by upgrading or changing the current equipment or technology in place and/or selecting processes that are more efficient. This is also possible at the design stage for new processes: the company selects equipment or technologies that would reduce water consumption compared to the usual process implemented by their industry/sector peers.

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.

Measures implemented to reduce pollutants discharged into water

Information

The company has implemented specific measures to reduce the quantity of pollutants discharged into water.

Guidance

Examples of measures might include specialized equipment in place to capture and filter pollutants, reverse osmosis, biological treatment facilities, water retention/detention systems, etc.

Results

Declares none of the sites/operations located in or near biodiversity-sensitive areas (not verified)

Reporting on total weight of pollutants emitted to water

Reporting on total amount of renewable energy consumed

Reporting on total water consumption

Reporting on total weight of non-hazardous waste

Reporting on total weight of hazardous waste

Reporting on total gross Scope 3 GHG emissions

Materiality analysis in sustainability reporting

Company communicates progress towards the Sustainable Development Goals (SDGs)

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).

Reporting on scope 1 GHG emissions

Information

The company reports on GHG emissions, which include emissions from facilities, plants, property or assets that are owned or controlled by the company, according to the Greenhouse Gas Protocol (also called 'direct emissions').

Guidance

Scope 1 emissions exclude indirect GHG emissions from consumption of purchased electricity, heat or steam (Scope 2 emissions) as well as other indirect emissions, such as GHGs in the supply chain (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).

Reporting on total energy consumption

Information

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

Guidance

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

Standard reporting on environmental issues

Information

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

Guidance

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

Improvement Areas (10)

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

Actions

Low

Declares a percentage of sites ISO 14001 certified, but certificates or evidence provided are inconclusive

Information

The company declares a percentage of ISO 14001 certified sites, however certificates or evidence (e.g. list of operational sites certified) provided are inconclusive.

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. The information provided in the supporting documentation (e.g. company website, sustainability reporting) does not enable the identification of the percentage of ISO 14001 certified sites. Some examples of evidence used to demonstrate the coverage of ISO 14001 certifications include (but are not limited to): - Individual certificates for each certified site; - A certificate annex clearly stating each individual site covered by the certificate - A sample certificate for one site, along with formalized reporting in a third-party verified report (i.e. Sustainability Report, Annual Report), which includes the percentage of sites covered by the ISO 14001 certification, etc.

Results

Medium

The 360° Watch has identified at least one significant controversy, fine or penalty regarding environmental issues in the last five years (see news with red downward arrow in the 360° Watch section).

Information

Major allegations, condemnations, fines or controversies have been reported in the last 5 years by stakeholder representatives (e.g. NGOs, trade unions, press, international organizations) directly exposing the company regarding its environmental practices.

Guidance

The EcoVadis “360° Watch” has searched over 800+ stakeholder sources (e.g. NGOs, trade unions, governments, press), looking for external views on the company’s sustainability approach and impacts. A major allegation, condemnation, fine or controversy on environmental issues involving the company under evaluation has been reported in the last 5 years. There are no corrective actions a company can implement through our Corrective Action Plan on this particular Improvement Area. The best course of action is to aim at improving the sustainability management system of the company under evaluation, including the policies, actions and reporting, so as to minimize the risk that a similar incident happens in the future. The major allegation, condemnation, fine or controversy on environmental issues found in the 360° Watch will remain on the scorecard until the facts are considered expired (i.e. after a period of 5 years).

Medium

Declares formal alignment with a sustainability reporting standard (e.g. in accordance with GRI, SASB) but no supporting documentation

Medium

The 360° Watch has identified at least one significant adverse report regarding customer health & safety.

Low

No information on reporting on recycled input materials

Information

No company declaration and no evidence within the supporting documentation on materials used that are recycled input materials.

Guidance

According to the GRI, recycled input materials are materials that replace virgin materials that are purchased or obtained from internal or external sources, and that are not by-products and non-product outputs (NPO) produced by the organization. This measure seeks to identify the organization’s ability to use recycled input materials. Using these materials helps to reduce the demand for virgin material and contribute to the conservation of the global resource base.

Low

Declares external assurance of sustainability reporting, but no supporting documentation

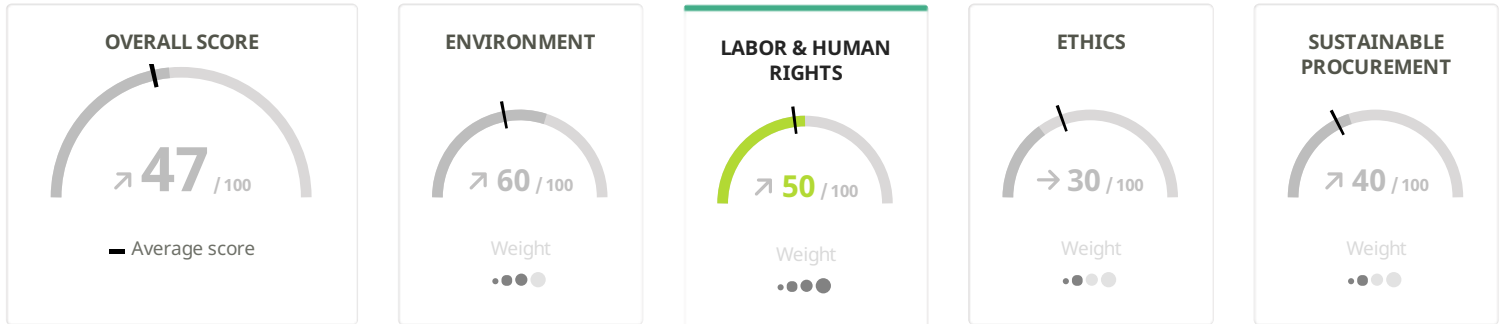
Low

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

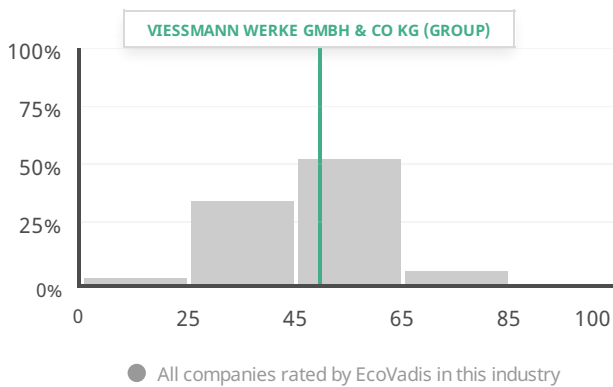
7. LABOR & HUMAN RIGHTS

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).

