



Global Compact

Communication on Progress Report 2012

(Report period 04/2011 - 04/2012)

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 it 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.

Helen at Model

May, 2012

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 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.

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 (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

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.

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 Global Compact Principles in the companies, together with the employees. **(GRI-SO5)**

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.

At the conference the principles of the Global Compact were introduced and explained to the participants.

These four educational institutions are training approx. 1300 participants for about 325 companies in their education and further training activities. In September 2011 the QFC had, together with the directors and representatives of the four educational institutions, conducted a workshop to discuss the further implementation of the quality label Q3SQ and exchanged best practice examples of specific sustainability projects within the education and training. **(GRI S05)**

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 15 CSR newsletters were already published. (GRI SO5)

Activities planned for 2012

In the first half of 2012 the Q3SQ-certified training provider will need to prepare their annual reports on implementation of Q3SQ.

The QFC and the Q3SQ certified training institutions are planning together to develop Q3SQ modules on sustainability, the Global Compact principles and corporate social responsibility for the practical application in the education and training.

The QFC and IG BCE have jointly launched the project **CaeSaR** (CSR activities for ethical and social solutions to create an innovative work environment and for sustainable use of resources) (time: 01/01/2012 - 12/31/2014).

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 labor, environmental, market and community will be identified and corporate CSR projects are initiated.

The project includes inter alia nationwide sensitization workshops and conferences, a seminar program (with basic and advanced seminars), a training program for CSR promoters, accompanying company-oriented CSR consultancies, as well as studies with best-practice examples of CSR activities in SME's.

In the Caesar project a total number of 60 companies are involved in the chemical, energy, glass, rubber, plastic and paper industries nationwide.

The Caesar project serves to the dissemination of CSR in SME's and especially encourages the involvement of employees and their representatives in the initiation and implementation of specific operational CSR activities. **(GRI S05)**

The QFC will continue to participate actively in the workshops of the German Global Compact Network. QFC will share its experience with Q3SQ as well as 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)

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 40 percent above the minimum wage for the education sector. **(GRI-EC1)**

GRI-LA2

Rate of employee turnover in per cent

		200	07 2008	8 200	9 20	10 2011
Gender	Female %	24	16	17	9	6
Gender	Male %	4	2	11	6	2

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
Female	1		1		1
Male					

Number of employees by gender	that took	parenta	al leave	(2.2)	
, , , , ,		•		. ,	
Female Male	2007 1	2008	2009 1	2010	2011 0
Number of employees who return		rk after 2008			
Female Male		1		1	
Number of employees who return employed within twelve months a					
	2007	2008	2009	2010	2011
Female Male		1		1	
Return to work and retention rate gender (2.5)	s of empl	oyees v	vho reti	urned to	o work after leave ended, by
	2007	2008	2009	2010	2011
Female Male		100%		100%	
GRI-LA3					
Benefits provided to full time	e, tempo	orary a	nd par	t-time	employees
	Full ti	me		tempo	orary 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 Jubilee benefits 	yes			yes	yes
- Educational leave	yes			yes	yes
- Compensation for sick pay	yes yes			yes yes	yes yes
	,			j	<i>y</i>

Within the **QFC project "Shift" ("Schicht")** solutions are developed that improve the WORK LIFE BALANCE by employees in the chemical sites Leuna and Bitterfeld-Wolfen. The Project focuses on the development and expansion of service bureaus which aims to solution-oriented offers of assistance in various areas, e.g. children, nursing for relatives, authority management. Target groups are works councils, HR managers and employees. In addition company-networks are supported at family-oriented themes to develop cooperative solutions. In the context of the project "holiday offers for employees" children play as well an important role.

At two conferences in 2011 and in March 2012, the developed approaches were presented and discussed with representatives from politics, economy, science and the social partners. The contributions and discussions at the conference showed that "man must be the focus, his ability, his knowledge and his well-being". (GRI SO5, GRI LA10)

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). Still, the potential of female professionals is not being fully used. The IG BCE and the BAVC (National Employers' Association Chemistry) support in cooperation with various social actors, activities to support more women to enter management levels. Therefore, the project "Women Power Success - women on their way in leadership" was launched in the framework of the ESF Policy "for equality of women in business" and promoted by the Federal Ministry of Labor and Social Affairs and the European Social Fund for Germany.

The project started in 2010 at the suggestion of IGBCE's Department of Women/Gender Equality, together with the QFC, in cooperation with the BAVC.

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

Other objectives are:

- Raising awareness among companies about the problem
- Survey of the situation of women in business
- Building a mentor pool
- Development and testing of a seminar concept to equal opportunities
- Organization of a transfer and a wide publicity and
- Establishment of a network

During the reporting period in the five associated companies 14 events were held with 149 participants. In addition 5 Project- and steering teams are meeting regularly to analyze the situation in the enterprises and to establish specific measures in the enterprises.

