



Ch. Dahlinger

Communication on Progress of Ch. Dahlinger GmbH & Co KG to the Global Compact of the United Nations, Lahr, Germany – December 2016

Ch. Dahlinger GmbH & Co KG (CHD) is one of the leading manufacturers of high-quality packaging and display products for jewellery, watches, writing instruments, spirits, champagnes and other luxury items. Since 1871 CHD has been renowned for its very high quality and innovative products made from cardboard, plastic and wood.

We documented this fact by signing up to the United Nations' Global Compact on 13 June 2005. The ten principles of the Global Compact cover human rights, health and safety standards, environmental protection and fighting corruption and are recognised and applied by our management and staff. Consideration is given to observance of these principles – now in their eleventh year – whenever we make decisions and take actions impacting on the present and future.

The principles form part of the corporate guidelines (attachment 1), the supplier code (attachment 2) and all contracts that CHD negotiates with its main suppliers. These are made accessible to business partners and our partners are made aware of the importance of compliance. Since 2012 all of our suppliers receive a questionnaire regarding the compliance with the 10 principles. You can find the complete questionnaire in attachment 3. The responses from our partner companies are summarised in abbreviated form in attachment 4 and the progress compared to 2015 is highlighted.

On our demand, in 2016 three of our main business partners were audited in accordance with Sedex standards. The standard of audit was SMETA 4, encompassing the areas of Labour Standards, Health & Safety, The Environment and Business Ethics. The audits were carried out by SGS.

Compliance with Principles 1 and 2 within the area of human rights ("**Businesses should support and respect the protection of internationally pro-claimed human rights; and make sure that they are not complicit in human rights abuses.**") is referred to and demanded in the corporate guidelines and the supplier code and there is an insistence that this must, among other things, be in accordance with the United Nations Universal Declaration of Human Rights and the OECD guidelines for multinational corporations.

Principle 3 ("**Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining**") is contained within point 5 of the supplier code. This point also stipulates that employees are to be protected from any treatment aimed against the freedom of association.

Principle 4, "**the elimination of all forms of forced and compulsory labour**", is part of point 6 of the supplier code. In this point, we state that we do not tolerate any forms of enforced or compulsory labour, bonded labour, serfdom, slave labour or conditions similar to slavery.



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CHD continues to monitor and conduct regular checks on principle 5 ("**the effective abolition of child labour**"). Employee passports are checked regularly, especially in Southeast Asian countries. If even a vague suspicion of child labour occurs, the existing business relationships are discontinued and, as the case may be, new business relationships are not initiated. All of our current suppliers have been advised that a violation of the principles 4 and 5 of the Global Compact will result in immediate termination of the business relationship.

Detailed instructions for the abolition of child labour are formulated in point 3 of the supplier code. In addition to the in-house controls that are required, our partner companies are visited several times a year by the management and staff of CHD in order to check the guidelines.

Principle 6 ("**the elimination of discrimination in respect of employment and occupation**") is stipulated in point 4 of the supplier code. In particular, this prohibits any differentiation, exclusion or preference based on race, caste, skin colour, sex, age, profession of faith, political opinion, membership of a workers' organisation, physical or mental disability, ethnic, national or social background, nationality, sexual orientation or other personal traits.

Approximately 20 million product units are manufactured annually at CHD. They are mainly packaging and displays made of cardboard, plastics and wood and are coated with different substances. The wise use of these resources enables CHD to have a strong influence on environmental protection.

In order to comply with Principle 8 ("**undertake initiatives to promote greater environmental responsibility**"), our Chinese partner companies communicate the principles of the Global Compact strongly and raise staff awareness through introduction of information blackboards.

For several years we have been observing a sharp increase in demand for varnished wooden packaging. The wood used for this purpose comes from renewable sources.

The focus on people and the environment is also very important in production. Our carpenter's workshop is fitted with a special dust extraction which enables us to collect the sawdust and recycle it. Furthermore, an activated carbon filter technology which exceeds national requirements and is aligned to high international standards is used in the paint line.

In addition to the use of conventional coatings for the costly painted wooden boxes, paint tests with water-based base coats are still being conducted. Unfortunately these eco-friendly coatings are currently not able to compete with the gloss and brilliance of conventional varnishes. We are continually striving to develop an alternative solution in favour of the environment as well as quality.

A new initiative since 2014 for generating greater environmental awareness has been the introduction of strategic sustainability management at CHD. As part of this project, a questionnaire was developed and an employee survey conducted.



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The questionnaire should help to sensitise the employees to the topic of sustainability and to find out what they think and feel about the issue. Furthermore, the questionnaire provided information about which instruments – in the employees' opinion – can be used to implement strategic sustainability management at CHD. The contents of the online questionnaire were published in the COP 2014 in attachment 6.

The analysis of the questionnaire revealed that 58% of participants – in their own estimation – had little to moderate familiarity with this term and 75% were not at all to only moderately familiar with the term "strategic sustainability management". These findings indicated to us clearly that we will have to communicate the "Introduction of strategic sustainability management" project transparently and across a broad front if we are to generate understanding and acceptance for it.

The "Innovation Work Group" was launched in 2007 in order to urge compliance with Principle 9 ("**Promote the development and expansion of environmentally friendly technologies**"). In this work group, employees from different departments work on new designs and look for new and environmentally friendly materials. In 2011 a newly introduced project was the intense examination on the topic "bioplastics" which deals with biodegradable plastics. During production tests, applicability has been optimized.

In 2016 two of our main business partners invested in machines with the aim of more efficient processing of cardboard. These machines enable the use of cardboard in sectors, in which wood or MDF had to been used before due to construction/ technical reasons. As a result the use of raw materials and waste will be reduced.