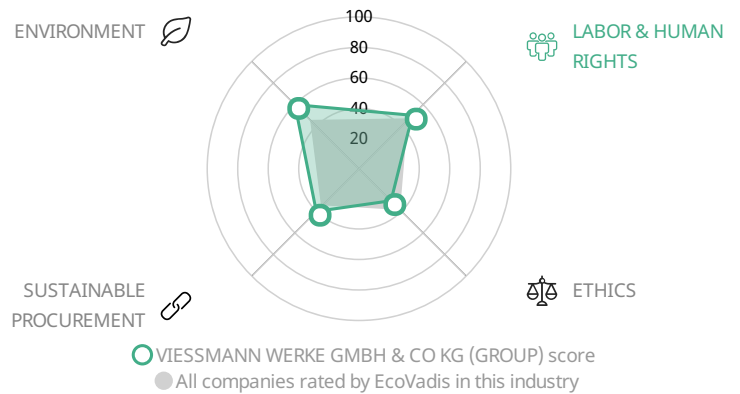
Labor & Human Rights Score Breakdown



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.



Labor & Human Rights

Weight ●●●●

Strengths (23)

Policies

Labor & human rights policy on diversity, equity & inclusion

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

Labor & human rights policy on career management & training

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)

Information

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

Guidance

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

Actions

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

ISO 45001 certified (at least one operational site)

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.

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

Information

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

Guidance

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

Whistleblower procedure on discrimination and/or harassment issues

Information

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

Guidance

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

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.

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.

Whistleblower procedure on child labor, forced labor and human trafficking

Information

The company has implemented a formal whistleblower procedure which encourages employees (and external stakeholders) to report potential violations of the company's child labor, forced labor & human trafficking policies.

Guidance

A whistleblower procedure is a grievance mechanism for stakeholders to report any wrongdoings, concerns or breaches of the child labor, forced labor & human trafficking 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.

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.

Two-way communication system in place to facilitate employee voice regarding working conditions

Information

The company has an interactive communication session with employees on working conditions.

Guidance

Interactive communication strategies help and allow companies to receive input and feedback directly from employees. These sessions should focus on working conditions & benefits. This assists companies in effectively running their business and helps eliminate or reduce workplace mistakes, oversights and inter-office conflict. Proactive strategies can include creating a discussion agenda, communication policies and structured workshops between employees and management.

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.

Setting of individual career plan for all employees

Information

The company has implemented mechanisms to help employees in setting individual career plans

Guidance

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

Training of relevant employees on health & safety risks and best working practices

Information

The company provides training to relevant employees on health and safety risks and best working practices

Guidance

The company has implemented training on health and safety issues. Safety training aims at implementing health and safety procedures into specific job practices and at raising staff 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 employees have been trained, the date of the training, the training topic, and expected dates for refresher trainings. Monitoring of training attendance certificates is also suggested. It is also a best practice to have the training carried out in the language that the employees understand best and to carry out tests or quizzes to ensure training concepts have been successfully transmitted to participants.

Results

Materiality analysis in sustainability reporting

Company communicates progress towards the Sustainable Development Goals (SDGs)

Improvement Areas (12)

Policies

Medium Inconclusive documentation for policies on working conditions

Medium Inconclusive documentation for policies on social dialogue

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).

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

Actions

Low Declares a percentage of sites ISO 45001 certified, but certificates or evidence provided are inconclusive

Results

High Declares reporting on labor and human rights issues, but no supporting documentation available [Reporting is obsolete, i.e. older than two calendar years]

Information

The company declares it provides reporting regarding labor practices and human rights issues, but there is no information within the company supporting documentation on key performance indicators (KPIs) or statistical figures.

Guidance

In order to measure and monitor the effectiveness of its sustainability management system internally, and in order to report performance to stakeholders, a company should report on sustainability-related Key Performance Indicators (KPIs). In the EcoVadis assessment, the Reporting indicator looks at the quality, transparency and level of reporting readily available to stakeholders. The KPIs provided should be recent (i.e. within the last 2 reporting periods) and should be for the scope under evaluation. KPIs can be sector-specific and include for instance: the rates of injury/ occupational diseases/ lost days/ absenteeism, the number of work-related fatalities, the employee turnover, the % of employees covered by joint management-worker committees, the % of employees covered by collective bargaining agreements, the average hours of training, breakdown of employees per employee category (e.g. gender, age group, minority), ratio of basic salary and remuneration of women to men by employee category (Source: Global Reporting Initiative G4). Download the How-to Guide on this topic here (in English).

Medium Declares formal alignment with a sustainability reporting standard (e.g. in accordance with GRI, SASB) but no supporting documentation

Low Declares external assurance of sustainability reporting, but no supporting documentation

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

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

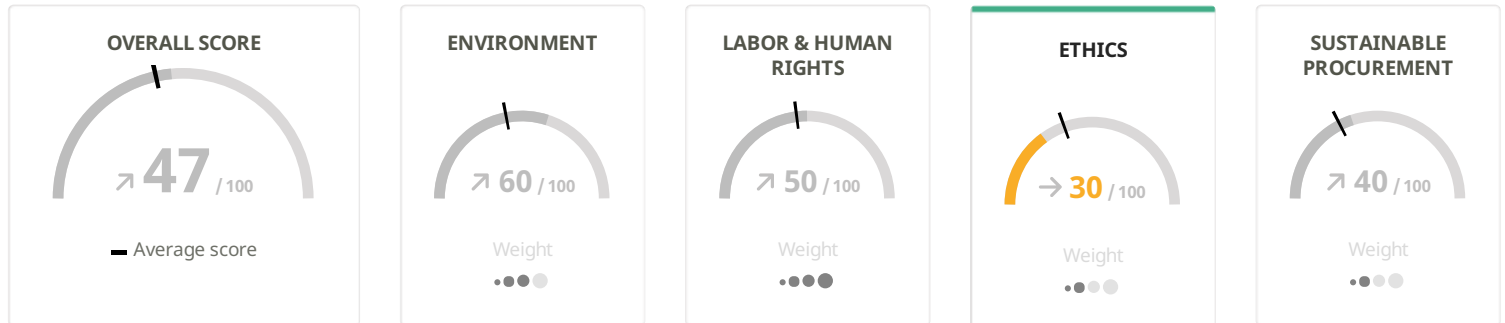
Low No information related to reporting on average training hours per employee

Low Declares reporting on workplace diversity but no supporting documentation [reporting is obsolete]

