



***Period covered by the COP – Jan 2016 to December 2016***

## **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 FTG 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 is our suppliers, our subsidiaries or our customers.

We require that all of 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.

When choosing a supplier for our annual greetings cards we at Auxel FTG France deliberately choose suppliers that donate a part of their turnover to charity, in 2016 as in the previous years, 25% of the turnover we generated with this supplier was donated to the charity “the Cancer Society”.

We also made donations to several charities in 2016.

### ***Measurement of outcomes***

*Description of how the company monitors and evaluates performance.*

No claim concerning human rights has ever been reported, we regularly audit our suppliers in order to verify that they respect our requirements and 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 either that they complete a questionnaire concerning their CSR policies, or that they send us a copy of their own CSR policies.

In 2016 we audited 3 suppliers. 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 FTG 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 in order to be in coherence with the end products that we produce for.

Although we ourselves use a low polluting process, we are aware that this is not necessarily the case for our suppliers; we ensure that part of the supplier qualification process is that all suppliers must return the initial sample with their REACH, ROHS and 3T certificates.

We 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 and we maintain a policy of local sourcing as much as possible.

We have a specific storage facility for toxic or hazardous products

### **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 2016 we did not recycle our non ferrous metals as we changed suppliers, this will be done early 2017 and again at the end of 2017 – the 2017 results will reflect this.

Cardboard recycling this year has slightly decreased and we hope to continue this trend as we have implemented returnable packaging with several suppliers.

In July 2012 we started working with a local company to recycle our paper waste, this company not only works in an environmental way but they are also socially committed as they privilege employment of disabled people or people who are to be rehabilitated into society – this was one of the key factors for choosing this company over another.

In 2016 we exceeded our target and sent less than 1 ton of paper for recycling – this is a target we now wish to maintain. The effect of recycling this paper is measured and in 2016 this translated as an economy of:

- 18 251 liters of water
- 3 968 KWH of energy
- 238 Kg of CO<sup>2</sup>
- 13 Trees



We encourage our employees towards a “no paper” way of working and encourage archiving in our virtual data base, which is also accessible from home office, rather than printing out and storing. Many of our meetings are now held in a completely “no paper” environment.

We take care to use eco-friendly light bulbs wherever possible and in 2013 we decided to replace all our fire extinguishers with an eco friendly version, this is an ongoing action continued in 2016.

At the end of 2016 we initiated recycling for office waste other than paper (batteries, plastic, cans..) which will begin in 1<sup>st</sup> quarter 2017.

### **Measurement of outcomes**

*Description of how the company monitors and evaluates environmental performance.*

No claim regarding the Environment was reported in the period covered by the COP. We have increased environment awareness within our company which is reflected by the paper recycling results among others.

We did not recycle any metals in 2016, however we will be doing this in January 2017 and therefore the results in 2017 will be higher.

Our general waste is now measured in M3 and no longer in tonnage.

We monitor our recycling:

	2011 (tons)	2012 (tons)	2013 (tons)	2014 (tons)	2015 (tons)	2016 (tons)
Cardboard	0,0	4,0	24,0	24,0	23,6	20,4
Insulating Film	0,0	1,1	3,8	2,8	2,3	4,5
Paper	0,0	0,7	1,2	1,1	1,5	0,8
Wood	0,0	4,5	15,4	24,0	14,5	12,9
Metals	13,0	10,0	4,2	4,8	4,1	0,0
Ink Cartridges						0,1
	2011 (tons)	2012 (tons)	2013 (tons)	2014 (tons)	2015 (tons)	2016 (M3)
General waste	96	85	30	49,5	32,5	469



## 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 FTG adheres to the ILO core conventions and does not do business with any organization that 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.

In 2016 we set up PRAP sessions which are mandatory for the whole company; one session has been completed and the remaining sessions will be held in 2017. PRAP (Prevention of Risks linked to Physical Activity) is a specific training to help employees reduce the risks inherent to their activity.

Auxel FTG is French based Group and therefore covered by French labor laws, however we work in potentially high risk countries (China, India); Auxel FTG China has been ISO14000 and ISO18000 certified since March 2013 and regularly monitor their in house security and environmental impact.

They also monitor very closely the hazardous waste recycling and in 2014 signed a contract with a specialized company that collects and stores 100% of hazardous waste in a recordable manner, they have also arranged for a qualified third party to detect water waste and noise pollution around the plant, this has been an ongoing contract since 2012.

For our Indian plant we ensure that all labor rules are applied and that working conditions are in line with our global company policy.

### **Implementation**

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

Auxel FTG 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.

We have also implemented a bi-annual training appraisal to ensure that staff are fully trained and have the possibility to evolve within the company.



We have continued our 5S project which continually improves the working environment; we also continued our work on ergonomics in the workplace.

We strongly believe that the working conditions of our employees are tantamount to our success as a company.

***Measurement of outcomes***

*Description of how the company monitors and evaluates performance.*

Although Auxel FTG is an industrial company which is historically male dominated, our percentage of women in the company has remained mainly stable up to now with 4 positions in top management being held by women. The percentage of jobs held by women in our workforce in 2016 was 25%, the percentage is 19% in management positions.

When recruiting a new member of staff, we are scrupulous in respecting 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 run internal audits regularly in order to monitor any discrepancies in our working methods and highlight any issues that may be affecting our workforce. These audits are lead by people from different departments and allow us to cross check if there are any anomalies on the workstation or on the process being audited and set up action plans if necessary to remedy this.

We take the safety and security of our employees very seriously, we set up annual staff training in fire and safety, all of our employees have the opportunity to take part in these training sessions. In Auxel FTG China 100% of staff had safety training in 2016.

We also request that our staff report and anomalies that they may see in the workplace to their Health & Safety Officer, these anomalies are then published in the company newsletter for full staff awareness.

Auxel FTG 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. Should a supplier send a food gift such as nougat or biscuits, we take care to share these gifts out to all employees irrespective of whether they have contact with the supplier or not.

In 2014 we set up staff tombolas to redistribute these gifts in the fairest manner possible whilst generating funds for our in house works committee and have continued this since with several gifts being redistributed in this manner.

### **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 FTG 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 did not receive any report of discrepancies in 2016.



Measuring ourselves

**Targets & Results 2012 - 2016**









