



Global Compact

Communication on Progress Report 2014

(Report period 04/2013 – 04/2014)

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.



May, 2014

Helmut Krodel

Managing Director

Qualifizierungsförderwerk Chemie GmbH

Contact: Helmut Krodel

Email: Helmut.Krodel@gfc.de Phone: +49 (0) 345 217680 Fax: +49 (0) 345 2176821

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 Apprentice

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. 1300 participants for about 325 companies in their education and further training activities. In the first half of 2012 Q3SQ certified training providers had created their first annual reports on the implementation of Q3SQ.

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.

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

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

The project is 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 is 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), will be disseminated, concrete points of action in the fields of the labour, environmental, market and community will be identified and corporate CSR projects are initiated. In addition, a training program for CSR promoters is developed and implemented and offered accompanying CSR consultation.

As part of the project was 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.

During the reporting period, in addition to several awareness-raising workshops, in total 19 seminars (4 CSR-basic seminars, 6 seminars on the topics of labor, environmental, market and community, 3 communication seminars, 2 promoter kick-off events, 4 training modules work / demography) were organized, with 72 participants, as well as the qualification program for a total of 28 CSR promoters.

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

By 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/downloads/newsletter/csr-info-2012/>) A total number of 34 CSR newsletters were already published. **(GRI-SO5)**

Activities planned for 2014/2015

The QFC will continue to participate actively in the workshops of the German Global Compact Network and 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)

Sustainability Conference / Final Conference CaeSaR Project

At a sustainability conference, organized together by the QFC and the IG BCE in mid-December 2014, amongst others, practical examples of implementation of company CSR projects will be presented. Furthermore, the social partners at the conference will describe and discuss their sustainability initiatives in the chemical industry.

20 - Year Celebration of the QFC

On the 20th anniversary of the QFC, the QFC will present its membership in the Global Compact since 2008 and the activities of the QFC for the dissemination of the 10 Global Compact principles.

Q3SQ

For the quality label Q3SQ re-certifications will carry out in 2014. For the development and dissemination of the quality label a thematic workshop will be conducted with the Q3SQ education institutions and two other interested partners.

CaeSaR Project

The CaeSaR project of the QFC will carry out further seminars for the training of CSR promoters in 2014. The CSR-promoters will be supported by the QFC in their company CSR projects .

As part of the CaeSaR project, modules with CSR elements for the education and training will also be developed.

(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 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)

Employee salaries are above the minimum wage for the education sector, so are, for example, the standard entry level wage 39 percent above the minimum wage for the education sector.
(GRI-EC1)

GRI-LA2

Rate of employee turnover in per cent

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

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
Female	1		1		1	1	2
Male							1

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

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

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

	2007	2008	2009	2010	2011	2012	2013
Female		1		1		0	1
Male							1

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
Female		1		1		0	0
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
Female		100%		100%		0	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

The **QFC project "Women Power Success – women on their way in leadership"** is a project under the Federal Initiative on "Equality of women in the economy", an initiative initiated jointly with the German Confederation of Trade Unions (DGB) and the Confederation of German Employers Organization (BDA).

The project started in 2010 at the suggestion of the Department of Women / Gender IG BCE, together with the QFC , in cooperation with the BAVC with funding from the ESF and the Federal Ministry of Labor and Social Affairs (BMAS) and was terminated on 30.04.2013 .

The main objective of the project is to test measures in personnel development, so that female workers are strengthened and supported in their career orientation and willingness and to network with all social actors and stakeholders in the implementation of equal opportunities.

During the reporting period 96 events with 1133 participants took place. In addition, 5 project or control teams, which met regularly, analyzed the situation in the companies and established targeted measures in the factories. Overall, a network was established with 220 multipliers that is maintained and accompanied over the project period beyond. A monograph under the title of "success stories" presented experiences of successful women and illuminated promoting and inhibiting factors for career advancement of women.
(GRI LA13, GRI SO5)

Since May 2005 the QFC is a member of the **Network for Democracy and Tolerance** in Saxony-Anhalt and it regularly participates 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. 2013 was a one-off payment given to all employees in accordance with the tariff adjustment of the IG BCE. 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).

98 % of the employees are members of the Mining, Chemical and Energy workers' Union (IG BCE).

