

TABLE OF CONTENTS

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

ABOUT SUSTAINABILITY

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

ABOUT THE ASSESSMENT

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

ABOUT ECOVADIS

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

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1. SUSTAINABILITY PERFORMANCE OVERVIEW

Insufficient

Score breakdown

Sustainability performance





Partial

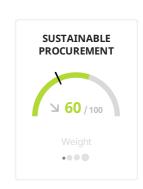
Good



Advanced

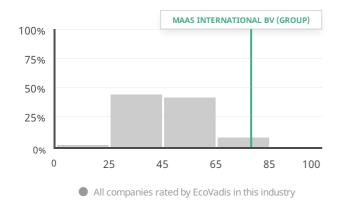


Outstanding

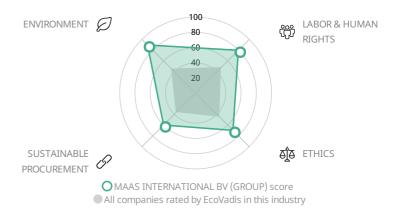


Average score

Overall score distribution



Theme score comparison





MAAS INTERNATIONAL BV (GROUP) has been awarded a platinum medal in recognition of sustainability achievement! To receive this medal, companies must have an overall score of 78-100.

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. MAAS INTERNATIONAL BV (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



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.



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.



Document Analysis

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



Public Information

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



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.



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

3. ETHICS

Corruption Anticompetitive Practices Responsible Information Management

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

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

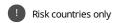
If certain criteria are not activated, then the specific associated issue is not relevant or has very low sustainability risk for that company.

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.



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

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.

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.

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













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.



Environment	Weight •• ● ●				
Strengths					
Policies					
Environmental policy on waste					
Quantitative objectives set on environmental services & advocacy					
Quantitative objectives set on materials, chemicals & waste					
Quantitative objectives set on energy consumption & GHGs					
Environmental policy on environmental services & advocacy					
Environmental policy on customer health & safety					
Environmental policy on energy consumption & GHGs					
Endorsement of external initiative on environmental issues					
Information	Guidance				
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.	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				
the company's supporting documentation, or off the website of the initiative.	Coalition (EICC), Responsible Care, US Green Building Council Membership, etc.				
Exceptional policy on major environmental issues					
Information	Guidance				
The company has issued an exceptional policy that integrates commitments, qualitative and quantitative objectives on major environmental issues.	Policies are deemed exceptional when all environmental issues are covered by qualitative and quantitative objectives. In addition, an exceptional policy must				
	also have exhaustive organizational elements such as the allocation of responsibilities and formal mechanisms to communicate, review and amend the				
	policy.				
Actions					
Other actions on customer health & safety management					
Other actions to reduce energy consumption/GHG emissions					



Internal sorting & disposal of waste according to waste streams Reduction of energy consumption of lighting systems Training of employees on energy conservation/climate actions Purchase and/or generation of renewable energy Company-specific emergency preparedness and response procedure regarding customer health and safety Energy and/or carbon audit Information Guidance The company has provided supporting documentation demonstrating that it has An energy audit is an inspection, survey and analysis of energy flows, within a performed an energy audit or carbon assessment. 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 14001 certified Guidance Information The ISO 14001 standard belongs to the ISO 14000 series, a family of The company has provided a valid ISO 14001 certificate that covers all of its environmental management standards developed by the International operations. 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. Provision of services for reducing paper/carton consumption Company specific recycle or reuse programs and promotion campaign Company-specific information to customers on health & safety issues associated with products/services Information Guidance The company discloses detailed information on their product composition or the For products, information is made available on the hazard class (e.g. flammable, associated potential health and safety hazards from the services provided. carcinogen, oral acute toxicity) with a clearly defined statement. Examples include a warning sign on health hazards (e.g. if inhalation, ingestion, skin contact or absorption of a chemical product), labels, pictograms on the risks associated with manual handling. For service, formalized instructions and

procedures are disclosed to prevent or mitigate health hazards (e.g. during

handling, transportation).



Provision of eco-friendly packaging materials

Information

The company has provided supporting documentation demonstrating that it provides its products to it customers using eco-friendly packaging materials.

Guidance

Some examples of eco-friendly packaging materials include but are not limited to the following: Bio-plastics, recycled paper/plastics, comestible packaging (for food products), biodegradable or isotherm packaging. Eco-friendly packaging can also include "light weighting", which means that less plastic to create packaging, such as a thinner plastic water bottle. This can also reduce transportation costs. Post-consumer recycled material can also be used in packaging, the best practice is to clearly mark the packaging as recyclable and providing information about how to best recycle the container help improve consumer awareness.

Specific environmental certification [i.e. CO₂-Prestatieladder (CO₂-Performance ladder certification scheme)]

Information

The company declares that it has obtained certain certification on environmental issues.

Guidance

Certifications according to an international norm and verified by a credible 3rd party enhance the actions and measures put in place by a company, and confirm a structured management system. Some examples of such certifications might include: EMAS, British Retail Consortium (BRC), Recycling Industry Operation Standard (RIOS) or LEED (US Green Building Council Certificate) certificates.

Dedicated feedback channel on health & safety issues of products

Information

The company has implemented a channel for collection of external feedback regarding any potential health and safety issues of the company's products.

Guidance

External sources can provide feedback regarding any issues with the health and safety of products through a channel that is set up by the company. This is a good way for the company to be able to monitor and receive feedback regarding any potential health and safety risks to the customers, that may stem from their products. This can help reduce and/or remove the dangers that products could potentially pose on customers. By implementing a feedback program, the company can greatly reduce the risks as well as reduce the number of recalls. The company can greatly reduce the risks faced by its customers and their families as well as reduce the number of health and safety incidents for their customers who use their products.

Awareness program offered to customers regarding product/service health & safety issues

Information

The company raises awareness among its customers regarding the health & safety issues associated with the company's product or service.

