



# **Albéa**

## **Sustainable Procurement Charter**





## **Why a Sustainable Development Procurement Charter?**

*Dear valued Suppliers,*

*We are committed to ensuring that sustainability is paramount in our business and supply chain. We intend to deliver ever more sustainable solutions for our people, our customers, the wider community and the environment in which we work and live by promoting best sustainable practice and exceeding guidance set out by government and regulatory bodies.*

*We seek, wherever possible, to do business with partners which have already made such a commitment or which are willing to take steps in this direction.*

*We have developed a Sustainable Procurement Charter in order to better reflect our commitment to sustainable development in all areas of procurement – be it raw materials, energy, other goods or services, and involve our suppliers by our side in a continuous progress. The document outlines our commitment to our suppliers in terms of our own conduct and practices. In return we would request that you, as an Albéa supplier, take all necessary steps to ensure that your practices are compatible with the content and spirit of our Charter.*

*This charter will help suppliers benchmark their existing performance and establish internal improvement plans. As such, this is an evolving, interactive and collaborative process. Together, we shall notably provide a safe, healthy workplace, deliver leading edge sustainable solutions to our customers that exceed their expectations.*

*Compliance with this charter will determine the continuing relationship between Albéa and the suppliers. In selecting suppliers, Albéa will, in conjunction with other selected evaluation criteria, show preference to those suppliers that show commitment to sustainable development.*

*Sincerely,*

*Julio Zimbron  
Albéa CPO*



## REFERENCES

Albéa's sustainable procurement charter was established referring to the following fundamental values and policies set forth and implemented internally, and which are incorporated hereto by reference:

- **Albéa's core values:** integrity, trust & transparency, accountability and teamwork.

Wherever we operate, our reputation is a most valuable asset, and it is determined by how we act. We avoid any action that would jeopardize our reputation and thus, the reputation of our customers.

- **Albéa's code of conduct**

The code of conduct lists a series of ethical practises that all employees and suppliers shall respect to conduct business in an ethical, legal, social and environmentally responsible manner.

- **Albéa EHS First policy**

*EHS FIRST* determines our environmental, health and safety excellence, providing Albéa with the company-wide standards, procedures and best practices to attain world-class EHS performance.

- **Albéa Social Responsibility directive**

Albéa Social Responsibility directive ensures that Albéa's activities are in line with highest social and environmental international standards (ILO, EHS practices), serving as the reference for any social audits done internally.

### Additional references:

Universal Declaration of Human Rights

<http://www.un.org/en/universal-declaration-human-rights>

ILO Declaration on Fundamental Principles and Rights at Work

<http://www.ilo.org/declaration/lang--en/index.htm>

United Nations Global Compact

<http://www.unglobalcompact.org/Issues/index.html>

Guidelines on occupational safety and health management systems ILO-OSH 2001

<http://www.ilo.org/public/english/protection/safework/managmnt/guide.htm>

Eco-Management and Audit Scheme (EMAS)

[http://ec.europa.eu/environment/emas/index\\_en.htm](http://ec.europa.eu/environment/emas/index_en.htm)

ISO 14000 environmental management Systems

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

ISO 26000 - Social responsibility

<https://www.iso.org/iso-26000-social-responsibility.html>

Global Reporting Initiative

<http://www.globalreporting.org>

UN Sustainable Development Goals

<http://www.un.org/sustainabledevelopment/sustainable-development-goals>

Transparency International - Business Principles for Countering Bribery

[https://www.transparency.org/whatwedo/tools/business\\_principles\\_for\\_countering\\_bribery/1](https://www.transparency.org/whatwedo/tools/business_principles_for_countering_bribery/1)



## I - ALBEA'S COMMITMENT TO ITS SUPPLIERS

- ✓ **Fair Dealing with Suppliers**  
Albéa treats its suppliers with honesty, fairness and respect. Albéa purchasing activities are conducted in accordance with the highest ethical and professional standards.
- ✓ **Impartial Selection**  
Albéa selects suppliers impartially and competitively based on predefined, explicit and transparent criteria: quality, service, technology, price and ability to offer products or services with positive environmental and social characteristics.
- ✓ **Confidentiality and Intellectual Rights**  
Albéa ensures the confidentiality of all technical and commercial restricted information communicated to Albéa by its suppliers.
- ✓ **Transparent communication**  
Albéa takes the engagement to report on a regular and consistent basis, both internally and externally: consulting with, listening to and acting on Suppliers' suggestions for continuous improvement.
- ✓ **Enhancing Suppliers' Capabilities through long term partnership**  
We seek to build long term relationships with our suppliers in a common improvement approach. If relevant, we work with our suppliers to identify mutual sustainable development benefits and we exchange best practices with them.



