



Global Compact

Communication on Progress Report 2015

(Report period 04/2014– 04/2015)

Qualifizierungsförderwerk Chemie GmbH (QFC)

The Global Compact, which was launched in 2000 by the then Secretary General of the United Nations (UN), Kofi Annan, is a global arrangement on environmental and social governance of globalization. Participating companies and organizations declare their commitment to comply with and to implement social and environmental standards. For more information: www.unglobalcompact.org

Statement of continued support for the Global Compact

The Qualifizierungsförderwerk Chemie GmbH (QFC) joined the Global Compact in February 2008.

As one of the first steps to implement the Global Compact principles the management and works council of the QFC have signed and published a joint declaration:

„Management and works council of the QFC support the ten principles of the Global Compact and calls upon all employees of QFC to support actively the implementation and to spread the Global Compact principles.”

The principles of the Global Compact are corresponding to the values of the QFC that are defined in its corporate principles.

The QFC will continue to support the Global Compact in its sphere of influence, particularly through project work and to contribute to a fairer globalization and to a society that ensures sustainable principles by the implementation of human rights, human labour standards, environmental protection and anti-corruption.



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Short description of the company activities

The Origin of QFC

The non-profit Ltd. was incorporated by the Chemical, Pulp and Paper and Ceramic Workers' Union in 1994. Since its merger in 1997 into the IG BCE (Mining, Chemical and Energy Workers' Union), the IG BCE is the sole shareholder of the QFC.

Major task of the first years was to empower people threatened by unemployment to find a new vocation and to support company reorganisation after they emerged from the former GDR collective-enterprises.

Through purposeful qualification of employees the QFC made a contribution to the growth and to the promotion of economic and industrial development, and was actively involved in the structural change of the chemical industries of East Germany.

Today, the QFC is an internationally operating project and training agency.

Company Focus and Mission

The QFC stands for the promotion of working qualifications in the chemical industries. Based on a well developed network architecture our work concentrates on four areas:

First Apprenticeship

Qualification Promotion

Transfer management

European competence.

As a non-profit subsidiary of the Mining, Chemical and Energy Workers' Union (IG BCE) we see ourselves primarily bearing responsibility for the employees and their enterprises at the locations which are serviced by the IG BCE.

To them belong trainees, young people, who are looking for a job and unemployed people. Furthermore we support enterprises concerning vocational education, personnel development and structural adjustments.

We perceive our work as providing a contribution towards innovation, sustainability, qualification, employment and co-operation in Europe.

Actions taken to implement the Global Compact principles in the sphere of influence of the QFC

For the dissemination and implementation of the Global Compact Principles in vocational education and training, the QFC has implemented its new quality standard **Q3SQ** in practice, during the reporting period.

Q3SQ stands for **Quality Standard for Social and Sustainable Qualification**. The quality label Q3SQ includes a quality management, the principles of Responsible Care, as well as the principles of the Global Compact.

With the quality label to both, in the learning facilities, as well as in the education and training activities, the Global Compact Principles shall be implemented and also imparted to the participants in training and further training.

In May 2011 the quality label Q3SQ of the QFC was presented at a conference with representatives of ministries, companies, works councils, trade unions, employers and training providers and awarded for the first time publicly at the following educational institutions:

Bildungszentrum Wolfen-Bitterfeld e.V. aus Bitterfeld-Wolfen

Ausbildungsverbund Olefinpartner e.V. aus Schkopau

Bildungszentrum für Beruf und Wirtschaft e.V. aus Lutherstadt Wittenberg

BAL Bildungsakademie Leuna GmbH & Co KG /IBLM Interessengemeinschaft Bildung Leuna-Merseburg e.V.

These four educational institutions are training approx. 1100 participants for about 325 companies in their education and further training activities.

In 2014 re-certifications have taken place at the educational institutions. A jury of three representatives from science and the IG BCE is currently evaluating the audit documents and will take a decision on further certification. The decision of the jury is the relevant recommendation for the award of Q3SQ for another three years.

In the fall of 2014, a workshop on further dissemination of Q3SQ took place together with the Q3SQ certified training providers and the education service Provadis GmbH and a representative of the Federal Employers' Association Chemistry (BAVC).