Guidance

The company has implemented a program aimed to increase awareness among customers about the health & safety issues associated with products or services. Awareness programs might include brochures on health & safety given to customers upon purchase of their product or service, or provision of information online in order to engage customers on health & safety risks regarding products/services. According to the ISO 26000 standard, protection of consumers' health and safety involves the provision of products and services that are safe and that do not carry unacceptable risk of harm when used or consumed. The protection should cover both the intended use and foreseeable misuse. Clear instructions for safe use, including assembly and maintenance, are also an important part of the protection of health and safety. Companies should have a defined process to assess and document the customer health and safety risks.

Results

Reporting on total gross Scope 3 downstream GHG emissions



Reporting on total weight of waste recovered

Reporting on total weight of non-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 exlude 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).

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 exlude 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).

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.

Improvement Areas

Results

Low

No information on reporting on total weight of hazardous waste

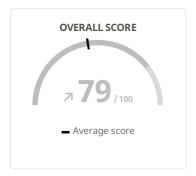
Low

Declares reporting on total amount of renewable energy consumed, 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

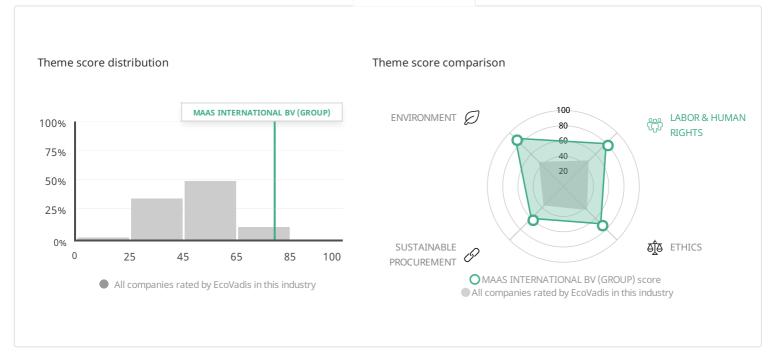












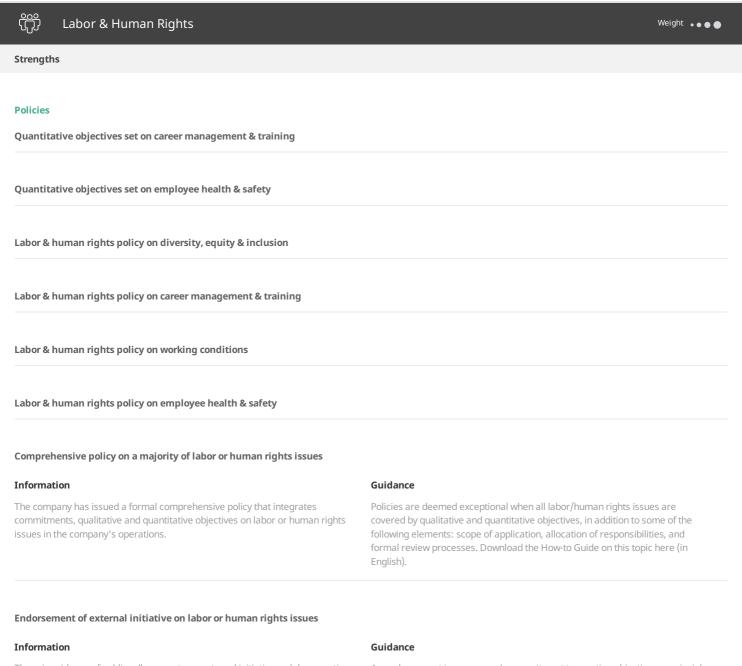
Labor & Human Rights: Activated Criteria

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.





There is evidence of public adherence to an external initiative on labor practices or human rights issues or membership in a voluntary initiative on labor practices or human rights issues.

An endorsement is a company's commitment to meeting objectives or principles that have been defined by external organizations. The company must be listed as an active member of the initiative website. Such initiatives can encompass many labor and human rights issues, be specific, intergovernmental, multistakeholder, business-led, cross-sector or sector-specific. Examples include Global Compact, Electronic Industry Citizenship Coalition (EICC), Responsible Care, The Voluntary Principles on Security and Human Rights, etc.

Actions

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



Affinity or other support groups for minorities/vulnerable groups

Information

The company has put in place support groups for employees who belong to minority or vulnerable groups.

Guidance

Companies should give special attention to those persons who belong to disadvantaged and marginalized groups in society. People from minority or vulnerable groups can be disabled people, refugees, ethnic minorities or indigenous people. To ensure non discriminatory treatment for these people the company should put in place support groups to put in place affinity groups to improve their acceptance at their workplace.

ISO 45001 certified

Information

The company has provided a valid ISO 45001 certificate that covers all of its operations.

Guidance

ISO 45001 is an international standard for occupational health and safety management systems. It addresses employee health and safety issues and involves an external audit on the facilities' health & safety conditions. Organizations that implement ISO 45001 have a clear management structure with defined authority and responsibility, clear objectives for improvement, with measurable results and a structured approach to risk assessment. This includes the monitoring of health and safety management failures, auditing of performance and review of policies and objectives.

Collective agreement in place

Information

There is a collective agreement between an employer, its employees, and in accordance with national regulations regarding any of the following labor issues: employees' health & safety, working conditions, career management & training, discrimination and/or harassment.

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. A collective agreement is an agreement in writing regarding working conditions and terms of employment concluded between an employer, on the one hand, and one or more representative workers' organizations, in accordance with national laws and regulations, on the other. Content of collective agreements should focus on the most important social dialogue topics, and can include employees' health & safety, working conditions, career management & training, discrimination and/or harassment.

Compensation for extra or atypical working hours

Information

The company provides additional remuneration to compensate for overtime work.

Guidance

Extra or atypical hours refers to all hours worked in excess of the normal hours (could be overtime hours for instance). Employees should be provided additional compensation for overtime and/or other forms of atypical working hours.