## II - ALBEA'S EXPECTATIONS FROM ITS SUPPLIERS

### A- ENVIRONMENT

#### **Albéa expects suppliers to:**

- Always act in compliance with all applicable environmental laws and regulations; maintain all required environmental permits and registrations;
- Apply the precautionary approach to the problems affecting the environment; early detect, identify and assess potential environmental risks and take all appropriate measures to mitigate those risks or eliminate them when it is possible.
- Continuously develop and improve an environmental management system which minimizes the environmental impacts of operations, products and services. This may include programs that reduce energy and water consumption, use of hazardous materials, non-renewable natural resources, non-eco-friendly products, waste disposal and air & soil pollution;
- Innovate to offer the products whose environmental impact during production, use and end of life is always the lowest possible given the available technology;
- Promote the development and diffusion of environmentally friendly technologies and promote greater environmental responsibility;
- Comply with Albéa's purchasing and quality policies; incorporate safety into design and work to approved method statements and risk assessments;
- Comply with their obligations under REACH Regulations and communicate all required information in due time to allow Albéa to comply with its own obligations.

### B - LABOR PRACTICES AND HUMAN RIGHTS

#### **Albéa expects suppliers to:**

- Treat people fairly and with respect, so there is a culture of equality and equity;
- Promote and respect the ILO Declaration on Fundamental Principles and Rights at Work, the international law on human rights, as well as local labour laws and regulations;
- Define and implement mechanisms to ensure full and continuous compliance with the following principles on their sites and those of their own suppliers:
  - Abolition of child labour
  - Elimination of forced labour and human trafficking
  - Freedom of association and Right to collective bargaining
  - Elimination of discrimination in the workplace and fair treatment
  - Compliance with all laws related to applicable wages, benefits and working hours
  - Occupational Health and Safety protection



- Maintain a working environment where employees find training and development opportunities, rewards in relations with their contribution and a constructive dialogue with their employer.

## **C - ETHICAL WORKING AND VALUES**

### **Albéa expects suppliers to:**

- Apply the highest standards of business and personal ethics, and comply with all applicable laws and regulations in the countries where they operate;
- Reject and fight all forms of corruption, including extortion, fraud, bribery and conflicts of interest and train employees on this subject;
- Be committed to transparency and accountability in their business dealings;
- Avoid and eliminate anti-competitive practices and behaviours;
- Scrupulously respect the confidentiality of information received and never using such information for personal gain; Information given in the course of duty should be true and fair and never designed to mislead;
- Take all necessary steps to ensure that intellectual and privacy rights of business partners are respected;

## **D - SUPPLY CHAIN**

### **Albéa expects suppliers to:**

- Promote / communicate the principles of sustainable procurement in their own supply chain(s), towards their own suppliers and contractors to ensure that key risks are understood and managed:
  - ✓ Promote environmental responsible practices
  - ✓ Promote the respect of labour rights
  - ✓ Promote ethical practices for business Integrity



## ENFORCEMENT

### **Assessment / Monitoring**

Suppliers possess all internal measuring procedures, tools and indicators that are necessary to guarantee adherence to the principles listed above and maintain documentation necessary to demonstrate compliance.

Suppliers respond promptly to reasonable inquiries from Albéa's representatives regarding implementation of these principles and authorize Albéa to mandate a third party to check compliance.

Suppliers may be required to complete a self-assessment questionnaire based on this charter, provide proof of statements made and demonstrate that this charter is followed.

Albéa may conduct site visits and audits by Albéa's auditors or third-party auditors nominated by Albéa to verify compliance with this charter.

### **Non-Compliance**

Where elements of this charter are not met, the supplier may be required to prepare, document and implement a corrective action plan to amend the situation and prevent the re-occurrence.

In case of non-compliance, Albéa may collaborate with or assist suppliers to become compliant.

Albéa reserves the right to immediately terminate relationships with suppliers who fail to comply with this charter.

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## GUIDELINES

**Chemical and Hazardous Materials:** Chemical and other materials posing a hazard if released to the environment are identified, labeled and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal. Emergency preparedness personnel and procedures are in place to treat any accident with potential environmental or human hazard.

**Wastewater and Solid Waste:** Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are monitored, controlled and treated as required prior to discharge or disposal.

**Air Emissions:** Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations and transport are characterized, monitored, controlled and treated as required prior to discharge.