The importance of environmental protection and environmentally-friendly technologies is consolidated in the Ch. Dahlinger Group corporate guidelines in attachment 1. This is explicitly referred to in point 2, "Our vision", point 5, "Products and services", and point 8, "Environment and sustainability", hereafter.

- "- Our products and processes should be environmentally sound and make efficient use of resources*
- Wherever possible, we use recycled or environmentally friendly materials*
- We want to make an active contribution to protecting and improving our environment.*
- Through our actions we want to show that economics and ecology don't have to be mutually exclusive."*

REACH, a chemical regulation authority, has officially been in effect since 1 July 2007. REACH stands for Registration, Evaluation (rating), authorisation (approval) and restrictions of chemicals (substances). Since CHD is not a manufacturer or importer of chemicals, we merely considered as downstream users and are therefore only affected to a limited extent.

What we, as a packaging manufacturer, have to pay attention to in compliance with the current REACH regulations, has already been explained in the communication on progress for 2011. CHD has a standard which exceeds the REACH regulations for large customers with a correspondingly large volume of orders. In doing so, we are inspecting our products for a wider range of chemicals in much lower concentrations than required by law.



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In the last year the quality control of used materials and finished products on-site in China has continued on a very advanced level. The staff at our CHD-China service office are still at the high level of 8 persons.

We also place a strong emphasis on the clean environment of our Chinese partners. We see this as beneficial to the product quality as well as immensely important for the well-being of the workers. As a result, all rooms that are connected to the production are equipped with modern sanitary facilities and hot water.

In order to provide for principle 10, ("**Businesses should work against all forms of corruption, including extortion and bribery**"), point 14, "Bribery and corruption", in the Ch. Dahlinger Group supplier code stipulates that no form of bribery or corruption is tolerated by the Ch. Dahlinger Group.

Bernd Dahlinger
Managing Partner

Valerio d'Adamo
Managing Director



Preliminary note

These guidelines detail our principles and the general rules which govern how we work. They apply to all companies within the Ch. Dahlinger Group.

1. The company

The company was founded on 6 July 1871 as "Cartonnage & Etais Fabrik CH. DAHLINGER" by Christian Dahlinger in Lahr/Baden, Germany.

Today the company is in the hands of the 5th generation of his descendants, Bernd and Christian Dahlinger.

We produce and market innovative packaging products, displays and storage/presentation systems for luxury goods such as watches, jewellery, writing utensils and alcoholic spirits. We have both industrial and retail customers.

As a family-run business with an international focus, we work towards the requirements of an ever changing global market.

The group of companies includes two legally separate businesses in Hong Kong and Guangzhou/China.

2. Our vision

We design and develop high-quality packaging and display solutions for industry and trade within the luxury and lifestyle sector. For our partners in the retail watch & jewellery trade we have an attractive collection of packaging, decorations, storage/presentation systems and organisational aids. The packaging products can be individually embossed as advertising for our customers.

We recognise, inspire and satisfy customer requirements. We create innovative, individual solutions which are cutting-edge in terms of their design, function, quality and service.

We rely on the skills, commitment and creativity of our staff and progressive and environmentally sound technologies to remain one step ahead of the competition and be the most attractive provider anywhere in the world.

3. Customers

Satisfied and impressed customers are the measure of our success and are crucial to our future.

We achieve customer satisfaction by::

- developing trusting partnerships
- being obliging and helpful
- developing solutions to real problems
- continually sharing our experiences with customers
- providing reliable and faultless deliveries and competent service



4. Employees

The skills, commitment, creativity and integrity of our employees of various nationalities are the most important element of our success. We help our employees to develop their skills through training, provide them with a safe working environment and offer them a fair, performance-related remuneration package.

We motivate our employees by

- trusting them – we believe in monitoring but believe that trust is a better approach
- treating them fairly, never hiding anything from them and listening to them
- being tolerant of mistakes and promoting independent entrepreneurial actions by giving them authority and responsibility
- managing them with a focus on targets and recognising outstanding work
- assisting with career progression
- deploying them in areas where their strengths lie
- creating a working environment conducive to innovation
- engaging in ethical business conduct
- preventing discrimination

In return we expect:

- commitment and enthusiasm
- friendly and fair interactions where employees talk to one another rather than behind one another's backs
- integrity, openness and courage to stand up for convictions
- entrepreneurial thoughts and actions in everything they do
- customer focus

We have a respectful and constructive working relationship with our Works Council.

5. Products and services

Our products and services should:

- inspire and satisfy customer requirements
- satisfy high aesthetic standards and trigger positive emotions
- provide our customers with benefits
- satisfy very high quality standards
- be easy to use
- be competitive and always be one step ahead of the competition.

We require our products to be environmentally sound.



6. Quality

Our claim to be a quality leader means that we offer very high levels of dedication and commitment. This applies from the first to the last point of contact with customers and partners. "Made by Ch. Dahlinger" is synonymous with:

- innovative and attractive products
- outstanding product quality
- durability
- functionality

We want satisfied customers who can rely on our quality.

7. Competitors

- We see competitors as a challenge and stimulus to achieve the very best.
- We strive for fair competition.
- We respect their intellectual property.
- We enter into sporting competition with them.

8. Environment and sustainability

- Our products and processes should be environmentally sound and make efficient use of resources.
- Wherever possible, we use recycled or environmentally friendly materials.
- We want to make an active contribution to protecting and improving our environment.
- Through our actions we want to show that economics and ecology don't have to be mutually exclusive.