The Q3SQ-certified training providers and the Provadis - partner for consulting and training GmbH - also TÜV Rheinland Akademie GmbH developed within the project CaeSaR training modules for Sustainability, the Global Compact principles and CSR for practical use in the education and training. **(GRI -SO5)**

In 2014 the QFC has published in the Global Compact Yearbook 2013, an article under the title "QFC integrated Global Compact principles in the education and training". In this article Q3SQ and the project Caesar are described.

CaeSaR (CSR activities for ethical and social solutions to create an innovative work environment and for sustainable use of resources) was a joint project of the QFC, the IG BCE, BWS and the IG BCE Foundation "Work and Environment". The project period was from 01.01.2012 to 31.12.2014.

The project was part of the CSR program of the BMAS (Federal Ministry of Labor and Social Affairs) "CSR in SMEs" for small - and medium-sized enterprises and supports the implementation of the "Action Plan CSR (National strategies for corporate social responsibility)" of the Federal Government. The Caesar project was aimed at corporate actors and at the relevant social partners.

As a part of the project, the basics of CSR, including national and international initiatives (such as the Global Compact), were disseminated, concrete points of action in the fields of the labour, environmental, market and community were identified and corporate CSR projects were initiated. In addition, a training program for CSR promoters was developed and implemented and accompanying CSR consultation was offered.

As part of the project a study "Social Responsibility for SME's - introduction to the topic of corporate social responsibility for companies in the organizational area of the Mining, Chemical and Energy Worker's Union Mining" was published with best-practice examples and a CSR analysis tool.

Download on: <http://qfc.de/qfc.de/projekte/aktuelle-projekte/caesar/caesar-downloads/>

During the Caesar project period, in addition to several awareness-raising workshops, in total 27 seminars (4 CSR-basic seminars, 6 seminars on the topics of labour, environmental, market and community, 4 communication seminars, 4 CSR/project management trainings, 9 training modules on work / demography) were organized, with 401 participants from 39 different companies took place.

At the qualification program for CSR-promoter (FH) were or are involved 40 employees, of which so far 18 participants have received the university certificate.

Overall, 1,259 participants were reached through seminars, training modules and events of the Caesar project.

Results of the Caesar project were also published in two brochures:

- Success Stories from the Caesar project promoter qualification to strengthen sustainability and innovation in their business

- Sustainability as an educational goal, training modules in education and training for sustainable development and CSR **GRI-SO5)**

Download on: <http://qfc.de/qfc.de/projekte/aktuelle-projekte/caesar/caesar-downloads/>

Sustainability Conference of QFC

In December 2014 the final conference of the Caesar project under the title "Sustainability in action" took place in Hannover. The conference was attended by 145 representatives from ministries, trade unions, business, education and science.

The Caesar project served to the dissemination of CSR in SME's in the chemical, energy, glass, rubber, plastic and paper industries and especially encouraged the involvement of employees and their representatives with the initiation and implementation of specific operational CSR activities. **(GRI-SO5)**

20-year celebration of the QFC

During the 20-year celebration of the QFC in December 2014 in Hannover which was attended by 145 participants from politics, trade unions, business, education and science, the membership of the QFC in the Global Compact and the 10 principles of the Global Compact were introduced. (GRI SO5)

CSR-newsletter

Since early 2011 the QFC published a CSR newsletter to inform its stakeholders about current developments in CSR, Sustainability and Global Compact.

<http://qfc.de/qfc.de/aktuelles/csr-infoblaetter/>

A total number of 45 CSR newsletters were already published. **(GRI-SO5)**

During the reporting period April 2014 - April 2015 the following topics were published in the 11 CSR information:

No.35 - 5th Assessment Report of the Intergovernmental Panel on Climate (IPCC)

No.36 – 5th Progress Report of the QFC for the Global Compact

No.37 - International Transparency Initiative (EITI) in the extractive industries

No.38 - Facts, Trends and impulses of the German climate policy

No.39 - UN Report on Human Development

No.40 - German Sustainability Codex 2014

No.41 - Climate Action Program 2020 of the Federal Government

No.42 - Je suis Charlie

No.43 - Global risks 2015

No.44 - Climate Change - Record 2014

No.45 - Energy consumption in Germany

Activities planned for 2015/2016

The QFC will continue to participate actively in the workshops of the German Global Compact Network and will share its experience with Q3SQ as well as with the CAESAR project for SME's, as practical examples for implementing the Global Compact principles in the discussion on the network.