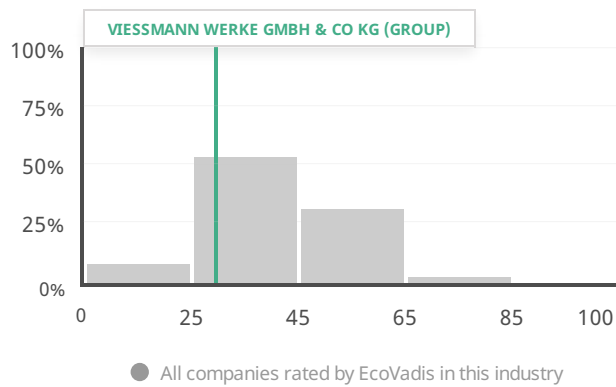
8. ETHICS

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

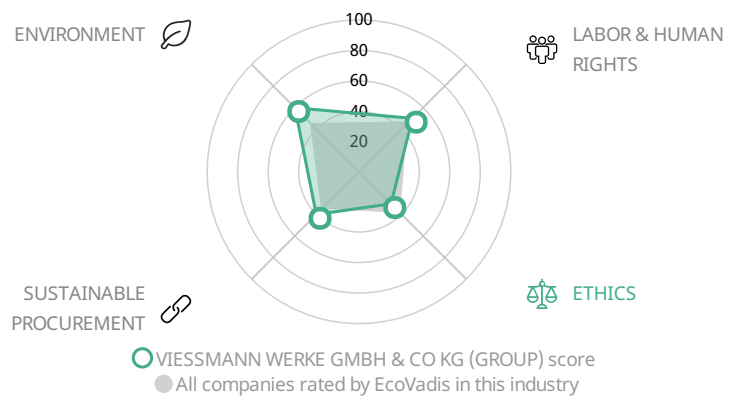
Ethics Score Breakdown



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 (4)

Policies

Endorsement of the United Nations Global Compact (UNGC)

Information

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

Guidance

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

Actions

Measures to protect third party data from unauthorized access or disclosure

Information

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

Guidance

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

Results

Materiality analysis in sustainability reporting

Company communicates progress towards the Sustainable Development Goals (SDGs)

Improvement Areas (19)

Policies

High Inconclusive documentation on ethics policies

Information

There is no formal policy regarding ethics within the supporting documentation provided by the company, or company has provided supporting evidence that was not approved due to quality/acceptance requirements. e.g. company name, recent date (8 years).

Guidance

A standard policy on fair business practices covers corruption & bribery issues and optionally information security and responsible marketing issues, depending on the relevancy for the industry or sector. Such a policy is formalized as qualitative objectives/commitments in a formal policy document e.g. Code of Ethics/Code of Conduct and includes organizational elements (e.g. review process, dedicated responsibilities, scope of application). Download the How-to Guide on this topic here (in English).

Medium

Inconclusive documentation for policies on anticompetitive practices

Information

The company has either no supporting documentation on commitments on anti-competitive practices issues, or has provided supporting evidence that was not approved due to quality/acceptance requirements. e.g. company name, recent date (8 years).

Guidance

A standard policy on anti-competitive practices is formalized as qualitative objectives/commitments in a formal policy document (e.g. Code of Ethics/Code of Conduct) and includes organizational elements (e.g. review process, dedicated responsibilities, scope of application).

Medium

Inconclusive documentation for policies on corruption

Information

The company has either no supporting documentation on commitments on anti-corruption & bribery issues, or company has provided supporting evidence that was not approved due to quality/acceptance requirements. e.g. company name, recent date (8 years).

Guidance

A standard policy on corruption & bribery issues is formalized as qualitative objectives/commitments in a formal policy document (e.g. Code of Ethics/Code of Conduct) on some of the following issues: corruption & bribery, conflict of interest, bribery and fraud. A standard policy also includes organizational elements (e.g. review process, dedicated responsibilities, scope of application).

Medium

Inconclusive documentation for policies on information security

Information

The company has either no supporting documentation on commitments on the information security issues that are relevant for a company in this sector, or has provided supporting evidence that was not approved due to quality/acceptance requirements. e.g. company name, recent date (8 years).

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. A standard policy on information security is formalized as qualitative objectives/commitments in a formal policy document, and includes organizational elements (e.g. review process, dedicated responsibilities, scope of application).

Low

Inconclusive documentation for policies on fraud

Low

Inconclusive documentation for policies on conflict of interest

Actions

High No supporting documentation on the coverage of ethics actions throughout the company operations

Information

There is insufficient or inconclusive evidence within supporting documentation on the level of deployment of business ethics actions throughout the company.

Guidance

Companies with more than 1000 employees and/or more than one operational site (such as manufacturing plants, offices, divisions, branches) have inherently greater potential sustainability risks and impacts. Therefore, the coverage/ deployment of actions and certifications are important as a higher level of deployment provides higher assurance of an effective, company-wide sustainability management system. Some examples of proxies used to determine the level of deployment of actions within the ethics theme (non-exhaustive) are % of the total workforce who received training on business ethics issues, % of all operational sites with an information security management system (ISMS) certified to ISO 27000 (or other equivalent/similar standard), % of all operational sites with certified anti-corruption management system etc.

High No conclusive documentation regarding corruption risk assessments

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.

High No conclusive documentation regarding risk assessments for anti-competitive practices

High No conclusive documentation regarding information security risk assessments

Medium No conclusive documentation on awareness training to prevent corruption and bribery

Information

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

Guidance

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

Low

No conclusive documentation on audits of control procedures to prevent corruption

Information

No company declaration and no supporting documentation evidence provided on audits of internal controls relating to anti-corruption issues within the company's own operations.

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 & 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.

Low

No conclusive documentation on approval procedure for sensitive transactions (e.g. gifts, entertainment)

Information

No company declaration and no evidence within the supporting documentation regarding the implementation of 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.