9. Suppliers, creditors and partners

- Our relations are based on mutual respect and trust.
- We strive for reliable long-term relations.
- We evaluate the performance of our suppliers and creditors using strict, but fair benchmarks.
- We include our suppliers in product development and problem-solving at an early stage.
- The principal requirements of our suppliers are laid down in a separate supplier code.
- We procure items from all over the world.
- We want to work with a small number of financial partners and enjoy a trusting, open partnership with them.



10. The public

- We promote open and trusting relations with the public.
- We support the peaceful existence, diversity and social integration of people and respect other cultures.
- Wherever possible we voluntarily work towards the good of everyone.

11. Shareholders

We honour the trust of our shareholders by

- running the Ch. Dahlinger group with high ethical standards, working on a professional, committed and responsible basis
- making careful use of the shareholders' capital made available to us
- achieving sustainable profits and increases in value
- recognising opportunities but avoiding risks that endanger our continued existence
- We expect our shareholders to promote the further development of the group of companies.

Dated: December 2014

Ch. Dahlinger GmbH & Co KG



Supplier code

We - the Dahlinger Group - believe that social commitment, environmental considerations and fairness are essential to our business. The Ch. Dahlinger Group aims to reconcile economic, ecological and social responsibility in the long term.

The Ch. Dahlinger Group's basic requirements of its suppliers are set out in this code. The principles this code contains are in line with the "Business Social Compliance Initiative" (BSCI), the conventions of the International Labour Organisation (hereinafter referred to as the ILO), the Universal Declaration of Human Rights of the United Nations, the UN Convention on the Rights of the Child, the UN Convention on the Elimination of All Forms of Discrimination against Women, the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

The principles laid down in this code should not be viewed as maximum requirements but wherever possible should be exceeded.

1. Scope of validity

This code forms the basis for all business relations relating to national and international production processes and production plants for final processing (hereinafter referred to as "production sites") for goods purchased by the Ch. Dahlinger Group. It applies worldwide to both the Ch. Dahlinger Group itself and the direct business partners of the Ch. Dahlinger Group. It is also applicable to other parties contracted by direct business partners who are involved in producing goods for the Ch. Dahlinger Group (hereinafter referred to as "business partners"). Business partners guarantee to and are responsible for ensuring that they observe the principles contained in this code.

2. Compliance with legislation

The various production sites shall observe the applicable national and international laws and regulations, industrial minimum standards, conventions of the ILO and UN and all other relevant requirements (hereinafter referred to as "standards"). The standards applicable in each case shall be those with the most stringent requirements.

Compliance with this code and the above standards shall not be evaded through contractual agreements or similar measures (e.g. bogus training programmes).

3. Child labour / youth employment

Child labour and any form of exploitation of children will not be tolerated by the Ch. Dahlinger Group.

The minimum age for employment must not be any lower than that at which compulsory education ceases, and must not be less than 15 years of age in any case. Domestic standards to protect children and youth employees must be observed. The exceptions of the ILO apply.

Compliance with the prohibition of child labour and limitation of youth employment must be ensured. In particular, young people must not be exposed to dangerous or unsafe situations or situations in which their health is put at risk. Should this ban on child labour be violated, the business partner must immediately initiate appropriate remedial measures for the children and young people. These measures must be documented. Measures and actions must also be taken to provide



for the rehabilitation and social integration of the children affected and to enable them to complete their school education in line with domestic standards.

This is in line with ILO conventions 79, 138, 142 and 182 and ILO recommendation 146.

4. Discrimination

Any form of discrimination during recruitment and employment is prohibited.

This applies in particular to any differentiation, exclusion or preference based on race, caste, skin colour, sex, age, profession of faith, political opinion, membership of a workers' organisation, physical or mental disability, ethnic, national or social background, nationality, sexual orientation or other personal traits. It applies regardless of whether the differentiation, exclusion or preference was dictated by the business partner or not.

This is in line with ILO conventions 100, 111, 143, 158 and 159.

5. Freedom of association and the right to collective bargaining

Employees must be protected from any discriminatory treatment in relation to their employment and which prevents the freedom of association. Their right to establish, join, leave and actively work for associations or organisations of their choice to promote and protect employees' interests must be respected. This must not restrict them in their employment activities.

Should domestic standards limit freedom of association and the right to collective bargaining, employees must be enabled and permitted to at least freely and independently come together for the purpose of negotiation.

This is in line with ILO conventions 87, 98, 135 and 154 and ILO recommendation 143.

6. Enforced labour

All forms of enforced and compulsory labour, bonded labour, serfdom, slave labour or conditions similar to slavery are not tolerated by the Ch. Dahlinger Group. Any form of prison labour is rejected. No employee may be directly or indirectly forced to work through violence and/or intimidation. Employees may only be employed if they voluntarily make themselves available for work.

This is in line with ILO conventions 29 and 105.

7. Disciplinary measures

All employees must be treated with dignity and respect. Sanctions, penalties, other fines or disciplinary measures may only be used in harmony with the applicable national and international standards and internationally recognised human rights. No employee may be subjected to verbal, psychological, physical, sexual and/or bodily violence, coercion or harassment.



8. Working hours

Working hours must correspond to the applicable law, industrial standards or relevant ILO conventions, depending on which is the most stringent. The maximum permissible weekly working hours laid down in national legislation apply. However, these must not regularly exceed 48 hours, or 60 hours including overtime. Furthermore, the applicable national and international standards, especially the exceptions of the ILO, apply to individual trades and forms of employment, and instances of serious disruption to regular operation.

After six consecutive days of work, the employee is entitled to at least one day off. Overtime must be paid separately according to domestic standards. Overtime must be worked on a voluntary basis.