In addition, the QFC will continue to inform its stakeholders and the public about current developments, standards, initiatives and studies on CSR and sustainability with its CSR-newsletters.

(GRI-SO5)

Cooperation with the IG BCE “Foundation Work and Environment” (“Stiftung Arbeit und Umwelt” StAU)

In the future the QFC will continue to work with the IG BCE “ Foundation Work and Environment” (StAU) and will spread further the Global Compact principles in a think-tank with representatives from business, labour and science,

Q3SQ

The quality standard Q3SQ will be further developed and adapted to the reporting standard GRI G4. Other training providers should be attracted to Q3SQ.

Q3SQ, as a quality standard for education, should be developed in a new version for the industrial sector.

Caesar Project

After the end of the project the CSR-Promotor-Training will be continued as "promoter for Sustainability and Innovation (FH)" in cooperation with the University of Trier and the 'Mining, Chemical and Energy workers` Union (IG BCE).

The CSR seminar concepts and –training moduls developed at the Caesar project will be applied and further developed in education and training measures.

(GRI SO5)

Human Rights

Principle 1 BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

Principle 2 BUSINESSES SHOULD MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHT ABUSES

The Management of the QFC has signed a declaration together with the QFC works council, which includes the Global Compact principles.

Excerpt of the declaration:

“The management and the works council of the QFC support the ten principles of the Global Compact and call upon all employees of the QFC to support actively the implementation and to spread the Global Compact principles”.

This declaration has been disclosed to all employees of the QFC. Newly hired employees will be informed at the start of employment on the Global Compact principles.

(GRI HR3; reporting in this Progress Report is based on the Sustainability Reporting Guidelines of the Global Reporting Initiative, GRI, version 3.1)

Employee salaries are above the minimum wage for the education sector, so are for example the standard entry level wage 55% higher than the lowest entry salaries in educational institutions without collective agreement. **(GRI-EC5)**

GRI-LA2

Rate of employee turnover in per cent

| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------|----------|------|------|------|------|------|------|------|------|
| Gender | Female % | 24 | 16 | 17 | 9 | 6 | 10 | 9 | 18 |
| Gender | Male % | 4 | 2 | 11 | 6 | 2 | 4 | 9 | 8 |

GRI-LA15

Return to work and retention rates after parental leave, by gender

Number of employees by gender that were entitled to parental leave (2.1)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------|------|------|------|------|------|------|------|------|
| Female | 1 | | 1 | | 1 | 1 | 2 | 1 |
| Male | | | | | | | 1 | 0 |

Number of employees by gender that took parental leave (2.2)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------|------|------|------|------|------|------|------|------|
| Female | 1 | | 1 | | 0 | 1 | 2 | 1 |
| Male | | | | | | | 1 | 0 |

Number of employees who returned to work after parental leave ended, by gender (2.3)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------|------|------|------|------|------|------|------|------|
| Female | | 1 | | 1 | | 0 | 1 | 0 |
| Male | | | | | | | 1 | 0 |

Number of employees who returned to work after parental leave ended who were still employed within twelve months after their return to work, by gender (2.4)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------|------|------|------|------|------|------|------|------|
| Female | | 1 | | 1 | | 0 | 0 | 1 |
| Male | | | | | | | | |

Return to work and retention rates of employees who returned to work after leave ended, by gender (2.5)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------|------|------|------|------|------|------|------|------|
| Female | | 100% | | 100% | | 0 | 50% | 50% |
| Male | | | | | | | 100% | |

GRI-LA3

Benefits provided to full time, temporary and part-time employees

| Benefits, e. g. | Full time | temporary | part-time |
|---|-----------|-----------|-----------|
| - Accident insurance | yes | yes | yes |
| - Health care | yes | yes | yes |
| - Maternity leave | yes | yes | yes |
| - Parental leave | yes | yes | yes |
| - Pension scheme | yes | yes | yes |
| - Continued payment of wages in case of illness | yes | yes | yes |
| - Holiday entitlement | yes | yes | yes |
| - Jubilee benefits | yes | yes | yes |
| - Educational leave | yes | yes | yes |
| - Compensation for sick pay | yes | yes | yes |
| - Financial support for foreign accommodation | yes | yes | yes |
| - Exemption for corporate volunteering | yes | yes | yes |

Since May 2005 the QFC is a member of the **Network for Democracy and Tolerance** in Saxony-Anhalt and it regularly is participating in events, organized by the Alliance. The QFC is using topical continuing education courses and has participated in the reporting period in actions against racism and neo-fascism. ("Street democracy/Mile of democracy" on January 18 , 2014 in Magdeburg, May 1 celebrations of the DGB, demonstrations for the prevention of NPD rallies in Halle (Saale) and voter forums in preparation for the European and local elections on May 25, 2014).

