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UNITED NATION GLOBAL COMPACT

Communication on Engagement 2018 for the period from 2015 to 2019

Statement of the institute's director Prof. Dr. Gregor Anderluh

Dear Sirs,

I am pleased to reconfirm that National Institute of Chemistry continues to support the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

With this commitment we continue to actively advance and communicate these principles to our colleagues, partners and public.

We continue our commitment to share this information with our stakeholders using our primary channels of communication.

National Institute of Chemistry (NIC), established in 1946 in Ljubljana, Slovenia, is a world renowned international research organization, active in chemistry and related fields. NIC's areas of basic and applied research are covering topics of strategic importance to both Slovenia and the world — its research spans biotechnology, environmental protection, structural and theoretical chemistry, analytical chemistry, materials research and chemical engineering. Along with top-level advances in basic science that are important for the advancement of humanity, many of NIC's activities are also directed towards collaboration and problem-solving in domestic and international chemical, pharmaceutical, food, automotive and other industries.

In year 2016 NIC has celebrated 70 years of existence with a series of high-level events: a visit of the president of European research council, prof. Jean — Pierre Bourguignon; a book about the history of National Institute of Chemistry and an international audit of the Institutes activities, done by world-renowned scientists, which yielded useful recommendations of areas that can be further improved. Researchers have achieved incredible scientific breakthroughs results that were published in several top-level scientific journals. NIC aims for scientific excellence, international evaluations by scientific advisory board, inclusion in international networks, excellent infrastructure for research, increased financing for EU projects and increased financing from patents and licensing. There is also huge organizational

flexibility and excellent personnel and training of young scientists. In year 2016 NIC has also started with a "National Institute of Chemistry introduction week" that has been very well accepted among public.

An important part of the Institutes pulse is also the organisation of diverse events, from scientific lectures to round tables for the general public, and they have grown substantially year after year. All previously achieved achievements and events are an important indicator that we are on the right path towards the realisation of our commitments and our vision. Devoted to science, without which there is no future, we wish to become the best in the world.

Becoming a member of Global Compact in 2010 was a very important achievement for NIC and gave us the possibility to further develop and promote the ideas and actions of socially responsible business. We will continue to follow and support the ten principles of United Nation Global Compact and will further disseminate them to our employees, partners and public.

Sincerely yours,

Prof. Dr. Gregor Anderluh, director



Human Rights Principle

NIC strongly supports the principles stated in the Universal Declaration of Human Rights and continues to ensure that all NIC employees abide to the same principles. NIC promptly and regularly evaluates and responds to human **rights** issues within its business operation. NIC's management understands the importance of healthy and safe working environment and the importance of positive internal psychological climate within the institute. NIC strictly follows the Slovenian and EU laws on health and safety regulations.

In order to promote free expression, NIC employees have the possibility to express their complaints or comments anonymously. In 2017, the director has opened his office to all employees once a week in order to get direct regular feedback on pressing issues. All employees are treated with high respect - NIC respects and offers high standards of rights to sick leave, paid holidays, work from home etc. All employees are encouraged to pursue continuous education. NIC continues to support various sports activities for employees and organizes different events for team building and educational courses on various soft skills topics. In general, the human rights related risks are low and any possible issues on the subject continue to be addresses promptly.

In 2017 NIC again gained a Family friendly organization certificate, confirming our commitment to employee wellbeing. NIC takes part in a European project Plotina, which

supports and addresses important issues facing women in science. NIC also continues to obtain the ISO 9001 certification.

Labour Principle

NIC continues its strong stance against child labour as well as against forced or compulsory labour. There is also strong support for advancement in gender equality, which is further strengthened through participation in international and interdisciplinary research projects such as EU project Plotina. NIC also continues to support union activities and supports employees who pursue continued education. In 2018 NIC had 93 young researchers and doctoral students among its employees.

NIC continues to support and raise awareness among employees on labour rights and policies and actively acts to prevent any kind of discrimination. NIC also ensures comparable pay for employees that do similar work.

Environmental Principles

NIC continues to follow the established environmental principles, and as a research organization continues to perform several research projects that add important knowledge and advancement in development of environmental friendly technologies such as solar plant technologies, next generation batteries, low/no CO₂ technologies, water purification technologies etc.

In its day-to-day operation, NIC continues to be active in reducing its energy and water consumption as well asCO₂ emission. NIC has also completely separated waste management for paper, plastic, glass and organic waste. NIC has been actively introducing, certifying and continuously improving environmental management systems and continues to promote environmental awareness among employees. NIC continues to raise awareness among suppliers by asking for the environmental footprint of products or services. The environmental management system identifies monitors and controls the institute's environmental performance. NIC deals with incidents according to standard procedures and regulations and holds external audits of environmental performance.

Anti-corruption principles

NIC continues its strong stance against corruption and does not collaborate with companies with established higher risk of corruption. NIC follows the national anti-corruption policy. Corruption, extortion and bribery are considered as serious criminal acts. As a public institution, NIC is bounded to regulations of public procurements. All purchases are strictly limited with objective criteria, which are publicly announced; all decisions are subjected to possibility of complaints to National revision committee, whose decisions are based on strict

rules. Anticorruption clause is part of each contract signed by NIC and breaking this clause would cause nullity of the contract. Employees are prohibited from accepting gifts (over the value of 20 €) given by clients and must report any gifts to the legal services. NIC has established a suggestion box and grievance mechanisms to report potential cases of corruption. NIC has adopted standard procedures on institute's handling of incidents of corruption.

Unfortunately the organization has failed to submit the COE due to the sick leave of a person that was handling the procedure of submission of the COE.