

TCO Certified Self-assessment Questionnaire

A.7.2 – Senior Management Representative, Socially Responsible Manufacturing

Introduction:

Completion of this Self-assessment Questionnaire is required under the Senior Management Representative (SMR) review in mandate A.7.2 of the most recent version of TCO Certified. This questionnaire also includes an assessment guideline for each question.

The Self-assessment Questionnaire enables TCO Development and the brand owner to assess the brand owner's performance with regard to socially responsible manufacturing in the supply chain. Applicant responses will provide information about the brand's proactive work and help identify opportunities for improvement. As part of the methodology, TCO Development encourages a 3-way collaboration between the brand owner, suppliers of TCO Certified products and TCO Development in achieving compliance with criteria in section A.7.

Applicant responses may be verified during the annual SMR interview (see mandate A.7.2)

How responses are graded:

Responses are assessed and graded based on a Green, Yellow and Red award system.

- A green mark is a Yes and at least one of the option boxes is checked.
- A yellow mark is a Yes but none of the green mark options can be checked.
- A red mark is a No

Question 1 in the Questionnaire must be green or if accepted by TCO Development it may be yellow.

All other questions (2-19) are connected to proactive work and there is currently no minimum level required. However, TCO Development recommends that the appointed SMR answer all questions since the data is collected for the additional purpose of measuring overall industry progress in socially responsible manufacturing and to assess where additional factory spot checks may be necessary.

Definitions

Supplier, sub-supplier: Supply chain facilities/manufacturers

First tier manufacturing facility (or simply '**manufacturing facility**'): the final assembly plant of the TCO certified products. This can be either the brand owner's own facility or the manufacturing facility of a supplier, and may vary among brand owners.

Second tier manufacturing facility: The company that sells and delivers materials or goods directly to the first-tier manufacturing facility.

Self-assessment Questionnaire.

Brand Owner – please answer each question as it relates to manufacturing conditions of your TCO Certified product models.

1. One of the challenges in implementing Codes of Conduct and social criteria is to communicate them effectively to those affected. This question is intended to evaluate the actions undertaken for the Code of Conduct to become known by management and workers at manufacturing facilities.

TCO Certified requires that all certified products are made under socially responsible conditions. TCO Certified criteria require responsibility throughout the supply chain. Third party audits verify that the Code has been communicated to the next tier and that a process to implement the Code exists. The brand commits to handling any non-compliance to the code that is discovered in the supply chain. If conditions at further tiers are not in line with the brand owner code then TCO Development requires that the brand owner investigate, act to rectify the non-conformity and report the outcome back to TCO Development.

Is the brand owner code of conduct communicated to the suppliers and sub-suppliers when the brand owner identifies them?

Yes No

Green:

- Reports of workshops or training sessions to discuss the code are provided.
- Description of the management system for continuously informing manufacturing facilities is provided.
- Other. Please describe the method where proof is available: _____

Yellow:

- Other. Please describe the method if no proof is available: _____

Red: The answer is No

2. A brand owner should do everything it possibly can to enable, promote and carry out socially responsible manufacturing through the entire supply chain

Does the brand owner maintain information and the location of both suppliers and sub-suppliers? If yes, check to which tier this information is known?

Yes No

Green:

- Information is maintained for more than the first tier and second tiers.

Yellow:

Information is maintained, but only first tier and second tiers.

Red:

No, only first tier manufacturing is known.

3. In order to gain knowledge of the Brands understanding and policy in regards to SA8000 certification, the following question asks to what extent SA8000 certification of socially responsible manufacturing of the supply chain is required.

Are any of the suppliers SA8000 certified? If yes check to which tier this information is known?

Yes No

Green:

There are SA8000 certified facilities further upstream than the first tier of manufacturing.

Yellow:

There are SA8000 certified facilities in the first tier of manufacturing

Red:

There are no known SA8000 certified facilities in the supply chain.

4. Transparency of manufacturing provides consumers or stakeholders with a better understanding of where products come from and how they are made.

Is information about any part of the supply chain made public or shared with any of the brand owner's stakeholders? If yes check whom the information is shared with.

Yes No

Green:

Information is shared on the brand web site. Web address: _____

Information is shared by other public means. Describe and submit proof: _____

Also describe which tiers of the supply chain that are made public.

Yellow:

Information is shared by other means, (but no proof can be provided). State which: _____

Red: The answer is No.

5. Companies sourcing or manufacturing in developing countries should have appropriate pre-contract due diligence processes in place to prevent worker rights violations, in accordance with the OECD Guidelines for Multinational Enterprises and the adopted principles of the UN Human Rights Council in order to carry out assessments and address the risks and opportunities for improvement of the brand owner's business.

When contracting with a manufacturer, does the brand owner first undertake due diligence of the supplier with regards to human rights (including labour rights)?

Yes No

Green:

- In accordance with the OECD Guidelines for Multinational Enterprises
 In accordance with the UN Guiding Principles on Business and Human Rights

Yellow:

- A supplier self-assessment document exists and a copy is available as proof.