Low

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

Information

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

Guidance

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

Low

No conclusive documentation on measures regarding an effective whistleblower procedure to report corruption and bribery

Low

No conclusive documentation on measures regarding anticompetitive practices

Results

High

No information on reporting on ethics issues

Medium

Declares formal alignment with a sustainability reporting standard (e.g. in accordance with GRI, SASB) but no supporting documentation

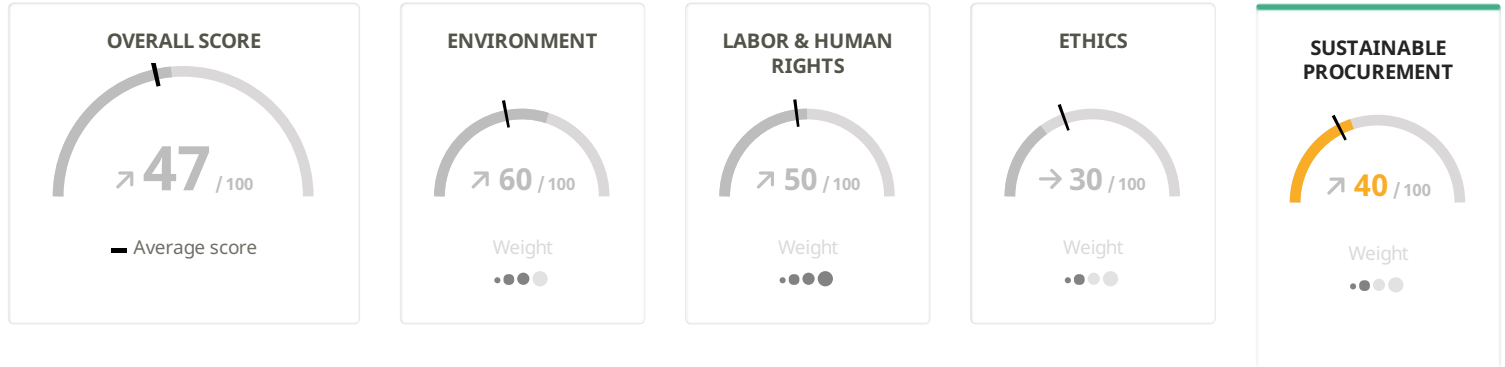
Low

Declares external assurance of sustainability reporting, but no supporting documentation

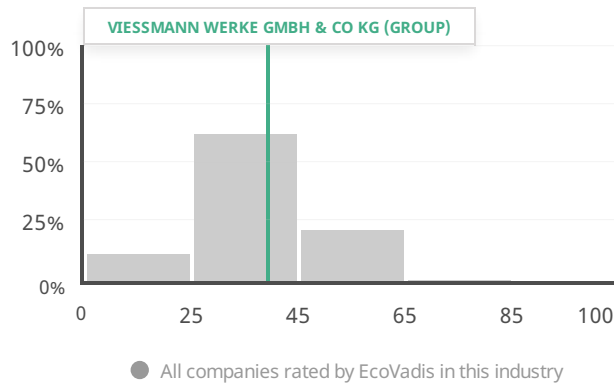
9. SUSTAINABLE PROCUREMENT

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

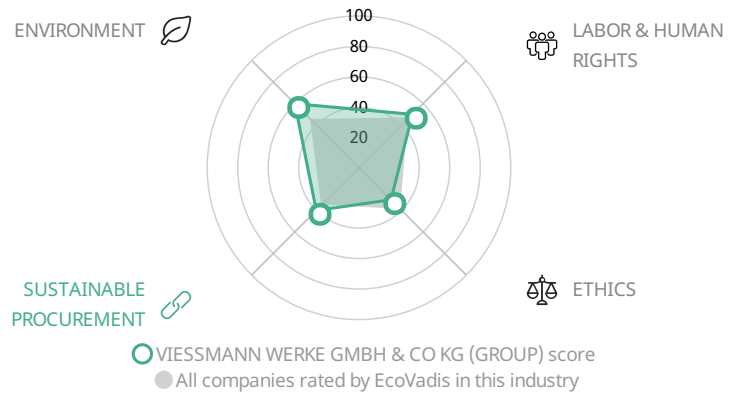
Sustainable Procurement Score Breakdown



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)

Actions

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

Information

The company has implemented corrective actions to facilitate supplier capacity building.

Guidance

Capacity building measures include company proactive support directed towards its suppliers with the aim to enhance their ability to identify and manage environmental, social and ethical issues within their own operations. Such support includes supplier training, participation in supplier meetings, development of close collaborations on sustainability topics, and continuous improvement feedback on supplier's sustainability performance (e.g. Corrective Action Plans).

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.

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

Information

The company provides evidence in supporting documentation regarding training on sustainability issues to buyers in their organization to ensure ethical and sustainable procurement practices.

Guidance

The buyer-supplier relationship plays an important role in improving sustainability in the supply chain. Raising awareness / training of procurement professionals on sustainable purchasing to ensure understanding of social and environmental issues and how to integrate them into their procurement function. For example, procurement professionals can be trained to identify and respond to supply chain risks related to slavery and human trafficking. Evidence of the training conducted can be included in the sustainability reports, training presentation slides.

Results

Materiality analysis in sustainability reporting

Company communicates progress towards the Sustainable Development Goals (SDGs)

Improvement Areas (11)

Policies

High Inconclusive documentation on sustainable procurement policies

Information

There is no formal policy on sustainable procurement issues in the supporting documentation provided by the company, or company has provided supporting evidence that was not approved due to quality/acceptance requirements. e.g. company name, recent date (8 years).

Guidance

A standard sustainable procurement policy integrates commitments and/or operational objectives on all material sourcing risks the company faces. It is communicated to internal and external stakeholders through a formal dedicated document (e.g. Sustainable Purchasing Policy). Download the How-to Guide on this topic here (in English).

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 having a supplier sustainability code of conduct, but no supporting documentation available

Information

The company declares it has a supplier Code of Conduct (i.e. a document that comprises requirements on environmental, labor and/or ethical issues to be followed by its suppliers or subcontractors). However, no evidence of this document was found in the supporting documentation.

Guidance

Supplier Codes of Conduct outline the company's expectations on their suppliers' practices on the following topics: responsible environmental management, implementation of safe working conditions, treatment of their employees with respect and dignity, and ethical business practices. It can also include information on how the Code will be monitored and reviewed and how violations of the Code will be handled.

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.

High

No supporting documentation on the coverage of sustainable procurement actions throughout the company supplier base/operations

Information

There is insufficient or inconclusive evidence within supporting documentation on the level of deployment of sustainable procurement actions throughout the company.

Guidance

Companies shall demonstrate that their sustainable procurement management system is deployed across its buyers and supplier base. The buyers within the assessment scope may include those associated to operational sites including facilities such as manufacturing plants, offices, divisions, branches, and those of subsidiaries, across all the company's geographic locations. The supplier base may include all providers of products and services to the assessment scope, encompassing any level of risk and/or spend. Some examples of evidence used to determine effective deployment of a sustainable procurement management system's actions and certifications include (but are not limited to): - % of targeted suppliers who have signed the supplier code of conduct - % of targeted contracts that include clauses on environmental, labor, human rights, and ethics requirements - % of all buyers across all locations who received training on sustainable procurement - % of targeted suppliers who have gone through a sustainability assessment.