This is in line with ILO conventions 1 and 14.

9. Documentation of employment relationship

The business partners guarantee to document in writing the conditions of work (e.g. start and length of employment, working hours, wage and benefits) of their employees in relation to the production phases directly affecting them. The name, date and place of birth, and wherever possible the home address of the employee must be recorded.

Direct business partners also guarantee the appropriate documentation of other agents contracted by them.

Evasion of applicable domestic labour and social security standards is prohibited.

10. Remuneration

The business partners guarantee that the wage paid to employees is at least the minimum wage required by law or normally prescribed within the industry, whichever is the higher of the two. The wage paid should suffice to cover employees' basic needs.

Illegal and unjustified deductions from wages, especially in the form of direct or indirect disciplinary measures, are prohibited. The wage must be paid in a manner practical for the employee (e.g. in cash, by cheque or by bank transfer). The employees must be regularly provided with fully comprehensible details of the breakdown of their remuneration.

This is in line with ILO conventions 26 and 131.

11. Health & safety

The business partners must ensure a healthy and safe working environment.

They must take the necessary measures to prevent accidents and harm to health which may result from employment. To this end, the business partners shall put in place systems to uncover and avoid or respond to potential risks to the health and safety of their employees. They also ensure that employees are regularly informed and trained in applicable health and safety standards and safety measures. The business partner must document this.

Clean toilets and access to sufficient quantities of drinking water must be provided. If sleeping areas are provided, these must be clean and safe and meet basic requirements.

This is in line with ILO convention 155.



12. Environmental protection

Environmental protection is an integral element of business practice at the Ch. Dahlinger Group. Business partners must comply with the relevant applicable environmental standards. They are also required to continuously work towards avoiding and reducing damage to the environment wherever possible. Applicable procedures and standards for waste management, handling chemicals and other hazardous substances and their disposal as well as emissions and wastewater treatment must be observed. Particular consideration must be given to protecting and preserving natural resources, and environmentally sound and socially acceptable production should be promoted.

13. Information / communication

This code must be visibly displayed in at least the relevant national language and in a place freely accessible to all the business partner's employees. If employees are illiterate, the code must be explained verbally.

14. Bribery and corruption

Any form of bribery or corruption is not tolerated by the Ch. Dahlinger Group. All business partners and their employees must behave in a manner which does not result in personal dependency, obligation or influence. Everyone is expected to display business conduct based on fairness and observance of the applicable national and international standards. The business partner shall furthermore introduce an anti-bribery and anti-corruption policy for all areas of its business. If gifts are considered a custom and courtesy in some countries, care must be taken to ensure that they do not result in relationships of dependency and obligation and that the applicable national standards are observed.

Information relating to corrupt behaviour should be reported to the Ch. Dahlinger Group (management) (see Item 18).

15. Management systems

Business partners shall introduce a management system to implement, observe and audit the principles drawn up on the basis of this code. The management system must include clear areas of responsibility and procedures as well as appropriate documentation. The documentation, implementation, observance and continuous improvement of the principles based on this code must be checked on a regular basis. Such checks must be documented. The direct business partner shall ensure that any other agents contracted by it observe the principles based on this code.

16. Monitoring the code

It is the responsibility of the Ch. Dahlinger Group to advocate assurance of the principles of this code. To this end, if requested by the Ch. Dahlinger Group, business partners are obliged to allow a social audit to be conducted at their production sites.

The direct business partner guarantees that the Ch. Dahlinger Group itself or a third party authorised by the group may if necessary check compliance with the principles laid down according to this code by the direct agent or any other agent he uses. He shall provide the appropriate details of the production sites.



17. Sanctions and remedial measures

The Ch. Dahlinger Group is entitled to monitor the principles laid down according to this code. Should it find that they are not being observed, the business partner is obliged to immediately initiate corresponding remedial measures. Both sufficient time and the support of the Ch. Dahlinger Group shall be provided for the remedial measures.

The right of the Ch. Dahlinger Group to terminate commercial relations with the business partner is not limited by this provision, regardless of whether the direct business partner itself or the agent appointed by him infringes the principles laid down according to this code.

18. Complaints procedure

Complaints or reports of violations of this code can be sent to the Ch. Dahlinger Group at any time. These may also be made in an anonymous form and should be addressed to the following contact:

Anyone reporting such complaints or information must do so in good faith and must be sure that his or her facts are correct.

All business partners guarantee not to initiate discriminatory measures or disciplinary measures against such persons.

Dated: February 2012

Ch. Dahlinger GmbH & Co KG

Contact person:

Ch. Dahlinger GmbH & Co.KG

- Management -

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Attachment 3

to Communication On Progress 2016

Since 2012 all of our suppliers receive a questionnaire regarding the compliance with the 10 principles.
This is the complete questionnaire.

Company Name
Date

Dear Key Partner,
Ch. Dahlinger has adhered to the Global Compact and is using its principles as guidelines. The UN Global Compact's principles include areas of human rights, labour, the environment and anti-corruption.
We kindly ask you to check and fill in this questionnaire.

Human Rights

Principle 1

Business should support and respect the protection of internationally proclaimed human rights;

Principle 2

and make sure that they are not complicit in human right abuses.

Labour

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4

the elimination of all forms of forced and compulsory labour;

Principle 5

the effective abolition of child labour;

Principle 6

the elimination of discrimination in respect of employment and occupation.

Does the company ensure that its workers are afforded safe, suitable and sanitary work facilities?

Comments

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yes

☐

no

☐

in process

☐

Does the company supply its employees with the protective equipment and training necessary to perform their tasks safely?

