



## TROIKA GERMANY GMBH

has been awarded a

**Silver medal**

as a recognition of their EcoVadis Rating

- AUGUST 2023 -





# ecovadis

## EcoVadis Sustainability Assessment Report

Company rated:  
TROIKA GERMANY GMBH

Overall score: 66 /100  
August 2023

Sustainability performance: Advanced

Size: S  
Headquarters country: Germany  
Risk country operations: NO  
Industry: Wholesale of other household goods

## 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.

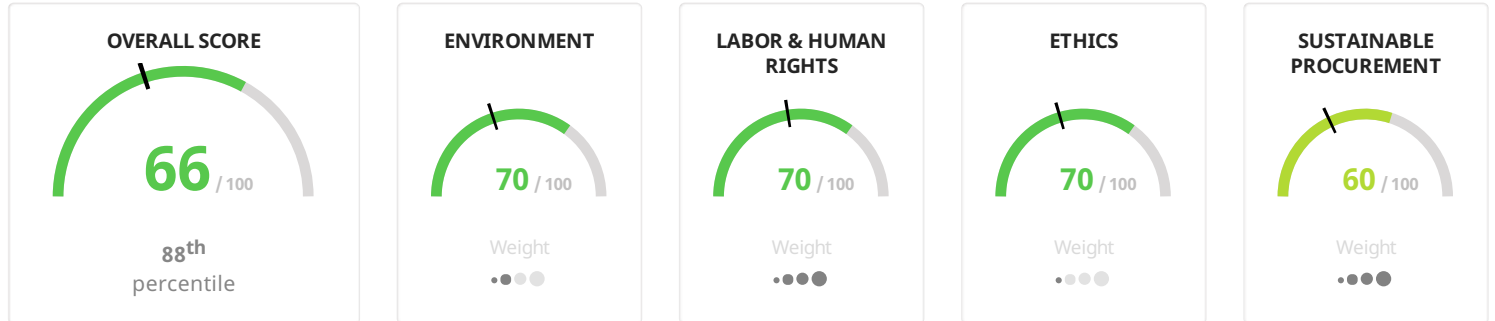
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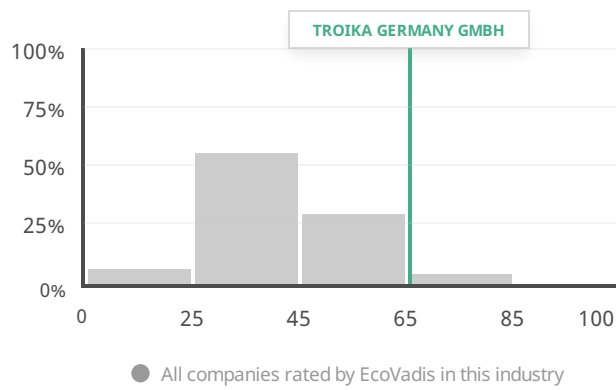
# 1. SUSTAINABILITY PERFORMANCE OVERVIEW

## Score breakdown

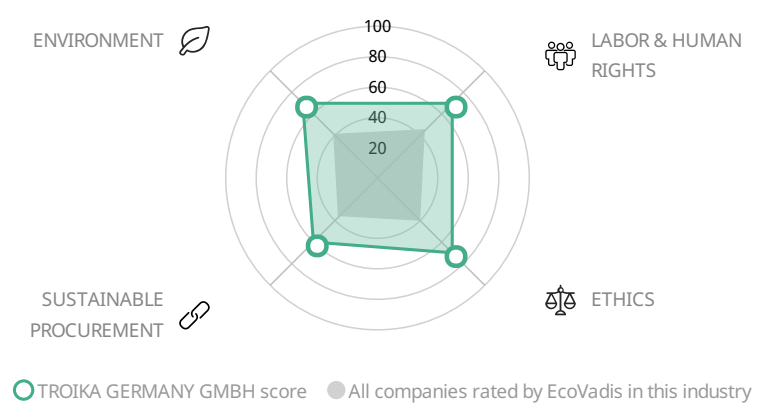
Sustainability performance ● Insufficient ● Partial ● Good ● Advanced ● Outstanding — Average score



## Overall score distribution



## Theme score comparison



TROIKA GERMANY GMBH has been awarded a silver medal in recognition of sustainability achievement! To receive this medal, companies must have an overall score of 59-70.

## 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. TROIKA GERMANY GMBH has a corrective action plan in place and is working on improving their sustainability management system.

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

## 2. ASSESSMENT BENEFITS

### Understand :

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

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

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

### Communicate :

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

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

## 3. ASSESSMENT PROCESS

1

### Customer Request

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

2

### Questionnaire

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

3

### Document Analysis

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

4

### Public Information

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

5

### 360° Watch Findings

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

6

### Expert Analysis

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

### SCORECARD



## 4. ECOVADIS METHODOLOGY

### A. Four Themes and 21 Criteria

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

#### 21 sustainability criteria

#### 1. ENVIRONMENT

##### OPERATIONS

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

##### PRODUCTS

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

#### 2. LABOR & HUMAN RIGHTS

##### HUMAN RESOURCES

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

##### HUMAN RIGHTS

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

#### 3. ETHICS

- Corruption
- Anticompetitive Practices
- Responsible Information Management

#### 4. SUSTAINABLE PROCUREMENT

- Supplier Environmental Practices
- Supplier Social Practices



### B. Seven Management Indicators

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



#### Policies (weight: 25%)

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

#### Actions (weight: 40%)

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

#### Results (weight: 35%)

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

## 5. UNDERSTANDING A SCORECARD

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

### A. Quantitative Information: Scores & Activated Criteria

#### Theme Scores:

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

#### Activated Criteria:

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

#### Non-activated

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

Medium

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

High

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

#### ! Risk countries only

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

### C. The Scoring Scale

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

### B. Qualitative Information: Strengths & Improvement Areas

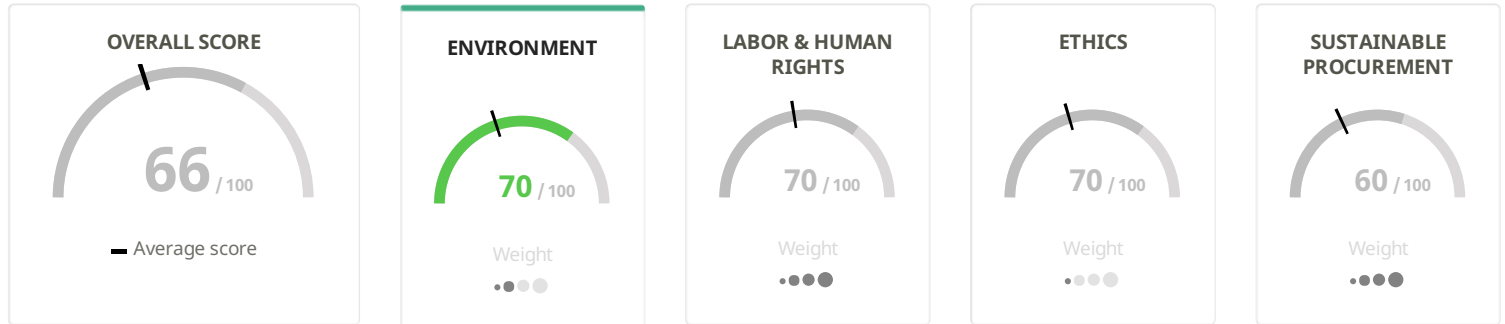
Qualitative information provides more details and insights into a company's score. For each theme, the company is assigned strengths (elements of their sustainability management system that are positive) and improvement areas (elements of their sustainability management system that need to be improved).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

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

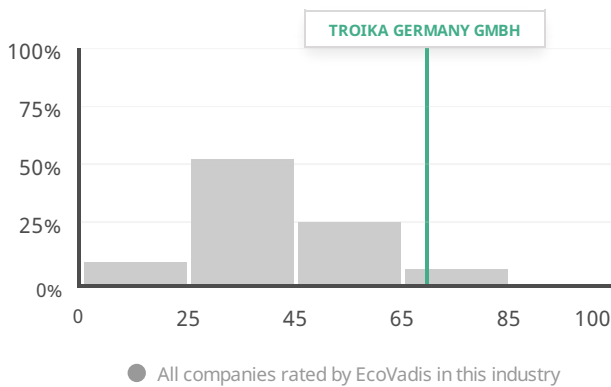
## 6. ENVIRONMENT

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

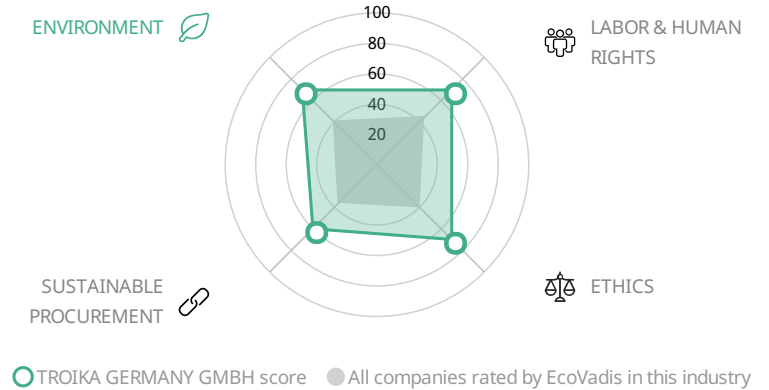
### Environment Score Breakdown



Theme score distribution



Theme score comparison



#### Environment: Activated Criteria

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

#### Environment: Strengths & Improvement Areas

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





**Strengths**

**Policies**

**Environmental policy on environmental services & advocacy**

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**Environmental policy on customer health & safety**

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**Environmental policy on materials, chemicals & waste**

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**Environmental policy on energy consumption & GHGs**

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**Standard policy on a majority of environmental issues**

**Information**

A standard environmental policy includes commitments and/or operational objectives on the main environmental risks the company faces.

**Guidance**

A comprehensive environmental policy includes commitments and/or operational objectives on the majority of environmental risks the company faces, and integrates quantitative objectives (i.e. targets) on those risks. It is also mandatory for the policy to incorporate some of the following organizational elements: scope of application, allocation of responsibilities, and/or a formal review process. Policies are deemed exceptional when all environmental issues are covered by qualitative and quantitative objectives, in addition to all of the aforementioned elements.

**Actions**

**Other actions to promote the sustainable consumption of the company's products or services among the customer base**

**Information**

The company has implemented options to help customers understand, diagnose, reduce, adjust or choose the level of environmental impact related to the product or service they are buying.

**Guidance**

Examples of documents to attach: standard operating procedures, work instructions, Annual Report, CSR/Sustainability Report, etc.

**Use of eco-friendly or bio-based input materials**

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**External partnerships or collection programs established to reuse and recycle major waste streams**

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**Internal sorting & disposal of waste according to waste streams**

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**Reduction of carbon emissions in logistics or optimization of fleet efficiency**

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**Reduction of energy consumption of lighting systems**

**Use of efficient HVAC (heating, ventilation, and air conditioning) equipment**

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**Purchase and/or generation of renewable energy**

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**Energy and/or carbon audit**

**Information**

The company has provided supporting documentation demonstrating that it has performed an energy audit or carbon assessment.

**Guidance**

An energy audit is an inspection, survey and analysis of energy flows, within a building, process or system to reduce energy consumption. An energy audit is the first step in identifying opportunities to reduce energy expense and carbon footprints. Carbon assessment or carbon footprint is a measure of the amount of CO2 or other GHG emissions of a defined process expressed as carbon dioxide equivalent and this can be done using a carbon footprint calculator.

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**Provision of services for reducing paper/carton consumption**

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**Company-specific information to customers on health & safety issues associated with products/services**

**Information**

The company discloses detailed information on their product composition or the associated potential health and safety hazards from the services provided.

**Guidance**

For products, information is made available on the hazard class (e.g. flammable, 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).

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**Provision of eco-friendly packaging materials**

**Information**

The company has provided supporting documentation demonstrating that it provides its products to its 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, compostable 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.

**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**

**Total gross Scope 3 downstream GHG emissions value confirmed in supporting documentation**

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**Reporting on total gross Scope 3 downstream GHG emissions**

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**Reporting on total weight of waste recovered**

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**Total gross Scope 3 GHG emissions reporting value confirmed in supporting documentation**

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**Total Scope 2 reporting value confirmed in supporting documentation**

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**Total Scope 1 reporting value confirmed in supporting documentation**

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**Reporting on total amount of renewable energy consumed**

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**Reporting on total weight of non-hazardous waste**

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**Reporting on total weight of hazardous waste**

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**Reporting on total gross Scope 3 GHG emissions**

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**Materiality analysis in sustainability reporting**

**Reporting on scope 2 GHG emissions**

**Information**

The company reports on GHG emissions from the consumption of purchased electricity, heat or steam (not from its own facilities), according to the Greenhouse Gas Protocol (also called 'indirect emissions').

**Guidance**

Scope 2 emissions exclude GHG emissions from sources that are owned or controlled by the reporting entity (Scope 1 emissions), as well as other indirect emissions, such as GHGs in the supply chain referred to as 'Scope 3' (the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity etc.). The Greenhouse Gas Protocol (GHG Protocol) is an international accounting tool for greenhouse gas emissions. It is the result of a partnership between the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The GHG Protocol Corporate Standard provides standards and guidance to companies and other organizations preparing a GHG emissions inventory. It covers the accounting and reporting of the six greenhouse gases covered by the Kyoto Protocol including CO2, methane, nitrous oxide, HFCs, PFCs and sulphur hexafluoride (SF6).