Within the existing network, information was exchanged with information letters among 200 participants and actors. Project reports are regularly circulating via company intranet and in newsletters. In addition, three conferences (with 250 participants from employers and employees) and a women's training week were conducted with 33 participants. A total of 490 interested persons were met by measures of training and awareness-raising. (GRI-LA13, GRI-SO5)

The **QFC Project "VICTORIA"** (Running time 01.10.2008 - 30.09.2011) was based on the increasing internationalization of the labor market and the globalization of the economy which are characterized by increasing transnational mobility and learning needs. A total of 507 trainees completed a 14-day cross-cultural training seminar with stages at home and abroad. 53 project participants took part in a 4-week internship in another European country.

VICTORIA is focused on the integration of modular intercultural learning modules for learners and teachers in vocational training. The modules are tested and evaluated with reference to the learning dimension of intercultural education.

The seminar offers took aim, within the prevention and intervention measures, at the development of intercultural competences and the promotion of efficient conflict-tolerance. (GRI-LA11, GRI-SO5)

Since May 2005 the QFC is a member of the **Network for Democracy and Tolerance** in Saxony-Anhalt and regularly participates in events, organized by the Alliance. QFC also uses theme-based training offers and has been actively involved in 2011 on actions against racism and neo-fascism. **(GRI S05)**

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 ELMINATION 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, an internal agreement for health promotion and occupational rehabilitation management was adopted. The care of our business is done by an external company on a contractual basis. Together with the works council a safety committee was established and a company doctor for the employees of QFC contracted. (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-LA4)**

Percentage of employees receiv development reviews:	ving regular per	formance	and care	er	
100%					
GRI-LA4 Percentage of employees cover	ed by collective	e agreeme	nt:		
	2007	2008	2009	2010	2011
Employees	100	100	100	100	100
GRI-LA10					
Average hours of training per y	ear per employe	e:			
	2007	2008	2009	2010	2011
Average hours per year	37	30	18	16	21
The labour conditions of employees a among other things, the voluntarily na are guided by the collective agreeme QFC does not employ children. (GRI	ature of employment of the IGBCE.	ent and the r			
Young persons under 18 years of ag subject to special protective and supe Protection Act. (GRI-HR6) Young persons under 18 years of ag including the required safety instructi To avoid that goods and services are of child labour, the QFC is choosing of where there is no risk of child labour. The QFC is committed to the prohibit 56,0 per cent of employees were trai Treatment Act (AGG). The remaining (GRI HR3)	e, who participate ervisory measures e are subject to sp ons e used by suppliers generally goods an (GRI-HR6) tion of discrimination ned during the rep	ecial oversi s who are at nd services on.	to the Yout ght and sup significant from local s d to the Ge	h Employ pervision risk for o suppliers	yment , cases
subject to special protective and super Protection Act. (GRI-HR6) Young persons under 18 years of ag including the required safety instruction To avoid that goods and services are of child labour, the QFC is choosing of where there is no risk of child labour. The QFC is committed to the prohibit 56,0 per cent of employees were train Treatment Act (AGG). The remaining	e, who participate ervisory measures e are subject to sp ons e used by suppliers generally goods an (GRI-HR6) tion of discrimination ned during the rep g employees are tr	ecial oversi s who are at nd services on. orting perio ained in the	to the Yout ght and sup significant from local s d to the Ge 1st half of	h Employ pervision risk for o suppliers neral Eq 2012.	yment , cases ,

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. (GRI-HR4)

GRI-LA13

Total number of employees in following categories:

		2007	2008	2009	2010	2011
Gender	Female	29	27	28	30	29
Gender	Male	17	22	25	23	21
Age	under 30 years old	12	11	11	11	6
	30 – 50 years old	17	21	25	25	27
	over 50 years old	17	17	17	17	17

GRI-LA13

Percentage of management team in the following categories

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

The proportion of women in senior management in the QFC was increased in the reporting period from 33 to 50% in 2011.

GRI-LA14

Ratio of basic salary of men to women

	2007	2008	2009	2010	2011
Gender Male (basic salary 100 %)	100	100	100	100	100
Gender Female (basic salary 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 31.03.2014.

A total number of 102 participants were involved in the training for women in leadership position.

(GRI LA11, LA13 GRI, GRI SO5)

As part of the **QFC project work DIALOG** (Transnational industry dialogue Petroleum Industry/ Bio fuels), social partners and company representatives from Poland, the Czech Republic, Slovakia, Austria, Hungary and Germany developed innovative best-practice recommendations for the design of demography solid human resources policies. Specifically, this involves the following areas:

- Requirements for a demand-oriented education and training and the establishment of a training culture in companies

- Compatibility of work and family
- age-appropriate working conditions and occupational health policy

- Implementation of training activities in collective agreements.