Comments

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yes

☐

no

☐

in process

☐

Does the company ensure that the workweek is limited to 48 hours; that overtime is infrequent and limited; and that employees are given reasonable breaks and rest periods?

Comments

yes
no
in process

☐

☐

☐

Does the company provide a living wage that enables workers to meet the basic needs of themselves and their dependents?

Comments

yes
no
in process

☐

☐

☐

Does the company grant employees paid holiday leave, sick leave, and parental leave in accordance with international minimum standards?

Comments

yes
no
in process

☐

☐

☐

Does the company protect workers from workplace harassment including physical, verbal, sexual, or psychological harassment, abuse, or threats?

Comments

yes
no
in process

☐

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☐

Does the company respect the privacy of its employees whenever it gathers private information or monitors the workplace?

Comments

yes
no
in process

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☐

☐

Does the company have a mechanism for hearing, processing, and settling grievances of employees?

Comments

yes
no
in process

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☐

Does the company have a procedure to assess and address the environmental and social impact of its operations on the human rights of local communities?

Comments

yes ☐
no ☐
in process ☐

Before buying, renting, acquiring or otherwise accessing land or property, does the company ensure that all affected owners and users of the land or property, have been adequately consulted and compensated?

Comments

yes ☐
no ☐
in process ☐

Does the company take steps to ensure that company security arrangements are in accordance with international human rights principles for law enforcement and the use of force?

Comments

yes ☐
no ☐
in process ☐

Does the company take steps to prevent risks to human rights arising from product defects or improper use or misuse of company products?

Comments

yes ☐
no ☐
in process ☐

Does the company seek to avoid involvement in human rights abuses owing to government or societal practices in its country or countries of operation?

Comments

yes ☐
no ☐
in process ☐

Does the company promote international human rights standards in its interactions with suppliers and business partners?

Comments

yes ☐
no ☐
in process ☐

Does the company recognise the rights of its workers to freedom of association and to bargain collectively?

Comments

yes
no
in process

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☐

If independent trade unions are either discouraged or not allowed in the area of operation, does the company enable employees to gather independently to discuss work-related problems?

Comments

yes
no
in process

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Does the company take all necessary measures to ensure that it does not participate in any form of forced or bonded labour?

Comments

yes
no
in process

☐

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Does the company comply with minimum age standards?

Comments

yes
no
in process

☐

☐

☐

Does the company ensure that employment-related decisions are based on relevant and objective criteria?

Comments

yes
no
in process

☐

☐

☐

Does the company promote international labour standards in its interactions with suppliers and business partners?

Comments

yes
no
in process

☐

☐

☐

Do you have a policy in place that prohibits physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation?

Comments

yes
no
in process

☐

☐

☐

Are all workers paid at least the minimum legal wage (or industry benchmark standards, if minimum wage does

not exist)?

Comments

yes
no
in process

☐
☐
☐

Do all employees receive all the benefits they are entitled to under law?

Comments

yes
no
in process

☐
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☐

Do you operate a formal health and safety management system? A management system is a standard framework such as the "PLAN, DO, CHECK, ACT" cycle, with defined objectives, performance that is measured and reviewed and actions to respond to performance.

Comments

yes
no
in process

☐
☐
☐

Do you provide workers with personal protective equipment appropriate for the work they do?

Comments

yes
no
in process

☐
☐
☐

Do you have written procedures for each machine or tool giving details of how to use it safely?

Comments

yes
no
in process

☐
☐
☐

Do you have a health and safety policy that complies with the law in your country?

Comments

yes
no
in process

☐
☐
☐

Do workers receive health and safety training relevant to their job?

Comments

yes
no
in process

☐
☐
☐

Do you maintain a record of the national and international health and safety legislation that your business must comply with?

Comments

yes ☐
no ☐
in process ☐

Do you have a formal fire evacuation procedure?

Comments

yes ☐
no ☐
in process ☐

Do you have copies of the relevant local regulations on working hours?

Comments

yes ☐
no ☐
in process ☐

Do you have a formal grievance procedure that allows employees to raise employment issues with management?

Comments

yes ☐
no ☐
in process ☐

Can you confirm that you ensure the freedom of association and effective recognition of the right of collective bargaining?

Comments

yes ☐
no ☐
in process ☐

Can you confirm that workers are permitted to join a trade union if they wish?

Comments

yes ☐
no ☐
in process ☐

Can you confirm that no workers work in excess of 48 hours per week (or 60 hours including overtime) on a regular basis?

Comments

yes ☐
no ☐
in process ☐

Do workers receive pay slips clearly showing wages, hours worked, piece rate (if applicable) and deductions?

Comments

yes ☐
no ☐
in process ☐

Are all workers free to leave your employment at any time, upon giving reasonable notice?

Comments

yes ☐
no ☐
in process ☐

Can you confirm that no workers work in excess of 12 hours per day (including overtime) on a regular basis?

Comments

yes ☐
no ☐
in process ☐

Can you confirm that you do not use any forms of forced or compulsory labour?

Comments

yes ☐
no ☐
in process ☐

Can you confirm that you do not employ any children under 16 years old?

Comments

yes ☐
no ☐
in process ☐

Do you have records that specify the date of birth of all workers with a copy of documentary evidence (e.g. ID card, birth certificate, medical certificate)?

Comments

yes ☐
no ☐
in process ☐

Can you confirm that no child workers (under 18) perform hazardous jobs or work at night (between 22.00 and 06.00)?

Comments

yes ☐
no ☐
in process ☐

Can you confirm that workers receive equal pay for equal work, regardless of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?

Comments

yes ☐
no ☐
in process ☐

Can you confirm there is no discrimination in the recruitment process on the basis of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?