**Minimize Waste, Maximize Recycling:** Waste of all types, including water and energy, are monitored and reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

**Local pollutions:** Emissions of noise, dust, odor, particles and any others sources of local pollution are monitored. Suppliers establish mechanisms to minimize them.

Suppliers must take into account these impacts over the global life of their products, from design and production to transportation, use and end of life. They must develop a management system adapted to this.

**REACH and product safety:** Especially but not exhaustively, Carcinogenic Mutagenic and Reprotoxic (CMR) category 1&2 substances are banned. Substances of Very High Concern (SVHC) placed on the candidate list for authorization according to REACH Regulation are banned above 0,1% (weight/weight). In all cases, suppliers follow the update of this list and inform Albéa if SVHC are present in their products.

### **Abolition of Child labor**

The minimum admission to employment or work shall not be less than the age of completion of compulsory schooling, normally not less than 15 years (or 14 where the law of the country permits). All young workers must be protected from performing any work that is likely to be hazardous or to interfere with the child's education or that may be harmful to the child's health, physical, mental, social, spiritual or moral development. Albéa supports the use of legitimate workplace apprenticeship programs which comply with all laws and regulations governing child labor and apprenticeship program.

### **Elimination of forced and compulsory labor**

Suppliers will not use forced or involuntary labor of any type (e.g. forced, bonded, involuntary or unpaid prison labor). All employment, including overtime work, is voluntary. Workers are free to leave provided they comply with advance notice specified by law. The retention of identity papers, passports, training certificates work permits or others government-issued identification as a condition of employment is prohibited as well to obligate workers to make deposits or financial guarantees.

### **Freedom of association and the right to collective bargaining**

Suppliers recognize and respect the rights of employees to freely associate, organize and bargain collectively and the importance of open communication and direct engagement between workers and management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal. They give workers representatives access to the workplace in order to carry out their representative functions. Where the right to freedom of association and collective bargaining is restricted or prohibited under law, Suppliers do not hinder alternative forms of independent and free workers representation and negotiation.

### **Elimination of discrimination in the workplace and Fair Treatment**

Albéa does not tolerate any form of discrimination in hiring, training, promotion, compensation and others employment practices on the ground or race, color, religion, gender, sexual orientation, age, physical ability, health condition, political opinion, nationality, social or ethnic origin, union membership or marital status. Suppliers create and maintain an environment that treats all employees with dignity and respect and prohibit usage of any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse. Disciplinary procedures are written, they are explained in clear and understandable terms to the workers. All disciplinary actions are recorded. No harsh or inhumane treatment coercion or corporal punishment of any kind is tolerated, nor is there to be the threat of any such treatment.



### **Compliance with all laws related to applicable wages, benefits and working hours**

Suppliers comply, at a minimum, with all laws and regulations related to wages and working hours, including those pertaining to minimum wages, overtime wages, piece rates, and other elements of compensation and provide legally mandated benefits.

- The minimum wages paid to employees are in conformity with country laws (including apprentices, trainees or employees during the trial period). The employee is duly notified of the method used to calculate wages.
- Workers are not required to work more than 60 hours per week, including overtime, except in extraordinary business circumstances with their consent.
- Workers are compensated for overtime hours at the legally mandated premium rates, or where such rates do not exist, payment for overtime hours are at least equal to the regular hourly wage.
- Workers are allowed at least one day off per seven-day week.
- Workers receive all statutory benefits mandated by law, including but not limited to pension benefits, annual leave, and holidays.
- Wages are paid, at regular intervals and with reasonable frequency, in cash, by check or by bank transfer, to the exclusion of any other form of compensation, except in the specific cases provided for by country regulations.
- Deductions from wages for disciplinary reasons are prohibited.

### **Health and Safety**

Suppliers ensure that their activities do not harm the health and safety of their staff, their own subcontractors and local people.

Suppliers are proactive in occupational health and safety; they develop a Health and Safety (HS) organization to define, implement and follow-up on an HS policy and HS Management System. Documentation about this HS management is updated and available.

The risks from any physical, chemical and biological hazards in the workplace as well as risks associated with any infrastructures used by their employees are identified and evaluated. Suppliers take all appropriate measures to mitigate those risks or eliminate them when it is possible, that include compliance with local and national regulations.

Suppliers provide workers with appropriate personal protective equipment and access to adequate medical assistance and facilities.

Suppliers identify and assess emergency situations in the workplace and minimize their impact by implementing emergency plans and response procedures.

Workers are educated and trained to face any situations of occupational risk.