(GRI SO5)

Labour Standards

Principle 3 BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

Principle 4 BUSINESSES SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMULSORY LABOUR

Principle 5 BUSINESSES SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR

Principle 6 BUSINESSES SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

The QFC respects the right of freedom of association and the effective recognition of the right to collective bargaining.
(GRI- LA5)

The employees of the QFC have elected a works council.

Between the management of the QFC and the works council regular meetings are held. During the meetings the works council will be informed about significant operational changes and appropriate measures will be jointly discussed.
(GRI-LA5)

The works council is involved in all matters concerning working conditions according to the Works Constitution Act.

Occupational health and safety issues for all employees of the QFC will be discussed together with the works council of the QFC.
(GRI-LA6)

2011, a company agreement on health promotion and occupational integration management was adopted.

2014 there was a tariff increase. 2014 a new remuneration system based on the IG BCE remuneration system was introduced, as well as a new and agreement on the employment of interns and trainees was completed.

In the context of occupational safety and fire protection and health care, the QFC is supported by an external company. Together with the works council a work safety committee has been established, as well as a company doctor for the employees of the QFC was contracted.

(GRI LA9)

The responsible trade union for the QFC is the Mining, Chemical and Energy Workers' Union (IG BCE).

97% of employees are members of the Mining, Chemical and Energy (IG BCE) 3% of the employees are members of trade union Ver.di. **(GRI LA4)**

GRI-LA12

Percentage of employees receiving regular performance and career development reviews:

100%

GRI-LA4

Percentage of employees covered by collective agreement:

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------|------|------|------|------|------|------|------|------|
| Employees | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

GRI-LA10

Average hours of training per year per employee:

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|------------------------|------|------|------|------|------|------|------|------|
| Average hours per year | 37 | 30 | 18 | 16 | 21 | 19 | 21 | 16 |

The labour conditions of employees are regulated in employment contracts which determine, among other things, the voluntarily nature of employment and the notice period, and they are guided by the collective agreement of the IG BCE.

(GRI-HR7)

QFC does not employ children.

(GRI-HR6)

Young persons under 18 years of age, who participate in training activities of the QFC are subject to special protective and supervisory measures according to the Youth Employment Protection Act.

(GRI-HR6)

Young persons under 18 years of age are subject to special oversight and supervision, including the required safety instructions.

To avoid that goods and services are used by suppliers who are at significant risk for cases of child labour, the QFC is choosing generally goods and services from local suppliers, where there is no risk of child labour.

(GRI-HR6)

The QFC is committed to the prohibition of discrimination.

None of the employees have been trained in the reporting period to the General Equal Treatment Act (AGG). Next training on AGG is scheduled for 2015 **(GRI HR 3)**

During the reporting period, there was no discrimination complaint.

(GRI-HR11)

Monitoring of employee satisfaction is an integral part of the documented Quality Management System (QMS), which also takes into account aspects of discrimination. In 2011 the second employee survey took place. The concept of the survey was agreed with the works council. The entire staff was informed about the results of the employee survey. Another employee survey is planned for the future. The interview sheet has been adjusted accordingly. Satisfaction surveys will be conducted with the employees at the 2015 appraisal interview. **(GRI-HR4)**

In QFC no complaints on human rights have been filed so far. **(GRI HR11)**

GRI-LA1

Total number of employees in the following categories:

| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------|--------------------|------|------|------|------|------|------|------|------|
| Gender | Female | 29 | 27 | 28 | 30 | 29 | 33 | 30 | 28 |
| Gender | Male | 17 | 22 | 25 | 23 | 21 | 18 | 16 | 11 |
| Age | under 30 years old | 12 | 11 | 11 | 11 | 6 | 3 | 2 | 2 |
| | 30 – 50 years old | 17 | 21 | 25 | 25 | 27 | 27 | 25 | 20 |
| | over 50 years old | 17 | 17 | 17 | 17 | 17 | 21 | 19 | 17 |

GRI-LA13

Percentage of management team in the following categories

| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------|--------|------|------|------|------|------|------|------|------|
| Gender | Female | 16 | 29 | 33 | 33 | 50 | 50 | 50 | 50 |
| Gender | Male | 84 | 71 | 67 | 67 | 50 | 50 | 50 | 50 |

The proportion of women among senior management in the QFC could be kept constantly with 50% in the current reporting period.