Communication to all employees of remuneration process (e.g. salary grid, procedure for salary advancement)

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 used by companies to get feedback on employees about their engagement, morale, and satisfaction at work.



Collective agreement on working conditions

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, jobshares, and other forms of variable work schedules.

Health care coverage of employees in place

Specific labor or human rights certification [i.e. The Performance Ladder Social Entrepreneurship (PSO) Prestatieladder Socialer Ondernemen (PSO)]

Information

The assessed company has a specific labor and human rights management system certificate.

Guidance

Specific labor and human rights management system certificates include AFAQ 26000, Intertek's Workplace Conditions Assessment Achievement Award, LUCIE, etc.

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).

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.



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.

Mandatory health check-up for employees

Information

The company provides general mandatory health check-up for employees

Guidance

The company carries out mandatory health check-up for its employees. Within the scope of health check ups, the mental and physical states of employees are investigated to ascertain the status of the employee's health related to the job function, and in particular to identify any negative work-related effects on employees. According to the International Labor Organization (ILO), it is recommended that a health check up for employees is carried out within thirty days from the first day the employee is employed and the subsequent health check up conducted at least once a year by a licensed medical practitioner, especially for manufacturing companies presenting high health and safety risks for employees.

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.

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.



Reporting on the percentage of workers from minority groups and/or vulnerable workers employed in relation to the whole organization

Reporting on the percentage of women employed in relation to the whole organization

Report on percentage of women within the organization's board

Materiality analysis in sustainability reporting

Company communicates progress towards the Sustainable Development Goals (SDGs)

Reporting on the percentage of women in top executive positions

Information

The company reports, either through formal documentation or questionnaire declaration, on the percentage of women in executive positions (e.g. senior or top management).

Guidance

Executive positions include positions such as chief financial officers, chief operating officers, or any other key roles in a company. The aim is to look into whether a company is promoting an increase in gender diversity in its executive rank or not. It is important to note that in 2015, only 14.2% of the top five leadership positions in companies in the S&P500 are held by women acording to CNNMoney analysis.

Standard reporting on labor and human rights issues

Information

There is evidence of formal reporting implemented regarding both labor and human rights issues from the company 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. KPIs may include (but are not limited to): accident frequency and severity rates, the percentage of employees covered by collective bargaining agreements, skills development trainings, and percentage of employees trained on discrimination issues. Comprehensive reporting on labor practice and human rights 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.

Improvement Areas

Results



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

8. ETHICS

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

Ethics Score Breakdown

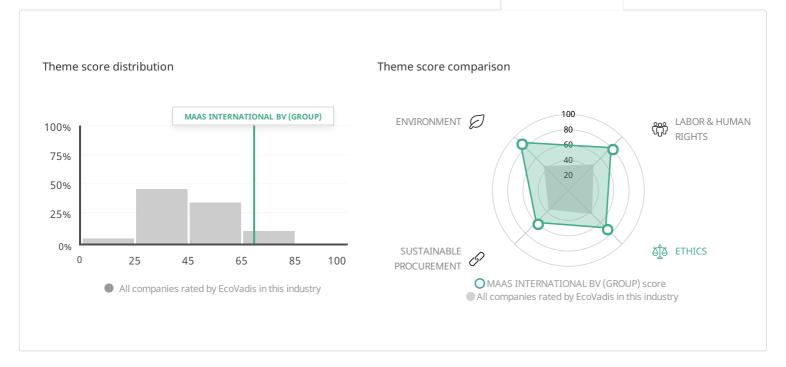












Ethics: Activated Criteria

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.





Ethics

Weight • • • •

Strengths

Policies

Policy on fraud

Policy on conflict of interest

Disciplinary sanctions to deal with policy violations

Information

There is evidence within the supporting documentation provided that the company has implemented structured mechanisms to deal with policy violations such as disciplinary actions.

Guidance

In order to ensure the adequate implementation of business ethcis policies, companies should establish procedures to administer investigations and sanction employees for eventual violations (i.e. disciplinary measures up to and including possible termination).

Policy on information security

Information

The company has issued a formal standard policy that integrates commitments in the form of qualitative objectives on information security issues. The policy is formalized in a document such as a Code of Ethics and includes at least some organizational elements (e.g. review process, dedicated responsibilities, scope of application).

Guidance

It is imperative for companies who manage sensitive information to set commitments on the protection and responsible management of third-party data. The security of third party data encompasses the protection of customer personal identification information (PII) and the protection of third party intellectual property rights.

Policies on corruption

Information

There is a formal policy that integrates qualitative objectives/commitments on anti-corruption & bribery issues (including for example conflict of interest, fraud and money laundering) in the supporting documentation provided by the company.

Guidance

Corruption & bribery covers all forms of corruption issues at work namely extortion, bribery, conflict of interest, fraud, money laundering. A comprehensive policy is formalized in a standalone document or is part of a Code of Ethics/Conduct on the issues mentioned and incorporate as well some of the following elements: scope of application, allocation of responsibilities, quantitative objectives, and review mechanisms.

Dedicated responsibility for ethics issues

Comprehensive policies on ethics issues

Information

A comprehensive policy on business ethics issues integrates commitments and/or operational objectives on all or almost all of the main fair business practices issues a company is confronted with: namely corruption & bribery issues, and information security and responsible marketing if applicable. It is also compulsory to have additional elements such as formal mechanism to communciate on business ethics, scope of the policy's application and allocation of responsibilities, among others.

Guidance

Policies are deemed exceptional when all business ethics issues are covered by qualitative and quantitative objectives. Additionally, an exceptional policy has exhaustive organizational elements such as allocation of responsibilities, mechanisms to deal with policy violations, formal review process, communication of the policy to all employees and business partners, etc.



Actions

Whistleblower procedure for stakeholders to report corruption and bribery

Incident response procedure (IRP) to manage breaches of confidential information

Implementation of a records retention schedule

Information security risk assessments performed

Information

The company carries out periodic risk assessments on responsible information security management.