**Reporting on scope 1 GHG emissions**

**Information**

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

**Guidance**

Scope 1 emissions exclude indirect GHG emissions from consumption of purchased electricity, heat or steam (Scope 2 emissions) as well as other indirect emissions, such as GHGs in the supply chain (the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity etc.). The Greenhouse Gas Protocol (GHG Protocol) is an international accounting tool for greenhouse gas emissions. It is the result of a partnership between the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The GHG Protocol Corporate Standard provides standards and guidance to companies and other organizations preparing a GHG emissions inventory. It covers the accounting and reporting of the six greenhouse gases covered by the Kyoto Protocol including CO2, methane, nitrous oxide, HFCs, PFCs and sulphur hexafluoride (SF6).

**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.

**Improvement Areas**

**Policies**

Low

No quantitative target on environmental issues

**Information**

The company's policy does not contain quantitative objectives or targets on environmental issues.

**Guidance**

Quantitative objectives or targets on environmental issues are considered as fundamental elements of comprehensive policy mechanism. They provide a monitoring framework that helps establish whether policy objectives are being met, and highlight the progress towards set goals. Some examples of specific targets on this topic include quantitative objectives on energy consumption reduction, percentage targets to reduce waste, or targets for a number of products to be eco-labelled. 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 reduce our energy consumption by 20% from 2015 levels).

Low

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

**Results**

High

Insufficient reporting on environmental issues

Medium

Report does not comply with all the mandatory requirements to be in accordance with GRI Universal Standards, GRI Core option or GRI Comprehensive option

**Information**

The company claims to follow GRI (Global Reporting Initiative) which is a reporting standard used to report on sustainability issues but it does not fulfil all the criteria to be considered as fully compliant to one of the 3 compliance levels which are; GRI Universal Standards, GRI Core option or GRI Comprehensive option.

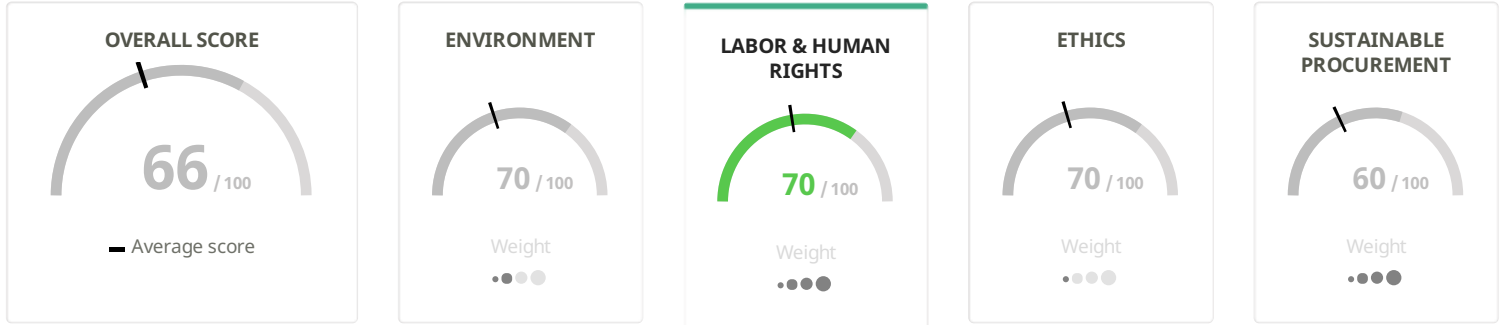
**Guidance**

The GRI Standards are used worldwide by companies for sustainability reporting. This standard helps organizations to extract relevant sustainability related information from their processes and present it to its various stakeholders in a well structured way. While following the GRI content index and by adhering to one the 3 compliance series which are GRI Universal Standards, GRI Core option or GRI Comprehensive option, the company increases its transparency on their contribution to sustainable development.

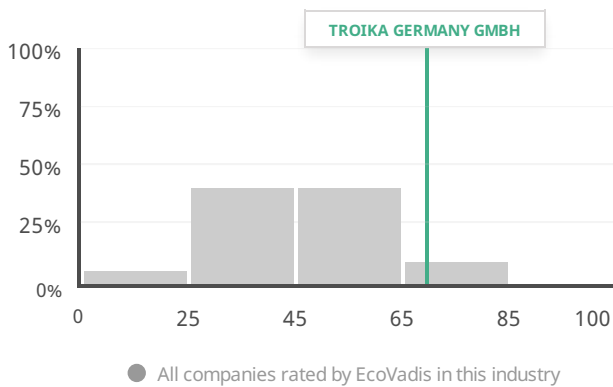
## 7. LABOR & HUMAN RIGHTS

This theme takes into account both internal human resources (e.g. health and safety, working conditions, career management) and human rights issues (e.g. discrimination and/or harassment, child labor).

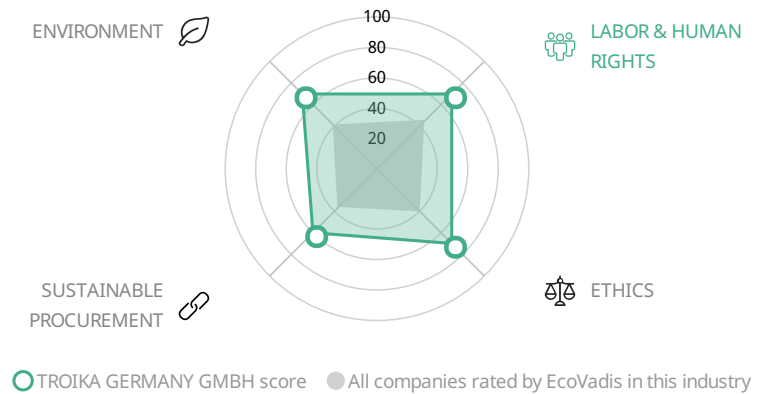
### Labor & Human Rights Score Breakdown



Theme score distribution



Theme score comparison



#### Labor & Human Rights: Activated Criteria

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

#### Labor & Human Rights: Strengths & Improvement Areas

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



**Strengths**

**Policies**

**Labor & human rights policy on diversity, equity & inclusion**

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**Labor & human rights policy on career management & training**

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**Labor & human rights policy on working conditions**

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**Labor & human rights policy on employee health & safety**

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**Standard policy on a majority of labor or human rights issues**

**Information**

A standard labor and human rights policy includes commitments and/or operational objectives on the main labor and human rights risks the company faces.

**Guidance**

A comprehensive labor and human rights policy includes commitments and/or operational objectives on the majority of labor and human rights risks the company faces, and integrates quantitative objectives (i.e. targets) on those risks. It is also mandatory for the policy to incorporate some of the following elements: scope of application, allocation of responsibilities, and/or a formal review process. Policies are deemed exceptional when all labor practice and human rights issues are covered by qualitative and quantitative objectives, in addition to all of the aforementioned elements.

**Endorsement of external initiative on labor or human rights issues**

**Information**

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.

**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 labor and human rights issues, be specific, intergovernmental, multi-stakeholder, 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**

**Actions to improve workstation ergonomics**

**Information**

The company has taken actions to deal with ergonomics issues associated with employees at their different work stations.

**Guidance**

The company has implemented actions to improve workplace ergonomics of employees to minimize risks of workplace related injuries such as repetitive strain injuries. A few examples are providing ergonomic IT equipment, chairs, tools or any other equipment used in work stations. This has been achieved through work instructions or procedures detailing guidelines to improve workplace ergonomics.

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

**Actions to prevent discrimination in professional development and promotion processes**

**Information**

The company has proactive actions in place to avoid discrimination in professional development and promotion processes

**Guidance**

To prevent discrimination in professional development and promotion processes a company must offer equal opportunities for promotion, transfer or other career development to all its employees. Career development opportunities should be clearly communicated to all employees. Training opportunities should be made available to all staff who are in need of improvement.

**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.

**Bonus scheme related to company performance**

**Information**

The company has implemented a bonus program that is related to company performance.

**Guidance**

It should be part of a robust employee contract to include a bonus scheme, but one that takes into account employee performance and company performance. The company has thus implemented a scheme of monetary remuneration for employees beyond base salary, linked to company performance. This is a form of motivation and it boosts the performance of employees.

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

**Information**

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

**Guidance**

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

**Health care coverage of employees in place**

**Actions to promote wage equality in the workplace**



**Actions to prevent discrimination during recruitment phase**

**Information**

The company has proactive measures in place to avoid discrimination during the recruitment phase

**Guidance**

Discrimination is defined as different treatment given to people in hiring, remuneration, training, promotion, and termination. Discrimination can be based on race, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation or age (source: ISO 26000). Some examples of measures to prevent discrimination during the recruitment phase are: to have a predefined procedure covering the selection process, to establish a pre-determined and non-discriminatory role profile for the open position based on skills competencies which the successful applicant must meet, and to encourage diversity amongst applicants.

**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.

**Regular employee health check-up**

**Information**

The company has been conducting regular health screening tests for employees.

**Guidance**

The company has made regular health check arrangements for employees through health service contracts or employee health surveillance procedures. These periodical and relevant occupational health check-ups provided to employees have had a particular focus on the health risk factors that the employees are exposed to at the workplace. Some of the health risks are; exposure to chemicals, potentially dangerous machines, noise, or other potential hazards to allow for early detection of effects on health and timely treatment.

**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.

**Setting of individual career plan for all employees**

**Information**

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

**Guidance**

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

**Training of employees on health and safety risks and best working practices**

**Information**

The company has provided its employees with necessary training to strengthen their knowledge about health and safety risks at work and good working practices.

**Guidance**

The company has provided training with the help of training materials (slide decks, training content summaries) and/or evidence of training execution (progress reports, certificates of completion, attendance sheets) to demonstrate the execution of training programs regarding health and safety risks at work and good working practices. A best practice is to have a training matrix which helps to keep track of which employees have been trained, the date of the training, the training topic, and expected dates for refresher trainings. Monitoring of training attendance certificates is also suggested. It is also a best practice to have the training carried out in the language that the employees understand best and to carry out tests or quizzes to ensure training concepts have been successfully transmitted to participants.

**Results**

**Reporting on the percentage of employees from minority and/or vulnerable groups in the whole organization**

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

**Reporting on average training hours per employee**

**Materiality analysis in sustainability reporting**

**Reporting on accident severity rate**

**Information**

The company reports, either through formal documentation or questionnaire declaration, on the accident severity rate among its employees for the last reporting year.

**Guidance**

The accident severity rate (or Lost Time Injury Severity Rate) measures the time lost due to occupational injuries in relation to the total amount of time worked. It indicates how severe the accidents were and how long the injured employees were out of work as a result of disabling injuries. The calculation method varies from country to country; for instance in the way lost time injury events are determined or what baseline is used to calculate the rate. In the UK it is calculated as follows:  $[(\text{number of days lost due to injuries}) \times 200,000 / \text{total hours worked}]$ , whereas in France it is:  $[(\text{number of days lost due to injuries}) \times 1000 / \text{total hours worked}]$ . In India, the rate is calculated as  $[(\text{number of days lost due to injuries}) \times 1,000,000 / \text{total hours worked}]$ .

**Reporting on accident frequency rate**

**Information**

The company reports, either through formal documentation or questionnaire declaration, on the accident frequency rate among its employees for the last reporting year.

**Guidance**

The accident frequency rate (or the lost time injury frequency rate) measures the number of lost time injuries in relation to the total number of hours worked by employees. It indicates the extent to which injury accidents are repeated over time and their number of occurrence. The calculation method varies from country to country, depending for instance on the way lost time injury events are determined or the baseline used to calculate the rate. In the UK it is calculated as follows:  $[(\text{total number of lost time injury events}) \times 100,000 / \text{total hours worked}]$ , whereas in USA it is:  $[(\text{total number of lost time injury events}) \times 200,000 / \text{total hours worked}]$ . In France or Japan, the rate is calculated as  $[(\text{total number of lost time injury events}) \times 1,000,000 / \text{total hours worked}]$

**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**

**Policies**

Low

No quantitative target on labor and human rights issues

**Information**

Company policy does not contain quantitative targets on labor and human rights issues.

**Guidance**

Quantitative objectives or targets on labor and human rights issues are considered as fundamental elements of comprehensive policy mechanism. They provide a monitoring framework that helps establish whether policy objectives are being met, and highlight the progress towards set goals. Some examples of specific targets on this topic include quantitative objectives on health & safety indicators (i.e. accident frequency and accident severity rates), quantitative objectives on percentage of employees trained on discrimination and quantitative objectives on number of employees covered by social benefits. As policy elements, targets can be expressed in absolute or relative terms and must have a valid future deadline (i.e. by 2020 we commit to train 100% of employees on discrimination).

**Results**

Medium

Report does not comply with all the mandatory requirements to be in accordance with GRI Universal Standards, GRI Core option or GRI Comprehensive option

**Information**

The company claims to follow GRI (Global Reporting Initiative) which is a reporting standard used to report on sustainability issues but it does not fulfil all the criteria to be considered as fully compliant to one of the 3 compliance levels which are; GRI Universal Standards, GRI Core option or GRI Comprehensive option.