Comments

yes ☐
no ☐
in process ☐

Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Principle 8

undertake initiatives to promote greater environmental responsibility; and

Principle 9

encourage the development and diffusion of environmentally friendly technologies.

Do you carry out your activities in accordance with international/national laws and regulations relating to the protection of the environment?

Comments

yes ☐
no ☐
in process ☐

Do you have a documented environmental policy signed off by a senior director or executive?

Comments

yes ☐
no ☐
in process ☐

Do you operate a formal environmental management system? A management system is a standard framework such as the "PLAN, DO, CHECK, ACT" cycle, with defined objectives, performance that is measured and reviewed and actions to respond to performance.

Comments

yes ☐
no ☐
in process ☐

Do you maintain a record of the national and international environmental legislation that your business must

comply with?

Comments

yes ☐
no ☐
in process ☐

Do you monitor your environmental performance? (For example do you collect statistics on areas such as energy consumption, waste disposal, recycling, discharges and emissions of pollutants? Do you measure your performance against any improvement targets you have set?)

Comments

yes ☐
no ☐
in process ☐

Do you have a programme of environmental initiatives intended to improve your environmental performance?

Comments

yes ☐
no ☐
in process ☐

Does the company comply with all relevant environmental legislation?

Comments

yes ☐
no ☐
in process ☐

Does the company manage environmental issues to ensure appropriate and continuous improvements?

Comments

yes ☐
no ☐
in process ☐

Does the company assess and address environmental impacts of its operations before these operations start?

Comments

yes ☐
no ☐
in process ☐

Does the company have emergency procedures in place to effectively prevent and address industrial accidents affecting the environment and human health?

Comments

yes ☐
no ☐
in process ☐

Does the company promote international environmental standards in its interactions with suppliers and business partners?

Comments

yes
no
in process

☐
☐
☐

Does the company support a precautionary approach to environmental challenges?

Comments

yes
no
in process

☐
☐
☐

Does the company take measures to reduce energy consumption and emissions of greenhouse gases?

Comments

yes
no
in process

☐
☐
☐

Does the company take measures to reduce water consumption?

Comments

yes
no
in process

☐
☐
☐

Does the company prevent, reduce and treat waste water discharges?

Comments

yes
no
in process

☐
☐
☐

Does the company take measures to reduce the production of waste and ensure responsible waste management?

Comments

yes
no
in process

☐
☐
☐

Does the company prevent, reduce and treat air emissions?

Comments

yes
no
in process

☐
☐
☐

Does the company prevent and minimise impacts on the surrounding environment from noise, odour, light and vibrations?

Comments

yes ☐
no ☐
in process ☐

Does the company minimise the use of chemicals and other dangerous substances and ensure safe handling and storage?

Comments

yes ☐
no ☐
in process ☐

Does the company remedy soil and water contamination at the site and the surroundings?

Comments

yes ☐
no ☐
in process ☐

Does the company prevent, minimise and remedy significant impacts on biodiversity?

Comments

yes ☐
no ☐
in process ☐

Does the company ensure that natural resources are used in a sustainable manner?

Comments

yes ☐
no ☐
in process ☐

Does the company encourage the development and diffusion of environmentally friendly technologies?

Comments

yes ☐
no ☐
in process ☐

Environment

Principle 10

Business should work against corruption in all its forms, including extortion and bribery.

Do you have a policy or code of conduct in place that prohibits the payment or receipt of unlawful incentives in the course of business?

Comments

yes ☐
no ☐
in process ☐

Can you confirm that there are no circumstances where facilitating payments are made in the course of business?

Comments

yes ☐
no ☐
in process ☐

Is training provided to employees in relation to your approach to preventing bribery and corruption (e.g. as part of training on your code of conduct)?

Comments

yes ☐
no ☐
in process ☐

Do you have a mechanism in place, for employees or other third parties to report incidents of bribery or corruption?

Comments

yes ☐
no ☐
in process ☐

Does the company take a clear stand against corruption?

Comments

yes ☐
no ☐
in process ☐

Does the company evaluate and assess the risk of corruption when doing business?

Comments

yes ☐
no ☐
in process ☐

Does the company ensure that employees know the company's anti-corruption commitment and that relevant persons are properly trained?

Comments

yes
no
in process

Does the company forbid corrupt behaviour and monitor its anti-corruption initiatives?

Comments

yes
no
in process

Do the company's internal procedures support its anti-corruption commitment?

Comments

yes
no
in process

Does the company's anti-corruption initiative cover agents, intermediaries and consultants?

Comments

yes
no
in process

Does the company promote its anti-corruption commitment in its interactions with suppliers and business partners?

Comments

yes
no
in process

Does the company take joint actions with others to engage in and promote anti-corruption initiatives and level the playing field?

Comments

yes
no
in process

1. What are our key supplier do in addition to the China local government requests?
2. What are our key supplier do in addition to do more than REACH?
3. Which kind of training program we and our key partner participate and what are the topics in this training course?
4. How do we sensitizing our own as well as our key partner in regards of
 - a. environment protection
 - b. economical handling of our resources, recycling of raw material
 - c. job safety
 - d. others
5. Use of bio plastic or renewable resources
6. Environment protection with raw material focus
 - a. Will all raw material be recycled?
 - b. Wood dust recycled 100%? How is this done? Which party does support this progress?
 - c. Handling of lacquer and recycling?
 - d. Active carbon filter for spraying room? How often do we exchange the carbon filter? As often as necessary?
 - e. Status of the test with lacquer based on water. Which lacquer could be replaced? How are the tests proceeded? What is the result? What are the next steps?
 - f. Others
7. Any other important point to be reported



Attachment 4 to Communication On Progress 2016

Questions (from attachment 3) regarding the principles of the UN Global Compact and (abbreviated) responses from our partner companies. Progress compared to 2015 is shown **in green**.

