Vision zero and the Global Supply Chain

Enrico Rühle
Executive Vice President, Academy & Life Care, TÜV Rheinland, Germany
## Agenda

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Our goal is to be the world’s best independent provider of technical services for training, testing, inspection, certification and consultation.
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The whole is greater than the sum of its parts
Our business sectors:
At home in every continent

<table>
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<tr>
<th>TÜV Rheinland in numbers</th>
<th>2014</th>
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<tbody>
<tr>
<td>Turnover in Bn. €</td>
<td>1.73</td>
</tr>
<tr>
<td>- of which overseas business</td>
<td></td>
</tr>
<tr>
<td>accounts for in %</td>
<td>49</td>
</tr>
<tr>
<td>Employees</td>
<td>19,300</td>
</tr>
<tr>
<td>in more than</td>
<td></td>
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<td>520 locations in 69 countries</td>
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CSR & Sustainability at TÜV Rheinland

2006
- Joined the UN Global Compact

2007
- Company Policy on Values and Responsibilities

2008
- 1st International TÜV Rheinland Global Compact Award

2009
- Established a CSR Management System

2010
- 1st Stakeholder Round Table on Sustainability

2011
- Definition of Sustainability Strategy and Goals 2020

2012
- 2nd Stakeholder-survey

2013
- Member of the Steering Committee of the German Global Compact Network

2014
- Development of sustainability logo and start of an awareness campaign

2015
- Evaluation of Sustainability and Strategy

22.10.2015  ILO-ISSA Conference
## Agenda

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Vision zero and the Global Supply Chain

- Transparency
- Responsibility
- Corruption
- Influence on working and production conditions
- Violation of employment rights
- Environmental damage

Challenges
Vision zero and the Global Supply Chain

Solutions

- Environmentally friendly product
- Regional supplier
- Complaints mechanisms
- Laws
- Social responsibilities
- Safe and healthy learning and working environment
Vision Zero and the Global Supply Chain: Key factors

Transparency

Responsibility

Education

Zero workplace-related deaths
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ILO-Project: SCORE

Addressing productivity and working conditions in SMEs

Cleaner, more productive and competitive SMEs provide sustainable and decent employment
Vision Zero by implementing 5 SCORE Modules

- Price Competition
- Long supply chains create distance between buyers and suppliers
- Lack of national standards/enforcement

Workplace cooperation

- More profitable & productive industries
- Increased prosperity in community
- Improved working conditions

Safety and health at work

Service quality

Human resources

Cleaner production

Vision Zero
SCORE Project Countries and Target Sectors

- Geneva
  - SCORE Global
  - Global Tripartite Advisory Committee
- Colombia
  - Textile
  - Flowers
- Ghana
  - Manufacturing
- South Africa
  - Ecotourism lodges
- India
  - Auto and machine parts
- China
  - Garments
  - Machine and auto parts
- Indonesia
  - Auto parts and others
Vision zero in the Global Supply Chain

- Building institutional partnerships
- Communication between workers and managers
- Key benefits of Score
- Decrease Accidents and absenteeism
- Cost-saving
Vision zero can be achieved through…

**SCORE** A training programme geared to SMEs in supply chains
Access to a pool of trainers who are sectoral experts who can drive productivity and quality gains

**Better Work** A system placing the responsibility for improvements on factory managers and workers to collectively make changes
Entry to a network of other buyers and key players

*We are committed to working together to find sustainable solutions*
Back Up

Enrico Rühle
Executive Vice President, Academy & Life Care, TÜV Rheinland, Germany
Questions

TÜV Rheinland is a partner organization of ILO Score in China. Are there any plans to extend the coverage of Score to other countries?

Is it possible to become a partner organization? If yes, what is necessary?

What are results of Score in terms of measurable indicators?
Scope of Service of Academy & Life Care

- Professional Training
- International Study Mission
- Vocational Training
- Educational Training & MBA
- Cairn Center of Excellence (CCoE)
- SIEMENS – TR India Global Skill Center for Occupational Safety

Services
Motivation - disruptive or enabling technologies?

- Globalisation Econ. of Scale
- Modularisation Sub-Modularis.
- Individualisation/Personalization
- Managed Services

- Digitalization and distance learning
- Collaboration / Enterprise 2.0
- Internet of things
- Generation Y
- „Free Learning“ / Open Education / Cloud
- Sharing Economy
- Workplace 2.0
- Health 3.0
- Industry 4.0
- Employer Branding
- Globally mobile workforce
- SPEED and VUCA*

* VUCA = Volatility Uncertainty Complexity Ambiguity
Which external trends and requirements do we have to meet?

