

## **FOSS Sustainability (CSR) policy**

Conducting our business ethically – with integrity, is an integral part of our values and the way we conduct business. Our policy is an extension of our philosophy and values. It summarizes the important global issues we face and our position on those issues. The FOSS Sustainability Policy provides a common reference point setting out the principles, which we expect all employees to abide by.

As a starting point, FOSS will adhere to the legislation in the countries where we operate. We are also signatories of the United Nations Global Compact, which is the world's largest sustainability initiative, and use the framework's ten principles as the foundation of our programme. The Compact's ten Principles are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

### **HUMAN AND LABOUR RIGHTS**

#### **Health and Safety**

All employees are entitled to a safe and healthy environment in their workplace. FOSS will ensure that training and protective equipment is provided to employees. All employees are required to follow company health and safety procedures, as well as appropriate national legislation, and ensure that contractors follow procedures on FOSS premises.

#### **Working hours**

FOSS complies with applicable laws, international conventions, and binding union agreements regarding working hours and overtime for employees.

#### **Salary**

FOSS believes that, at a minimum, salaries should correspond with national salary legal requirements and meet employees' basic living needs. We offer competitive salaries in the countries where we operate; in countries where our employees are unionized, we honour our formal agreements with trade unions.

**Elimination of child labour**

FOSS does not employ children and neither supports, nor endorses any form of child labour as defined by ILO Conventions on child labour.

**Freedom of association**

FOSS encourages employee feedback and dialogue with management to ensure that workers' voices and opinions are heard. We respect the legal right of employees to voluntarily join or form trade unions, as well as bargain collectively in negotiations with management on key conditions of employment.

**Abolition of forced labour**

FOSS is against forced or compulsory labour, which is the most common form of Modern Slavery, and ensures that employees are employed voluntarily and of their own free will. No person will be forced to accept employment, work overtime or have their identification papers retained.

**Equal Opportunities**

FOSS maintains a working environment that treats all employees equally in regards to recruitment, advancement, job training and salary. All employees will have the same opportunities regardless of gender, age, race, ethnicity, sex, religion, sexual orientation, etc. Personal privacy will be respected; discrimination and verbal or psychological harassment will not be tolerated.

**ENVIRONMENTAL ISSUES****Waste**

FOSS complies with relevant legislation regarding waste disposal in the countries where we operate. We strive to recycle and reuse materials/packaging whenever possible and manage waste in a healthy, safe, responsible and environmentally-friendly manner.

**Chemicals and hazardous waste**

FOSS complies with applicable legislation and regulations regarding the handling, storage and disposal of chemicals and hazardous waste in our production facilities. Where possible, we reduce and eliminate the use of chemicals in our products.

**Water**

FOSS endeavours to reduce water consumption by conserving and reusing water in our production and development facilities.

**Wastewater**

FOSS complies with the requirements of appropriate legislation regarding the discharge of wastewater from our production and development facilities. Where possible, we reduce the wastewater generated overall.

**Energy**

FOSS strives to minimize its carbon emissions by focusing on reducing energy consumption in buildings, for transporting products, in our production and development processes, in appliances and electronic equipment, and the provision of services.

**BUSINESS ETHICS**

FOSS is committed to conducting business in adherence to legal principles and with high ethical standards. We apply these standards when dealing with a variety of stakeholders including customers, suppliers and society at large. Our Sustainability policy has been developed to address the ethics issues we may encounter and guide our actions, so we continue achieving our business goals in a responsible manner.

**Bribery**

A bribe can be defined as the offering or the receiving of any monetary payment, loan, reward or other advantage to commit an act that is dishonest, illegal or a breach of trust in the conduct of our business.

FOSS employees are not allowed to accept or offer bribes or engage in unethical, fraudulent or corrupt practices for personal or company gain in the conduct of our business. All national and international invoices, as well as monetary payments, shall be registered in FOSS financial accounting systems. FOSS also prohibits the use of payments made to government officials to speed up or facilitate the performance of routine, non-discretionary services or actions, such as issuing a license or permit. Fees paid in accordance with official government procedures accompanied by receipts for payment are permissible.

**Gifts and entertainment**

In most countries it is customary to provide gifts and entertainment to existing and potential business contacts to enhance and develop relationships.

FOSS employees may offer or accept gifts and entertainment, if the value is reasonable and in line with country norms, in compliance with legislation, not intended to influence a business decision and not in the form of cash.

FOSS employees must always inform their immediate manager when offering or receiving a gift from contacts, or entertainment, worth more than a purchased value of €100<sup>1</sup>, or the repetition of offering/receiving gifts of any value.

FOSS employees must register all expenditures on gifts, trips and entertainment in FOSS financial accounting systems.

**Conflict of interest**

At FOSS, a conflict of interest can be defined as a situation where an employee might have an actual, or potential personal interest, which could conflict with their business duties. An example of this could be the favoring of friends or family for job positions or business contracts.

FOSS employees must always be impartial and avoid conflicts of interest in activities on behalf of FOSS. Employees must consult with their manager if a conflict of interest arises.

**Political and charitable donations**

FOSS realizes that it plays an important role in serving and being active in the communities where we operate. Political and charitable donations in the form of cash, services, materials, etc. shall be in accordance with legal requirements, accounted for in our financial accounting systems, and approved by the relevant manager.

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<sup>1</sup> \* If local law is stricter in regards to value amounts then local law will prevail

## Expectations of our Suppliers

Foss expects its suppliers to have appropriate measures in place to address Human and Labour rights, the Environment and Business Ethics areas. Our Supplier Code of Conduct provides information on these requirements. We will continuously evaluate our suppliers to ensure they meet our high standards.

## Assistance and compliance

An open and honest dialogue on the issues addressed in our policies is a precondition for us to maintain and continuously strengthen our integrity. All FOSS employees must comply with our Sustainability policy. Failure to do so could result in disciplinary action. If an employee experiences a breach of our policies, or the law, needs assistance, or would like to raise a concern then they should contact their immediate manager.

FOSS has also implemented a whistleblower system in order to give employees and other stakeholders the possibility to report suspected violations of the law, or non-compliance with our values or policies, if they feel it is not possible to use existing reporting channels.

Every violation report is important and helps us to prevent economic losses and damage to our reputation. All reports are strictly confidential.

<https://foss.whistleblownetwork.net/WebPages/Public/FrontPages/Default.aspx>



Kim Vejlbj Hansen, CEO

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