

PRESS RELEASE

Successful social audit at Schwan-STABILO Cosmetics in China

In October 2008, Tianjin Schwan Cosmetics Co. Ltd. in China underwent a social audit by IG Metall (German metalworkers' union). Following the factory in the Czech Republic, the Chinese production location was the second subsidiary of Schwan-STABILO Cosmetics, Heroldsberg to undergo this examination.

Representatives of IG Metall from Germany and the General Works Council of Schwan-STABILO critically inspected the factory in order to check whether the requirements of the international general agreement (see "Background") are being adhered to.

The management of the Chinese subsidiary had already answered a list of questions for the audit in advance. This included quite critical questions, on topics including working hours, wage levels, equal treatment of men and women, etc.



Apart from one objection to a machine on which a cover was missing, no other shortcomings were discovered during the tour of the factory. The trade union secretary praised the "well-organised company". The union's representative singled out one point in particular –

namely that the factory employees are provided with a free lunch. In view of the low wages common in China, the value of this non-cash benefit should not be underestimated.

At the end of the visit Tianjin Schwan Cosmetics Co. Ltd. was presented with an audit certificate.

Background

The Schwan-STABILO group was already a signatory of the international general agreement for the promotion of humane working conditions in 2005. By signing the contract, Schwan-STABILO acknowledges the social and ethical responsibility resulting for the company from globalisation of markets.

The main points of the general agreement are:

- Abolition of forced labour
- No child labour
- No discrimination based on ethnic or social origins, skin colour, gender, religion, political opinion, nationality or other distinguishing features
- The right to freedom of association and the right to collective negotiations
- Payment of a sufficient wage
- Non-excessive working hours
- Safety at work and decent working conditions
- Employment conditions which meet national standards