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

High Insufficient number of KPIs disclosed on sustainable procurement issues

Information

There is some evidence of formal reporting on sustainable procurement 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 be sector-specific and include for instance: % of suppliers assessed or audited on CSR issues, % of buyers trained on sustainable procurement, % of raw materials purchased that are recycled materials, % of products purchased with an eco-label (Source: Global Reporting Initiative G3). Download the How-to Guide on this topic here (in English).

Medium Declares formal alignment with a sustainability reporting standard (e.g. in accordance with GRI, SASB) but no supporting documentation

Low No information on due diligence reporting on conflict minerals

Low Declares external assurance of sustainability reporting, but no supporting documentation

10. 360° WATCH FINDINGS

24 March 2022

Viessmann honored with two awards! [PL]

<https://globenergia.pl/firma-viessmann-wyrozniiona-dwiema-nagrodami/>

Viessmann was awarded the UN Global Compact award in the Climate Positive category. The jury appreciated the company for taking ambitious actions for climate protection and sustainable development in the interests of future generations.


 Environment → No score impact

24 February 2022

Accords d'entreprise chez VIESSMANN FRANCE

<https://www.droits-salaries.com/493391114-viessmann-france/index.shtml>

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


 Labor & Human Rights → No score impact

4 February 2022

Accords d'entreprise chez VIESSMANN INDUSTRIE FRANCE

<https://www.droits-salaries.com/946150604-viessmann-industrie-france/index.shtml>

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


 Labor & Human Rights → No score impact

3 January 2022

Accords d'entreprise chez VIESSMANN FAULQUEMONT

<https://www.droits-salaries.com/493385785-viessmann-faulquemont/index.shtml>

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


 Labor & Human Rights → No score impact

1 January 2022

Turkey's Best Employers™ 2022 [TR]

<https://www.greatplacetowork.com.tr/listeler/turkiyenin-en-iyi-isverenleri/turkiyenin-en-iyi-isverenleri-2022/>

In 2022, Great Place To Work awarded Viessmann Manisa Heat Technologies San. & Tic. Ltd. Sti as Best Employer.


 Labor & Human Rights → No score impact

15 December 2021

Accords d'entreprise chez VIESSMANN TECHNIQUE DU FROID

<https://www.droits-salaries.com/492175211-viessmann-technique-du-froid/index.shtml>

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

 Labor & Human Rights → No score impact

9 December 2021

Lawsuit against Viessmann Group over prosumer electricity tariff successful [DE]

<https://www.vku.de/themen/recht/klage-gegen-viessmann-group-wegen-prosumer-stromtarif-erfolgreich/>

On December 7th, 2021, the North Rhine-Westphalia Consumer Advice Center announced that the Frankfurt/Main Regional Court had decided on October 7th, 2021 of the Viessmann Group GmbH & Co.KG has prohibited misleading advertising statements on electricity tariffs offered for a Viessmann solar system.


 Ethics → No score impact

2 December 2021

VIESSMANN INDUSTRIE FRANCE est condamné par la Cour d'appel de Rennes

<https://www.doctrine.fr/d/CA/Rennes/2021/C0459918109BFFD5>

La Cour d'appel de Rennes, 7ème ch prud'homale du 2 Decembre 2021, Condamne la SAS VIESSMANN INDUSTRIE FRANCE à régler à M. X les sommes suivantes : 18 537,75 euros brut de rappel d' heures supplémentaires, 1 853,77 euros brut pour les congés payés y afférents, 14 757,45 euros brut au titre de l'indemnité compensatrice de préavis, 1 475,74 euros pour les congés payés y afférents, 3 286,69 euros au titre du reliquat d'indemnité de licenciement, 40 000 euros de dommages-intérêts pour licenciement sans cause réelle et sérieuse, 2 000 euros en cause d'appel sur le fondement de l'article 700 du code de procédure civile.

 Labor & Human Rights → No score impact

11 September 2021

Viessmann wants to be climate-neutral by 2050 and is investing 60 million euros [DE]

<https://www.hna.de/lokales/frankenberg/allendorf-feder-ort317395/viessmann-will-bis-2050-klimaneutral-sein-und-investiert-dafuer-60-millionen-euro-91104729.html>

Viessmann is committed to reducing emissions from its operations and products in line with the 1.5 degree path set out in the 2015 Paris Agreement.


 Environment → No score impact

3 October 2019

Viessman is reducing its workforce in Wolfurt [DE]

<http://epaper.neue.at/wirtschaft/2019/10/02/viessman-baut-in-wolfurtpersonal-ab.neue>

Viessmann Group reorganizes its locations in Vorarlberg. Former Kob location in Wolfurt will be closed. A little more than half of the 80 employees from Wolfurt will move to Hard, but around 35 employees will be cut.


 Labor & Human Rights → No score impact

25 April 2019

Viessmann Recalls Boilers Due to Carbon Monoxide Hazard

<http://www.cpsc.gov/Recalls/2019/viessmann-recalls-boilers-due-to-carbon-monoxide-hazard>

Viessmann is recalling its boilers as the boiler heat exchanger back plate can corrode and leak flue gases, allowing the boiler to emit excessive amounts of carbon monoxide, posing a CO poisoning hazard to consumers.


 Environment → Impacts score

1 January 2019

Turkey's Best Employers 2019 [TR]

<https://www.greatplacetowork.com.tr/liisteler/turkiyenin-en-iyi-isverenleri/tuerkiyenin-en-iyi-iverenleri-2019/>

In 2019, Great Place To Work awarded Viessmann as Best Employer.


 Labor & Human Rights → No score impact

23 October 2018

Viessmann starts co-operation negotiations in Porvoo - applies to 195 employees [FI]

<https://www.uusimaa.fi/paikalliset/1416291>

PORVOO Viessmann Refrigeration Systems Oy, the former Norpe, which manufactures refrigeration equipment for stores, will start co-operation negotiations at the Porvoo plant for the temporary adjustment of production capacity due to a lower order backlog and the possible outsourcing of sheet metal production. The company says in its press release that the negotiations will cover about 180 production workers and 15 employees and white-collar workers in sheet metal manufacturing.

 Labor & Human Rights → No score impact

20 October 2018

Viessmann cuts 90 positions [DE]

<http://www.maz-online.de/Lokales/Dahme-Spreewald/Mittenwalde/Mittenwalde-Viessmann-Gruppe-streicht-90-Stellen>

With 290 jobs, the Viessmann Group is one of the largest employers in Mittenwalde. By the end of next year, almost a third of the jobs in the boiler plant should be eliminated.