(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
Employees	100	100	100	100	100	100	100

GRI-LA10

Average hours of training per year per employee:

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

The labor 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 labor, the QFC is choosing generally goods and services from local suppliers, where there is no risk of child labor.

(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). In the previous reporting period, 20 % of employees have been trained to AGG. The vast majority of employees is thus instructed. Every year, will be checked whether a training of employees to the AGG is required. **(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. Satisfaction surveys are to be carried out in 2014 at the employee appraisals.
(GRI-HR4)

GRI-LA1

Total number of employees in the following categories:

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

GRI-LA13

Percentage of management team in the following categories

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

The proportion of women in the senior management of the QFC was increased from 2010 to 2011 from 33 to 50% and remained constantly at 50% in the current reporting period.

GRI-LA14

Ratio of basic salary of men to women

		2007	2008	2009	2010	2011	2012	2013
Gender	Male (basic salary 100 %)	100	100	100	100	100	100	100
Gender	Female (basic salary 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)"** has 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 labor market gain work experience in other EU countries, improve their foreign language skills, enhance their social and intercultural skills.

The activities are inter alia carried out in cooperation with three local job centers.

As part of the project internships abroad (lasting one month) take place in Poland or Denmark. Following this, the internships are evaluated in a three-week follow-up.

Participants will receive support at this stage in their job search.

In the project period from 01.04.2011 to 30.06.2014 a total of 120 participants will take part in 11 separate rounds. So far, four rounds with 28 participants have taken place.

At the end of the operational duration of the project at 31.03.2014, 95 participants have completed an internship in the European countries.

(GRI-LA11, GRI-SO5)

The **QFC Project MILENA (module concept to acquire international professional competence in northern Saxony-Anhalt)** prepares apprentices preparing 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 includes 585 apprentices in the period from 10.01.2011 to 30.09.2014.

So far already 693 apprentices were able to complete seminars for achieving international professional action competence.

(GRI-LA11, GRI-SO1)

The **QFC project DemTV (implementation of demography collective agreements)** aimed at the empowerment of consensus-oriented implementation and -action options between the social partners in order to establish a demography firm personnel policy.

On the basis of collective agreements concluded in the chemical, rubber, plastics and with restrictions in the paper industry, the pressure for action is increasing in the companies.

With DemTV an intensive implementation initiative was initiated and supported by the network, the Advisory Board and the multipliers. Based on present demographic analyzes the collective agreement “working life and demography” were in the center of the project. The objective of the project was succeeded: to present the topics beyond the compulsory demographics like age-appropriate job design. That should give suggestions to reflect the own organizational reality and adapt to future needs. The benefit was seen mainly in the dialogue between practice and science, between work councils and occupational social partners, the look “outside of the box”, to the diverse and balanced information on exciting and current topics, the opportunity to make new contacts and the possibility to network and learn new talking points.

It has also proven the presentation of 12 good practice examples as well as the perfect organization of the event. This has shown a good mix of science, practice and occupational social partners as a model that should be continued in the future.

(GRI LA11, GRI SO5)

Gender Monitoring

All projects are subject to the QFC own gender monitoring. The QFC has appointed a gender officer. Every year the gender officer will prepare a gender report. The report for 2011 is now available. Also projects will be viewed in terms of their gender relevance. In addition, recommendations for the consideration of gender mainstream are given. The report for 2012 is available since September 2013.

(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 Q3SQ-educational institutions started to clarify project ideas e.g. to integrate the ecological footprint in the education and training of the educational institutions.

(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, in which employees use public transport and the "Bahn-Card" of the Deutsche Bahn
- An initiative in the QFC was launched to collect used mobile phones. The phone operator E-Plus "buy" them back. 42 mobile phones were collected. The proceeds go into a restoration project of the Naturschutzbund Deutschland (Nature Conservation organization Germany).

- Use of resource-saving and complex copying and printing technology, thereby eliminating several work-related laser printer.

Examples:

	2007	2008	2009	2010	2011	2012	2013
Copies made up (TStk.)	130	131	102	144	124	141	152
Water consumption (m ³)	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
Ø consumption of printing and copy paper / employee				40cm	40cm	40cm	34cm

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)

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 Labor 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, 248 qualification measures were conducted with a total of 1260 participants and a total of 12.000 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