GRI-LA14

Ratio of basic salary of men to women

| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------|--------------------------------|------|------|------|------|------|------|------|------|
| Gender | Male (basic salary 100 %) | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Gender | Female (basic salary 100 %) | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

The **QFC Project “PFiFv – women in leadership”** is to increase the target number of women in management positions (due to stabilization of the proportion of women in the lower and middle management and by increasing the proportion of women in senior management) and to improve initial situations and conditions for women’s careers.

The project runs in 9 major companies in the mining, energy industry, chemical industry, paper industry and water utilities based in the states of Saxony-Anhalt, Saxony, Brandenburg and Mecklenburg-Western Pomerania. The project is running from 01.04.2011 to 30.06.2014.

A total number of 196 participants were involved in the training for women in leadership position.

(GRI-LA11, GRI-LA13, GRI-SO5)

The **QFC project "Mobility without Barriers (MOBA)"** had the goal to improve employment opportunities for unemployed young people and adults with difficulties to find work through the promotion of transnational exchange and mobility projects.

These groups of people with difficult access to the labour market gained work experience in other EU countries, to improve their foreign language skills and to enhance their social and intercultural skills.

The activities were carried out in cooperation with three local job centers.

As part of the project internships abroad (lasting one month) took place in Poland or Denmark. Following this, the internships were evaluated in a three-week follow-up to support Participants in their job search.

In the project period from 01.04.2011 to 30.06.2014 a total of 95 participants took part in 13 separate rounds abroad.

(GRI-LA11, GRI-SO5)

The **QFC Project MILENA (module concept to acquire international professional competence in northern Saxony-Anhalt)** prepares apprentices for the transition from training to working life, so they can meet the challenges of the second threshold.

The particular strength of this project is that in the context of a mobility module it contributes to the internationalization of vocational training and provides apprentices the ability to complete training components in Europe (especially Great Britain, Ireland, Poland, France, Italy) and to improve foreign language skills in order to acquire international professional competence.

In cooperation with local training and education providers, the module concept will contribute to build cross-industry, international cooperation between training institutions and integrate concepts to acquire international professional competences in vocational training.

The project should include 735 apprentices in the period from 01.10.2011 to 30.06.2015.

So far already 830 apprentices were able to complete seminars for achieving international professional action competence.

(GRI-LA11, GRI-SO1)

The QFC project "**Generation Balance - Balanced age structures as Innovation resource**" (**Genba**) has the aim to support young managers in their task to lead experienced teams. Applied will be the instrument cross-mentoring where mentors (experienced managers) will encourage mentees (young potential carriers) from other companies in their professional and personal development. In addition to raise awareness of the generations for one another, in the program also young women were accompanied and encouraged along the way in leadership positions. To ensure the project results a cross-mentoring program for newly elected shop stewards was set up in the IG BCE Country District of North Rhine. With a kick off the program was launched in January 2015 by 11 tandems where experienced shop stewards will accompany and support their newly elected colleagues, over a year.

(GRI-LA11, GRI-SO5)

The projects "**Brandenburger strategies for the development of highly motivated professionals and to strengthen the social partnership**" with the short title - "**Brahms**" and **Brandenburg initiative to strengthen the social partnership and to increase the quality of work, "BRISSA"**, were funded by the Ministry of Labour, Social Affairs, Women and Family (MASF) to implement the policy to strengthen the social partnership and improve the quality of work (Brandenburger social partners Directive) from 30.11.2013, into practice. Together with the IG BCE district participants in the companies in charge of age and demography appropriate design of working conditions should be empowered to initiate measures and to increase the quality of work

In the project BRAHMS in 26 companies initial consultations were held by the QFC project team, of which eight resulted into intensive support for concrete projects, in which 304 employees were involved.

In BRISSA also initial consultations were held in 26 companies, of which ten resulted in specific consulting projects. In this process 315 workers were involved. In addition, in the project BRAHMS a cross-company exchange of experience on "fit @ shift work" took place. 30 participants discussed how employees in shift work can work healthy and motivated until retirement, what to consider, what changes in behavior and conditions are necessary to guarantee "good work" in the Brandenburg companies.