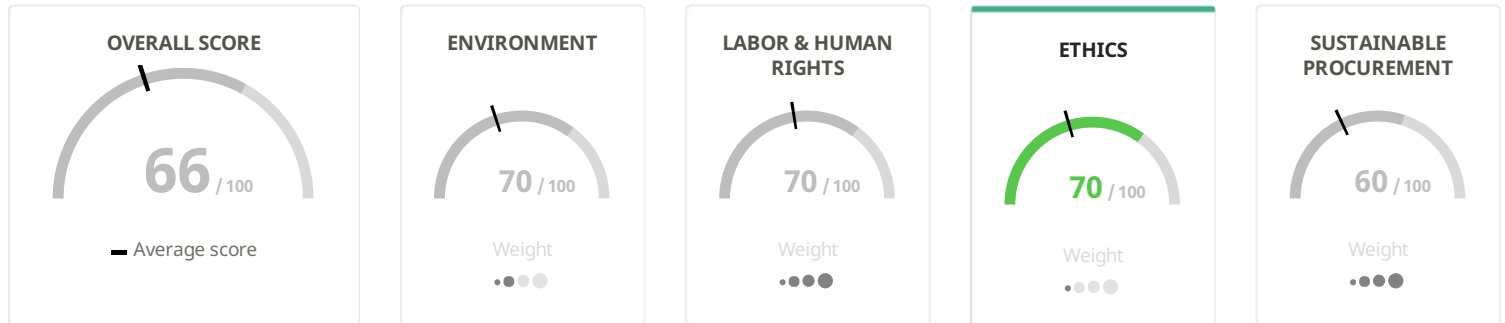
**Guidance**

The GRI Standards are used worldwide by companies for sustainability reporting. This standard helps organizations to extract relevant sustainability related information from their processes and present it to its various stakeholders in a well structured way. While following the GRI content index and by adhering to one the 3 compliance series which are GRI Universal Standards, GRI Core option or GRI Comprehensive option, the company increases its transparency on their contribution to sustainable development.

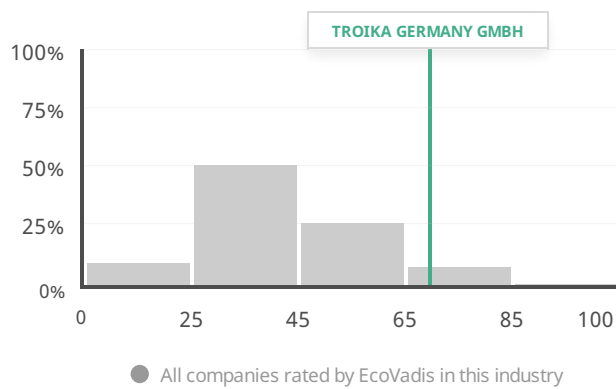
## 8. ETHICS

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

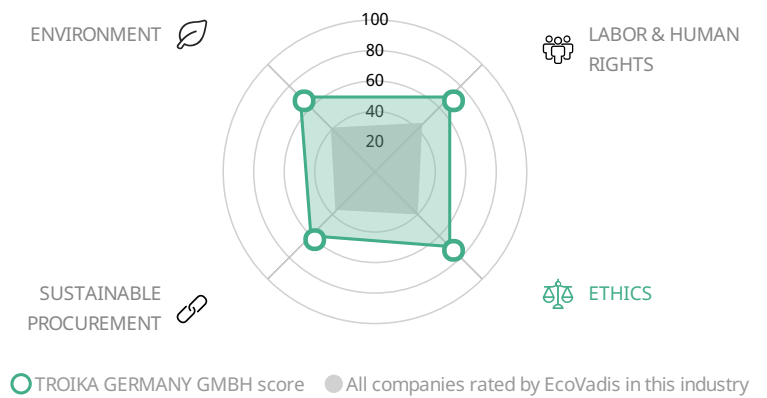
### Ethics Score Breakdown



Theme score distribution



Theme score comparison



#### Ethics: Activated Criteria

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

#### Ethics: Strengths & Improvement Areas

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



**Strengths**

**Policies**

**Standard policy on a majority of ethics issues**

**Policy on fraud**

**Policy on money laundering**

**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 ethics 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.

**Actions**

**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.

**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.

**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.

**Specific approval procedure for sensitive transactions (e.g. gifts, travel)**

**Information**

The company has implemented 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.

**Results**

**Materiality analysis in sustainability reporting**

**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 anti-competitive 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**

Low

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

**Actions**

High

No conclusive documentation regarding corruption risk assessments

**Information**

No company declaration and no evidence within the supporting documentation regarding the implementation of a periodic corruption & bribery risk assessments.

**Guidance**

Risk assessment are a formal process of evaluating and predicting the consequences (positive or negative) of a hazard and their likelihoods/probabilities. Periodic corruption and bribery risk assessments allow a company to identify potential bribery and corruption risks, rate the likely occurrence and the potential impact of the risks, select the appropriate anti-corruption controls, and develop an action plan. Such assessments ensure the presence of a strong compliance program and help to develop a more robust approach to counter bribery and corruption activities by the organization.



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 regarding an anti-corruption due diligence program on third parties

**Information**

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

**Guidance**

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

Low

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

## Results

Medium

Report does not comply with all the mandatory requirements to be in accordance with GRI Universal Standards, GRI Core option or GRI Comprehensive option

## Information

The company claims to follow GRI (Global Reporting Initiative) which is a reporting standard used to report on sustainability issues but it does not fulfil all the criteria to be considered as fully compliant to one of the 3 compliance levels which are; GRI Universal Standards, GRI Core option or GRI Comprehensive option.

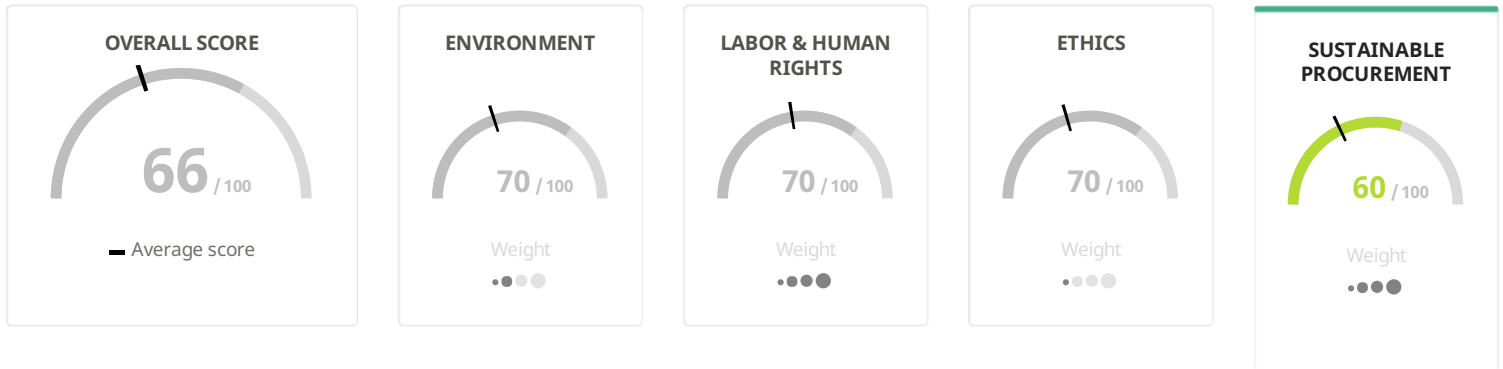
## Guidance

The GRI Standards are used worldwide by companies for sustainability reporting. This standard helps organizations to extract relevant sustainability related information from their processes and present it to its various stakeholders in a well structured way. While following the GRI content index and by adhering to one the 3 compliance series which are GRI Universal Standards, GRI Core option or GRI Comprehensive option, the company increases its transparency on their contribution to sustainable development.

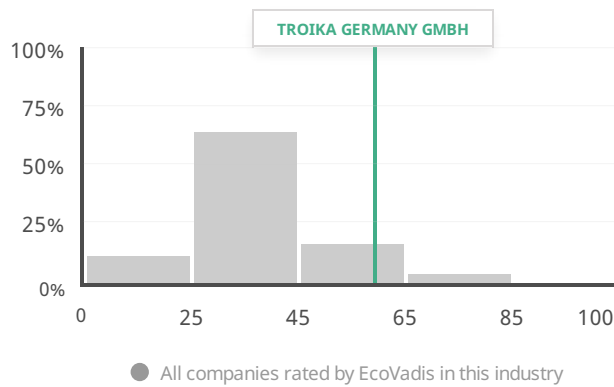
## 9. SUSTAINABLE PROCUREMENT

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

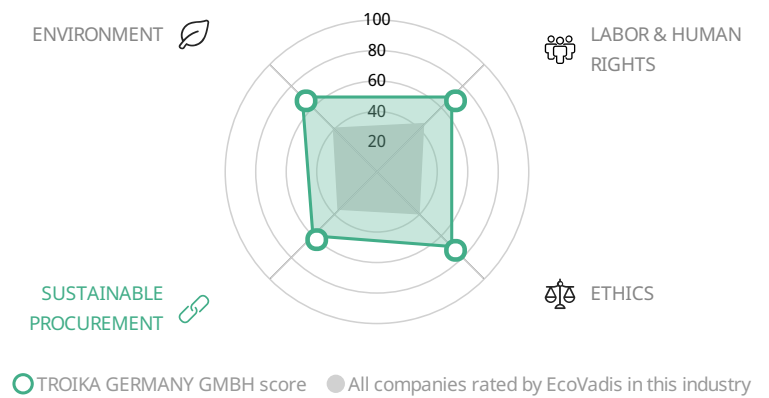
### Sustainable Procurement Score Breakdown



Theme score distribution



Theme score comparison



#### Sustainable Procurement: Activated Criteria

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

#### Sustainable Procurement: Strengths & Improvement Areas

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



**Strengths**

**Policies**

**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 environmental issues in addition to social 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**

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

**Performing suppliers on environmental and social issues have access to unique incentives (e.g. supplier awards, preferred supplier program, access to RFPs)**

**Information**

The company provides evidence in supporting documentation regarding performing suppliers on environmental and social issues have access to unique incentives

**Guidance**

Suppliers performing well on the sustainability front are given preferential treatment as a means to motivate them to continue or improve on their current CSR performance. Examples of evidence could be: awards that are typically found in CSR reports or other publicly available documents, procedural documents for the process that determines how suppliers are incentivized.

**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).

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

**Information**

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

**Guidance**

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

**On-site audits of suppliers on environmental or social issues**

**Information**

The company's supporting documentation demonstrates evidence of on-site supplier audits on environmental and/ or social issues through audit reports or third party audit certificates.

**Guidance**

Evidence of internal/external on site audits is recent enough (i.e. less than 12 months). Audits can be announced or unannounced and are systematically conducted at least for suppliers most exposed to sustainability risks. External audits are carried out by credible third party auditors and recognized environmental and/or social auditing standards are utilized (e.g. SMETA, EICC). Audits are directly conducted via field visits, i.e. on the suppliers' operational sites and/or business premises.

**Regular supplier assessment (e.g. questionnaire) on environmental or social practices**

**Information**

The company provides evidence in supporting documentation of supplier assessments (in-house, 3rd party, or self-assessments) on environmental (including regulatory issues), social and/or ethical issues.

**Guidance**

Supplier sustainability assessments are an effective way to obtain and validate pertinent information from suppliers on sustainability issues to facilitate a better understanding of supplier performance. These are often requested by the company undergoing the EcoVadis evaluation to their own suppliers. Sustainability supplier assessments can be done through checklists, questionnaires or online forms and can be conducted by the client (undergoing the EcoVadis evaluation), a reliable third party or by the supplier itself. The objectives of such assessments are to identify general and sustainability-related practices as well to help identify high-risk suppliers and the need for further risk mitigation actions.

**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.

**Results**

**Total gross Scope 3 upstream GHG emissions value confirmed in supporting documentation**

**Reporting on total gross Scope 3 upstream GHG emissions**

**Declares using no tin, tantalum, tungsten, gold, and/or their derivatives (Not verified)**

**Materiality analysis in sustainability reporting**

**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**

Medium

No conclusive documentation on sustainability risk analysis (i.e. prior to supplier assessments or audits)

Medium

No conclusive documentation on the training of buyers on social and environmental issues within the supply chain

**Results**

Medium

Report does not comply with all the mandatory requirements to be in accordance with GRI Universal Standards, GRI Core option or GRI Comprehensive option

**Information**

The company claims to follow GRI (Global Reporting Initiative) which is a reporting standard used to report on sustainability issues but it does not fulfil all the criteria to be considered as fully compliant to one of the 3 compliance levels which are; GRI Universal Standards, GRI Core option or GRI Comprehensive option.

**Guidance**

The GRI Standards are used worldwide by companies for sustainability reporting. This standard helps organizations to extract relevant sustainability related information from their processes and present it to its various stakeholders in a well structured way. While following the GRI content index and by adhering to one the 3 compliance series which are GRI Universal Standards, GRI Core option or GRI Comprehensive option, the company increases its transparency on their contribution to sustainable development.

## 10. 360° WATCH FINDINGS



10 Aug 2023 |

Impact on score

**Neutral →**

No records found for this company on Compliance Database

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 Environment
 Labor & Human Rights
 Ethics
 Sustainable Procurement

360° Watch Findings comprise relevant public information about companies' sustainability practices that have been identified via more than 10,000 data sources (including NGOs, press and trade unions). 360° Watch Findings are incorporated into the EcoVadis assessment and can have positive, negative or no score impact.