Red: The answer is No

6. Low wages are a key element in the ongoing labour rights abuses experienced by workers in developing countries. There is a widespread dissatisfaction with wages by workers who are concerned that their salary cannot keep pace with rising living costs without them being forced to do excessive overtime and being exposed to poor working conditions.

Does the brand owner promote the right to collective bargaining to enable workers to improve working wages and conditions in the supply chain?

Yes No

Green:

- Collective bargaining is included in supplier agreements and is in complete accordance with the ILO convention 98. Provide the paragraph where collective bargaining is mentioned.

Yellow:

- Collective bargaining is included in supplier requirements. Provide the paragraph where collective bargaining is mentioned.

Red: The answer is No.

7. Workers must be able to associate and demand respect for their rights and the defence of their interests without fear of having actions taken against them by the companies.

Does the brand owner make binding agreements with suppliers in respect to freedom of association?

Yes No

Green:

- Freedom of association is included in supplier agreements and is in complete accordance with the ILO convention 87. Provide the paragraph where freedom of association is mentioned

Yellow:

Freedom of association is included in supplier requirements. Provide the paragraph where freedom of association is mentioned

Red: The answer is No

8. Contract, outsourced employees or migrant workers, even if they are skilled, do not receive the same benefits as permanent workers. There is no acceptable business argument for cases where the temporary workforce is more than 20-30% of the total number of employees.

Does the brand owner communicate to suppliers the need to stop excessive use of temporary contracts?

Yes No

Green:

Sets an acceptable maximum temporary workforce during as well as outside the peak season. State maximum in percent: _____

Requires that permanent workers and agency workers receive the same rights and benefits

Other. Please describe: _____

Yellow:

Communicates to the suppliers the need to stop the excessive use of temporary contracts

Red: The answer is No

9. Working wages are generally set at minimum levels and are often not enough when compared to the costs of living in developing countries. Wage levels and benefits shall be enough to cover living costs without the need for working excessive overtime. A minimum wage in accordance to ILO convention 131 & 26 is considered enough to provide decent living standards to individual workers and their family's basic needs. Other schemes such as Asian floor wage also exist. It is not always possible for the brand to set the working wages at supplier level, but there are indirect means where they can support the negotiations between workers, factory employers and governments.

Has the brand owner piloted or supported any projects for the implementation of a living wage? If yes, please indicate – or please provide detail

Yes No

Green:

Supporting and actively participates in a living wage program considered to be at least in accordance with ILO conventions 26 and 131. Please name: _____

Yellow:

Supports operationally or financially a living wage program/s. Please name: _____

Red: The answer is no

10. Does the brand owner have a supplier auditing system (so called second party audit)? If yes, check if audits are also agreed upon to be unannounced

Yes No

Green:

Supplier audits are conducted and it is agreed they may also be unannounced

Yellow:

Only supplier audits that are announced are carried out

Red: The answer is no

11. This question is especially relevant in the cases where the first tier manufacturing facilities are not owned by the brand owner, i.e. in cases where the first tier manufacturing facility is an external supplier to the brand owner. Many suppliers express the opinion that it is difficult to live up to the buyer's social and environmental requirements. In some cases the demands are associated with costs and the manufacturing facilities may feel they cannot afford the investments required to meet these requirements.

The brand owner shall evaluate its role as a purchaser. This may result in refraining from; pressing prices to a level that makes the manufacturing facilities' required investments in environmental and working conditions impossible to implement; imposing late orders or making late changes to orders that generate excessive or illegal overtime for the manufacturing employees.

This question is intended to evaluate whether the brand owner has analyzed its role as a purchaser in order to enable the manufacturing facilities to meet social / ethical criteria.

Has the brand owner adapted its business (for example sourcing practices or manufacturing planning) to enable manufacturing facilities to meet social criteria?

Yes No

Green mark:

Internal efforts are in place to avoid submitting late orders, or making late changes to orders that generate excessive or illegal overtime for the manufacturing employees.

There is a brand owner decision to refrain from pushing prices to such a low level that make necessary investments in environmental and working conditions impossible for suppliers

Other. Please give a specific example: _____

Yellow mark:

Yes, but no clear description or documentation of an activity can be provided.

Red mark: The answer is no

12. Trade union rights have a key role in the eight ILO Core Conventions (No: 87 and 98). Respecting trade union rights and effective communication channels between employees and employers help make the purchaser's job easier from a social and environmental perspective. In many markets, the absence of trade unions is a risk factor in relation to workers' rights.

Complaints and disputes are, at best, settled with ongoing and collective agreements. In countries where unions are prohibited or union discrimination is common, alternative ways of supporting dialogue between management and employees need to be explored. More on this under question 9,

This question is intended to evaluate the extent to which trade unions are represented at the factories manufacturing the products to be certified

Are trade unions represented at the first tier facilities manufacturing products to be TCO certified? If yes, please provide contact information to person responsible:

Yes No

Green mark:

Trade unions are represented at first tier manufacturing facilities and the contact person's information is provided for each facility on the annual list

Yellow mark:

Trade unions are represented at first tier manufacturing facilities but only the contact person's information is provided for some of the facilities on the annual list

Red mark: The answer is No or the brand owner can't name or in any other way specify any active trade unions

13. Trade union discrimination is widespread in many ICT producing countries. Some employers avoid hiring workers who work with union activities or dismiss or in other ways punish persons who are trying to forward worker's demands. The question is intended to evaluate whether the brand owner has been engaged in efforts to combat violations of the ILO conventions 87 and 98.