In the project BRISSA an exchange of experience between the companies involved and the social partners IG BCE and "Employers' Association for the paper industry", and the Employers Association for the chemical industry "Nordostchemie" to best practice examples in the implementation of the processes took place.

(GRI LA11, GRI SO5)

The project "**Good work in Saxony-Anhalt**" is to sensitize and to win companies and employees for membership in employers associations and trade unions. Through appropriate measures important regulatory areas of the social partners (wages, demography, pension, training assistance, part-time work, sustainability and inclusion) are discussed and options for action will be developed.

The aim is to strengthen the employee participation in personal and organizational development processes. So the advantages of the participatory action can be identified. This can also consolidate and expand collective arrangements by strengthening the social partners.

It will improve the industry-specific competitiveness and efficiency. Pay and working conditions will be designed to keep the competitiveness of the Saxony-Anhalt industry in the expected demographic changes. Therefore attractiveness of the business location of Saxony-Anhalt is sustainably improved.

The project implementation is carried out in close coordination with the district of Halle-Magdeburg of the Mine, Chemical and Energy workers union (IG BCE) and the employers' association Nordostchemie eV. It is planned to reach 120 companies with information and activities to sensitize. An in-depth information and concept development is sought with 60 companies.

(GRI LA 4 and LA 11, GRI SO5)

Gender Monitoring

All projects of the QFC are subject to their own gender monitoring. The QFC has appointed a gender officer. An annual Gender Report is prepared by the gender officer. Within the report, the projects are viewed in terms of their gender relevance. In addition, recommendations for the consideration of gender mainstream are given. The report for 2014 is in preparation and will be submitted to the Management Board 30.06.2015.

(GRI LA11, GRI SO1)

ENVIRONMENT

Principle 7 BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

Principle 8 BUSINESSES SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

Principle 9 BUSINESSES SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

In developing and implementing the quality label Q3SQ the QFC continued together with representatives of educational institutions the exchange of experience for the implementation of precautionary and sustainability principles into the training and further education. During a training at a certified training provider, apprentices had planned and executed the construction of a solar system and the CO2 saving was made transparent through an information board.

During the reporting period dream Q3SQ-education institutions have modules for the training and further developed, tested and evaluated modules for training in order to integrate various job-related and inter-professional aspects of sustainability into their product portfolio.
(GRI SO5, GRI EN18)

Measures of the QFC and figures to save energy, emissions, water and other resources
(GRI-EN1ff)

e.g.

- Waste separation takes place
- Reduction of paper consumption
- Thermal insulation measures
- More efficient use of heating and cooling by night-time reduction
- Use of energy saving lamps
- Temporarily turn off of not used energy consumers (such as computers, printers etc.) takes place
- Purchase of new company cars will be taken to ensure that they show lower CO2 emissions
- Acquisition of a natural gas company car
- The use of company cars is reduced by the use of public transport - two employees currently use "Bahn-Card" of the Deutsche Bahn
- Use of resource-saving and complex copying and printing technology, thereby eliminating several work-related laser printer.

Currently possibilities of a company-specific environmental project are to be examined.

| Examples: | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|------|------|--------------------------------------|------|------|------|------|------|
| Copies made up (TStk.) | 130 | 131 | 102 | 144 | 124 | 141 | 152 | 118 |
| Water consumption (m³) | 99 | 81 | not determinable (in total included) | | | | | |
| Power consumption (Tkwh) | 14,6 | 14,2 | not determinable (in total included) | | | | | |
| Company cars, mileage (Tkm) | 237 | 213 | 168 | 181 | 208 | 160 | 178 | 167 |
| ∅ consumption of printing and copy paper / employee (in centimeter) | | | | 40 | 40 | 40 | 34 | 25 |

Since 2012, printing paper is used exclusively with the PEFC-certificate (Program for the endorsement of forest certification schemes).

Regarding the awareness of employees for more responsibility towards the environment, e.g. all new employees of the QFC are informed about the principles of the Global Compact the day they start working at the QFC.