### EcoVadis is connected to the following international sources:

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


## 11. SPECIFIC COMMENTS

Additional comments from our analysts pertaining to the assessment.

### Specific comments

 No records found in third party risk and compliance database.

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 Despite the company implementing measures regarding sustainable procurement issues, policies are not formalized or are only basic.

## 12. CONTACT US

Any questions or need help? Visit our Help Center at [support.ecovadis.com](https://support.ecovadis.com)



# APPENDIX:

## INDUSTRY RISK PROFILE

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

EcoVadis determines industry based on the International Standard Industrial Classification of All Economic Activities (ISIC), which is a compilation of all global economic activities published by the United Nations Statistical Commission. Its main purpose is to provide a set of activity categories that can be utilized for the collection and reporting of statistics according to such activities.

It is possible that a company has operations in more than one industry. In these cases, EcoVadis classifies companies based on their main area of operation, as determined by sustainability risk and/or total revenue.

## CRITERIA ACTIVATION BY THEME:

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

### Environment

<b>Medium</b>	Energy consumption & GHGs
Non-activated	Water
Non-activated	Biodiversity
Non-activated	Air Pollution
<b>Medium</b>	Materials, Chemicals & Waste
Non-activated	Product Use
Non-activated	Product End-of-Life
<b>Medium</b>	Customer Health & Safety
<b>Medium</b>	Environmental Services & Advocacy

### Labor & Human Rights

<b>High</b>	Employee Health & Safety
<b>Medium</b>	Working Conditions
<b>Medium</b>	Social Dialogue
<b>Medium</b>	Career Management & Training
Non-activated	Child Labor, Forced Labor & Human Trafficking
<b>Medium</b>	Diversity, Equity and Inclusion
Non-activated	External Stakeholder Human Rights

### Ethics

<b>Medium</b>	Corruption
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Medium

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 Wholesale of other household 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 CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC, PFC and SF<sub>6</sub>. Also includes production of renewable energy by the company.

#### Industry issues

Companies engaged in wholesale activities require energy consumption for administrative offices and warehousing facilities (lighting, heating, etc.), as well as the transportation of goods, which requires a significant amount of fuel energy. There are numerous ways to reduce energy consumption and emissions caused by these activities of transportation and storage such as optimization of routes for transport vehicles, improvement of energy efficiency of building (through heating systems, insulation etc.). Wholesalers with internal transport fleets can also reduce consumption, and therefore GHG emissions, through the use of low-emission, fuel efficient vehicles.

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. SO<sub>x</sub>, NO<sub>x</sub>).

#### Industry issues

For companies engaged in wholesale activities, the primary source of waste is from packaging that consists of plastic and cardboard, and materials necessary for transportation of products, including wooden pallets. Generally, these waste materials are the result of damage during the shipping process which, in such situations, require repackaging of products prior resale. Less significant waste sources for wholesalers include office waste such as paper and ink toner cartridges. The environmental impacts of waste from wholesale companies can be reduced by recycling plastics and cardboard, recycling pallets and marketing and promoting products via on-line sources rather than the distribution of paper catalogs.

Medium

Customer Health & Safety

#### Definition

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

#### Industry issues

Although wholesale companies don't manufacture the products that they sell, they should choose to sell products that meet certain health and safety standards. Plastic products, including those used as promotional products, potentially contain harmful substances, particularly when they are manufactured in countries with weak product health and safety laws and/or institutions to enforce existing laws. Companies engaged in wholesaling activities should have HACCP and product recall programs in place for potential post-sale product breaches. Additionally, wholesalers should monitor where the products they purchase originate in order to provide more supply chain transparency.

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**

Household goods include a wide range of products with different specifications, some of which are more sustainably manufactured than other. As a result of the available household products on the market, wholesale companies can have a substantial impact on consumption habits by choosing to market only products with reduced environmental and social impacts. The ability to include in their catalogs items with reduced impacts can provide the necessary incentive for suppliers and customers to produce and source sustainable materials and products (e.g. solar powered equipment, recyclable stationery, and wooden items sourced from sustainable forestry). Just as sustainability has become a priority for food and beverage wholesalers as a result of market demands, it will likely become a growing strategic issue in the wholesale of household goods(1).



Labor & Human Rights

Importance

Sustainability issue

High

Employee Health & Safety

**Definition**

Deals with health and safety issues encountered by employees at work i.e. during operations and transport. Includes both physiological and psychological issues arising from, among others, dangerous equipment, work practices and hazardous substance.

**Industry issues**

While wholesalers are generally not engaged in manufacturing activities, product assembly is often a secondary service that wholesalers provide; therefore, employee health and safety measures should be implemented at all offices and warehouses. In office settings, non-ergonomic working stations, stress and psychological issues can result without adequate measures. In warehouse facilities, health and safety issues that require attention include machinery operations, product chemical exposure, and repetitive strain disorder associated with heavy lifting. In order to reduce employee health and safety risks, wholesale companies must implement necessary measures, including training related to lifting and sitting techniques, forklift and vehicle training, and hazardous material handling measures.

Medium

Working Conditions

**Definition**

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

**Industry issues**

According to PwC's Global Generational Study, given the opportunity, 64% of Millennials (and 66% of non-Millennials) would like to occasionally work from home(2). Apart from standard working conditions applicable to any activity (e.g. working hours, holidays, wages and benefits), companies engaged in wholesale activities face non-specific issues due to the manufacturing activity involving employees, but because of the heavy lifting necessary in warehouses, excessive working hours in this sector can become an employee health and safety issue. Measures such as shift allowance, personal & medical insurance can be to improve work/life balance by reducing the consequences of their position in their life outside of work.

Medium

Social Dialogue

**Definition**

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

**Industry issues**

The Global poll 2012 led by the International Trade Union Confederation (ITUC) shows that 70% of workers from 13 countries worldwide think current labor laws provide inadequate legal protection on wages, and 44% think the legal framework does not ensure reasonable working hours(3). A sound and structured social dialog is thus of importance.

Medium

Career Management & Training

**Definition**

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

**Industry issues**

A strong workforce provides the basis for a successful company. In order to foster their commitment, manufacturers of furniture must continually invest in training and development of their employees. While health and safety is critical and is part of the section on employee health & safety, technical developments mean continual training on more general issues to the industry is of importance for employees in this sector.

Medium

Diversity, Equity and Inclusion

**Definition**

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

**Industry issues**

Promoting diversity through non-discrimination policies and practices has positive impacts on both workplace motivation and has been shown to Diversity at work on the other hand is believed to have positive impacts on companies' financial performance. When effective non-discrimination policies not in place however, companies risk financial penalties in countries that have laws and regulations prohibiting discrimination based on various personal characteristics. Given the low-skilled workforce engaged in warehousing operations, the sector attracts immigrants, refugees and other under-represented (vulnerable) groups, which should be provided equal opportunities to access jobs.



Ethics

Importance

Sustainability issue

Medium

Corruption

**Definition**

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

**Industry issues**

Corruption and bribery issues are major issues for any company, particularly when operating in risk countries. Regulations such as the Foreign Corrupt Practice Act (FCPA) in the US address these issues and make it unlawful to offer or accept payments for the purposes of obtaining special privileges or retaining business. The wholesale sector’s position in global supply chains exposes companies to incentives, including bonus structures and discounting that cross ethical boundaries or can be perceived as bribery. Additionally, wholesalers source products from, and transport sourced products through, identified high risk countries exposing them to incentives to pay bribes or engage in fraudulent book-keeping in order to cover bribes payed. Wholesale companies must implement measures to prevent corruption and bribery in their operations(4). Effective measures include anti-corruption training and whistle-blower systems.

Medium

Anticompetitive Practices

**Definition**

Deals with anti-competitive practices including among others: bid-rigging, price fixing, dumping, predatory, pricing, coercive monopoly, dividing territories, product tying, limit pricing, and the non respect of intellectual property.

**Industry issues**

Wholesalers, by the very nature of their business, are in a unique position of the supply chain, that enables anti-competitive practices by manufacturers and retailers. Buyer-seller Institutions of concern for the wholesale sector include bonus systems used by manufacturers to encourage wholesalers to market their products more heavily than those of competitors’. As an example, Coca-Cola was accused of verbally offering product discounts and loyalty bonuses to retailers in return for replacing rival products with its own(5). Similar accusations have been made in recent years of the British supermarket industry engaging in price-fixing through the use of exclusivity clauses that denied market access for smaller manufactures. Such practices, in addition to price-fixing and dumping schemes can impact large wholesaler public reputations and, as is often the case, result in extensive financial penalties as a result of increased efforts by numerous countries to prevent these practices.

Medium

## 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. Third-party 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(7). 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(8). 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 jurisdictions.





Sustainable Procurement

Importance

Sustainability issue

High

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**

Many of the products that household good wholesalers source are manufactured in identified high risk countries. Issues persist in manufacturing facilities related to process energy consumption and GHG emission, primarily in the manufacture of plastic promotional products. Additionally, wholesale companies are subjected to product safety issues that result from manufacturing processes, including the presence of hazardous materials and substances in certain goods. Not only can such chemicals harm customers at the end of the supply chain, but wholesale company workers can be injured if Material Safety Data Sheet (MSDS) information is not provided regarding the chemicals present in products. Wholesalers should engage suppliers in best management practices and provide suppliers with sustainable specifications in adherence with regional regulations related to chemical usage. Factory audits, particularly in identified high risk countries, are also effective tools to mitigate product safety and process concerns.

High

Supplier Social Practices

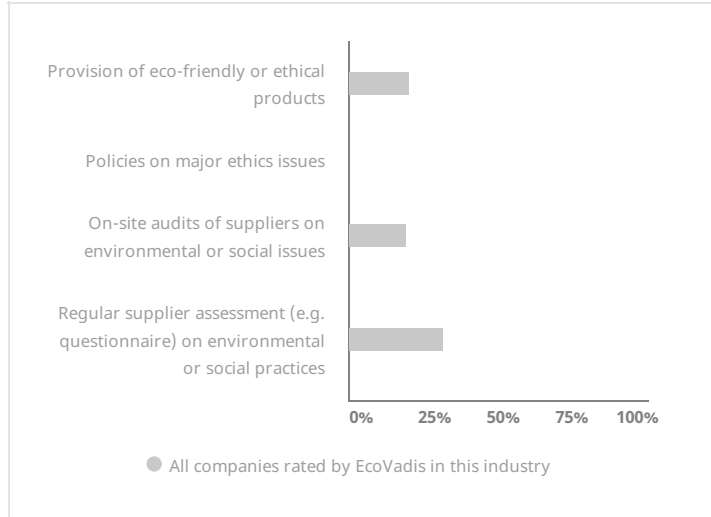
**Definition**

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.

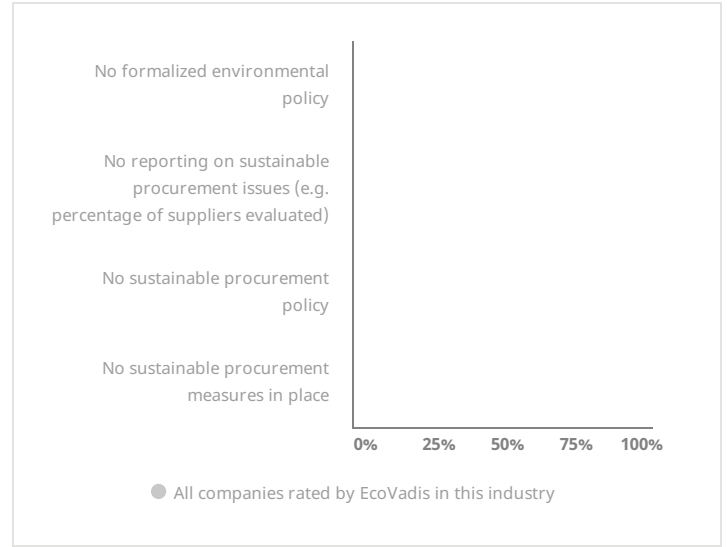
**Industry issues**

As noted in Supplier Environmental Practices criteria, much of the manufacturing worldwide occurs in identified high risk countries, which requires an effective sustainable procurement program to prevent labor, human rights and unethical situations from occurring. The manufacturing location, combined with the low-skilled workforce and vulnerable social status that characterize the manufacturing labor market set the ground for potential human rights abuses, including poor working conditions, or the inability to join unions in many countries. This creates a volatile supply chain that increases reputation and logistical risks for wholesalers. Social audits should be performed on manufacturing facilities located in identified high risk countries. They can be followed-up by capacity building efforts to scale labor and human rights management practices to mitigate the risks for wholesale companies.

### Key industry Strengths



### Key industry Improvement Areas



**Sustainability KPIs Overview**

KPI	All companies rated by EcoVadis in this industry
<b>Active whistleblowing procedure in place</b>	28%
<b>Audit or assessment of suppliers on CSR issues</b>	34%
<b>Carbon disclosure project (CDP) respondent</b>	9%
<b>Global Compact Signatory</b>	12%
<b>ISO 14001 certified (at least one operational site)</b>	33%
<b>OHSAS 18001/ISO 45001 certification or equivalent (at least one operational site)</b>	21%
<b>Policy on sustainable procurement issues</b>	25%
<b>Reporting on energy consumption or GHGs</b>	35%
<b>Reporting on health &amp; safety indicators</b>	25%

## Main Regulations and Initiatives

### Code of conduct by IPPAG (International Partnership for Premiums and Gifts)

[http://www.ippag.net/code\\_of\\_conduct.html?PHPSESSID=80e188610136d17118c2c2ab420e02f9](http://www.ippag.net/code_of_conduct.html?PHPSESSID=80e188610136d17118c2c2ab420e02f9)

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

 Environment

### Code of business practices by ICTI (International Council of Toys Industries) June 2001

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

ICTI (International Council of Toys Industries) promotes international toy safety standards and a responsible attitude to advertising and marketing to children.

