

## CERTIFICATE OF COMPLIANCE WITH SOCIAL STANDARDS

Steklarna Hrastnik is responsible and reliable company, who respect legislation, their workers, business partners, customers, environment and social community.

With this purpose, we have integrated this document, which shows off our way of business behaviour.

We expect and demand that our business partners accept and respect the same level of commitment to the obligations.

Applicable national laws, reference standards in industry or collective agreements are interpreted within the international framework established by the International Labor Organization and national legislation.

Hrastnik, November 2017

## CERTIFICATE OF COMPLIANCE WITH SOCIAL STANDARDS

### EMPLOYMENT IS FREELY CHOSEN

There is no forced, bonded or involuntary prison labor.

Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

### THE RIGHT OF FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

STEKLARNA:

- respect the right of workers to form unions in a free and democratic way
- not discriminate against workers because of trade union membership
- respect worker's right to bargain collectively

STEKLARNA do not prevent worker's representatives from having access to workers in the work place or from interacting from him.

When operating in countries where trade union activity is unlawful or where free and democratic trade union activity is not allowed, business partner shall respect this principle by allowing workers to freely elect their own representatives with whom STEKLARNA can enter into dialogue about workplace issues.

### NO DISCRIMINATION

STEKLARNA do not discriminate, exclude or have certain preference for persons on the basis of gender, age, religion, race, caste, birth, social background, disability, ethnic and national origin, nationality, membership in unions or any other legitimated organizations, political affiliation or options, sexual orientation, family responsibilities, marital status, diseases or any other condition that could give rise to discrimination, in particular, workers shall not be harassed or disciplined on any of the grounds listed above.

### FAIR REMUNERATION

STEKLARNA respect the right of the workers to receive fair remuneration that is sufficient to provide them with a decent living for themselves and their families, as well as the social benefits legally granted, without prejudice to the specific expectations set out hereunder.

STEKLARNA comply, as a minimum, with wages mandated by governments' minimum wage legislation, or industry standards approved based on collective bargaining, whichever is higher.

Wages are to be paid in a timely manner, regularly, and fully in legal tender. Partial payment in the form of allowance "in kind" is accepted in line with ILO specifications. The level of wages is to reflect the skills and education of workers and shall refer to regular working hours.

Deductions will be permitted only under the conditions and to the extent prescribed by law or fixed by collective agreement.

### DECENT WORKING HOURS

STEKLARNA ensure that workers are not required to work more than 40 hours per week, without prejudice to the specific expectations set out hereunder.

Applicable national laws, industry benchmark standards or collective agreements are interpreted within the international framework set out by the ILO and National legislation.

In exceptional cases defined by the ILO and National legislation, the limit of hours of work prescribed above may be exceeded, in which case overtime is permitted.

The use overtime is meant to be exceptional, voluntary, paid at a premium rate of not less than one and one-quarter times the regular rate and shall not represent a significantly higher likelihood of occupational hazards. Furthermore, STEKLARNA, grant to their workers with the right to resting breaks in every working day and the right to at least one day off in every seven days, unless exceptions defined by collective agreements apply.

### OCCUPATIONAL HEALTH AND SAFETY

STEKLARNA respect the right to healthy working and living conditions of workers and local communities, without prejudice to the specific expectations set out hereunder. Vulnerable individuals such as – but not limited to – young workers, new and expecting mothers and persons with disabilities, receive special protection.

STEKLARNA comply with occupational health and safety regulations or with international standards where or if domestic legislation is weak or poorly enforced.

The active co-operation between management and workers, and/or their representatives is essential in order to develop and implement system toward ensuring a safe and healthy work environment. This may be achieved through the establishment of Occupational Health and Safety Committees.

STEKLARNA ensure that there are systems in place to detect, assess, avoid and respond to potential threats to the health and safety of workers. STEKLARNA take effective measures to prevent workers from having accidents, injuries or illnesses, arising from, associated with, or occurring during work. These measures aim at minimizing so far as is reasonable the cause of hazards inherent the workplace.

STEKLARNA constantly seek improving workers protection in case of accident including through compulsory insurance schemes.

STEKLARNA take all appropriate measures within its sphere of influence, to see to the stability and safety of the equipment and buildings in use, including residential facilities to workers when these are provided by the employer as well as to protect against and foreseeable emergency. STEKLARNA respect workers' right to exit the premises from imminent danger without seeking permission.

STEKLARNA ensure adequate occupational medical assistance and related facilities.