 Labor & Human Rights → No score impact

16 October 2018

Faulquemont : accident chez Viessmann, un blessé grave

<http://www.republicain-lorrain.fr/edition-de-saint-avold-creutzwald/2018/10/16/faulquemont-accident-chez-viessmann-un-blesse-grave>

Un accident du travail s'est produit aux alentours de minuit dans la nuit de lundi à mardi au sein de l'entreprise Viessmann à Faulquemont. Un employé a été blessé suite à la chute d'un engin de chantier dans une excavation de plusieurs mètres de hauteur.


 Labor & Human Rights → No score impact

1 October 2018

Reported fire at Viessmann in Allendorf was only a smoldering fire [DE]

<https://www.hna.de/lokales/frankenberg/allendorf-eder-ort317395/feuer-bei-viessmann-in-allendorf-war-nur-ein-schweibrand-9513343.html>

A smoldering fire broke out on Tuesday evening at the Viessmann company in Allendorf/Eder. There was only minor damage.


 Labor & Human Rights → No score impact

12 April 2018

March at Viessmann's Porvoo plant [FI]

<https://proliitto.fi/fi/ajankohtaiset/ulosmarssi-viessmannin-porvoon-tehtaalla>

The employees, white-collar workers and senior staff of the Finnish refrigeration furniture manufacturer Viessmann Refrigeration Systems Oy have marched out today, Thursday, April 12, at 12:30 pm in protest at the co-operation negotiation presented by the employer on April 6. The negotiations cover 27 employees from operational purchasing, product development and production management. The employer has stated that the redundancies will affect a maximum of nine people. We will return to work on Friday morning.

 Labor & Human Rights → No score impact

22 February 2018

Viessmann ESyCool Green Wins IKU Award For Efficient Energy Systems

<http://www.esmmagazine.com/viessmann-esycool-green-wins-iku-award/56160>

The efficient and environmentally-friendly ESyCool green energy solution from Viessmann Kuhlsysteme GmbH has been awarded the German Innovation Prize for Climate and Environment, or IKU (Innovationspreis fur Klima und Umwelt) for short. The IKU Award is given to innovations from industry and research that showcase new approaches in the field of climate and environmental protection.


 Environment → No score impact

19 January 2018

Workers on strike are ready to fight for a fair wage [DE]

<http://www.lokalo24.de/lokales/waldeck-frankenberg/arbeitnehmer-ig-metall-streik-sind-kampfbereit-fairen-lohn-bessere-arbeitszeiten-9540225.html>

Around 400 employees from companies in the metal and electrical industries as well as the wood and plastics processing industry today went on strike in Frankenberg. According to IG Metall, employees of Thonet, Osborn and Viessmann also participated in the rally. IG Metall is demanding 6 per cent more reward.

 Labor & Human Rights → No score impact

19 April 2022

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 10,000 data sources (including NGOs, press and trade unions). 360° Watch Findings are incorporated into the EcoVadis assessment and can have positive, negative or no score impact.





EcoVadis is connected to the following international sources:

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

11. SPECIFIC COMMENTS

Additional comments from our analysts pertaining to the assessment.

Specific comments

-  No records found in third party risk and compliance database.
-  The implementation coverage of sustainability measures and actions throughout the company is unclear.
-  Despite the company implementing measures regarding sustainable procurement issues, policies are not formalized or are only basic.
-  Since the last assessment, the overall score has increased thanks to the implementation of additional policies.

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	Air Pollution
High	Materials, Chemicals & Waste
Non-activated	Product Use
Non-activated	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
Non-activated	Child Labor, Forced Labor & Human Trafficking
Medium	Diversity, Equity and Inclusion
High	External Stakeholder Human Rights

Ethics

Medium	Corruption
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Medium

Anticompetitive Practices

Non-activated

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 structural metal products, tanks, reservoirs and steam generators



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

The metal industry is energy intensive and relies heavily on non-renewable energy sources (e.g. coke, gas) to operate furnaces and other heavy machinery. Energy costs for the EU's metal manufacturing sector accounted for 4.4 % of purchases of goods and services in 2006, the third highest proportion among the industrial sectors(1), just behind the iron and steel industry, which is roughly 15 percent of production costs (2). Indirect GHG emissions from the sector are caused by electricity consumption for furnaces and machinery, while direct GHG emissions result from on-site fossil fuel combustion and toxic substances used during production. Potential energy reduction opportunities for the sector include a combination of facility improvements, including the use of combined heat and power (CHP) technology, and process changes, including the substitution of fuel oils for natural gas. Inclusion of renewable energies in the production process is a good way to curb the carbon footprint of metal manufacturing activities.

Medium

Water

Definition

Water consumption during operations. Pollutants rejected into water.

Industry issues

Water consumption in the sector is necessary for furnace cooling systems, cleaning and dust mitigation. Wastewater results from the post-manufacturing processes, including grit blasting, equipment cooling and surface preparation (3), and consists of residues and spent solutions (for example cyanide from salt baths, water oils from quenching, spent die lubricants, hydraulic fluids). When left untreated, water effluent is also likely to contain metals, suspended solids, and phenols that could damage bacterial treatment beds at sewage treatment works and contaminate local water networks. In most cases, water used as a coolant and dust suppressant does not originate from recycled water sources, but instead from local water networks that are often located in water-stressed regions and habitats. Substituting raw materials with reduced phenol contents and chlorine and lead-free cold forging oils can help alleviate wastewater contamination. The total wastewater stream can also be minimized by recycling the cooling water for various future processes.

Medium

Air Pollution

Definition

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

Industry issues

Local air pollution is generated during numerous stages of the manufacturing process of metal products. Furnaces used to heat metal emit particulates associated with fuel combustion such as metallic dust, organic vapors from oily scrap materials, and fumes from metal oxides (4). Levels of particulate matter emissions emanating from the cooling processes can vary significantly, depending on the type of energy used, ie. natural gas versus fuel oils. The manufacturing process of metal products generates significant levels of noise pollution and odors that, when neglected, can create a public nuisance. Finally, accidental spills, consisting of solvents and oils, can potentially result in serious local pollution. As a result of the potential risks related to accidents, companies should have an effective emergency plan readily operational.