    All themes

### Code of conduct by PPP (Platform Promotional Products)

[http://www.ppp-online.nl/assets/.../PPP\\_MVO\\_Certificatieschema\\_voor\\_druk.do](http://www.ppp-online.nl/assets/.../PPP_MVO_Certificatieschema_voor_druk.do)

The Platform Promotional Products (PPP) is a Netherland Association of business in the trade of promotional products founded in autumn 2002, that has 300 members. Members commit themselves to signing the Code of Conduct.

    All themes

### Standard ISO 14000 (International Standard Organisation)

[http://www.iso.org/iso/iso\\_14000\\_essentials](http://www.iso.org/iso/iso_14000_essentials)

The ISO 14000 family addresses various aspects of environmental management

 Environment

### International Labor Organization's Fundamental Conventions

[http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---declaration/documents/publication/wcms\\_095895.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_095895.pdf)

 Regulatory


The Governing Body of the International Labour Office has identified eight Conventions as fundamental to the rights of human beings at work. These rights are a precondition for 12 the others in that they provide a necessary framework from which to strive freely for the improvement of individual and collective conditions of work.

 Labor & Human Rights

### Standard Social Accountability 8000 (SA8000)

<http://www.sa-intl.org/index.cfm?fuseaction=Page.viewPage&pageId=617&parentID=473>

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

 Labor & Human Rights

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

<http://www.globalreporting.org/ReportingFramework/SectorSupplements/LogisticsAndTransportation/LogisticsAndTransportation.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.

    All themes

### Charte 2FPCO (fédération française des professionnels de la communication par l'objet)

<http://www.2fpc.com/adhesion.html>

The Fédération Française des Professionnels de la Communication par l'objet (2FPCO) is a French Association of Promotional items companies. It has developed a chart that all member of the association has to endorse.


    All themes

### Universal Declaration of Human Rights

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

 Regulatory


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

 Labor & Human Rights

### Standard OHSAS 18001 (Occupational Health and Safety Assessment Series)

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

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

 Labor & Human Rights

**Foreign Corrupt Practices Act of 1977**

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

 Regulatory

The Foreign Corrupt Practices Act of 1977 (FCPA) prohibits payments, gifts, or Practices Act contributions to officials or employees of any foreign government or government-owned business for the purpose of getting or retaining business.

 **Ethics**

**United Nations Global Compact (10 principles)**

<http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html>

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of ten principles in the areas of human rights, labour standards, the environment, and anti-corruption:

 **All themes**

**Standard Global Reporting Initiative's (GRI)**

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

The GRI is a network-based organization, that has set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.

 **All themes**

**Carbon disclosure project**

<https://www.cdp.net>

CDP is an international, not-for-profit organization providing the only global system for companies and cities to measure, disclose, manage and share vital environmental information.


 **Environment**

**United Nations Convention against Corruption (UNCAC)**

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

 Regulatory

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

 **Ethics**

**OECD guidelines for multinational enterprises**

[http://www.oecd.org/about/0,2337,en\\_2649\\_34889\\_1\\_1\\_1\\_1\\_1,00.html](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.

 **All themes**

**Standard ISO 26000 (International Standard Organisation)**

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

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

 **All themes**

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### 8- Andrew Roberts, 2015, Legal Ramifications of Data Breaches.

<https://www.stratokey.com/blog/Legal-ramifactions-of-data-breaches>

### 9- Supermarket Sweep

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# TROIKA GERMANY GMBH

Müschbach - Germany | Wholesale of other household goods

Publication date: 31 Aug 2023

Valid until: 31 Aug 2024



66 / 100

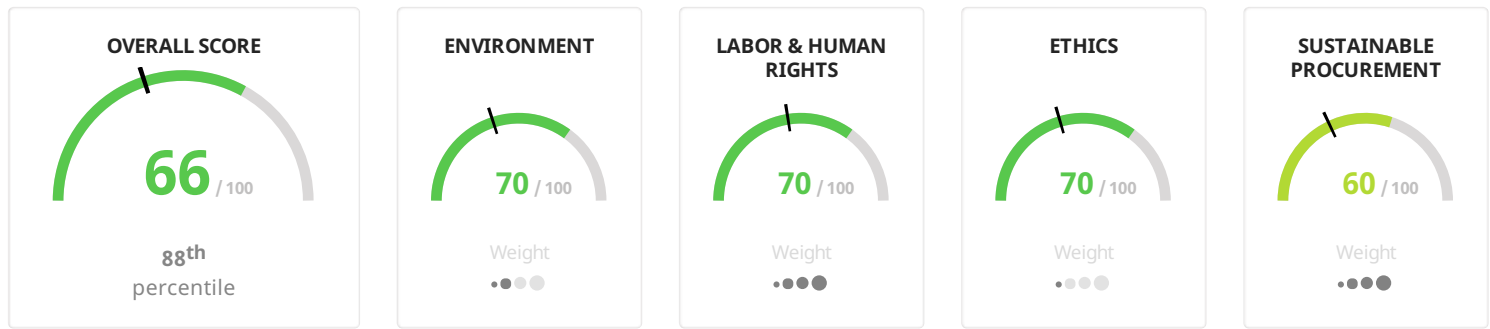
88th percentile

## SUSTAINABILITY PERFORMANCE OVERVIEW

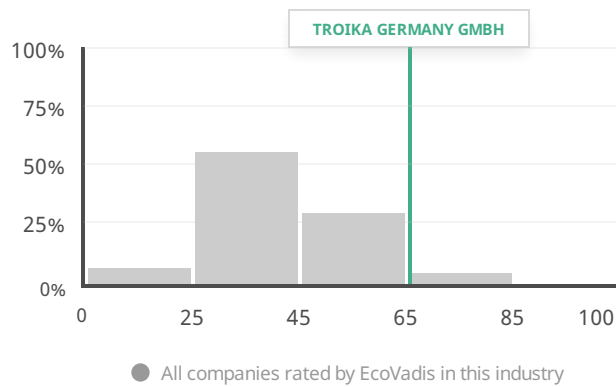
### Score breakdown

TROIKA GERMANY GMBH sustainability performance is: **Advanced**

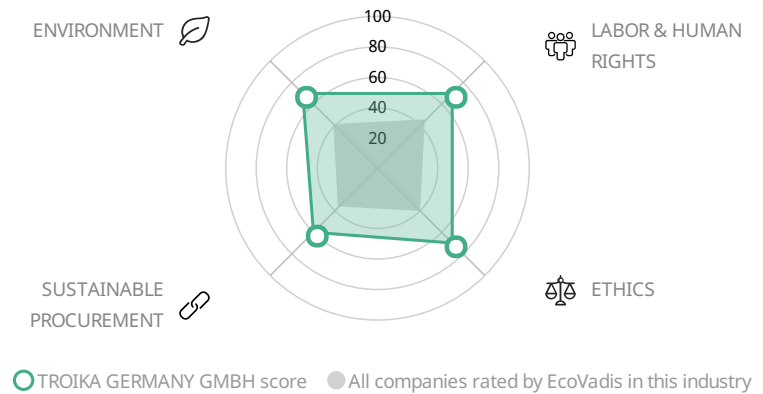
Sustainability performance: ● Insufficient ● Partial ● Good ● Advanced ● Outstanding — Average score



### Overall score distribution



### Theme score comparison



\* 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.

**ABOUT ECOVADIS**

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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.

**Our Mission**

To reliably assess companies’ sustainability performance, providing them with comprehensive feedback, benchmarking and tools allowing them to embark upon a journey of continuous improvement.

**Our Expertise**

- Sustainability: 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.
- Innovative technology: we offer access to web-based solutions, where companies can access the EcoVadis Scorecard and share information. These are highly secure online solutions which guarantee the safety of our users’ data.

**Our Methodology**

The EcoVadis methodology is based on international sustainability standards (Global Reporting Initiative, United Nations Global Compact, ISO 26000), and supervised by a scientific committee of sustainability and supply chain experts, to ensure reliable third-party sustainability assessments.

**Our Users**

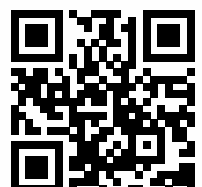
- Thousands of companies use the EcoVadis Ratings platform every month to respond to sustainability assessment requests from customers, set and maintain corrective action plans and centralize sustainability-related documents.
- Over 700 multinational companies use EcoVadis to monitor the sustainability performance of their trading partners, including:



**Contact**

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www.ecovadis.com





# TROIKA®

**Reporting of Sustainability Performance  
Sustainability Report of TROIKA Germany GmbH for  
the Reporting Year 2022**

Status: 07.07.2023

Table of contents

**FOREWORD..... 2**

**KEY SUSTAINABILITY MANAGEMENT ISSUES - MATERIALITY ANALYSIS ..... 3**

**STAKEHOLDER ANALYSIS..... 3**

**IMPACTING RISKS AND EFFECTS OF OUR ACTIVITIES - DOUBLE MATERIALITY ..... 3**

SOCIAL IMPACTS & EFFECTS ..... 3

GOVERNANCE IMPACTS & EFFECTS ..... 4

ECOLOGICAL IMPACTS & EFFECTS..... 4

**KEY SUSTAINABILITY ISSUES..... 4**

**SUSTAINABILITY MANAGEMENT REPORTING IN 2022..... 6**

**FULFILLING OUR SOCIAL RESPONSIBILITY ..... 6**

WORKING CONDITIONS ..... 6

CAREER MANAGEMENT AND CONTINUING EDUCATION ..... 7

OCCUPATIONAL SAFETY AND HEALTH ..... 8

**EXERCISING DUE DILIGENCE - GOVERNANCE ..... 8**

SUSTAINABLE PROCUREMENT..... 8

ETHICAL BEHAVIOR & INFORMATION SECURITY..... 9

**OUR RESPONSIBILITY FOR ACTIVE ENVIRONMENTAL PROTECTION ..... 10**

RESOURCE AND ENERGY CONSUMPTION..... 10

WASTE MANAGEMENT AND MATERIAL CONSUMPTION ..... 10

GREENHOUSE GAS EMISSIONS ..... 12

**OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS - THE SDGs ..... 12**

**REPORTING OF KEY SUSTAINABILITY INDICATORS ..... 14**

**EQUALITY AND DIVERSITY - GRI INDICATORS 401; 405..... 14**

**CAREER MANAGEMENT AND HEALTH - GRI INDICATORS 403; 404..... 14**

**ECOLOGICAL INDICATORS - GRI INDICATORS 302; 305; 306 ..... 14**

**CO<sub>2</sub> BALANCE SHEET 2022 - GRI INDICATOR 305 ..... 16**

**INTRODUCTION ..... 16**

**PROCEDURE ..... 16**

**SCOPE..... 16**

**OVERALL RESULT ..... 16**

**SCOPE 1 ..... 18**

**SCOPE 2 ..... 18**

**SCOPE 3 ..... 19**

**Foreword**

As part of its commitment to social and environmental corporate responsibility, TROIKA Germany GmbH will prepare a sustainability report for the year 2022.

TROIKA is a modern, medium-sized, family-run company that specializes in the production and distribution of promotional items.

This report on our social, environmental and economic performance in 2022 is aligned with the GRI (Global Reporting Initiative) framework.

### **Key sustainability management issues - materiality analysis**

In order to be able to arrange the measures of the sustainability strategy and the reporting in the essential aspects of the activities of TROIKA Germany, a stakeholder and materiality analysis was carried out in the context of sustainability.

The aim is to embody TROIKA's values with the vision and sustainability strategy and at the same time to be able to make a contribution to sustainable development. Through the stakeholder and materiality analysis, the sustainability strategy should develop in the core business and create a balance between economic, social and ecological aspects.

### **Stakeholder analysis**

As part of the materiality analysis, TROIKA's business relationships and interest groups were considered.

The most important stakeholders include the various customer groups. These are divided into specialist retailers, promotional products retailers, and private end customers. Other key stakeholders include the producers of the products in Asia, as well as logistics companies in Germany and abroad.

### **Impacting risks and effects of our activities - double materiality**

With reference to the context of the organization and the requirements of key stakeholders, the dual materiality approach was followed to consider, on the one hand, the "outside-in" impacts on TROIKA and the "inside-out" impacts caused by our activities. This holistic approach was carried out to identify the material sustainability management issues.

#### **Social impacts & effects**

The biggest risk factors in the social area are accidents at work on the one hand, and the lack of availability of the workforce due to the loss of top performers, illness or mental stress on the other. Both areas are key topics of our sustainability management.

In addition, issues affecting society as a whole must also be considered in the social sphere. Diversity, inclusion and working conditions are among the most important aspects here.

Respect for human rights along the entire value chain is one of the most important corporate due diligence obligations for us. We therefore base our human rights due diligence not only on the principles of the United Nations Guiding Principles on Business and Human Rights, but also on the industry standard.

Our business activities and operations give rise to current and potential social impacts along the value chain. Potential negative impacts include disregard for working conditions and human rights in our upstream processes. In our in-house processes, accidents are the biggest potential impact.