Guidance

Risk assessments are a formal process of evaluating and predicting the consequences (positive or negative) of a hazard and their likelihoods/probabilities. Periodic risk assessments on information security allow a company to identify potential information security risks, rate the likely occurrence and the potential impact of the risks, identify security 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 breaches in information security management within the organization.

Audits of control procedures to prevent information security breaches

Information

The company's information security policies and compliance mechanisms are regularly audited.

Guidance

Internal controls (for examples four-eyes principle, job rotations, among others) are necessary to regularly monitor the effectiveness and proper implementation of actions put in place to support the responsible information management 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.

Awareness training to prevent information security breaches

Information

The company has delivered awareness trainings to employees on information security issues.

Guidance

Information management is the process of collecting, storing, managing and maintaining information securely in all its forms. Through the use of rigorous information management practices, companies can help maintain their credibility and confidence of consumers. Awareness or trainings on such practices are regularly conducted to ensure that employees are familiar with the company's information management policy and procedures. They may be conducted either online or in person, and should include regular testing to ensure the training effectiveness.



Corruption risk assessments performed

Information

The company carries out 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 anticorruption 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.

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.

Measures for gaining stakeholder consent regarding the processing, sharing and retention of confidential information

Information

The company has implemented measures to consult with customers/clients on their personal/confidential data.

Guidance

Consulting with customers/clients on their personal/confidential data helps to eliminate risks around confidentiality breaches, which is one of the major concerns from customers nowadays.

Results

Materiality analysis in sustainability reporting

Company communicates progress towards the Sustainable Development Goals (SDGs)

Standard reporting on ethics issues

Information

The company reports, either through formal documentation or questionnaire declaration, on fair business practices including key performance indicators (KPIs), statistical figures or associated concrete actions.

Guidance

Reporting is considered standard when relevant and meaningful KPIs cover the main fair business practices issues (i.e. corruption & bribery and optionally anticompetitive practices issues and consumer/client issues such as responsible marketing & data protection), when KPIs are recent (i.e. last 2 reporting years) and regularly updated. KPIs can be sector-specific and include for instance the % of employees trained on business ethics issues, number of breaches of the Code of Ethics, and number of incidents reported through the whistle blowing procedure. Comprehensive reporting on business ethics issues will additionally have KPIs reported in a formal public document available to stakeholders, and will be aligned with external sustainability reporting standards or guidelines such as the Global Reporting Initiative.

Improvement Areas



Policies



No conclusive information on endorsement of external initiatives or principles on ethics issues

Actions

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.

9. SUSTAINABLE PROCUREMENT

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

Sustainable Procurement Score Breakdown

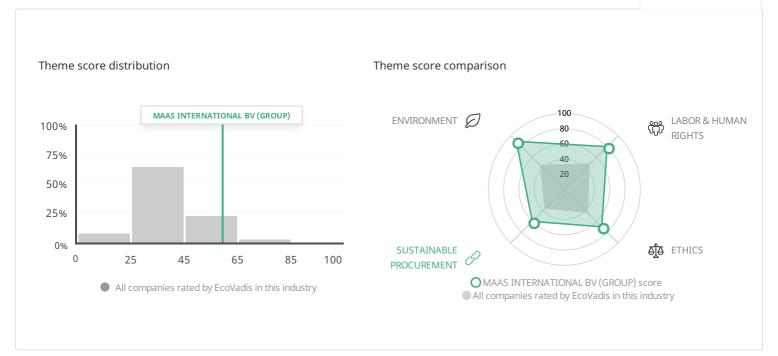












Sustainable Procurement: Activated Criteria

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.





Sustainable Procurement

Weight • • • •

Strengths

Policies

Quantitative objectives set on sustainable procurement policy

Information

The company has defined and has formally communicated quantitative objectives (i.e. targets) with regard to the relevant sustainable procurement policy objectives.

Guidance

Quantitative objectives or targets on sustainable procurement 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 the percentage of suppliers to be audited on sustainability issues, the percentage of suppliers signing the Supplier code of conduct, or the percentage of employees or buyers trained on sustainable purchasing. 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 buyers on sustainable purchasing issues).

Endorsement of external initiative on sustainable procurement issues

Information

There is evidence of public adherence to an external initiative on sustainable procurement issues or membership in a voluntary initiative on sustainable procurement issues.

Guidance

An endorsement is a company's commitment to meeting objectives or principles that have been defined by external organizations. The company must be listed as an active member of the initiative website. Such initiatives can encompass many sustainable procurement issues, be specific, intergovernmental, multistakeholder, business-led, cross-sector or sector-specific. Examples include Sustainable Purchasing Leadership Council, Sustainable Apparel Coalition, Bettercoal, Clean Shipping Network, Business Social Compliance Initiative (BSCI), etc.

Policy on conflict minerals issues

Information

There is a formal policy regarding conflict minerals issues in the supporting documentation provided by the company. The policy is present in a dedicated policy document or in a dedicated section of a larger purpose document.

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 mineral issues in the supply chain includes commitments and/or operational objectives designed to mitigate risk on this topic in the company's supply chain. It is communicated to internal and external stakeholders through a formal dedicated document.

Sustainable procurement policies on supplier environmental practices

Information

The company has formalized statements, commitments, and operational objectives on the management of its sustainable procurement policies, focusing on some material issues. The existing policy covers environmental issues in the company's supply chain.

Guidance

A standard sustainable procurement policy also covers social issues in addition to environmental issues in the supply chain. It also includes commitments and/or operational objectives designed to improve performance or mitigate risk. The policy is communicated to internal and external stakeholders through a formal dedicated document.

Actions

Other actions to promote sustainable procurement



Actions to advance diversity, equity and inclusion in the workforce of suppliers

Actions to work with businesses owned by minorities/vulnerable groups in the supply chain

Internal purchasing processes for clothes and apparel integrate sustainability

Internal purchasing processes for wood or wood-based products integrate sustainability

Internal purchasing processes for stationery and related items (e.g. pens, pencils) integrate sustainability

Supplier sustainability code of conduct in place

Information

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

Guidance

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

Specific certification on sustainable procurement [i.e. i.e. CO₂-Prestatieladder (CO₂-Performance ladder certification scheme), FAIRTRADE International (TRADERS)]

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.