Questions	statements suppliers						
	AV	BI	EA	OP	TW	WS	XY
Does the company ensure that its workers are afforded safe, suitable and sanitary work facilities?	yes	yes	yes	yes	yes	yes	yes
Does the company supply its employees with the protective equipment and training necessary to perform their tasks safely?	yes	yes	yes	yes	yes	yes	yes
Does the company ensure that the workweek is limited to 48 hours; that overtime is infrequent and limited; and that employees are given reasonable breaks and rest periods?	yes	yes	yes	yes	in process	yes	yes
Does the company provide a living wage that enables workers to meet the basic needs of themselves and their dependents?	yes	yes	yes	yes	yes	yes	yes
Does the company grant employees paid holiday leave, sick leave, and parental leave in accordance with international minimum standards?	yes	yes	yes	yes	yes	yes	yes
Does the company protect workers from workplace harassment including physical, verbal, sexual, or psychological harassment, abuse, or threats?	yes	yes	yes	yes	yes	yes	yes
Does the company respect the privacy of its employees whenever it gathers private information or monitors the workplace?	yes	yes	yes	yes	yes	yes	yes
Does the company have a mechanism for hearing, processing, and settling grievances of employees?	yes	yes	yes	-	yes	yes	yes
Does the company have a procedure to assess and address the environmental and social impact of its operations on the human rights of local communities?	yes	yes	yes	yes	yes	yes	yes
Before buying, renting, acquiring or otherwise accessing land or property, does the company ensure that all affected owners and users of the land or property, have been adequately consulted and compensated?	yes	yes	yes	yes	yes	yes	yes
Does the company take steps to ensure that company security arrangements are in accordance with international human rights principles for law enforcement and the use of force?	yes	yes	yes	yes	yes	yes	yes
Does the company take steps to prevent risks to human rights arising from product defects or improper use or misuse of company products?	yes	yes	yes	yes	yes	yes	yes
Does the company seek to avoid involvement in human rights abuses owing to government or societal practices in its country or countries of operation?	yes	yes	yes	yes	yes	yes	yes
Does the company promote international human rights standards in its interactions with suppliers and business partners?	in process	yes	yes	yes	in process	yes	yes
Does the company recognise the rights of its workers to freedom of association and to bargain collectively?	yes	yes	yes	yes	yes	yes	yes
If independent trade unions are either discouraged or not allowed in the area of operation, does the company enable employees to gather independently to discuss work-related problems?	yes	yes	yes	yes	yes	yes	yes
Does the company take all necessary measures to ensure that it does not participate in any form of forced or bonded labour?	yes	yes	yes	yes	yes	yes	yes
Does the company comply with minimum age standards?	yes	yes	yes	yes	yes	yes	yes

Statements suppliers



Ch. Dahlinger

Questions	statements suppliers						
	AV	BI	EA	OP	TW	WS	XY
Does the company ensure that employment-related decisions are based on relevant and objective criteria?	yes	yes	yes	Yes	yes	yes	yes
Does the company promote international labour standards in its interactions with suppliers and business partners?	yes	yes	yes	-	in process	yes	in process
Do you have a policy in place that prohibits physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation?	yes	yes	yes	Yes	yes	yes	yes
Are all workers paid at least the minimum legal wage (or industry benchmark standards, if minimum wage does not exist)?	yes	yes	yes	Yes	yes	yes	yes
Do all employees receive all the benefits they are entitled to under law?	yes	yes	yes	Yes	yes	yes	yes
Do you operate a formal health and safety management system? A management system is a standard framework such as the "PLAN, DO, CHECK, ACT" cycle, with defined objectives, performance that is measured and reviewed and actions to respond to performance.	yes	yes	yes	yes	in process	yes	yes
Do you provide workers with personal protective equipment appropriate for the work they do?	yes	yes	yes	yes	yes	yes	yes
Do you have written procedures for each machine or tool giving details of how to use it safely?	yes	yes	yes	yes	yes	yes	yes
Do you have a health and safety policy that complies with the law in your country?	yes	yes	yes	yes	yes	yes	yes
Do workers receive health and safety training relevant to their job?	yes	yes	yes	yes	yes	yes	yes
Do you maintain a record of the national and international health and safety legislation that your business must comply with?	yes	yes	yes	yes	in process	yes	yes
Do you have a formal fire evacuation procedure?	yes	yes	yes	yes	yes	yes	yes
Do you have copies of the relevant local regulations on working hours?	yes	yes	yes	yes	yes	yes	yes
Do you have a formal grievance procedure that allows employees to raise employment issues with management?	yes	yes	yes	yes	yes	yes	yes
Can you confirm that you ensure the freedom of association and effective recognition of the right of collective bargaining?	yes	yes	yes	yes	yes	yes	yes
Can you confirm that workers are permitted to join a trade union if they wish?	yes	yes	yes	yes	yes	yes	yes
Can you confirm that - workers work in excess of 48 hours per week (or 60 hours including overtime) on a regular basis?	yes	yes	in process	yes	-	yes	yes
Do workers receive pay slips clearly showing wages, hours worked, piece rate (if applicable) and deductions?	yes	yes	yes	yes	yes	yes	yes
Are all workers free to leave your employment at any time, upon giving reasonable notice?	yes	yes	yes	yes	yes	yes	yes
Can you confirm that - workers work in excess of 12 hours per day (including overtime) on a regular basis?	yes	yes	yes	yes	yes	yes	in process
Can you confirm that you do not use any forms of forced or compulsory labour?	yes	yes	yes	yes	yes	yes	yes
Can you confirm that you do not employ any children under 16 years old?	yes	yes	yes	yes	yes	yes	yes
Do you have records that specify the date of birth of all workers with a copy of documentary evidence (e.g. ID card, birth certificate, medical certificate)	yes	yes	yes	yes	yes	yes	yes