Existing social impacts are, on the one hand, the creation of workplaces in Asia that offer working conditions that exceed legal requirements through appropriate verification audits and specifications. Secondly, we also offer our employees good working conditions. Flexible choice of working place and time, occupational health care and the possibility to combine work and family are just some of the corresponding measures

### Governance Impacts & Effects

The general decline in economic performance and growth is also affecting our industry. Declining order volumes and price pressure from customers are key consequences and impacts on TROIKA. At the same time, possible risks include overspending of the investment budget, loss of orders due to delivery performance, and loss of suppliers.

Compliance and information security risks must also be taken into account. These include, in particular, cyber attacks and information security and data protection incidents.

The most important positive effects of our business activities in an economic context are our high quality, increased customer satisfaction and high on-time delivery performance. All this with a significant increase in productivity. The implementation of and compliance with our corporate duty of care is for us one of the self-evident things of our governance.

### Ecological impacts & effects

The greatest impact of ecological origin is climate change and, in addition to actual physical risks, the associated transitory risks. Energy and raw material prices, as well as their availability, regulatory requirements such as the European Green Deal and climate policy are just a few elementary impacts. At the same time, technological development and the associated change as well as the carbon footprint also provide opportunities and starting points for central measures.

The central impact on the environment in our own area of activity lies in the choice of materials for the products we commission. Here, we focus on durability, reusability and quality. In addition, we are working to reduce our direct and indirect emissions as much as possible by switching to e-vehicles and purchasing certified green electricity.

The greatest negative ecological impacts occur in our upstream value chain and thus through our business relationships. We have our products manufactured in Asia. The currently still low energy prices at the production sites result in a high and sometimes inconsiderate energy consumption. The choice of energy is mostly still irrelevant. Added to this is the consumption of water and resources in the manufacture of our products.

In addition to the existing negative effects on the environment in the production process, there are some potential effects due to accidents or non-compliance with relevant specifications. These include, above all, pollution caused by poor or absent waste and wastewater management. Through regular audits of our suppliers, we try to drastically reduce the likelihood of these impacts.

### **Key sustainability issues**

Based on the analysis of our stakeholders, the classification of our business activities and relationships in the context of sustainability, and finally the definition of the positive and negative

impacts of our activities, we were able to define our key topics as part of our sustainability strategy. These are, on the one hand, elementary external influencing factors and, above all, essential topics of our actions.

We structure our material topics into the main areas of sustainability management Employees and Social, Governance and Environment.

In the social area, active career management, continuing education and health management are among the key topics of our sustainability strategy. New Work is no longer a trend, but part of a modern corporate structure. We want to provide our employees with the benefits that go hand in hand with this in the best possible way and thus also increase their satisfaction and loyalty. In addition, the working conditions at our producers and suppliers are an essential social aspect.

Relevant ecological issues are material selection in sustainable product design and our direct and indirect emissions. In the processes of the upstream value chain, the negative effects of production in China of high water and resource consumption and possible environmental pollution lead to the significant issues. We can only influence these indirectly through the choice of raw materials and supplier audits.

## **Sustainability management reporting in 2022**

In addition to entrepreneurial foresight, we attach great importance to appreciative cooperation. For us, this includes open, honest and fair dealings. We respect the personality of our counterparts as well as the customs and traditions of other countries. Laws and guidelines are binding for us. Our handling of natural and finite resources is characterized by prudence and sustainability.

### **Fulfilling our social responsibility**

For us, sustainability is at the forefront of our business activities. Striving for a better balance between technology, nature and people is an essential part of our sustainability management. We see our employees as our most important success factor, and creating a working environment in which employees can develop their full potential has always been a key concern for us.

### **Working conditions**

An elementary component of our corporate values is to ensure equal opportunities and equal treatment. We aim to promote and support this through appropriate measures every year. Diversity, inclusion and equality are therefore central aspects of our HR management. When filling new positions, applicants from minority groups or disadvantaged groups are given identical consideration if they are suitable for the job. The same applies to career development and promotion programs. To reinforce this practice, we have laid down the relevant requirements in a working instruction for personnel decisions. All managers and employees live equal rights. There is no discrimination or preference in any process on the basis of appearance, ethnicity, disability, faith or other diversity characteristics. All decision-makers are instructed to take this into account in all personnel decisions.

In addition, to ensure that there is no discrimination in pay even in current employment and to promote equal pay, we conducted a pay gap audit in 2022 by surveying the gender pay gap. The result showed that the difference in gross monthly pay between men and women is 14.7%. Compared with the average gender pay gap for Germany of 39%, this is a very good figure. Nevertheless, there is still a difference between the salaries of our male and female employees, which we would like to continue working on. Currently, this difference in the unadjusted gender pay gap is due to a higher number of male employees in the higher-paid positions in the company.

In addition to consolidating equal rights and diversity, we have established company regulations, measures, initiatives and programs that make it easier to reconcile work and private life. We inform and advise our employees, regardless of gender, about the regulations defined by law for parents and support them in taking advantage of them. These include the option of taking up to three years' parental leave while the employment relationship is suspended or, alternatively, flexible arrangements can be made for part-time work. We also enable flexible working time models for re-entry following parental leave. We also provide support in applying for parental allowance. In addition, we enable our employees to flexibly arrange their working hours with us in accordance with their personal situation, even beyond the legally defined entitlement options. This also includes flexibility in choosing the place of work. Depending on personal circumstances and preferences as well as the requirements of the respective area of responsibility, there are numerous options. Currently, the majority of our employees work in a hybrid model in which working hours are split between our office premises and mobile work / working in a home office. Additional or atypical working hours are documented with us and compensated by time off. Depending on the company's

performance, our employees receive a bonus in the form of a year-end bonus. In 2022, we were able to pay all employees an additional half month's salary in this way.

In addition to the statutory social benefits, every employee at TROIKA has the opportunity to take out a contract for a company pension through the Debeka pension fund. The payments into this pension fund are subsidized by Troika Germany GmbH with 20%. In 2022, 11 of our employees again took advantage of this offer.

### *Career management and continuing education*

After the years of the Corona pandemic, we have resumed the annual TROIKA assessment of our employees' individual work performance in 2022. In the employee appraisals, the manager and the employee discuss how the goals and tasks were achieved, how the cooperation in the team works and which goals and tasks are agreed upon for the coming year. In addition, promotion and further development are planned and an individual development plan is defined for the employee. This is based on the personal objectives for the professional activity as well as on additional knowledge and skills that are useful for the employee. This type of appraisal interview is available to all employees and interviews have been held with all employees and individual development plans have been established.

In addition, we support the further training of our employees. Desired further training can be raised with the manager. In 2022, we have approved and paid for additional external training in this context.

### Occupational safety and health

As one of our key issues, health management occupies a central position in our measures. To prevent complaints and injuries caused by repetitive strain during VDU work, we provide special visual aids to the extent necessary. In addition, workplaces are equipped with ergonomic, height-adjustable desks. All protective equipment and aids are available to employees in the warehouse.

In cooperation with wenatec GmbH, we implemented an occupational safety organization in 2018 that meets more than the legal and regulatory requirements. As part of this implementation, we have also commissioned the company wenatec to provide support as an external occupational safety specialist. The main task here is to provide support in occupational safety and accident prevention in all matters of occupational safety, including the humane design of work. The components of the occupational health and safety organization and the activities of the occupational safety specialist also include risk assessments and the establishment of appropriate relationship prevention measures. Regular instruction and training of employees on occupational health and safety risks and best work practices is carried out by the occupational safety specialist.

In addition to the implemented occupational safety organization and the appointed occupational safety specialist, a company physician has been appointed. In accordance with § 3 of the Occupational Safety Act, his tasks are to examine employees to ensure their ability to work and enable the early detection of occupational diseases, as well as to carry out occupational safety and accident prevention. In this context, our workplaces are inspected at regular intervals. In 2022, no hazards were identified in the process.

## **Exercising due diligence - Governance**

### Sustainable procurement

We have implemented a due diligence program to support our sustainability approaches. To ensure that social and environmental standards are met in our supply chain, we commit our producers and suppliers to the CSR Supplier Code of Conduct, integrate social and environmental clauses into our purchasing provisions, and monitor implementation. All suppliers must agree to these purchasing provisions.

As the Supplier Code of Conduct has only just been introduced, no suppliers have signed the Code of Conduct in 2022. In addition, we verify social and environmental standards on the one hand through third-party certificates and on the other hand through supplier assessments. As part of the supplier assessments, annual on-site audits are carried out by our management and purchasing departments. Here, too, there were no on-site audits in 2022 due to the pandemic, and 0% of suppliers were audited on site in 2022.

However, we have been able to maintain CSR assessments of our suppliers in 2022. 90% of all suppliers have undergone a BSCI assessment.

For 2023, we are again striving for a commitment to the Code of Conduct as well as the verification of suppliers through on-site audits.

As part of these supplier assessments, we ensure that good working conditions exist at the production sites, that occupational safety and the safety of buildings and machinery are guaranteed, and which environmental protection measures are implemented by the suppliers. In addition to the measures listed, we also collect certificates from independent parties such as FSC, ISO 14001 or GRS 4.0.



Sustainability Report 2022



If we identify deviations in supplier assessments or on-site audits, we work with our producers to develop corrective actions to improve these deviations.

To incentivize producers' efforts for better working conditions and implemented environmental measures, high-performing suppliers are given preference in tenders.

Ethical behavior & information security

Another component of our duty of care and implemented compliance is the minimization of data privacy and information security risks. To this end, 100% of our employees receive data privacy and information security training. In addition, we ensure that all IT systems meet cyber and IT security requirements.

In addition to data protection and information security, we provide the framework for ethically correct behavior in the business environment through our Code of Conduct and the TROIKA Rules of Play. Strict prohibition of taking advantage, bribery and corruption are basic requirements for us.

There were no confirmed corruption or information security incidents in the reporting year 2022.

## **Our responsibility for active environmental protection**

From our corporate commitment to sustainable environmentally oriented action, we have derived quality and environmental policy goals for TROIKA Germany within the framework of our quality and environmental management and implemented corresponding measures. In doing so, we are always committed to protecting the environment and actively prevent environmental pollution. The use of the best available technology, taking into account economic efficiency, ensures capable, safe and environmentally compatible processes. Environmental protection is supported by the economical use of sustainable resources as well as low-emission and low-waste production techniques.

### *Resource and energy consumption*

Through our business activity as a distributor, our main activities consist in importing the produced goods from the producing countries and exporting them to our customers at home and abroad. The production of the products we distribute is carried out by our suppliers. Our direct consumption of resources and energy is therefore limited to the work done at our site in Müschenbach. In the administration and warehouse. Especially in our upstream supply chain, we work to ensure that ecological standards are met and that environmental awareness is established among our suppliers. Our clear goal is to make our value chain more sustainable.

We have a direct influence on resource consumption by keeping our office paper-free, by developing our own products, by using recycled raw materials, and by ensuring that our products are highly repairable and reusable. Therefore, our resource management focuses on the following points:

- Sustainable product development. We are continuously working on our product design.
- Always focus on durability, reusability and quality when selecting materials for commissioned productions.
- Use of recycled raw materials
- Reduction of energy consumption of lighting systems by installing LED lighting as well as motion sensors in our premises.
- To reduce the energy consumption of our heating system, a time switch has been activated. Outside business hours the heating system is switched off. During the week it is switched off daily between 18:00 and 05:00 and deactivated over the weekend from Friday 15:00 to Monday 03:00.

### *Waste management and material consumption*

Since we only perform warehouse and office work in our in-house processes, our direct waste and material management measures are limited to our internal waste streams.

In all areas, we sort and dispose of waste according to the waste streams generated. Waste streams generated in 2022 include plastics, paper / cardboard / carton, batteries, residual waste, glass and organic waste. As a promotional products retailer with imports and exports, packaging is one of our most important waste streams. In our offices, we want to increase our employees' awareness of sorting waste. To this end, all trash cans in our premises are clearly separated and labeled accordingly.



By participating in external partnerships with dual systems, we also aim to guarantee the reuse and recycling of our relevant material flows. In 2022, a total of 11,859 kilograms of packaging material was recycled and taken back in accordance with the provisions of the Packaging Act.

In our warehousing and shipping operations, we have established processes that significantly reduce the consumption of cardboard and plastic. In recent years, we have switched from foam packaging to die-cut cardboard packaging. This is 95% FSC certified. To best reuse and reduce the material used, we use 100% of incoming goods packaging for reshipment. In total, 80% of all outgoing goods packaging is reused used packaging.

In addition, our product portfolio was analyzed to identify potential savings in packaging. Our bags are now only packed with paper sleeves and not additionally in cartons or further packaging.



To make it easier for our customers to handle the products correctly and to inform them about environmental matters related to our products, recycling specifications are noted on the products. All products and packaging are also marked with appropriate certificates such as FSC or RoHS.



Greenhouse gas emissions

Our direct and indirect emissions are caused by our car fleet and purchased energy such as electricity and heat. In addition, a large proportion of greenhouse gas emissions are caused by transport and upstream energy, particularly in our upstream value chain.

Just under 13% of our CO<sub>2</sub> footprint is attributable to diesel and gasoline consumption by company-owned cars. Optimizing the vehicle fleet by increasing the share of hybrid and e-vehicles is one of our main measures to reduce CO<sub>2</sub> emissions. In 2022, one third of our fleet will already consist of vehicles with alternative drive systems such as hybrid or electric. Further fleet electrification is a key component of our CO<sub>2</sub> reduction targets.