Is the brand owner in any way working to counter union discrimination at the first tier manufacturing facilities? If yes, check what methods/approaches are taken.

Yes No

Green mark:

Manufacturing facilities have invited local union representatives to the factory in order to introduce them to the employees and by doing so demonstrated that it is not against company policy that employees join unions.

Manufacturing facilities train all their leading management to respect trade union rights

The Brand owner itself visits and consults with local trade unions on the risks of discrimination within the business

Other. Please give a clear example: _____

Yellow mark:

No clear descriptions on how the brand owner has conducted efforts to counteract union discrimination can be given.

Red mark: The answer is no or the brand owner can't show any efforts to counteract union discrimination.

- 14.** In countries where free and independent trade unions are prohibited by law, e.g. China, it is important to ensure that a means of dialogue between employees and their employers exists. The brand owner shall allow workers to freely elect their own representatives. This question is intended to evaluate the brand owner's commitment to improving the management- employee dialog at the factory level.

In cases where union rights are restricted, is the brand owner working with first tier manufacturing facilities to ensure opportunities for dialogue between employees and their employers? If yes, check a description of how this is done.

Yes No

Green mark:

A clear description or documentation of dialogues carried out during the last two years can be provided as proof.

Other. Please provide a clear example: _____

Yellow mark:

No clear descriptions on how the brand owner has conducted its efforts can be provided.

Red mark: The answer is no or the brand owner can't provide any activity example.

- 15. Does the brand owner provide or ensure that a confidential means is in place for brand owner or supplier personnel to report non-conformities with the code of conduct directly (So called grievance mechanism or hotline)?**

Yes No

Green:

The brand owner has a whistleblowing program and that it effectively protects the identity of the informant (both brand owner and supplier employees). Workers shall be able to inform confidentially about code of conduct, legal and ethical concerns.

Yellow:

Requires the supplier facility to have a structured grievance mechanism that provides workers with a confidential means to report ethical and legal concerns.

Red: The answer is no

16. Does the brand owner inform about, investigate and respond to (in a structured way and without any negative consequences for the informant) any concerns of brand owner and supplier employees reporting on non-conformances?

Yes No

Green:

- Provides workers with written information about how to confidentially report grievances
- Provides workers with a means where they are provided feedback on the progress of a grievance investigation and its conclusion

Yellow:

- Requires the supplier facility to provide workers with written information about how to confidentially report grievances
- Requires the supplier to provide workers with a means where they are provided feedback on the progress of the grievance investigation and the conclusion.

Red: The answer is no

17. Multi-stakeholder collaboration that includes civil society organisations, trade unions and worker representatives can help play a crucial role in monitoring and improving the rights of workers in the IT industry in order for companies to implement supply chain responsibility.

Is the brand owner in contact with local NGOs, Unions or worker representatives in order to help monitor manufacturing facilities? If yes, check which

Yes No

Green:

- Local NGOs are engaged with the brand owner
- Local trade unions are engaged with the brand owner
- Worker representatives are engaged with the brand owner
- A multi-stakeholder initiative (such as a training project), is available as proof

Yellow:

- Involvement in multi-stakeholder forums (with unions and/or NGOs) in order to exchange information and bring about improvement in labor conditions

Red: The answer is no

18. Any brand owner shall maintain the highest standards of integrity within business relations. Any form of corruption, extortion and embezzlement shall not be tolerated by the brand owner.

Does the brand owner implement monitoring and enforcement procedures to prevent corruption, extortion and embezzlement at brand owner and supplier level?

Yes No

Green mark:

A clear description can be provided of the brand owner procedure for investigating and disciplining those that have committed acts of corruption, extortion or embezzlement.

Yellow mark:

Brand owner corruption, extortion and embezzlement regulations can be provided.

Red mark: The answer is no

19. Since the Dodd Frank Act 1502 legislation came into effect *The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* has helped companies set up a structure for requiring suppliers to disclose their sourcing origins of conflict minerals in order to prevent the potential use of minerals that contribute to armed conflict. The *OECD Due Diligence Guidance* provides a framework for brands to ensure that they respect human rights and do not directly or indirectly contribute to conflict.

Is the brand owner working to implement a due diligence process in accordance to *The OECD Due Diligence Guidance*?

Yes No

Green mark:

Fully compliant to the Dodd Frank act 1502.

Yellow mark:

In the process of implementing a due diligence process.

Red mark: The answer is no

We hereby guarantee that the above information is correct

.....
Signature

.....
Name and title (block letters)

.....
Date (Declaration valid 1 year from date)

.....
Brand owner