Integration of social or environmental clauses into supplier contracts

Information

The company provides evidence in supporting documentation that social and/or environmental clauses are included in the contractual agreements with its suppliers.

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 measure 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 CSR issues are not met.

Sustainability risk analysis (i.e. prior to supplier assessments or audits)

Information

The company carries out an in-depth screening of its spend categories to map potential sustainability risk, thus allowing it to establish a list of high-risk suppliers for sustainability assessments and/or audits.

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.

Results

Reporting on total gross Scope 3 upstream GHG emissions

Materiality analysis in sustainability reporting

Company communicates progress towards the Sustainable Development Goals (SDGs)

Standard reporting on sustainable procurement issues

Information

There is evidence of formal reporting implemented regarding both labor and human rights issues from the company 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. KPIs may include (but are not limited to): the percentage of suppliers covered by sustainable procurement measures, and percentage of buyers trained on sustainable procurement issues. Comprehensive reporting on sustainable procurement 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.

Improvement Areas



Policies

Medium

Inconclusive documentation for policies on supplier social practices

Information

The company has either no supporting documentation on social issues in the supply chain, 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 sustainable procurement policy on social issues on the supply chain includes commitments and/or operational objectives designed to improve performance or mitigate risk. It is communicated to internal and external stakeholders through a formal dedicated document.

Medium

Basic sustainable procurement policies: lacks details on specific issues

Information

The company has sustainable procurement policies that may include commitments and operational objectives on the management of its sustainable procurement practices, but lacks details on specific issues.

Guidance

A standard sustainable procurement policy includes commitments and/or operational objectives on all material sourcing risks the company faces in its supply chain. It is communicated to internal and external stakeholders through a formal dedicated document. A standard policy contains qualitative objectives/commitments specific to those issues.

Actions



Declares measures implemented to mitigate conflict minerals issues but no supporting documentation available

Information

The company declares that it has implemented actions to ensure the effective mitigation of conflict mineral issues. However, no information was found on this topic in the supporting documentation.

Guidance

Some examples of measures might include detailed Conflict Minerals (CM) risk analyses, 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), requirements to first tier suppliers to fill an EICC reporting template, and/or investigation of smelters or refiners' conflict minerals due diligence processes.

Medium

No conclusive documentation on on-site audits of suppliers on environmental or social issues



Results



Declares having a due diligence report on conflict minerals, but no supporting documentation available

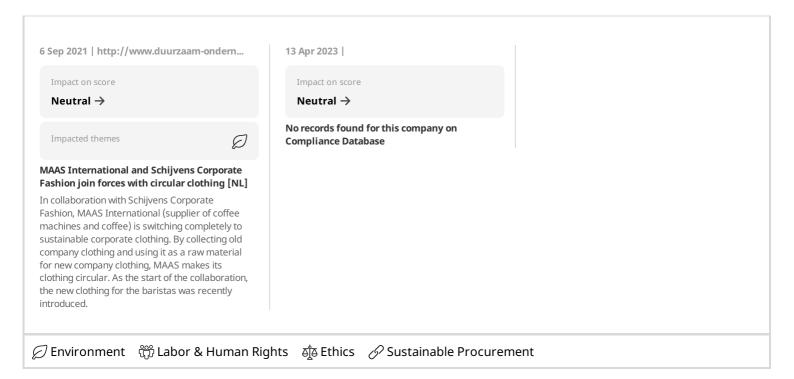
Information

The company declares having a due diligence report on conflict minerals, however, no information to support this claim was found in the supporting documentation.

Guidance

Tin, tantalum, tungsten and gold (3TG) (often called 'Conflict Minerals'), are natural resources whose systematic exploitation and trade can result in serious violations or abuses of international human rights. The topic of sourcing from conflict zones such as the Democratic Republic of Congo (DRC) has faced increasing attention in recent years from international government, industry and non-governmental groups with the aim of bringing about awareness and international legal frameworks on Conflict Minerals. In July 2010, in response to these concerns, the United States Congress enacted legislation that requires certain public companies to publicly disclose their use of conflict minerals emanating from the DRC and nine adjoining countries. Section 1502 of the Dodd Frank Act requires companies to disclose if any of the 3TG minerals are "necessary to the functionality or production of a product" manufactured by those companies. Although the law is restricted to companies listed on a U.S. Stock Exchange, transparency on due diligence mechanisms has become necessary for a range of companies in the value chain in order to trace back the origin of the minerals (e.g. 1st tier, 2nd tier suppliers) and respond to their client's inquiries. Various industry groups such as the Conflict-Free Sourcing Initiative (GeSI and EICC) have developed reporting templates and programs intended to support companies in their public declarations on Conflict Minerals.

10. 360° WATCH FINDINGS



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 Responsability, 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.

Since the last assessment, the overall score has increased thanks to the implementation of additional policies.

Since the last assessment, the overall score has increased thanks to the publication of additional sustainability reporting.

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.