High

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

The manufacturing process of structural metal products generates various hazardous wastes, ranging from off-cuts, spent welding rods, swarf, cutting oils, greases, paint containers and obsolete materials (5). Much of the sector's waste is released into the air, water, landscapes, or transferred to off-site facilities for recycling or disposal. Waste reduction methods include the reduction of materials at the source. In addition, potentially dangerous air emissions are released from grit blasting, organic solvent cleaning, welding, adhesive use, painting and coating. In addition to using less hazardous chemical adhesives, ie. soy-based adhesives, manufacturers can use non-chemical bonding products including nails and screws (6). In Europe, the metals and metal products manufacturing sector is covered by a Directive on integrated pollution prevention and control (IPPC), and REACH.



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

Workplace health and safety risks in the sector are significant given the level of heat, chemical exposure and, in smaller businesses, the manual nature of the work. According to the U.S. Department of Labor reported total recordable case frequency rate of 5.7 for the sector in 2012, well above the average for manufacturing activities (7). Employee health and safety risks include exposure to dust particles containing significant amounts of lead (emitted during most stages of production), lubricating oil mist, and heavy machinery accidents. Hazardous and/or hot materials handling requires specialised skills acquired through training and, in addition to the prevention of noise exposure, requires personal protective equipment (PPE). Repetitive strain injuries can be prevented through training.

Medium

Working Conditions

Definition

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

Industry issues

The average labor costs in the EU’s structural metal products manufacturing sector was EUR 26,300/ employee in 2006, the lowest average among the dozen groups engaged in the manufacturing of metals and metal products, which reinforces the low-cost, labour-intensive perception of the sector (8). The statistic also exposes the need to provide adequate working conditions (e.g. working hours, holidays, wages and benefits) throughout the sector. As in all manufacturing sectors, employees should be provided with flexible work schedules and fairly compensated for atypical work hours common in the sector.

Medium

Social Dialogue

Definition

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

Industry issues

The Global poll 2012 led by the International Trade Union Confederation (ITUC)(9) shows that 70% of workers from 13 countries believe current labor laws provide inadequate legal protection on wages, and 44% believe that legal frameworks do not ensure reasonable working hours. A sound and structured social dialog is thus of importance, particularly in the context of medium or low skilled manufacturing sectors such as metal manufacturers.

Medium

Career Management & Training

Definition

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

Industry issues

A strong workforce provides the basis for a successful company. In order to foster their commitment, manufacture of chemicals companies must continually invest in training and development of their employees via skills development and robust career development programs.

Medium

Diversity, Equity and Inclusion

Definition

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

Industry issues

Promoting diversity through non-discrimination policies and practices has positive impacts on both workplace motivation and has been shown to Diversity at work on the other hand is believed to have positive impacts on companies’ financial performance. When effective non-discrimination policies not in place however, companies risk financial penalties in countries that have laws and regulations prohibiting discrimination based on various personal characteristics. Managers in the manufacture of metal products as well as in any other industry have to be careful regarding cases of gender discrimination and discrimination against handicapped workers.

High

External Stakeholder Human Rights

Definition

Deals with the prevention of direct and indirect human rights impacts of the company's operations on external stakeholders. External stakeholder human rights include any of the inherent rights outlined in the UN Universal Declaration on Human Rights, such as rights to property/land, rights to self-determination, rights to safety/security etc.

Industry issues

As set out in the Guiding Principles on Business and Human Rights, companies have an obligation to respect and promote human rights. For companies operating in identified high risk countries, it is important that human rights impact assessments are performed in order to gain an understanding of where workers' rights, including the right to collective bargaining and limited working hours, are stifled. A European working Conditions Survey found that 5% of respondents were subjected to bullying and/or harassment, and 6% reported threats of violence at work (10). As harassment and threats of violence lead to increased absenteeism and potential legal consequences for companies, it is vital that HR systems are in place to prevent such behaviors. Whistle-blowing and disciplinary measures are effective measures for promoting human rights in the workplace.



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 and bribery issues are major issues for any company, particularly when operating in risk countries. Regulations such as the FCPA (Foreign Corrupt Practice Act) in the U.S. or the U.K. Bribery Act address these issues and make it unlawful to make payments to assist in obtaining or retaining business. Companies in this sector are exposed to risks related to corruption due to the level of corruption and bribery that exists in the metals sector (see also SUP 2). As the sector is engaged in manufacturing of products used for public works, there is also corruption risks related to public procurement contracts. Companies should develop and implement effective anti-corruption training programs that address the impacts of bribery, and other forms of corruption, on markets and long term business costs. Any business ethics training program can be reinforced by an effective whistle-blowing procedure.

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

According to the UK Office for National Statistics, the metal forging, pressing sector is ranked among the lowest five-firm concentration ratios in UK industries (with only 4%). High metal prices caused by commodity booms incentivize mergers and acquisitions that potentially lead to monopolistic entities. The risk of monopoly, collusion or other perceived unethical practices can lead to long term business cost increases, fines and/or negative media coverage. Companies should develop and implement effective anti-corruption programs that include discussions pertaining to the market/job impacts caused by anti-competitive practices, and reinforce the training with a whistle-blowing procedure.



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

When not managed effectively, the sourcing and distribution of raw materials significantly impacts the environment, particularly the ecosystems located upstream at, or near, mining operations. Mining operations degrade local eco-systems due to ore cleaning chemicals, metal residues, noise and GHG emissions, some of which can have lasting impacts to biodiversity and water sources. Closer to the manufacturing operations, scope 3 GHG emissions and pollutants from transport in the supply/distribution network are an issue, which is generally performed using petroleum and diesel (non-renewable resources) (11). Sector businesses can source materials from suppliers based on environmental specifications that comply with REACH. Environmental assessments and audits should be performed by mining companies before, during and after operations, of which metal manufacturers can request evidence of completion during tendering processes.

Medium

Supplier Social Practices

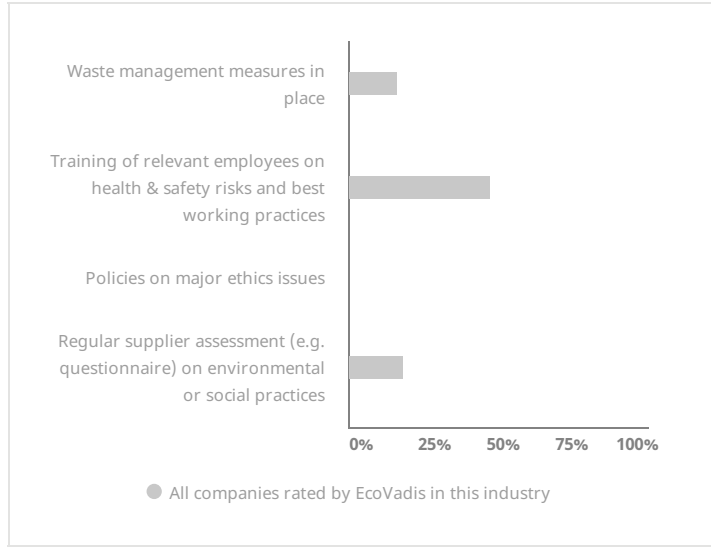
Definition

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.