The energy we purchase accounts for around 30% of our CO<sub>2</sub> footprint. We have been purchasing electricity from renewable energy sources at our site for years. The emissions of the purchased arise primarily from the purchase of gas to operate our heating system.

**Our contribution to the Sustainable Development Goals - the SDGs**

Through our sustainability management measures, we also want to make our contribution to achieving the UN's Sustainable Development Goals (SDGs). In our fields of action, we contribute to the following SDGs:

**Lifelong learning, feedback Culture**



We conduct annual feedback meetings with all employees. In these, on the one hand, the past is mutually classified in an evaluation spider and, on the other hand, the upcoming goals and required further training are determined.

**Usage of clean energy**



For years, we have been using 100% certified green electricity for years. In addition, we are working on reducing energy consumption through efficiency measures.

**Best possible working conditions**



We consider our employees to be our most important asset and creating the best possible working conditions and strong employee retention are key components of our strategy.

**Sustainable product development**



In product development, we focus on the use of materials and the durability of components. In addition, we are working to increase the use of recycled raw materials.

## **Reporting of key sustainability indicators**

### **Equality and diversity - GRI indicators 401; 405**

<b>Employees - GRI 401; GRI 405</b>	<b>2022</b>
Employees	32
Employees from vulnerable groups (severely disabled)	6,25 %

<b>Gender equality - GRI 401; GRI 405</b>	<b>2022</b>
Share of women	53,1 %
Gender Pay Gap	14,7 %

<b>Reconciliation of family &amp; career - GRI 401; GRI 405</b>	<b>2022</b>
Part-time employees	50 %
Employees in Remote Work	81,2 %

### **Career management and health - GRI indicators 403; 404**

<b>Further development of employees - GRI 404</b>	<b>2022</b>
Annual training hours per employee	20
Percentage of employees with annual feedback meetings	100 %

<b>Safety and health - GRI 403</b>	<b>2022</b>
Days lost	316,5
Occupational accidents (reportable)	0
Lost Time Injury Rate & Occupational Injury Severity Rate	0

### **Ecological indicators - GRI indicators 302; 305; 306**

<b>Energy consumption (in kWh) - GRI 302</b>	<b>2022</b>
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External current	47.721
Of which from renewable sources	47.721
Gas	260.533
<b>Total energy consumption</b>	<b>308.254</b>
Of which from renewable sources	47.721

<b>Waste management - GRI 306</b>	<b>2022</b>
<b>Waste generation (in tons)</b>	12,72
Non-hazardous waste (in tons)	12,72
Hazardous waste (in tons)	0
Recycled waste (in tons)	12,72

<b>Packaging - GRI 306</b>	<b>2022</b>
Share of recycled material in packaging material	80 %
Share of reused packaging	100 %

## **CO<sub>2</sub> Balance sheet 2022 - GRI indicator 305**

### **Introduction**

In the course of the commitment to social and ecological corporate responsibility, a CO<sub>2</sub> footprint for TROIKA Germany GmbH will be determined for the first time for the year 2022. The aim of this is to establish a far-sighted and considerate approach to natural resources and to improve this in a targeted and continuous manner with appropriate measures in order to reduce current CO<sub>2</sub> emissions.

The calculation is based on the methodology of the Greenhouse Gas (GHG) Protocol, divided into three categories (scopes). These are narrowed down according to the emission sources actually occurring in the company. The final CO<sub>2</sub> values are determined to the best of our knowledge and belief, taking into account all available data.

### **Procedure**

#### **Consumption data**

The ecological footprint, CO<sub>2</sub> emissions, were calculated using consumption data and emission factors.

As far as possible, primary data available to TROIKA Germany or obtained in the course of the survey process were used for this purpose. In the event that no primary data were available, secondary data from recognized sources were used.

The corresponding conversion factors of the (GHG) were used to calculate the emission data. All relevant greenhouse gases according to the Kyoto Protocol were converted into the corresponding greenhouse potentials and expressed in CO<sub>2</sub> equivalents (CO<sub>2</sub>e). In the context of the report, simplified as CO<sub>2</sub>.

#### **Scope**

All scopes were taken into account for our company-wide CO<sub>2</sub> footprint. In Scope 1, this primarily includes direct emissions from the company vehicle fleet.

Scope 2 includes all indirect emissions purchased from utilities. This includes electricity and gas.

Scope 3 includes all indirect emissions from the upstream and downstream value chain.

In the upstream value chain, we integrate the upstream energy of our energy consumption and the emissions of our logistics partner for transport from the production facilities to our site.

In the downstream value chain, water and waste management as well as the material use of our product packaging are included.

### **Overall result**

The total emissions of TROIKA Germany GmbH from all three scopes in 2022 were 146,407 tCO<sub>2</sub>.

TROIKA Germany GmbH had an annual average of 32 employees. The average per capita CO<sub>2</sub> emission was 4.575 tCO<sub>2</sub>.



	Consumption	Unit	Emission factor [kgCO <sub>2</sub> ]	CO <sub>2</sub> - emissions [tCO <sub>2</sub> ]	% Total emissions
<b>Overall result</b>				<b>146,407</b>	<b>100</b>
<b>Scope 1</b>				<b>63,390</b>	<b>43,29</b>
<u>Direct emissions from the company vehicle fleet</u>					
Diesel	5.338,53	Liter	2,558	13,656	9,33
Gasoline	2.397,11	Liter	2,162	5,183	3,54
<u>Purchased heat</u>					
Gas	260.533	kWh	0,171	44,551	30,42
<b>Scope 2</b>				<b>0</b>	<b>0</b>
<u>Purchased electricity for own use</u>					
Power	47.721	kWh	0	0	0
<b>Scope 3</b>				<b>83,017</b>	<b>56,70</b>
<u>Upstream energy</u>					
Diesel	5.338,53	Liter	0,610	3,257	2,22
Gasoline	2.397,11	Liter	0,613	1,470	1,00
Power	47.721	kWh	0,104	4,900	3,35
Gas	260.533	kWh	0,032	8,337	5,69
<u>Upstream supply chain</u>					
TRUCK	69.618,29	tkm	0,088	6,150	4,20
Airplane	39.542,05	tkm	0,594	23,50	16,05

Ship	2.767.203,52	tkm	0,004	12,32	8,41
<u>Material usage</u>					
Paper & Cardboard	11,622	Tons	731,674	8,504	5,81
Plastic	0,237	Tons	2.326,530	0,551	0,38
<u>Waste</u>					
Paper, cardboard	11,970	Tons	21,280	0,255	0,17
LVP	0,750	Tons	21,280	0,016	0,01
<u>Home Office</u>					
Home Office	4.737	RTDH	0,341	1,615	1,10
<u>Commuting employees</u>					
Diesel	18.984	km	0,171	3,246	2,22
Gasoline	52.330	km	0,170	8,896	6,08

**Scope 1**

As already described, Scope 1 takes into account all direct emissions of the company. In the case of TROIKA Germany GmbH, this concerns the company vehicle fleet. In 2022, the vehicle fleet consisted of 6 passenger cars, of which 4 were diesel vehicles, 1 gasoline and 2 hybrid vehicles.

As a data source for determining the CO<sub>2</sub> emissions, the total liter consumption of the year 2022 was offset against the corresponding conversion factor of the GHG. In addition, the total kilometers of the year 2022 were determined via the kilometer readings.

Total scope 1 emissions amounted to 18.839 tCO<sub>2</sub>.

**Scope 2**

Scope 2 includes all indirect emissions that TROIKA Germany has purchased from suppliers. In 2022, this relates to electricity and gas.

Total energy consumption was 308,254 kWh, of which 47,721 kWh was from renewable sources.

The data source for determining the CO<sub>2</sub> emissions are the invoices of the energy supplier E WIE EINFACH the data of the energy supplier were also used as the emission factor. At TROIKA Germany GmbH, the company sales mix consisted of 100 % renewable energies. Of this, about 57 % financed from the EEG levy and about 43 % with guarantees of origin, not financed from the EEG levy. Emissions from electricity consumption are thus 0 tCO<sub>2</sub> .

Emissions from purchased heat relate to gas consumption for heating. This amounted to 260,533 kWh and was calculated using the GHG emission factors. This results in emissions for purchased heat of 44.551 tCO<sub>2</sub> .

Total Scope 2 emissions were 44,551 tCO<sub>2</sub> .

### **Scope 3**

The indirect emissions of the upstream and downstream value chain of TROIKA Germany GmbH were taken into account in Scope 3.

Total Scope 3 emissions were 83.017 tCO<sub>2</sub> .

Of these, 68.989 tCO<sub>2</sub> are attributable to upstream Scope 3 greenhouse gas emissions and 14.028 tCO<sub>2</sub> to downstream Scope 3 greenhouse gas emissions.

### Upstream energy

To determine the upstream energy, on the one hand, the fuel consumption of the vehicle fleet and the total consumption of electricity and gas are included and calculated using the GHG factors.

Emissions from upstream energy were 17.964 tCO<sub>2</sub> .

### Upstream supply chain

In TROIKA Germany GmbH's upstream supply chain, emissions were taken into account that were caused by the logistics involved in shipping the products from its production facilities to the TROIKA Germany GmbH site. The goods were transported by air, truck and ship.

Emissions were calculated using EcoTransIT's emissions calculator and includes "well-to-wheel" CO<sub>2</sub> equivalents. Accordingly, the sum of all direct and indirect emissions is included.

The emissions of the logistics effort in the upstream supply chain amounted to 41.98 tCO<sub>2</sub> .

### Material usage

The packaging material used by TROIKA Germany was determined via the year-end report of NOVENTIZ Dual GmbH. 11.622 tons of paper and cardboard and 0.237 tons of plastics were used. These were also offset with the GHG emission factors.

Emissions from material use amounted to 9.055 tCO<sub>2</sub> .

### Waste

To determine the emissions caused by the waste, the volumes of the waste disposers were used, the weights were determined via the European waste codes and the emissions were calculated via the GHG factors.

The total amount of waste generated in the year under review was 12.72 tons, of which the entire amount of 12.72 tons was recycled. All the waste produced by TROIKA GmbH is non-hazardous waste.

# TROIKA<sup>®</sup>

**Code of Conduct of TROIKA Germany GmbH**

Status: 21.06.2023

## Code of Conduct

### **Foreword**

Troika Germany GmbH is committed to ecologically and socially responsible corporate governance. We expect the same behavior from all our suppliers. We also expect our employees to observe the principles of ecological, social and ethical behavior and to integrate them into the corporate culture. Furthermore, we strive to continuously optimize our entrepreneurial activities and our products and services in terms of sustainability.

This Code of Conduct is to be understood as a supplement to TROIKA's internal rules of play and is intended to reflect social and ecological standards in particular.

### **1. goals**

#### **Trust through honest and faithful management of business - a personal challenge and the result of joint efforts**

We can only achieve the formulated goals if all those involved cooperate in this. The Code of Conduct therefore formulates binding requirements for all employees.

Managers have a role model function. They bear responsibility for their own conduct and the conduct of employees in their area of responsibility, as well as for proper compliance with all procedures provided therein to avoid reputational and legal risks. They shall take the necessary and appropriate measures to ensure full compliance with the Code of Conduct in our business procedures and practices.

All other employees are supported in knowing and observing all relevant laws and official regulations in their working environment. In this regard, the internal instructions and guidelines provide essential support and orientation.

All employees are required to behave honestly and fairly in their work environment and to avoid any conflict between private and business interests of TROIKA or the interests of our customers.

## **2. our code of conduct**

### **2.1 Economic responsibility: Integrity in business transactions.**

#### **Competition and antitrust law**

We operate in the marketplace as fair and responsible competitors and are fully committed to complying with applicable competition and antitrust laws. All COMPANY business activities are based on the highest standards of integrity.

We do not participate in agreements or arrangements with other companies that are in violation of competition or antitrust laws and that have the purpose or effect of restricting or preventing competition. We pursue a zero-tolerance policy in prohibiting all forms of bribery, corruption, extortion and embezzlement.

#### **No tolerance of corruption and bribery**

Our success in the market is based on objective criteria. In addition to quality, enthusiasm, performance, flexibility and service, these also include compliance with ecological and social standards and the principles of good corporate governance. Our business partners trust in the professional judgment of our employees.

We therefore do not tolerate any form of bribery or corruption, acceptance of benefits or granting of advantages. The acceptance and granting of gifts, invitations and donations must be in accordance with the internal guidelines that govern this area with regard to appropriateness, approvals, reporting channels and documentation.

Failure to comply with these rules may result in criminal consequences in the form of corruption offenses for both TROIKA and the private individual. Even the promise or demand of unfair advantages can be punishable.

For invitations and gifts to persons outside TROIKA from employees, we follow our internal rules. Gifts may be accepted up to a maximum value of 40 euros per supplier and year. All gifts in excess of this amount must be reported to superiors.

We are also committed to complying with relevant country-specific anti-bribery and anti-corruption laws and regulations.

#### **Avoiding conflicts of interest**

Within the scope of their employment, we expect integrity and loyalty from all employees. They act exclusively in the interests of our company. To avoid conflicts of interest, private or own economic interests are always separated from the economic interests of the COMPANY. Even in personnel decisions or business relationships with third parties, only objective criteria count.