Within the project period (01.01.2010 to 31.12.2011) 3 Network conferences and 12 workshops, with a total number of 369 participants (117 women and 252 men) were accomplished.

(GRI LA11, GRI SO5)

The QFC project professionals Initiative in the chemical industry in Saxony-Anhalt (FKI) was funded for three years and ended on 30.06.2011. It sensitized SME's for future skilled labor situation. It promoted the development of preventive measures for coping with demographic change. FKI enabled access to sustainable stable and technical demanding jobs.

E.g. a network of businesses, educational institutions and consultancies was developed and in that framework an exchange of information and experiences as well as practical support services was carried out.

The priority areas were assurance professionals and succession planning, ergonomics, ageappropriate workplace design, assistance in training and continuing education for employees.

Project-Conferences facilitated the exchange and dissemination of good practice and networking. 7 companies were looked after, and 27 more companies were sensitized to the issue of assurance professionals. A total of 404 employees were subjected to a profiling and assessed for their skills. A further 14 associations were involved in the project work. **(GRI LA11, 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 01.07.2011 to 30.06.2014 a total of 190 participants will take part in 11 separate rounds.

(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 400 apprentices in the period 10.01.2011 to 30.09.2013. **(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. The previous analysis of the implementation of the collective agreement "retirement age and demographics," point to the need for action. This is the project with the following objectives:

- Creating a climate of support for the comprehensive implementation of collective agreements and the initiation of the conclusion of other contracts and

- Initiation of a sustainable cultural change in the enterprises. Works councils and personnel managers should be fully informed and connected so that they are well equipped to meet the demographic challenges. They are regularly supported and trained within the DemTV network (over 400 actors). "Good practice" shall lead to a unified and holistic process and shall be implemented sustainably to avoid that demographic measures do not dissolve in individual actions,

So far, a network conference was held with 88 participants and 9 seminars and workshops (84 TN) were carried out. Its own website (www.demtv.info) is regularly reporting, the blog was in 2011 still under construction. The project is monitored and evaluated by a scientific advisory board, composed of 18 experts and scientists. (GRI-LA11, GRI-SO1)

Gender Monitoring

All projects are subject to the QFC own gender monitoring. The QFC has appointed a gender officer. Every year the gender officer prepares a gender report. The report for 2011 is currently being developed. In the report, the projects are considered in terms of their gender relevance. In addition, recommendations for the compliance of gender mainstream are given. **(GRI-SO1)**

ENVIRONMENT Principle 7 BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES Principle 8 BUSINESSES SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBLITY Principle 9 BUSINESSES SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES In developing and implementing the quality label Q3SQ the QFC continued 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. (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

- The use of public transport has been extended - employees use the "Bahn-Card" of the Deutsche Bahn

- Funded by the German Federal Environmental Foundation (DBU) a joint environmental **education project "revive arable land"** together with the Polish community Byczyna takes place.

The aim of the project is through active conservation, measures to increase biodiversity in the agricultural landscape and environmental activities for students, to raising environmental awareness for the preservation of local culture and species-rich habitats. The measure was completed in 2011 with success.

- An initiative in the QFC was launched to collect used mobile phones. The phone operator E-Plus "buy" them back. The proceeds go into a restoration project of the Naturschutzbund Deutschland (Nature Conservation organization Germany).

Examples:					
	2007	2008	2009	2010	2011
Copies made up (TStk.)	130	131	102	144	124
Water consumption (m ³)	99	81	not determinable (in total included)		
Power consumption (Tkwh)	14,6	14,2	not dete (in total i		-
Company cars, mileage (Tkm)	237	213	168	181	208
Ø consumption of printing and copy paper /	employee			40cm	40cm

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 a **QFC project on skills development for young workers (project MIRIAM** - Central German industrial region promotes intercultural exchanges), several groups (so far, with 57 female participants and 77 male participants) participated in training programs with partner organizations in France and Poland.

Within the project in France, the participants worked on the construction of an old village (Viel Audon in the Ardeche region in Southern France) in which among others the use of renewable energy, organic farming and organic food represented a focus of the activities. This project will run from October 2009 to December 2012 and in a total number of 10 measures a total number of 220 participants is expected.

In addition to the transmission of social and intercultural skills, participants are sensitized by practical work on issues of environmental protection and sustainability. **(GRI-S05)**

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

Melanie Neumann Works council

Helewiet Rockel

Helmut Krodel General Manager

On 30.09.2011 the management of the QFC has appointed an anti-corruption officer.

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 trusties 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
- Principle2 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

Melanie Neumann Chairwomen of works council

Clevie Mockel

Helmut Krodel Managing Direktor