(GRI-HR3, GRI-EN26)

As part of the continuous improvement process, employees showed great commitment and made suggestions with relevance to the environment protection. For example, the use of environmentally friendly office supplies, the shift from paper to electronic documentation of internal correspondence. Use of eco-friendly educational materials in training activities. In addition, a working group on sustainability is planned

(GRI HR3, EN-26)

The **project Triquali, learning organization** (LO Triquali) is a project within the ESF social partner policy "continuing education". The project period is from 01.03.2012 to 31.12.2014. It is funded by the European Social Fund and the Ministry of Labour and Social Affairs.

At the TRIMET ALUMINIUM AG employees are trained in the areas of "knowledge" "leadership" and "TRIZEN" to use within the process of continuous improvement energy resources more efficient and avoid waste through better preparedness. In the area of TRIZEN the Kaizen method (Japanese Kai = change, Zen = for the better) is connected with the corporate culture of Trimet (=TRIZEN). The 5-S Kaizen methods are applied to the individual organizational processes. By linking the training with the corporate vision goals the development of TRIMET ALUMINIUM AG towards a learning organization will be supported.

During the reporting period, 380 qualification measures were conducted with a total of 2664 participants and a total of 12.341 training hours in the three areas of action.

(GRI SO5)

Anti-corruption

Principle 10 BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS INCLUDING, EXTORTION AND BRIBERY

On 12.09.2011 the management of the QFC had issued an anti-corruption policy together with the works council of the QFC:

Anti-Corruption Policy QFC

As part of its participation in the Global Compact of the United Nations the QFC is working against all forms of corruption, including extortion and bribery.

This Code is intended to be a tool for the employees of QFC to save them from being accidentally entangled in corruption. It will help to do the right thing in hazardous situations, therefore:

First - Be a role model. Show by your behavior, that you don't tolerate nor support corruption neither its accompanying offenses.

Second - Fend off corruption attempts immediately and inform your supervisor immediately and also the QFC officer for corruption affairs.

Third - If you suspect that someone wants to ask for an improper favor, consult with a colleague as a witness.

Fourth - Always work in a way, your work can be reviewed at any time.

Fifth - Ensure consistent service to the separation of your business and personal life.

Sixth - Support the management of the QFC in the discovery and investigation of corruption. Inform your supervisor and the QFC officer for corruption affairs in case of indications of corrupt behavior.

Seventh - Support the management to detect faulty organizational structures, which favors corruption attempts.

Eighth - Inform yourself on the topic of corruption and personal gain in the broadest sense and let yourself be trained on the topic.

Halle, 09/12/2011



Melanie Neumann
Works council



Helmut Krodel
General Manager

The management of the QFC has appointed an anti-corruption officer. This position is to be awarded at regular intervals. So far, no cases of corruption have occurred.

The anti-corruption policy of the QFC was disclosed to all employees of QFC and explained at a staff meeting.

(GRI-SO3)

With its anti-corruption policy the QFC implements the requirements of the Global Compact to fight corruption (Global Compact, anti-corruption, basic reporting elements B1-B7).

(GRI-SO2)

In QFC there had been no incidents of corruption.

(GRI SO4)

The QFC was not involved in violations of law and therefore had no penalties / fines to pay.

(GRI-SO8)

How does QFC intent to make this Global Compact Communication on Progress Report available to its stakeholders?

The Global Compact Communication on Progress Report of the QFC will be accessible to the stakeholders on the QFC-website (www.qfc.de).

The COP-report will be also disseminated by the new QFC-CSR newsletter.

The Shareholder, the advisory board and the board of trustees of the QFC will be informed of the Communication on Progress Report.

The Communication on Progress Report of the QFC will be available to all employees on a bulletin board.

Information to the employees of QFC

QFC supports the 10 Principles of the Global Compact

In 2008 QFC had joined the United Nations Global Compact. The Global Compact is a voluntary, international initiative of the United Nations to contribute to a social and environmentally sustainable globalization.

The Global Compact consists of 10 principles:

Human Rights

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2 make sure that they are not complicit in human right abuses

Labour Standards

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4 the elimination of all forms of forced and compulsory labour;
Principle 5 the effective abolition of child labour; and
Principle 6 the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7 Businesses should support a precautionary approach to environmental challenges;
Principle 8 undertake initiatives to promote greater environmental responsibility; and
Principle 9 encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

The Management of QFC supports the 10 principles of the Global Compact and calls upon all employees of QFC to support actively the implementation and to spread the Global Compact principles.

Halle, 18.11.2008


Melanie Neumann
Chairwomen of works council


Helmut Krodel
Managing Director