

# Supplier E-Training

## Fostering sustainability throughout the supply chain

2025





# Sustainable supply chains can only be accomplished by close cooperation



Voith is committed to ecological, fair, and long-term successful business practices and want to make a demonstrable contribution to the sustainable development of the company, society, and environment.



Voith is convinced that such a comprehensive range of issues can only be successfully addressed through close, continuous cooperation with our suppliers.

Sustainable  
development

Supply chain  
partnership

# How to foster sustainability in supply chains

## Targeted learnings

- ✓ Knowing relevant international standards and upcoming legislations
- ✓ Actions your business or your suppliers can do to improve sustainability
- ✓ Voith's expectations
- ✓ What to do in case of incidents

# Human Rights & Environmental Protection

**(Inter)national legislations are on the rise**

**United Kingdom: Modern Slavery Act**

**Canada: Anti-Forced Labor  
Supply Chain Act**

**Norway: Transparency Act**

**Germany: Supply Chain Act**

**France: Devoir de Vigilance**

**Switzerland: Supply Chain Act**

**EU: Corporate Sustainability Due Diligence Directive**







**EU: Deforestation Regulation**

**Australia: Modern Slavery Act**

# Human Rights and Environmental Due Diligence help to ensure sustainability



Human Rights and Environmental Due Diligence provides guidance on how to:

-  Embed responsible business conduct
-  Identify and assess adverse impacts
-  Cease, prevent or mitigate impacts
-  Track the implementation & results
-  Communicate on impacts
-  Take remedial action when appropriate

# Human rights risks in companies

## Discrimination

### Definition

Discrimination is unequal treatment of employees or job applicants based on personal characteristics, such as gender, race, sexual orientation, religion, age or national origin.

### Hints of noncompliance

- Low diversity of staff, such as predominantly white, male or young employees
- No anti-discrimination contact person

### Corrective measures

- Develop and enforce anti-discrimination policies
- Implement fair recruitment practices
- Promote a diverse and inclusive culture
- Establish a clear reporting mechanism and responsibilities to report on discrimination



ILO Convention No. 100 & 111

# Human rights risks in companies

## Lack of occupational health and safety

### Definition

- A lack of occupational health and safety results in an increased risk for occupational accidents or health risks
- Nearly 3 million workers die every year due to work-related accidents and diseases
- Sectors most prone: construction and manufacturing

### Hints of noncompliance

- High number of accidents
- Lack of information available for the employees, ex. information signs
- Lack or poor maintenance of safety equipment, ex. fire extinguisher

### Corrective measures

- Establish a safety culture: encourage employees to prioritize safety and provide trainings
- Conduct risk assessments to identify risks
- Provide appropriate PPE
- Develop emergency plans and provide easy access to emergency exits and first aid kits.

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 ILO Convention No. 155 & 161

# Human rights risks in companies

## Child labor

### Definition

- Child labor is work that deprives children of their childhood, potential and dignity and that is harmful to their physical and/or mental development
- About 160 million children are engaged in child labor (2020)

### Hints of noncompliance


- No age check before recruitment
- Equipment sized for small persons ex. chairs

### Corrective measures

- Establish company wide policies against child labor
- Check the minimum age to work in your country
- Verify the correct age at new employees

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 ILO Convention No. 138 & 192

 [UNICEF Guidance Note for Child labor and responsible business conduct](#)



# Human rights risks in companies

## Forced labor and slavery

### Definition

- Modern slavery is a situation of exploitation that a person cannot refuse or leave because of threats, violence, coercion, deception or abuse of power
- Forced labor is a type of modern slavery and can occur in the private economy (17 million) and by state authorities (4 million)

### Hints of noncompliance

- Corporate climate of threat
- Poor working conditions
- No regular working times - no private life for the employees

### Corrective measures

- Increase awareness within your company, ex. anti-slavery and human trafficking policy, trainings
- Conduct Due Diligence
- Provide channels for workers to report abuses safely and confidentially

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 ILO Convention No. 29 & 105

# Human rights risks in companies

## Poor salary and working times

### Definition

- Local laws or otherwise the ILO standards set the boundaries for the working times
- 8% of workers worldwide still live in extreme poverty ( 2018) and can't meet their and their families' basic needs
- Culture (company and country) has a high influence on working hours

### Hints of noncompliance

- A decent wage can only be accomplished by over hours
- Over hours are expected otherwise the employee is dismissed
- Lack of time tracking or embellished records of working time