STEKLARNA ensure access to drinking water, safe and clean eating and resting areas as well as clean and safe cooking and food storage areas. Furthermore, STEKLARNA always provide effective Personal Protective Equipment (PPE) to all workers free of charge.

### NO CHILD LABOUR

STEKLARNA do not employ directly or indirectly, children below the minimum age of completion of compulsory schooling as defined by law, which shall not be less than 15 years, unless the exceptions recognized by the ILO or National Legislation apply.

STEKLARNA establish robust age verification mechanisms as part of the recruitment process, which may not be in any way degrading or disrespectful to the worker. This principle aims to protect children from any form of exploitation. Special care is taken on occasion of the dismissal of children, as they can move into more hazardous employment, such as prostitution or drug trafficking. In removing children from the workplace, STEKLARNA identify in a proactive manner, measures to ensure the protection of affected children.

### SPECIAL PROTECTION FOR YOUNG WORKERS

STEKLARNA ensure that young persons do not work at night and that they are protected against conditions of work, which are prejudicial to their health, safety, morals and development, without prejudice to the specific expectations set out in this principle.

When young workers are employed, STEKLARNA ensure:

- the kind of work is not likely to be harmful to their health or development
- their work hours do not prejudice their attendance at school, their participation in vocational orientation approved by the competent authority or their capacity to benefit from training or instruction programs.

STEKLARNA set the necessary mechanisms to prevent, identify and mitigate harm to young workers; with special attention to the access, young workers shall have to effective grievance mechanisms and to Occupational Health and Safety trainings schemes and programs.

### NO PRECARIOUS EMPLOYMENT

STEKLARNA, without the prejudice to the specific expectations set out in this chapter

- ensure to its employment relationships do not cause insecurity and social or economic vulnerability for them
- work is performed on the basis of recognized and documented employment relationship, established in compliance with National Legislation, custom or practice and international labour standards, whichever provides greater protection.

Before entering into employment, STEKLARNA provide workers with understandable information about their rights, responsibilities and employment conditions, including working hours, remuneration and terms of payment.

STEKLARNA aim at providing decent working conditions that also support workers, both women and men, in their roles as parents or caregivers, especially with regard to migrant and seasonal workers whose children may be left in the migrants' hometowns.

STEKLARNA do not use employment arrangements in a way that deliberately does not correspond to the genuine purpose of the law. This includes – but is not limited to:

- apprenticeship schemes where there is no intent to impart skills or provide regular employment
- seasonality or contingency work when used to undermine workers' protection
- labour-only contracting

Furthermore, the use of sub-contracting may not serve to undermine the rights of workers.

#### NO BONDED LABOUR

STEKLARNA do not engage in any form of servitude, forced, bonder, indentured, trafficked or non-voluntary labour.

STEKLARNA risks allegations of complicity if benefit from the use of such forms of labour by its business partners.

STEKLARNA act with special diligence when engaging and recruiting migrant workers, both - directly and indirectly.

STEKLARNA allow its workers the right to leave work and freely terminate their employment provided that workers give reasonable notice to the employer.

STEKLARNA ensure that workers are not subject to inhumane or degrading treatment, corporal punishment, mental or physical coercion and/or verbal abuse.

All disciplinary procedures must be established in writing and are to be explained verbally to workers in clear and understandable terms.

#### PROTECTION OF ENVIRONMENT

STEKLARNA observe this principle when they take the necessary measures to avoid environmental degradation, without prejudice to the specific expectations set out in this chapter.

STEKLARNA regularly monitors impact on the environment of operations and establish policies and procedures that reflect environmental responsibility.

STEKLARNA implement adequate measures to prevent or minimize adverse effects on the community, natural resources and the overall environment.

#### ETHICAL BUSINESS BEHAVIOUR

STEKLARNA observe this principle when, and without prejudice to the goals and expectations set out in this chapter, we are not involved in any act of corruption, extortion or embezzlement, nor in any form of bribery – including but not limited to – the promising, offering, giving or accepting of any improper monetary or other incentive.

STEKLARNA keep accurate information regarding activities, structure and performance, and disclose these in accordance with applicable regulations and industry benchmark practices.

STEKLARNA neither participate in falsifying such information, nor in any act of misrepresentation in the supply chain.

Furthermore, STEKLARNA collect, use and otherwise process personal information (including that from workers, business partners, customers and consumers in our sphere of influence) with reasonable care. The collection, use and other processing of personal information comply with privacy and information security laws and regulatory requirements.

STEKLARNA HRASTNIK Llc.