Medium Energy consumption & GHGs

Non-activated Water

Non-activated Biodiversity

Non-activated Air Pollution

Medium Materials, Chemicals & Waste

Non-activated Product Use

Non-activated Product End-of-Life

High Customer Health & Safety

Medium Environmental Services & Advocacy

Labor & Human Rights



Medium Employee Health & Safety

Medium Working Conditions

Medium Social Dialogue

Medium Career Management & Training

Non-activated Child Labor, Forced Labor & Human Trafficking

High Diversity, Equity and Inclusion

Non-activated External Stakeholder Human Rights

Ethics ĐĐ

Medium Corruption



Non-activated Anticompetitive Practices

Medium Responsible Information Management

Sustainable Procurement



High Supplier Environmental Practices

High Supplier Social Practices

KEY SUSTAINABILITY ISSUES

Find qualitative explanations of the key sustainability issues and risk associated with Renting and leasing of other machinery, equipment and tangible goods



Environment

Importance

Sustainability issue

Medium

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

Companies specialized in the renting and leasing of machinery, equipment, and tangible goods cover a wide range of activities. The type of activity dictates the amount of energy consumption. Since rental companies are usually not the manufacturer of the products they rent out, the on-site energy consumption is often limited. Associated impacts can be reduced by making reasonable use of energy resources and installing energy-efficient infrastructure. In most cases, the most significant direct impact typically concerns greenhouse gas (GHG) emissions arising from the transportation of rental equipment to customers, making transport optimization a top priority for the industry. Developing optimized transport networks with an environmentally friendly fleet, increasing transport capacity, and favoring collaborative road transport (ensuring trucks are never empty but make round trips completely loaded) (1) are efficient ways to enhance the environmental sustainability of the industry's operations.

Medium

Materials, Chemicals & Waste

Definition

Consumption of all types of raw materials and chemicals. Non-hazardous and hazardous waste generated from operations. Also includes air emissions other than GHG (e.g. SOx, NOx).

Industry issues

The management of chemicals and hazardous materials is a relevant issue for the machinery renting and leasing industry. Chemicals are used mostly during the cleaning and maintenance phase. Companies first need to ensure the cleaning agents are stored and handled appropriately. Then, safer alternatives to hazardous chemicals should be considered: in order to reduce the chemicals and hazardous substances' emissions, some industry leaders have decided to favor the use of solvent or water-based parts washers in the maintenance process, which contain lower concentrations of volatile organic compounds (VOC)(2). Waste generation can result from the sector's office activities (e.g. paper and ink cartridges), but arise mainly through the maintenance of machinery and equipment (e.g. used parts and fluids). The latter can generate hazardous waste, i.e. made up of toxic substances and materials (ferrous and non-ferrous metals, plastics and oils), and its handling and disposal should therefore follow strict safety rules and procedures. Waste storage areas should be free of debris and adequately covered to avoid any leakage. Improper disposal of waste machinery can lead to contamination of soil and water, as well as result in human health impacts. It should be noted that used machinery and equipment do not necessarily have to enter the waste stream directly as some companies have developed programs that allow customers to buy used equipment (3) (4). This not only extends the life of these products, but it also allows companies to reduce the amount of waste they produce.





Customer Health & Safety

Definition

Negative health and safety impacts of products and services on customers or consumers.

Industry issues

Customers' health and safety is of material significance to the industry, especially for companies renting and leasing heavy machinery. For example, according to the International Powered Access Federation (IPAF), in 2013, there were 53 globally reported fatalities during the operation of rented mobile elevating work platforms (MEWPs) in the construction sector (5). Leasing companies can provide their customers with additional safety features to the equipment and machinery (e.g. safety catches). It is of the utmost importance that the companies rent equipment in proper working condition and that customers also understand how to operate them safely. Training customers on the safe use of the rented equipment not only protects the customer's health and safety, it also contributes to a reduction in the number of equipment breakdowns and associated repairs needed.

Medium

Environmental Services & Advocacy

Definition

Programs implemented to promote the sustainable consumption of their own products or services among their customer base. This criteria includes the positive/negative indirect impacts of the use of products and services.

Industry issues

Equipment rental is often considered a sustainable activity, with organizations, such as the European Rental Association (ERA), insisting on the role that this industry can play in helping companies improve their sustainability performance (6). Renting allows clients to share resources and avoid the acquisition of new machinery and equipment goods. While direct impacts may be reduced, rental equipment, machinery and goods are still likely to have negative environmental consequences resulting from customer usage. This is especially true for transport equipment and industrial machinery in the energy and construction sectors, which can have significant environmental impacts including GHG emissions, endangering biodiversity and causing local pollution. One way to address these issues is by supplying customers with data on carbon savings based on equipment type and usage and/or giving eco-driving trainings. Providing information and/or trainings to customers to help them understand how to use the equipment in a sustainable way and how products may potentially impact climate change is key in order to improve the sustainable consumption of a company's products and address its indirect environmental impact. Finally, companies in the renting and leasing sector can also provide their customers with green technology and more energy-efficient machinery and equipment, so as to help their customers to reduce their own environmental impacts.





Labor & Human Rights

Importance

Sustainability issue



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

Employees working in the renting and leasing of machinery and equipment typically face health and security risks mostly when handling equipment and/or during the cleaning and maintenance of equipment. For health and safety issues arising from manual labor, however, safety management systems should be implemented. These systems are important as they help to identify occupational hazards arising from manual labor, develop safety procedures, and train all impacted employees (can be provided either internally or externally by industry-specific associations, such as the International Powered Access Federation (IPAF)) (7). Providing adequate personal protective equipment to employees, reducing the amount of chemicals used, ensuring appropriate ventilation and implementing preventive systems, such as fall-protection systems and anti-crush devices, also help to reduce risk. Finally, leasing companies also face some health issues related to administrative offices. The latter can be addressed through preventive actions relating to ergonomics, such as providing an ergonomic workspace and information to raise employees' awareness on the topic.

Medium

Working Conditions

Definition

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

Industry issues

Human capital investment is increasingly important for companies, including in the machinery renting and leasing industry, seeking to develop a sustainable work force while reducing hiring costs associated with high employee turnover (8). The provision of fair pay and working hours, retirement pensions and healthcare are each issues which workers cite as insufficient, and which lead to employment insecurity. The International Trade Union Confederation's 2014 Global Poll indicates that wages have failed to increase at a rate consistent with global cost of living inflation, a conclusion supported by 79% of respondents that believe national minimum wages are insufficient, and 87% believe that the social protections, including pensions, healthcare and family leave are inadequate (9). These numbers highlight the opportunities for companies operating in countries where wage increases can improve quality of life. As indicated by the above figures, it is in the corporate sector's interest to invest in their human capital by providing adequate wages, social benefits and fair work hours to employees. Companies operating in less developed countries where minimum wage laws are deemed inadequate, including in China where 81% of ITUC respondents believe the national minimum wage is inadequate, companies should default to wage standards established by the ILO. When operating in countries where state provided social protections are minimal or absent, companies should provide employees with healthcare and retirement pensions that are consistent with international standards. Employee satisfaction surveys and collective bargaining through worker representative groups, including unions and work councils can assist companies with identifying human capital management needs. Fair pay and social protections, and sector appropriate working condition are essential for companies to reduce labor costs without sacrificing ethics or production efficiency.