### Corrective measures

- Check on local minimum wage and maximum working hours
- Implement transparent policies on overtime
- Train managers on labor laws and company policies
- Use reliable systems for time tracking
- Ensure appropriate rest periods and vacations
- Implement a transparent salary structure



ILO Convention No. 1; 14; 95; 131 & 132

# Human rights risks in companies

## Lack of freedom of speech, to strike and of association



Following rights are fundamental human rights:

- Expressing own opinion without fear of censorship or legal penalty
- Ceasing work to protest against working conditions or wage levels
- Right to form or join groups for the purpose of pursuing common interests



- Prohibition to form a union
- Employees who express their opinion or join a union are not promoted or are even dismissed
- Tense corporate climate



- Establish policies, that protect employees from negative consequences when speaking up
- Establish channels for employees to voice their opinion
- Respect union rights
- Respect lawful strike actions

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 ILO Convention No. 87 & 98

# Human rights risks in companies

## Uncontrolled influence on third parties

### Definition

- Influence on third parties, such as harmful soil change, water or air pollution, noise emissions or excessive water consumption
- Deprivation of land where it significantly impacts a person
- Use of security forces which lack instructions and control

### Hints of noncompliance

- No consultation and compensation before building on a plot of land of local people
- Extensive noise/ air pollution due to a lack of measures ex. filters
- External security forces apply cruel measures, such as torture or hinder legal actions, e.g. strikes

### Corrective measures

- Conduct environmental impact assessments
- Engage with local communities
- Implement monitoring
- Obtain free, prior and informed consent (FPIC) of affected communities before conducting activities on their land
- Instruct/ control external staff (ex. security forces) to respect int. law (no torture, respect of associations)



• UN Declaration on the Rights of Indigenous

• UN Code of Conduct for Law Enforcement Officials



# Environmental risks in companies

## Hazardous substances

### Definition

Chemicals need to be handled responsibly during mining, production, storage and disposal, as they pose a potential risk to people's health and their environment

### Hints of noncompliance

- Usage of products consisting of mercury, even though alternatives are available, ex. batteries, pesticides
- Usage of banned persistent organic pollutants
- Import or export of dangerous waste not in accordance with Basel Convention, ex. waste of paints or vanishes, waste of organic solvents

### Corrective measures

- Check (international) legislations on proper production, handling and banned chemicals
- Train employees
- Ensure that safety data sheets are available
- Dispose chemicals only at special disposal sites
- Check regulations when exporting or importing waste



• Minamata Convention on Mercury

• Stockholm Convention on Persistent Organic Pollutants

• Basel Convention on the control of Transboundary Movements of Hazardous Wastes and their disposal

# Voith's expectations on sustainability for our suppliers



- ✓ Take appropriate measures to guarantee human rights, labor rights and environmental protection
- ✓ Transfer knowledge and expectations within your supply chain
- ✓ Cooperate during preventative and remedial measures
- ✓ Comply with our Supplier Code of Conduct
- ✓ Comply with international laws and standards
- ✓ Openness to increase sustainability

# Contractual agreement on human rights and environmental protection

Contractual agreement on compliance with human rights and environmental protection between our suppliers and Voith are set out in:

- Our General Purchasing Conditions
- Our frame contracts
- Our Supplier Code of Conduct

# Sustainability is becoming increasingly important

## Our Supply chain plays a key role

### What to look out for

- Child labor
- Forced labor
- (Modern) Slavery
- Poor salary and working times
- Poor measures for occupational health and safety
- Lack of freedom of speech, to strike and of association
- Discrimination
- Uncontrolled influence on third parties
- Unresponsible handling of chemicals

### Why you should foster sustainability

- Legal compliance
- Avoid fines and exclusions from awarding
- Avoid reputational damage and build strong ties to suppliers and customers
- Avoid delays in delivery
- Build resilient supply chains

### In case of an incident

In case of an incident either at your site or in your supply chain, please contact your contact person at Voith or report via Voith's [Whistleblower platform](#)



Only with close

# Cooperation

we can create sustainable supply chains for future generations



# Checkout Voith's Actions and Guidelines on human rights and environmental protection

**VOITH**

... in our Supplier Code of Conduct

... in our Policy Statement on the German Supply Chain Act

...on our Website

.. in our Sustainability Report





# Thank you!

**For questions and suggestions, please contact:  
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