

The criteria that FKM applies for itself regarding sustainability are divided into the following sections:

1. Social responsibility
2. Ecological responsibility
3. Ethical standards
4. Implementation

1.1 No Forced Labor

No forced labor, slave labor, or work of a similar nature must be used. All work must be performed voluntarily, and all employees must be able to leave work or employment at any time. Apart from this, there must be no unacceptable treatment of workers, including any psychological hardship, sexual and personal harassment.

1.2 No Child Labor

Child labor must not be used at any phase of production. FKM is to comply with the ILO conventions' recommendation regarding the minimum age for the employment of children. Accordingly, no workers should be younger than the age at which compulsory education ends, and in any case no younger than 15 years.

1.3 Just Remuneration

The remuneration paid to workers must comply with all applicable laws on remuneration, including, among other things, laws on minimum wages or overtime payment. FKM commits to paying a wage that covers basic needs if the statutory minimum wage is insufficient to cover the cost of living. Wage deductions are not permitted as punitive measures. The basis on which workers are paid shall be disclosed to them on an ongoing basis in the form of a pay slip.

1.4 Fair Working Hours

Working hours must comply with applicable laws or industry standards. Overtime shall only be permitted if voluntarily performed. It must not exceed 12 hours per week, and workers must have at least one day off after six consecutive working days. The weekly working time must not regularly exceed 48 hours.

1.5 Freedom of Association

The organization respects the workers' right to freedom of association, to join trade unions, to appeal to labor representatives, or to join works councils in accordance with the local laws. Workers must be able to communicate openly with the management without any fear of repercussions or harass-

ment.

1.6 Non-Discrimination

Discrimination of any form against any workers is forbidden. This shall apply, among other things, to discrimination based on gender, race, caste, color, disability, political opinion, origin, religion, age, pregnancy, or sexual orientation. The personal dignity, privacy, and personal rights of every individual shall be respected.

1.7 Harassment

Employees shall not be subjected to any form of physical, sexual, or verbal harassment or abuse.

1.8 Occupational Safety, Health Protection

FKM is responsible for a safe and healthy working environment. Necessary precautionary measures against accidents and damage to health that may occur in connection with the work shall be taken by setting up and applying appropriate occupational safety systems. Apart from this, workers are periodically informed and trained regarding applicable health and safety standards and measures. Workers shall receive access to drinking water in sufficient quantities as well as access to clean sanitary facilities.

2. Ecological Responsibility

2.1 Treatment and Discharge of Wastewater

Wastewater from operations, manufacturing processes, and sanitary facilities shall be typed, monitored, inspected, and processed as necessary before it is discharged or disposed of. Apart from this, measures to reduce the generation of wastewater should be introduced.

2.2 Handling of Air Emissions

General emissions from operations (air and noise emissions) and greenhouse-gas emissions shall be typed, routinely monitored, reviewed, and processed as necessary before they are released. FKM shall also be responsible for monitoring its exhaust gas purification systems. It must find economical solutions to minimize emissions.

2.3 Handling of Waste and Hazardous Substances

FKM follows a systematic approach for the identification, handling, reduction, and responsible disposal or recycling of solid waste. Chemicals or any other materials that pose a hazard if released into the environment shall be identified and



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treated to ensure safety during handling, transport, storage, use, recycling, or reuse and disposal.

2.4 Consumption of Raw Materials and Natural Resources

Use and consumption of resources during production and generation of waste of any kind, including any water and energy, shall be reduced or avoided. This shall be done either directly at the point of origin or through processes and measures, e.g., by changing production and maintenance processes or procedures within the operation, by using alternative materials, by reducing use, by recycling, or by reusing materials.

2.5 Energy Consumption and Efficiency

Energy consumption shall be monitored and documented. Economic solutions to improve energy efficiency and minimize energy consumption must be determined.

3. Ethical Standards

3.1 Fair Competition

The standards of fair business, fair advertising, and fair competition shall be observed. The applicable antitrust laws must be applied as well, in particular forbidding any agreements and other activities that influence prices or conditions when dealing with competitors. Apart from this, these rules forbid any agreements between customers and suppliers that are intended to restrict customers' freedom to set their prices and other terms autonomously as resellers.

3.2 Confidentiality, Data Privacy

FKM is committed to meeting the reasonable expectations of its client, suppliers, customers, consumers, and workers regarding the protection of personal information. The supplier shall observe the laws on data protection and information security as well as the official provisions when collecting, storing, processing, transmitting, and forwarding any personal information.

3.3 Intellectual Property

Intellectual property rights shall be respected. Technology and know-how transfers shall take place so as to protect any intellectual property rights and customer information. Imitation or counterfeiting of third-party products is forbidden.

3.4 Integrity, Bribes, Advantages

All business activities must be subject to the highest stan-

dards of integrity. FKM must adopt a zero-tolerance policy in prohibiting all forms of bribery, corruption, extortion, and embezzlement. Procedures for monitoring and enforcing standards shall be implemented to ensure compliance with anti-corruption laws.

3.5 Export Controls, Economic Sanctions

Export controls and economic sanctions must be observed in international trade.

3.6 Financial Responsibility

FKM is to take action against the following violations:

- establishment of off-balance-sheet accounts;
- transactions off the books or inadequately recorded transactions;
- accounting for non-existent expenditures;
- recording of liabilities with incorrect information on their reasons;
- use of forged documents; and
- deliberate destruction of accounting documents before the expiry of the legal time limits.

4. Implementation

The management shall be responsible for compliance with the sustainability policy. However, sustainability concerns every worker in the company. Therefore, the management takes appropriate measures to communicate the policy. These measures include:

- submission of the text to all supervisors
- posting
- trainings, employee talks
- discussion of individual subjects within the scope of internal meetings
- sanctioning of severe violations

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