



Period covered by the COP – Jan 2011 to December 2011

Human Rights

Principles, Assessment, Policy and Goals

*Description of the relevance of human rights for the company (i.e. human rights risk, assessment).
Description of policies, public commitments and company goals on Human Rights.*

Here at Auxel we have a company project – For the Customer, the Competent Team makes the Difference. It is essential to us, as a company, to respect, esteem and recompense our stakeholders. However, we also apply this principle to all our partners, whether it be our suppliers, our subsidiaries or our customers.

We require that our suppliers expressly adhere to our CSR policy.

Implementation

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

All our stakeholders have the right to report any abuse they may feel that they have been subject to without any fear of reprisal. They can either contact a representative within the company or place a claim with a relevant public authority.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

No claim concerning human rights has been reported since 2009, we regularly audit our suppliers in order to verify that they respect our requirements, human rights is part of our basic requirements. Since the middle of 2012 we have also sent a request to all of our suppliers to request their own CSR policies.

In 2011 we audited 5% of all our suppliers, with the target in 2012 to audit 30%. These audits enable us to check that our suppliers are also in line with our own internal corporate policy and to communicate to them what goals need to be reached if they are lacking in any area.



Environment

Assessment, policy and goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

Auxel recognizes the importance of minimizing its impact on the environment and is committed to reducing this impact as much as possible. This is also essential to us as a distributor of electronic components for the renewable energy sector to be in coherence with the end products that we produce for.

Although we ourselves use a non polluting process, we are aware that this is not necessarily the case for our suppliers; we therefore request that they adhere to REACH and as far as possible ROHS, we also audit our suppliers regularly and verify that they dispose of any potentially hazardous or polluting material in the correct manner.

We also optimize packaging and transport in order to reduce waste and the carbon impact we have and try to use local suppliers as much as possible

Implementation

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

We recycle as much surplus production material as possible, in 2011 we recycled 13 000 tons of surplus production material and our objective in 2012 is to reduce this surplus material to 10 000 tons, we have also launched a project that debuted in 2011 that is dedicated to recycling other waste products (wood, packaging, paper...)

We also started a project in 2011 to investigate the possibility of using renewable energy sources for our own needs – this is still an ongoing project.

We also encourage our employees towards a “no paper” way of working and archive as much as possible in a virtual data base rather than printing out and storing.

Measurement of outcomes

Description of how the company monitors and evaluates environmental performance.

No claim regarding Environment was reported in the period covered by the COP.

When building an extension to our site in France we were careful to take into account the environmental impact and use local suppliers, the new extension is wood paneled in order to optimize insulation.



Labor

Assessment, policy and goals

Description of the relevance of labor rights for the company (i.e. labor rights-related risks and opportunities). Description of written policies, public commitments and company goals on labor rights.

We have a written company project that has been presented to all employees in which we stipulate our company ethics and guidelines. Auxel adheres to the ILO core conventions and do not do business with any organization who may use child labor or forced labor.

All employees are issued with a contract of employment which clearly states their terms and conditions including pay rates and overtime pay arrangements. All staff newly employed are issued with a Company Handbook which includes information on standard terms and conditions of employment, company benefits, company rules, grievance and disciplinary procedures.

Auxel is French based company and therefore covered by French labor laws, however we work with other companies in potentially high risk countries (China, India); we make a point of regularly visiting these companies in order to ensure that labour regulations are respected and there is no abuse such as forced labour or child labour.

Implementation

Description of concrete actions taken by the company to implement labor policies, address labor risks and respond to labor violations.

Auxel believes that each and every member of its staff has an important role to play in the business; this is why we try to be as transparent as possible with our employees. Once a month we hold a meeting with the top management and managers who then have the obligation to transmit the content of the meeting to their various teams. Each staff member has an annual appraisal with feedback on current objectives and mutually fixed new objectives for the year to come.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

Although Auxel is an industrial company which is historically male dominated, we have increased our percentage of women in top management positions from 10% in 2011 to 30% in Jan 2012, and our production workforce is 20% female. (Logistics, electrical testing).

When recruiting a new member of staff, we are scrupulous in respecting the French law to be sure that no discrimination against sex, age, religion or any other factor is made.

Each staff member has an annual appraisal with feedback on current objectives and mutually agreed objectives are set for the year to come.

We have also set up a training plan that is not only presented to but also debated by the works committee.

We run internal audits regularly in order to monitor any discrepancies in our working methods and highlight any issues that may be affecting our workforce, in 2011 6 internal audits were carried out, we hope to increase this number to 38 in 2012.

Auxel has not been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Labor principles.



Anti-Corruption

Assessment, policy and goals

*Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment).
Description of policies, public commitments and company goals on anti-corruption.*

Our business partners and suppliers are requested to complete, stamp and sign a CSR Policy questionnaire, clearly stipulating anti-corruption principles. All payment for service is made through the correct accounting channels and no payment in cash or other bonus means (gifts, special treatment etc) is accepted.

Implementation

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

Although our subsidiaries are located in potentially risky countries our anti bribery and corruption ideology is communicated to all on site employees and stakeholders and specific training is given to other partners who may be potentially at risk from corrupt business practices.

Measurement of outcomes

Description of how the company monitors and evaluates anti-corruption performance.

Auxel has never been involved in any legal case concerning corruption or bribery. Every year we submit our accounts to two independent external auditors who check that our accounts are correctly managed and that there are no discrepancies which could be related to bribery or corruption. We receive a report of the audits that we communicate to the French Chamber of Commerce. We did not receive any report of discrepancies in 2011.