

COMMUNICATION ON PROGRESS 2020

on the sustainability report



Since 2019 Forster Group has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment and anti-corruption.



DECLARATION OF THE OWNER AND THE MANAGEMENT

Dear readers,

The Forster group with its headquarters in Waidhofen an der Ybbs and its other sites in Austria, Germany, Switzerland, France, Slovakia, and Romania is owned by the family Forster since 1956.

Being a family-owned, middle-sized company with around 700 employees, working sustainably and being socially responsible is of great importance to us. At the beginning of 2019, we therefore decided to extend our certified, integrated management system (IMS) for quality (ISO 9001), environment (ISO 14001) and occupational health and safety (OHSAS 18001; ISO 45001) – see www.forster.at – by another sustainable management system according to the ONR 192500 based on ISO 26000 (Guidelines on social responsibility of organisations). At the start of 2020, our sustainable management system was certified by an accredited certification body.

In March 2020, our first report on sustainability was published according to the GRI-standard and validated through an independent validation body according to the AS1000AS standard. This report already addressed the 10 principles of the UN Global Compact as well as the 17 Sustainable Development Goals (SDGs).

In this COP progress report (Communication on Progress) we pursue the following goals:

First, the fulfilment of the obligation as a member of UN Global Compact to annually report on our progress and efforts in the area of corporate social responsibility.

Second, to update the data of our sustainability report 2019, and third, to clarify our support of the 10 UN Global Compact principles and the 17 UN SDGs.

Hereby, the Forster group renews and strengthens its support of the ten principles of the Global Compact of the United Nations in the areas of human rights, working norms, environmental protection and the fight against corruption.

In this report, we explain our measures to continuously better the integration of Global Compact and its principles as well as the 17 Sustainable Development Goals in our corporate strategy, corporate culture and operative business. We also commit to communicate this information to our stakeholders in an appropriate manner.



Ing. Christian Forster
Upper management, responsible
for the integrated management system



Dipl.-Ing. Dr. techn. Robert Reichartzeder
CEO

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GRI 102- 1, GRI 102- 4, GRI 102-10
 GRI 102-45, GRI 102-48, GRI 102-49
 GRI 102-50, GRI 102-51, GRI 102-51

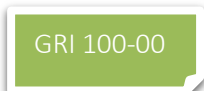
ABOUT THIS REPORT

This COP and update of our sustainability report 2019 documents the economic, ecological and social achievements of the Forster group in the business year 2019/20 (1st May – 30th April). If specifications differ from the business year (e.g. specific calendar year), they are marked respectively. This report is updated annually.

We use examples to show how sustainability is contributing to the long-term success of the company and how we can live up to our responsibility towards customers, employees, owners, business partners, neighbours, the public and the environment.

Within our sustainability management system, we commit to comply with the UN Global Compact principles (see www.unglobalcompact.org), the fulfilment of requirements of the ONR 192500 (certification standard based on ISO 26000) as well as the support of the UN Sustainable Development Goals (see sustainabledevelopment.un.org). How these goals, the requirements of the ISO 26000 and the ONR 192500 as well as the requirements of the GRI standards are related, can be seen in the GRI-matrix in the appendix of our sustainability report 2019.

To see which GRI-indicators are covered in a certain section of this report can be seen in the green GRI-note next to the section or chapter heading. The GRI-note looks as follows:



The report takes the following companies and locations of the Forster group into account:

Company	Location
Forster Verkehrs- und Werbetechnik GmbH	Weyrer Straße 135, A- 3340 Waidhofen/Ybbs Siebenhirtenstraße 40-42, A- 1230 Wien
Forster Industrietechnik GmbH	Weyrer Straße 135, A- 3340 Waidhofen/Ybbs
Forster Metallbau Gesellschaft m.b.H.	Weyrer Straße 135, A- 3340 Waidhofen/Ybbs An der Bahn 3, A- 3352 St. Peter/Au
Samodef-Forster Sarl	183, Avenue Georges Clémenceau, F- 92000 Nanterre
Forster Archiv- und Verkehrstechnik GmbH	Industriestrasse 6, CH- 8618 Oetwil am See
Arbitec-Forster GmbH	Stresemannallee 4b, D- 41460 Neuss
FORSTER archivna a dopravná technika s.r.o.	Smaragdová 4, SK- 85110 Bratislava

Not included are the Forster Holding GmbH (no operative business), Colberg & Forster GmbH (own quality management system and not integrated in the IMS of the corporate group), SAFETYCAR KFZ-Service und Reparatur GmbH (garage operated independently of the company) as well as FORSTER RO. S.R.L. (minority interest with 45%)







GRI 102-46
GRI 102-47

Reporting principles

see 2019 sustainability report (page 7ff).

Main topics

See 2019 sustainability report (page 10). In the 2019 sustainability report the following main topics have been identified:

No.	Main issues	Topic	GRI	SDG
A	Development and production of sustainable products	#1 sustainable products	301, 307, 308	 
B	Improvement of health and higher safety	#2 safety	416	 
C	Social value creation	#3 social value creation	203	 

With regards to the topics requested in the COP progress report, it can be noticed that the main topic “sustainable products” complies with the section “environment” in the UN Global Compact. In addition, the areas of “human rights”, “occupational norms” and “fight against corruption” are increasingly thematised, but these topics were also already included in the sustainability report 2019.