Social Dialogue

Definition

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

Industry issues

According to the International Labor Organization (ILO), social dialogue plays an essential role in improving opportunities for women and men to obtain decent and productive work in conditions of freedom, equality, security, and human dignity (10). The 2014 Global Poll led by the International Trade Union Confederation (ITUC) shows that 63% of workers in 14 countries (representing more than 3.7 billion people according to UN estimates) think workplaces with unions and social dialog have better wages, working conditions and safety (11). Social dialog has to be seen as a tool to improve the working environment and thus, the company's overall performance (10). Companies in the rental and leasing of machinery and equipment goods should understand the positive social impacts this form of negotiation, consultation and exchange of information can entail, encouraging their employees to elect employee representatives in order to promote a structured and interactive approach to workers' rights.

Medium

Career Management & Training

Definition

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

Industry issues

In addition to fair pay, social benefits and safe and stimulating working conditions, companies should include occupational skills development in their human capital management strategies. Occupational skills development, through formal training, developmental assignments and feedback, provides mutual benefits for employees and companies. Companies benefit from a higher skilled workforce capable of meeting 21st century market demands, and workers develop skills necessary for promotions and/or future employment opportunities in the sector. Workers are increasingly demanding occupational skills development in order to stay up-to-date on technological developments, ultimately ensuring they remain competitive workers. The reciprocal benefits ultimately reduce employee turnover costs, evidenced by one HBR report that finds that workers are 125% less likely to change jobs due to burnout. (12) To take advantage of the benefits provided by a skilled workforce, companies should develop and implement occupational training and development programs across all operations. Ongoing employee evaluations accompanied by continuous feedback should be deployed to identify skills that enable companies to place employees in positions that reflect their skill levels, allowing for promotions as skill levels increase. Lastly, Companies should ensure that, when necessary, workers required to perform redundant tasks are helped to access other functional areas through training. Occupational skills development programs can benefit companies across all functional areas, and should therefore be embedded throughout all operations.





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

In an increasingly global economy, companies benefit from promoting diversity internally due to the various business perspectives and work habits that derive from different cultural and social groups. In order to promote diversity, and therefore take advantage of the associated value added with such workforces, it is key that companies take a firm non-discrimination stance in order to attract and retain a competent and stable workforce. Research performed by the ILO indicates that women are paid on average 70%-90% of the salaries received by the male counterparts; gay employees receive 30% less than non-gay workers (13). While most countries have laws that prohibit discrimination, differences exist in their level of enforcement and scope of racial and social groups covered by their respective legislation, making it a strategic must for companies to establish internal policies that promote internal efforts. Many of the world's biggest and most successful companies have advanced diversity strategies, including in respect of LGBT. Nearly 90 per cent of Fortune 500 companies prohibit discrimination based on sexual orientation and gender identity and almost 60 per cent of them extend benefits to the same-sex partners of their employees (14). Companies should establish internal measures that reinforce a non-discrimination policy. Training of all managers that have authority over recruitment, training, and promotions should be implemented across all operations. Human resources personnel should perform frequent internal salary audits to determine where wage gaps exist. Additional pro-diversity measures that reinforce nondiscriminatory efforts include employee cultural and gender associations that enable social groups to share experiences related to professional acclimation and networking. Lastly, an effective whistleblowing procedure should be available to all employees to report concerns related to, or violations of, the anti-discrimination policy.



Ethics

Importance

Sustainability issue

Medium

Corruption

Definition

Deals with all forms of corruption issues at work, including among other things extortion, bribery, conflict of interest, fraud, money laundering.

Industry issues

A strong signal regarding the global fight against corruption in the business community was sent with the adoption of the United Nations Convention against Corruption in 2003 (15), showing the participants' readiness to tackle this complex issue. Principle 10 of the UN Global Compact encourages companies to start taking internal steps to combat corruption by establishing policies and putting procedures in place to implement them. Companies can further strengthen and enforce these initiatives by joining collective and sector-wide initiatives (16). Industry leaders of the machinery and equipment renting sector, including the Brambles group (17), have taken proactive steps to promote a corruption-free business environment by providing clear guidance to employees through their Code of Conduct. Other relevant measures to tackle corruption and bribery issues include the provision of training on business ethics to all employees and implementing whistle-blowing procedures in case of policy violation.





Responsible Information Management

Definition

Deals with third-party data protection and privacy which encompasses the protection of customer personal identification information (PII) and third party intellectual property rights.

Industry issues

Companies collect, process and share confidential information belonging to third-parties in order to operate their business. Thirdparty confidential information includes employee and consumer personal identification information, third parties' intellectual property, and business partner trade secrets. Companies are legally mandated in several jurisdictions to manage third party data responsibly. Breaches of third-party data, including proprietary intellectual property, trade secrets and employee and consumer PII expose companies to operational seizures, financial and reputational impacts caused by stakeholder lawsuits and regulatory penalties. The financial impacts of information security breaches can be both immediate and drawn out over several years, due to possible litigation action by parties who lost confidentiality of their information entrusted to the breached company. The costs of regulatory violations remain severe, and proposed changes to major regulatory frameworks in major countries are likely to impose greater fines. Ponemon Institute estimates the global average cost of a cyber-attack to be US\$3.86 million (20). Beyond direct regulatory and financial penalties, breaches in a company' information management system can cause long term distrust in the company' information security management. Almost immediately after Target's information breach, the company' net earnings for the fourth quarter were down 46 percent from the same period the year before. Over time, Target will pay an estimated US\$1.4 billion when factoring ongoing legal costs, class-action lawsuits by consumers and business partners, and credit monitoring services for affected consumers (21). In order for companies to manage operational and legal risks associated with information security breaches, it is vital that robust information security management systems are developed and implemented across to the operational scope. Companies should perform vulnerability assessments, implement access and disclosure controls and provide thorough training for all employees responsible for processing third-party data. An adequate incident response procedure capable of preventing further data loss, communicating with exposed stakeholders, and systems updates is necessary to meet legal requirements in key iurisdictions.