Questions	statements suppliers						
	AV	BI	EA	OP	TW	WS	XY
Can you confirm that - child workers (under 18) perform hazardous jobs or work at night (between 22.00 and 06.00)?	yes	yes	yes	yes	yes	yes	yes
Can you confirm that workers receive equal pay for equal work, regardless of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	yes	yes	yes	yes	yes	yes	yes
Can you confirm there is - discrimination in the recruitment process on the basis of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	yes	yes	yes	yes	yes	yes	yes
Do you carry out your activities in accordance with international/national laws and regulations relating to the protection of the environment?	yes	yes	yes	yes	yes	yes	yes
Do you have a documented environmental policy signed off by a senior director or executive?	yes	yes	yes	yes	in process	yes	yes
Do you operate a formal environmental management system? A management system is a standard framework such as the "PLAN, DO, CHECK, ACT" cycle, with defined objectives, performance that is measured and reviewed and actions to respond to performance.	yes	yes	yes	yes	in process	yes	yes
Do you maintain a record of the national and international environmental legislation that your business must comply with?	yes	in process	yes	yes	in process	yes	in process
Do you monitor your environmental performance? (For example do you collect statistics on areas such as energy consumption, waste disposal, recycling, discharges and emissions of pollutants? Do you measure your performance against any improvement targets you have set?)	yes	yes	yes	yes	in process	yes	yes
Do you have a programme of environmental initiatives intended to improve your environmental performance?	in process	yes	in process	yes	yes	yes	yes
Does the company comply with all relevant environmental legislation?	yes	yes	yes	in process	yes	yes	yes
Does the company manage environmental issues to ensure appropriate and continuous improvements?	yes	yes	yes	yes	yes	yes	yes
Does the company assess and address environmental impacts of its operations before these operations start?	yes	yes	yes	yes	yes	yes	yes
Does the company have emergency procedures in place to effectively prevent and address industrial accidents affecting the environment and human health?	yes	yes	in process	yes	yes	yes	yes
Does the company promote international environmental standards in its interactions with suppliers and business partners?	yes	yes	in process	yes	in process	yes	yes
Does the company support a precautionary approach to environmental challenges?	yes	yes	in process	yes	yes	yes	yes
Does the company take measures to reduce energy consumption and emissions of greenhouse gases?	yes	yes	yes	yes	yes	yes	yes
Does the company take measures to reduce water consumption?	yes	yes	in process	yes	yes	yes	yes
Does the company prevent, reduce and treat waste water discharges?	yes	yes	in process	yes	yes	yes	yes
Does the company take measures to reduce the production of waste and ensure responsible waste management?	yes	yes	in process	yes	yes	yes	yes
Does the company prevent, reduce and treat air emissions?	yes	yes	yes	yes	yes	yes	yes



Ch. Dahlinger

Questions	statements suppliers						
	AV	BI	EA	OP	TW	WS	XY
Does the company prevent and minimise impacts on the surrounding environment from noise, odour, light and vibrations?	yes	yes	yes	yes	yes	yes	yes
Does the company minimise the use of chemicals and other dangerous substances and ensure safe handling and storage?	yes	yes	yes	yes	yes	yes	yes
Does the company remedy soil and water contamination at the site and the surroundings?	yes	yes	yes	yes	yes	yes	yes
Does the company prevent, minimise and remedy significant impacts on biodiversity?	yes	yes	-	yes	yes	yes	in process
Does the company ensure that natural resources are used in a sustainable manner?	yes	in process	yes	yes	yes	yes	yes
Does the company encourage the development and diffusion of environmentally friendly technologies?	yes	in process	yes	yes	yes	yes	yes
Do you have a policy or code of conduct in place that prohibits the payment or receipt of unlawful incentives in the course of business?	yes	yes	yes	yes	yes	yes	yes
Can you confirm that there are - circumstances where facilitating payments are made in the course of business?	yes	yes	yes	yes	yes	yes	yes
Is training provided to employees in relation to your approach to preventing bribery and corruption (e.g. as part of training on your code of conduct)?	yes	yes	yes	-	yes	yes	yes
Do you have a mechanism in place, for employees or other third parties to report incidents of bribery or corruption?	yes	yes	in process	-	yes	yes	in process
Does the company take a clear stand against corruption?	yes	yes	yes	-	yes	yes	yes
Does the company evaluate and assess the risk of corruption when doing business?	yes	yes	in process	-	yes	yes	yes
Does the company ensure that employees know the company's anti-corruption commitment and that relevant persons are properly trained?	yes	yes	yes	yes	yes	yes	yes
Does the company forbid corrupt behaviour and monitor its anti-corruption initiatives?	yes	yes	yes	yes	yes	yes	yes
Do the company's internal procedures support its anti-corruption commitment?	yes	yes	yes	yes	yes	yes	in process
Does the company's anti-corruption initiative cover agents, intermediaries and consultants?	yes	yes	yes	-	in process	yes	in process
Does the company promote its anti-corruption commitment in its interactions with suppliers and business partners?	yes	yes	yes	yes	yes	yes	in process
Does the company take joint actions with others to engage in and promote anti-corruption initiatives and level the playing field?	yes	yes	yes	yes	yes	yes	in process