If, in the course of a business transaction, employees become involved in a conflict of interest or loyalty that may result in a restriction of their objectivity and independence (e.g. through secondary employment or through close persons or family members), they shall immediately report the possible conflict of interest to the person of trust and their manager. They will review the conflict of interest and issue instructions for further action in order to protect both the company and the employees concerned from possible damage.

*Handling company property, intellectual property and the property of business partners*

We expect all employees to protect the operating assets of our company, including all tangible and intangible assets. We handle the company property made available to us in a cost-conscious, appropriate and careful manner in order to protect it from damage, loss or theft. We use company property exclusively for private purposes in accordance with the contractual conditions.

We treat intellectual property and internal company information relating to technologies, projects, marketing and advertising measures, strategic considerations, business development, etc. with equal care. Intellectual property rights are respected and their unauthorized use is refrained from. The use of plagiarism is prohibited; in the event of a suspected case, the person of trust and respective supervisor must be informed immediately. Technology and know-how transfers are carried out in such a way that the property rights of third parties (e.g. copyrights, image rights, patents) and customer information are protected.

Information is only passed on to third parties to the extent absolutely necessary and within the framework of the processes provided for this purpose. In case of doubt, we consult with our manager.

Careful handling of company property also includes, in particular, compliance with internal guidelines on hospitality, business trips and travel expense reports.

*Protection of information/security of information*

We protect all company information as well as information from and about our business partners and treat it confidentially. Confidential information is one of our most valuable assets. Company and business secrets must not be disclosed to third parties or even made public.

TROIKA undertakes to meet the reasonable expectations of its clients, suppliers, customers and employees with regard to the protection of private information.

We always observe the obligations of confidentiality that exist with third parties. The obligation to maintain confidentiality shall also apply after termination of the employment relationship.

*Data protection and confidentiality*

The preservation of informational self-determination and the protection of privacy as well as the security of data processing are important concerns for us. For this reason, we take all necessary precautions to ensure that the collection, processing and use of personal data provided to our company is transparent, purposeful, traceable, careful and in compliance with the applicable legal provisions of data protection law.



## Code of Conduct

We are committed to ensuring an appropriate standard of information processing security so that the confidentiality, integrity and verifiability of information requiring protection are ensured and unauthorized use is prevented.

### Money laundering and trade controls

We do not condone money laundering activities. We carefully verify the identity of customers, service providers, consultants and other third parties with whom we maintain or initiate business relationships.

In compliance with national and international laws, we ensure that transactions with third parties do not violate trade regulations such as economic embargoes, import and export control requirements, or applicable requirements for the prevention of terrorist financing.

### Financial responsibility

Our accounting and financial reporting are carried out in an orderly, correct, timely, complete and transparent manner in accordance with the relevant statutory regulations and standards. In addition, key business processes must be appropriately documented as part of an internal control system. This must ensure the complete and correct recording of information relevant to accounting.

### Communication

We apply the greatest possible care in all forms of external presentation. We attach importance to clear and open communication. Inquiries about our company or products are only answered by the departments responsible for them. In our external presentation, we maintain a business-oriented and polite tone.

## **2.2 Social responsibility: We treat our employees fairly and with respect.**

### Health and occupational safety

Safety in the workplace is a top priority for us and is therefore an integral part of all operating processes. We ensure safe and hygienic working conditions that comply with the applicable legal requirements in the area of occupational health and safety.

The applicable laws, regulations and internal company guidelines on occupational safety and health are made available and communicated to all employees through internal company channels. The duty to inform applies to all employees in this context, because successful occupational safety can be ensured if everyone is involved. In addition, employees receive regular training on applicable health and safety standards and measures.

The company's own company doctor and implemented fire protection measures also contribute to ensuring health and occupational safety. In addition, the organization of work enables the necessary breaks to be taken so as not to endanger the safety and health of employees.

### Corporate and employee protection

TROIKA protects its employees, customers and the general public from health hazards in connection with the performance of its tasks. The existing safety regulations must be observed by all employees at all times.

## Code of Conduct

In the event of an emergency, the implemented emergency concept takes effect. The responsible responsibilities, processes and procedures are documented here in order to avert or minimize possible damage.

Managers are required to inform their employees of the relevant regulations, train them as necessary and monitor compliance.

### Incident and accident management

The protection of employees and operational processes also includes appropriate management of any malfunctions and accidents that occur. These must always be reported immediately. The company physician or trained first aiders must always be notified and called in in the event of accidents in which persons are injured. Malfunctions in the business processes must be reported to the respective manager.

Disruptions to operating procedures and occupational accidents must always be documented directly in the follow-up.

### Workplace ergonomics

For good and high-quality work, as we do at COMPANY, a correspondingly high-quality working environment is also necessary. To ensure this, we offer our employees the necessary behavioral patterns. These serve as an orientation to prevent damage to health that can result from long-term VDU work.

### Promotion and further development

Managers and employees contribute to the success of the company through their professional competence, experience, social skills and commitment. We therefore attach great importance to the further development of our employees. The various measures of our human resources policy are deployed in such a way that employees support the strategy of our company and are enabled to work successfully for our company under changing conditions. It goes without saying that our employees have access to the information they need to perform their jobs.

### Fair remuneration

The remuneration paid to employees complies with all applicable laws on remuneration. We are committed to the principles of equal pay and do not tolerate discrimination of any kind. The basis on which workers are paid is made known to employees on an ongoing basis by means of a pay slip.

### Fair working time

Working hours at TROIKA comply with applicable laws and industry standards. Working hours are thereby firmly regulated within the rules of the game, while always allowing for self-organization. Overtime is always recorded and can be reduced in consultation.

Overtime is only permitted if it is worked on a voluntary basis and does not exceed twelve hours per week, while employees must be granted at least one day off after six consecutive working days.

## Code of Conduct

*Compatibility of family and career*

We strive to find an appropriate balance between the economic interests of our company and the private interests of our employees, because the resulting satisfaction and motivation of our employees make a significant contribution to the success of the company. In this context, a basis of trust is indispensable for a successful common path in the mutual interest of employees and the company.

*Diversity and the principle of equal treatment; prohibition of discrimination*

We are committed to diversity and tolerance. Respect and mutual appreciation are part of our self-image. Our goal is to achieve maximum productivity, innovation and efficiency. This requires cooperation in which everyone is valued and accepted.

Under no circumstances will discriminatory and harassing actions of any kind be permitted in our company, for example on the basis of social or national origin, gender, ethnic origin, religion, age, skin color, pregnancy, illness or disability, sexual orientation, political conviction or other personal characteristics. Every individual is entitled to fair and respectful treatment. All employees contribute to the implementation of this principle and align their behavior accordingly.

The personal dignity, privacy and personal rights of all individuals are respected.

Violations of this moral principle must be reported immediately through the complaints mechanisms and are followed up consistently.

*Social dialogue, freedom of association and the right to collective bargaining*

We respect the right of employees to freedom of association in accordance with local laws. We recognize the right of employees to collective bargaining and respect the rights of trade unions.

Employees and their representatives must not suffer any personal or professional disadvantages as a result of exercising these rights. Employees may communicate openly with management without fear of reprisal or harassment.

Our employees are regularly informed and consulted by the Executive Board and management.

*Human Rights*

Respect for and protection of human rights is an integral part of our corporate responsibility. All employees respect the dignity and personal rights of all other employees and colleagues as well as third parties with whom the company has a business relationship. We are aware here of our corporate duty of care to avoid human rights violations in supply chains.

*Exclusion from forced labor*

TROIKA does not accept any form of forced labor, slave labor or such comparable work. We comply with all relevant national and international laws, rules and regulations, as well as the

## Code of Conduct

### ILO Declaration on Fundamental Principles and Rights at Work.

All work is voluntary and employees may terminate work or employment at any time. Furthermore, we do not tolerate unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment. We also apply this standard to cooperation with third parties.

#### *Prohibition of child labor and protection of young workers*

We do not accept child labor at any stage of the value chain. Young workers in particular must be protected from performing work that could endanger their health or their physical, psychological, social or spiritual development. In this context, we adhere to the recommendation from the ILO conventions on the minimum age for the employment of children. According to this, young people may not be employed before the end of their compulsory education. In no case may this be done at an age below 16 years.

#### *Deployment of security forces*

Insofar as private or public security forces are commissioned or used for the protection of corporate projects within the scope of TROIKA's production and procurement processes, we ensure through sufficient instruction and control that the prohibition of torture and cruel, inhuman or degrading treatment is not disregarded through the use of the security forces, that the life and limb of people is not violated and that the freedom of association and freedom of union are not impaired.

#### *Social commitment*

We are aware of our great social responsibility as an international company. Thus, we grant donations in kind and money that are used exclusively to support projects in the areas of education, family and culture. We do not make financial donations to individuals, political parties or similar institutions.

**2.3 Ecological responsibility: We treat our environment responsibly.****Environment and sustainability**

To maintain the economic basis of our company in the medium and long term, it is also necessary to secure the availability of raw materials in the long term. Therefore, the principle of sustainability is a fixed and lived component of the corporate strategy.

We see environmental protection as a task and are committed to the responsible and sustainable use of natural resources. We align our actions to sustainability in all our business areas, along the entire value chain, and at all levels - from management to each individual employee.

We take care to minimize resource requirements, including energy use and emissions, water consumption and wastewater, as well as waste and potential environmental impacts in the supply chain. All processes and standards must at least meet or exceed legal requirements.

All employees of the COMPANY are committed to complying with the laws and regulations on environmental protection within the scope of their activities and also make an active contribution to the implementation of environmental protection through environmentally conscious behavior.

**Avoidance of air pollution and contamination**

General emissions from operations shall be routinely monitored, reviewed, and addressed as needed. These include noise emissions and air pollution. Measures that ensure air quality and prevent air pollution shall be taken at all stages of the operating processes.

If necessary, exhaust air tests are to be carried out by commissioning external providers.

We ensure that harmful soil changes, water and air pollution, noise emissions and excessive water consumption are avoided as far as possible throughout the value chain.

**Handling waste and hazardous substances**

TROIKA follows a systematic approach to identify, handle, reduce and responsibly dispose of or recycle solid waste. The business process does not use chemicals or other materials that pose a hazard if released into the environment.

**Reduction of the consumption of raw materials and natural resources**

We reduce or avoid the use and consumption of resources and the generation of waste of any kind, including water and energy. Either this is done directly at the point of generation or through processes and measures or of processes in the company, through the use of alternative materials, through savings, through recycling or with the help of the reuse of materials.

**Dealing with energy consumption/efficiency and greenhouse gases**

We monitor energy consumption and document it. We find economic solutions to improve energy efficiency and minimize energy consumption. Our greenhouse gas emissions are to be monitored regularly. To this end, a CO<sub>2</sub> balance sheet must be drawn up that includes the direct and indirect emissions of our activities and, in addition, key elements of the upstream and downstream value chain.

## Code of Conduct

Based on the balancing of greenhouse gas emissions, reduction targets are to be formulated, which are to be monitored and reviewed on a regular basis.

### Deprivation of land, forests and waters, and forced evictions; protection of biodiversity.

We ensure that, in the context of our production and procurement processes, no unlawful acquisition, no unlawful development and no unlawful other use of land, forests and waters, the use of which secures the livelihood of people, takes place. Furthermore, we guarantee that no unlawful evictions take place.

We set ourselves the goal of working with our suppliers to identify suitable solutions and strategies to support, preserve or protect natural habitats and biodiversity. In addition, we aim to avoid, reduce or eliminate negative impacts on air, land, soil, water and forests in our value chain.

### Water management

Although there are no production processes at our TROIKA site in Müschenbach, we nevertheless ensure that no water pollution is caused by our operations. At the same time, we are always working to implement water-saving measures.

In cooperation with our suppliers we want to achieve a more sustainable production process. Possible damages of water consumption to human health, ecosystem quality and resources shall be measured. In this way, we work together with our customers and suppliers to prevent water shortages.

### Customer health and safety

We are committed to ensuring that all our products do not endanger the health and safety of our customers when in use. To ensure this, all products are regularly checked for quality standards.

### Promotion of sustainable consumption

To promote sustainable consumption and production, sustainable product development must be promoted. In the selection of materials, particular attention is to be paid to durability, reusability and reparability. To reduce paper and cardboard consumption, we provide services such as scrollable online catalogs and digital invoicing. In addition, clear information channels on take-back services and other services are to be made available to customers.

**3. implementation of the code of conduct****3.1 Liability**

Compliance with our Code of Conduct as well as legal requirements and internal company guidelines is binding and an essential component of our company's appearance as a credible and reliable partner. All managers and employees must comply with its requirements and principles.

Misconduct and violations of conduct requirements can have serious consequences not only for individuals personally, but for the entire company. The COMPANY will punish unlawful misconduct and violations of the Code of Conduct and other internal guidelines consistently and irrespective of the rank and position of the acting persons.

**3.2 Reporting violations and protection against retaliation**

If you become aware of anything that does not comply with our Code of Conduct, please raise your questions or concerns openly with our trusted advisor or your manager. This can prevent small problems from becoming big ones.

Complaints on human rights issues, environmental issues and unethical business practices can be reported under the complaints procedure.

Whistleblowers enjoy special protection. No employee who reports something in good faith need fear any disadvantages - even if the report turns out to be unfounded. All those who in good faith ask for advice or point out misconduct comply with the rules of this Code of Conduct. Reports from whistleblowers, as well as their identities, will be treated in strict confidence, investigated and verified.