Sustainable Procurement

Importance

Sustainability issue



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

The UN Global Compact encourages businesses to work with their suppliers to improve environmental performance both upstream and downstream (18). Sustainable procurement is especially relevant for the renting and leasing industry as most of the environmental impacts arising from the production of materials, equipment and tangible goods that are then rented/leased come from suppliers. Therefore, environmental concerns should not only be an internal consideration. The materiality of environmental issues will then depend on the specific sector of each company. Most companies in the sector have to adresss general environmental issues typically related to manufacturing operations. These include numerous aspects such as GHG emissions, energy and water consumption, waste reduction, the prevention of local pollution and the responsible management of hazardous substances and chemicals. Some companies on the other hand face very specific environmental issues in their supply chain: wooden pallet renting companies, for instance, will focus on the sustainable sourcing of wood from certified suppliers and the exclusion of endangered wood species (19). Purchasing equipment with reduced environmental impacts, such as eco-friendly machinery and products with eco-labels, contributes to support a sustainable procurement approach. Companies in the renting and leasing sector should monitor their suppliers' environmental performance (e.g. through supplier CSR assessments or on-site audits), and encourage them and provide them with concrete incentives regarding the reduction of environmental impacts on the manufacturing side.

High

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

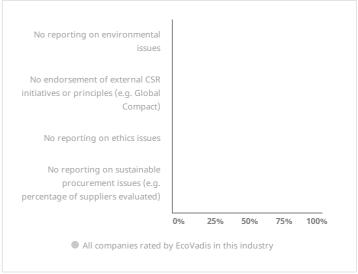
As supply chains become more complex, the responsibility of businesses regarding fundamental human rights and business ethics extend beyond their direct operations to their subcontractors and suppliers. This is especially true for companies who do not manufacture the products they rent and lease as they often lack visibility over their suppliers' social practices. Companies have started addressing this issue, which is also seen as crucial by employees: according to the International Trade Union Confederation (ITUC) 2014 Global Poll (7), 93% of workers of 14 countries are in favor of respecting workers' rights throughout the entire production chain, but only 41% of them consider companies are likely to deliver on their promise. Businesses should therefore take concrete steps to earn credibility for their zerotolerance policies through the use of questionnaire-based assessments or site-audits of their suppliers. These measures help track suppliers' labor practices regarding human rights and business ethics issues, be it at the pre-contract stage or during the business relationship. Guidance on these matters can also be provided to suppliers by implementing a supplier code of conduct.



Key industry Strengths



Key industry Improvement Areas





Sustainability KPIs Overview

KPI	All companies rated by EcoVadis in this industry
Active whistleblowing procedure in place	31%
Audit or assessment of suppliers on CSR issues	32%
Carbon disclosure project (CDP) respondent	8%
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	32%
Reporting on health & safety indicators	24%

Main Regulations and Initiatives

Approach LEED (Leadership in Energy and Environmental Design)

http://www.usgbc.org/DisplayPage.aspx?CMSPageID=1990

The Leadership in Energy and Environmental Design (LEED) Green Building Rating System, developed by the U.S. Green Building Council (USGBC), provides a suite of standards for environmentally sustainable construction. It aims at improving performance across all the metrics that matter most: energy savings, water efficiency, CO2 emissions reduction, improved indoor environmental quality, and stewardship of resources and sensitivity to their impacts.

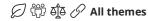


📆 Labor & Human Rights

GRI - Logistics & Transportation sector supplement, Pilot Version 1.0 - May 2006

http://www.globalreporting.org/ReportingFramework/SectorSupplements/Logi $\underline{stics} \underline{AndTransportation}/\underline{Logistics} \underline{AndTransportation.htm}$

The Logistics and Transportation Sector Supplement addresses the key sustainability issues for this sector. It has been designed for general use by companies operating within the sector using different means of transportation.



Standard SA8000 (Social Accountability)

http://www.sa-intl.org/index.cfm?fuseaction=Page.viewPage&pageId=617&pa rentID=485

SA8000 is a global social accountability standard for decent working conditions, developed and overseen by Social Accountability International (SAI).



Universal Declaration of Human Rights

http://www.un.org/Overview/rights.html



The Universal Declaration of Human Rights (UDHR) is an advisory declaration adopted by the United Nations General Assembly (10 December 1948)



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.



Code of conducts - IPPAG

http://www.ippag.net/corporatecitizenship#coc

Code of conduct from IPPAG (International Partnership for Premiums and Gifts), an international consortium of companies specialised in promotional merchandise

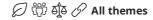


ICTI (International Council of Toys Industries) code of business practices, revised June 2001

http://www.toy-icti.org/info/codeofbusinesspractices.html



ICTI promotes international toy safety standards and a responsible attitude to advertising and marketing to children



Standard ISO 14000 (International Standard Organisation)

http://www.iso.org/iso/iso_14000_essentials

The ISO 14000 family addresses various aspects of environmental management



International Labor Organization's Fundamental Conventions

http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documen ts/publication/wcms 095895.pdf



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.



Foreign Corrupt Practices Act of 1977

http://www.usdoj.gov/criminal/fraud/fcpa/



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.





United Nations Convention against Corruption (UNCAC)

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



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.



OECD quidelines for multinational enterprises

http://www.oecd.org/about/0,2337,en 2649 34889 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.



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.



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:



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.



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.



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