



**Global Compact**

**Communication on Progress Report 2010**

**(Report period 02/2008 – 01/2010)**

**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](http://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 Global Compact and calls upon all employees of QFC to support actively the implementation and to spread the Global Compact principles.”

The principles of 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 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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February, 2010    Helmut Krodel

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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 IGBCE (Mining, Chemical and Energy Workers' Union), the IGBCE 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.

### **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 Apprentice

Qualification Promotion

Transfer management

Europe Authority

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

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**

During the reporting period the QFC has undertaken a series of seminars with its external stakeholders (educational institutions). In a total of three workshops were presented to the stakeholders the principles of the Global Compact and the underlying international initiatives and statements. The three workshops were attended by a total of 46 participants.

It was also discussed with stakeholders on how the Global Compact principles can be integrated in the future in education and training.

Result of this process was the development of a new quality label Q3SQ.  
**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 the learning facilities, as well as in the education and training activities the principles of Global Compact shall be implemented and to impart the principles of Global Compact to participants in training and further training.

The QFC understands the quality label Q3SQ as a contribution to impart the Global Compact principles above all to the employees. This should be done for practically contribution to implement actually the principles of the Global Compact in the companies, together with the employees. **(GRI-SO5)**

The quality label Q3SQ was presented and explained in 2008 at an international conference of the QFC (final conference of the project EUROCHEM "Industrial Relations and Social Dialogue in the European Chemical Industry") with representatives of businesses, educational institutions, employer associations and trade unions from France, Poland and the Netherlands.

### **Planned activities for 2010**

At the beginning of the year, the QFC is planning to present the quality label Q3SQ at another meeting to its national and international stakeholders.

Furthermore in 2010 the first educational institutions and enterprises shall be certified under the quality label Q3SQ by the QFC.

At a major conference, in conjunction with the 10th anniversary of the Global Compact, the first implementation results of Q3SQ will be assessed and practical examples of the implementation of the principles of the Global Compact will be discussed.

As part of its participation in the German Global Compact Network, the QFC will have a stakeholder discussion, to which are the German Global Compact Network members are also invited. At this event, the quality label Q3SQ will be presented for discussion.

The aim of this event will be to carry out with the German Global Compact members an exchange experience on the dissemination of the Global Compact principles in their businesses and explicitly, through the awareness of the employees for the Global Compact principles.

**Human Rights**

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

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

The Management of the QFC has signed a declaration 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 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. **(GRI-HR3)**

The Management of the QFC was trained in 2008 in a two-day training seminar on globalization issues, the Universal Declaration of Human Rights, the core conventions of the International Labour Organization and the Global Compact.

The salaries of the employees are above the minimum wage for the education sector. Standard entry salaries are e.g. 40 per cent above minimum wage for the education sector. **(GRI-EC5)**

**GRI-LA2**

**Rate of employee turnover in per cent**

		2007	2008	2009
Gender	Female %	24	16	17
Gender	Male %	4	2	11

**GRI-LA3****Benefits provided to full time, temporary and part-time employees**

	Full time	temporary	part-time
Benefits, e. g.			
- 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
- Educational leave (5 days in addition to statutory entitlement)	yes	yes	yes

## Labour Standards

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

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

**Principle 5 BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR**

**Principle 6 BUSINESS 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)**

For health and safety works agreements were not completed. The care of our business is done by a corporation of health care on a contractual basis. **(GRI-LA9)**

The responsible trade union for the QFC is the Mining, Chemical and Energy workers' union (IGBCE)

94 per cent of the employees are members of the Mining, Chemical and Energy workers' Union (IGBCE). **(GRI-LA5)**

**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
Employees	100	100	100

**GRI-LA10****Average hours of training per year per employee:**

	2007	2008	2009
Average hours per year	37	30	18

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 which are guided by the collective agreement of the IGBCE. **(GRI-HR7)**

QFC does not employ children.

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.

85,7 per cent of employees were trained during the reporting period to the General Equal Treatment Act (AGG).

During the reporting period, there was no discrimination complaint. The determination of employee satisfaction is an integral part of the documented Quality Management System (QMS), which also takes into account aspects of discrimination. **(GRI-HR4)**

**GRI-LA13****Total number of employees in following categories:**

		2007	2008	2009
Gender	Female	29	27	28
Gender	Male	17	22	25
Age	under 30 years old	12	11	11
	30 – 50 years old	17	21	25
	over 50 years old	17	17	17

**GRI-LA13****Total number of management team in the following categories**

		2007	2008	2009
Gender	Female	1	2	2
Gender	Male	5	5	4

**GRI-LA14****Ratio of basic salary of men to women**

		2007	2008	2009
Gender	Male (basic salary 100 %)	100	100	100
Gender	Female (basic salary 100 %)	100	100	100

## ENVIRONMENT

**Principle 7 BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES**

**Principle 8 BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY**

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

In developing the quality label Q3SQ a workshop took place which representatives of educational institutions to share experience on precautionary and sustainability principles. **(GRI-SO5)**

The QFC has concluded end of 2008 a two-year "Project for the design of occupational health and environmental protection based on European standards by creating networks of social partners from Poland, the Slovak Republic and Germany"(EUROPART II)

The project EUROPART II, carried out through knowledge-transfer, contributed to improved occupational safety, health and environmental protection and the dissemination of the initiative of the Chemical Industry Responsible Care.

Within the project, 318 representatives of businesses, educational institutions, works councils and trade unions took part in 13 regional conferences in Poland, the Slovak Republic and Germany.

Within the project, among other things, a handbook on occupational health and safety for experts and social partners, was developed and published.

[http://www.qfc.de/downloads/sonstiges/betriebliche\\_gesundheitsfoerderung\\_english\\_online.pdf](http://www.qfc.de/downloads/sonstiges/betriebliche_gesundheitsfoerderung_english_online.pdf).

Measures 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 unneeded 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
- CO2 emission for business trips has been reduced by a reduction in business mileage

Examples:

	2007	2008	2009
Copies made up (TStk.)	130	131	102
Water consumption (m <sup>3</sup> )	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

In the evaluation/selection of preferred suppliers in 2010 sustainability criteria will be taken into account reinforced.

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

## **Anti-corruption**

### **Principle 10 BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS INCLUDING, EXTORTION AND BRIBERY**

Currently QFC does not yet have an internal anti-corruption code of conduct or other anti-corruption guidelines.

### **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 made accessible to the stakeholders on the QFC-website ([www.qfc.de](http://www.qfc.de)) .

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 made available to all employees on a bulletin board.

## Information to the employees of QFC

### QFC supports the 10 Principles of 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.

Der 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 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



Helmut Krodel  
Managing Director



Melanie Neumann  
Leader of works council