<table>
<thead>
<tr>
<th>Customers</th>
<th>Competitors</th>
<th>Nation. Governments/EU</th>
<th>Employees (current/potential)</th>
<th>Standardization bodies et al</th>
<th>Institutions/NGOs/Media</th>
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</thead>
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<tr>
<td>Increasing sustainability and compliance requirements in tenders</td>
<td>USP – especially in the German market</td>
<td>Regulatory developments</td>
<td>Employer Branding</td>
<td>UN Global Compact</td>
<td>Stakeholder expectations</td>
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<tr>
<td>Requirements for public procurement</td>
<td>Pioneering role – indicator for innovation and continuous improvement</td>
<td>National/EU-strategies on CSR</td>
<td>Work Life Balance</td>
<td>GRI</td>
<td>Campaigning organizations</td>
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<td></td>
<td>National emission reduction goals</td>
<td>Integrity/Compliance</td>
<td>ISO 26000</td>
<td>Media coverage</td>
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Traceability and safeguarding of social and ecological standards within supply chains

• Since 1st January 2013, all companies listed on a US stock exchange must prove and make **publicly accessible the origin of certain conflict minerals**. The corresponding draft of an EU Regulation does **not**, however, **contain any binding regulations concerning due diligence**. Furthermore, the proposed Regulation is intended to be limited to those companies which market conflict minerals directly.

• With regard to human trafficking and slavery, since 1st January 2012, companies in California with business operations worth more than USD 100m annually **must report on their efforts to prevent slavery and human trafficking in their supply chains** (“California Transparency in Supply Chains Act”). In Great Britain, a similar law – the “**Modern Slavery Bill**” – is currently being passed.

• (...) requires all companies importing timber or wood products to the EU for the first time to adhere to particular due diligence obligations and to document that the **wood and the traded products originate from legal logging sources**. Timber merchants from within the EU must also be able to verify the merchant from whom they bought the timber or wood products, and to whom they have sold these on to, the along the entire supply chain. This information must be conserved for five years.

• Concerning the raw materials industry, an EU Directive was adopted on 26th June 2013 obliging large oil, gas, mining and forestry companies to disclose to government authorities their payments such as taxes and concessions. Due to the high susceptibility of this sector to corruption, the **payments must be published for individual projects as well as by country**. The Directive is currently being implemented in the EU member states. According to the Dodd Frank 4 Act (paragraph 1504), companies are already required to report on their cash flows in the raw materials sector. The **corresponding implementation rules of the Securities and Exchange Commission are expected this year**.
Our Service

More safety and quality – for your competitive edge.
## Business Streams of TÜV Rheinland

### Industrial Service
- Pressure Equipment & Plant Technology
- Elevator, Conveyor and Machine Technology
- Electrical Engineering
- Industrial Inspection
- Infrastructure & Civil Engineering
- Energy & Environment
- Project Management
- Materials Testing & NDT

### Mobility
- Periodical Technical Inspection
- Driver's License
- Car Services & Appraisal
- Engineering and Type Approval
- Rail
- Intelligent Transport Systems

### Products
- Softlines
- Hardlines
- Electrical
- Commercial
- Medical
- Solar / Fuel Cell Technology
- Food

### Academy & Life Care
- HR Development & Consulting Services
- Professional Training
- Corporate Health Management, Occupational Health & Safety
- Personnel Certification
- Public Funded Training & Schools

### ICT & Business Solutions
- IT Services & Cyber Security
- Telco Solutions, Business & Engineering Services
- Management Consulting
- R&D Management

### Systems
- Certification of Management Systems
- Customized Services
Organization of Business Streams – Business Field - Academy & Life Care

A.01 Personnel and Organizational Development
- Corporate Development Consultancy
- HR Development Consultancy
- Managed Training Services
- Publishing & Media Services

A.02 Seminars & Further Training
- Conferences
- Seminars & Training Courses
- University Degree Programs
  both for private and corporate audience

A.03 Occupational Health Management, Medicine, and Occupational Safety
- Occupational health services, health promotion, and health management
- Occupational psychology, preventive medical management for companies
- Occupational safety services

A.04 Personnel Certification
- Certification program development
- Examination procedure development
- Exams and the conduction of certifications
- Issue certificates

A.05 Job Market Services, Private Schools
- Business-oriented educational and training programs to corporations and public authorities
- Services in non-profit area
- Operation of private schools

ILO-issa Conference 22.10.2015
Vision Statement: ILO Global Product No. 154
To drive economic growth and achieve better working and living conditions for a majority of workers, by enabling SMEs to adopt practices that capitalize on the synergies between higher productivity and improved skills, working conditions and occupational safety and health.
SCORE Process

Select sectors / clusters and identify partner institutions

Support coordinating Institutions and service providers to facilitate and deliver training

Training of enterprises on SCORE module 1 + other modules based on demand

Identify and disseminate good workplace practices

Programme institutionalization within partner organizations

5 SCORE Modules

Workplace cooperation

Service quality

Cleaner production

Human resources

Safety and health at work