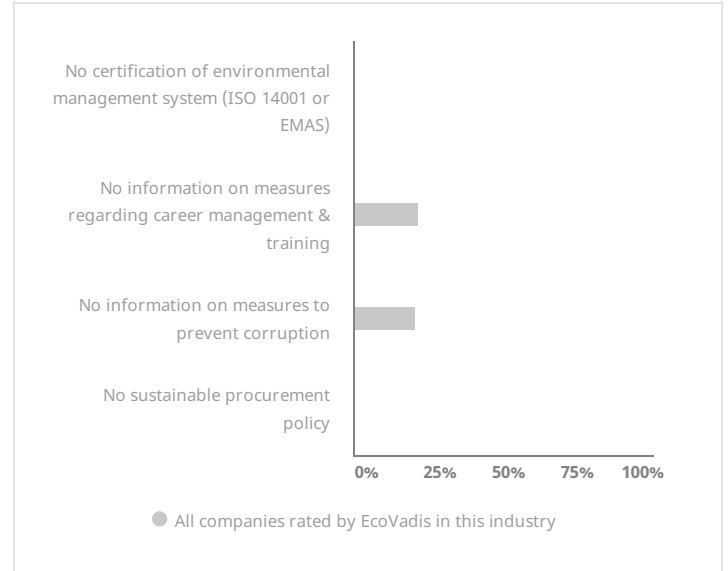
Industry issues

Companies that source significant amounts of metal are subjected to significant levels of risks in their supply chains, particularly at the mining level, emphasizing the importance of developing sustainable procurement programs. As of 2012, the sourcing of minerals mined from conflict-affected regions of Africa, including the Democratic Republic of Congo and its nine neighboring countries, have gained more scrutiny through mandated SEC reporting requirements. The sourcing of tin, tantalum, tungsten and gold requires disclosures, even if only trace amounts or alloys are necessary for production. Metal manufacturer supply chains also present risks related to corruption and bribery that occurs during mining concession negotiations. Due to the weak governance and political instability that characterizes many of the countries where metal ores are mined, mining companies are provided numerous opportunities to bribe governments for concessional rights to extract resources. Additionally, mining companies should make efforts to understand the governments that provide concessions to ensure that the revenue generated from natural resource extraction is used for public goods and services provision. Metal manufacturers should refer to the Extractive Industry Transparency Initiative (EITI)(12) for a list of extractive companies that have endorsed natural resource concession and revenue transparency.

Key industry Strengths



Key industry Improvement Areas



Sustainability KPIs Overview

KPI	All companies rated by EcoVadis in this industry
Active whistleblowing procedure in place	34%
Audit or assessment of suppliers on CSR issues	31%
Carbon disclosure project (CDP) respondent	7%
Global Compact Signatory	11%
ISO 14001 certified (at least one operational site)	31%
OHSAS 18001/ISO 45001 certification or equivalent (at least one operational site)	20%
Policy on sustainable procurement issues	20%
Reporting on energy consumption or GHGs	31%
Reporting on health & safety indicators	23%

Main Regulations and Initiatives

Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal

http://europa.eu/legislation_summaries/environment/waste_management/l28043_en.htm

 Regulatory

The Basel Convention, which came into force in 1992, is the most comprehensive global environmental agreement on hazardous and other wastes. The Convention has 172 Parties and aims to protect human health and the environment against the adverse effects resulting from the generation, management, transboundary movements and disposal of hazardous and other wastes.

 Environment

EU Directive 96/61/EC concerning integrated pollution prevention and control

http://europa.eu/legislation_summaries/environment/waste_management/l28045_en.htm

 Regulatory

The aim of this directive is to prevent or reduce pollution of the atmosphere, water and soil, as well as the quantities of waste arising from industrial and agricultural installations to ensure a high level of environmental protection.

 Environment

EU regulation REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals)

http://ec.europa.eu/environment/chemicals/reach/reach_intro.htm

 Regulatory

The European Union regulation REACH (18 December 2006) encourages manufacturers and importers of "Substances of Very High Concern" to pre-register them.

 Environment

ILO Guidelines on occupational Safety and Health management systems (ILO-OSH 2001)

<http://www.ilo.org/public/english/protection/safework/managmnt/guide.htm>

International guidelines about occupational health and safety

 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

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). Dead line for national law transposition: 29th June 2008.

 Environment

EU Directive RoHS (Restriction of Hazardous Substances)

<http://www.rohs.eu/english/index.html>

 Regulatory

The RoHS directive restricts the use of six hazardous materials in the manufacture of various types of electronic and electrical equipment.

 Environment

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

http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:55:0:::55:P55_TYPE,P55_LANG,P55_DOCUMENT,P55_NODE:REC,en,R181,/Document


International instruments on the prevention of industrial accidents

 All themes

Standard SA8000 (Social Accountability)

<http://www.sa-intl.org/index.cfm?&stopRedirect=1>

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

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

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 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)

<http://www.globalreporting.org/Home>

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**

Standard OHSAS 18001 (Occupational Health and Safety Assessment Series)

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

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

 **Labor & Human Rights**

United Nations Convention against Corruption (UNCAC)

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

 Regulatory

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

 **Ethics**

OECD guidelines for multinational enterprises

http://www.oecd.org/about/0,2337,en_2649_34889_1_1_1_1_1,1,00.html

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

 **All themes**

Standard ISO 26000 (International Standard Organisation)

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

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

 **All themes**

Sources

1- European Commission Eurostat, 2009, Structural metal products manufacturing statistics - NACE Rev. 1.1

http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Structural_metal_products_manufacturing_statistics_-_NACE_Rev._1.1

2- EIA, 2013, International Energy Outlook 2013 With Projections to 2040

<http://www.eia.gov/forecasts/aeo/pdf/0383%282013%29.pdf>

3- Northern Ireland Environment Agency (NIEA) - Northern Ireland and SEPA - Scotland., Environmental Guidance For Your Business Fabricated metal products

http://www.netregs.org.uk/business_sectors/fabricated_metal_products.aspx

4- U.S. Department of Energy, Office of Industrial Technologies, 1999, Energy and Environmental Profile of the U.S. Metal casting Industry

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