CHALLENGES DURING THE COVID-19 PANDEMIC

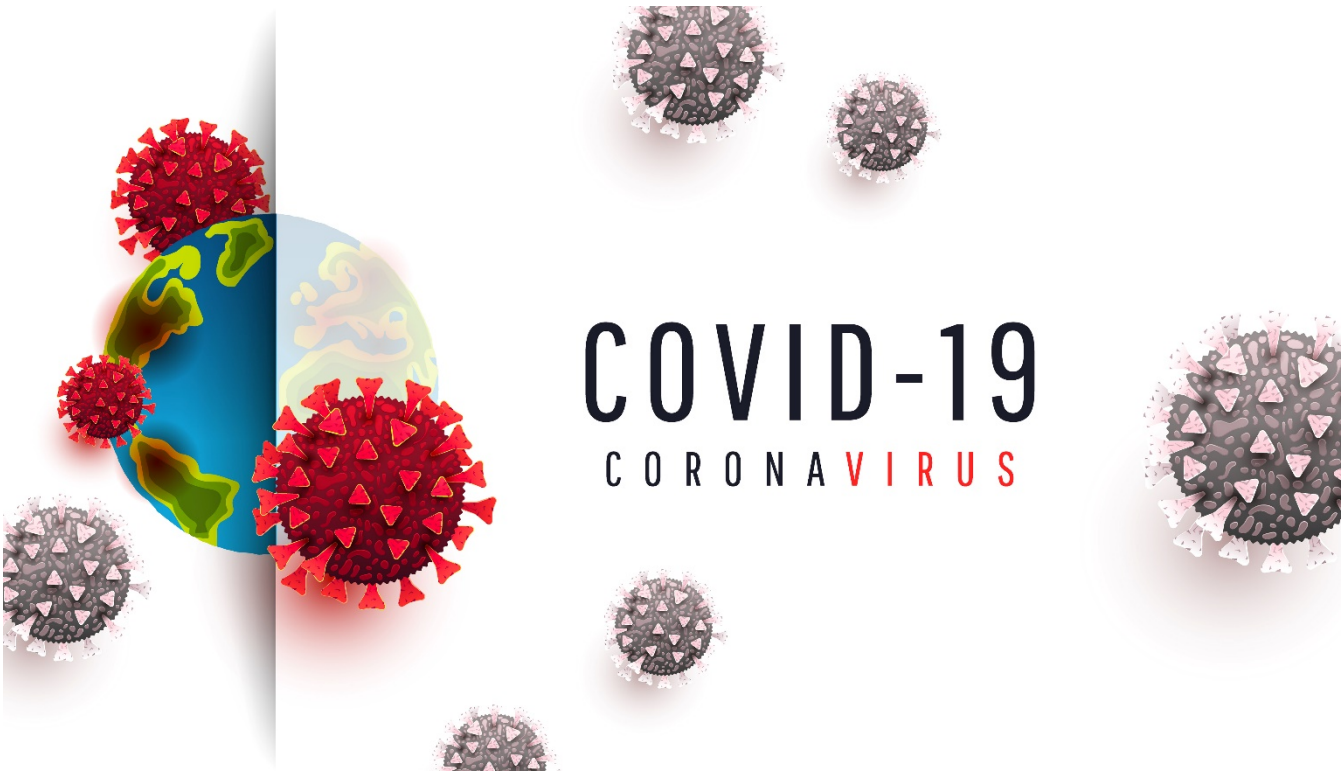
Sustainable management is especially important during times of crisis. Therefore, it was important to our CEO and owners to stick to sustainable, environmentally friendly, and socially responsible business practices also during the COVID-19 pandemic.

Despite a slight decline in sales because of the restrictions during the pandemic, no employees were dismissed, and all our sustainable initiatives were continued as outlined before the pandemic.

For better information and to secure the safety of our employees, all recommended hygiene and safety measures were implemented immediately. For many of our employees we could install home-office workplaces with IT-equipment from the company.

A COVID-19 dashboard informs our employees about the latest developments and possible COVID-19 cases within the company.

We have therefore been able to cope well during this difficult period with the support of our employees and are persuaded that we will emerge stronger from the crisis, especially with the initiatives that we have taken in the area of sustainability.



IMPLEMENTATION OF THE TEN PRINCIPLES IN STRATEGIES AND BUSINESS ACTIVITIES

Criterion 1: Integrating the ten principles of the UN Global Compact in corporate functions and business units

GRI 102- 11
GRI 102-18

In accordance with the voluntary commitment made by the company's management and owner as part of the "Corporate Social Responsibility Policy", as well as through the introduction of a certified management system in accordance with ONR 192500, based on ISO 26000, it is ensured that the 10 principles of the UN Global Compact are comprehensively integrated into all corporate functions, business units and processes of the company.

See also sustainability report 2019, chapter "Integrated Management System", page 42-43.

Criterion 2: Implementation of the principles of the UN Global Compact in the value chain

GRI 102- 4, GRI 203-1, GRI 301-1
GRI 102-9, GRI 204-1, GRI 414-1

In accordance with the chapter "Sustainable Portfolio Management" in our sustainability report 2019 (page 13-16), it is ensured that the impacts of our products and services are taken into account in upstream and downstream processes.

In the last 12 months, full Life Cycle Assessments (LCA) have also been carried out for the following product groups:

- ✓ Shelves
- ✓ One-sided absorbing noise barriers
- ✓ Two-sided absorbing noise barriers

In the first half of 2021, additional LCAs will be completed for the following product groups:

- ✓ Prismatic variable message signs
- ✓ LED traffic signs

In the area of traffic signs, a social LCA is also carried out in order to assess the social impact of our products.

A social LCA considers the following aspects: [i] workers, [ii] consumers, [iii] local community, [iv] society and [v] value chain actors.

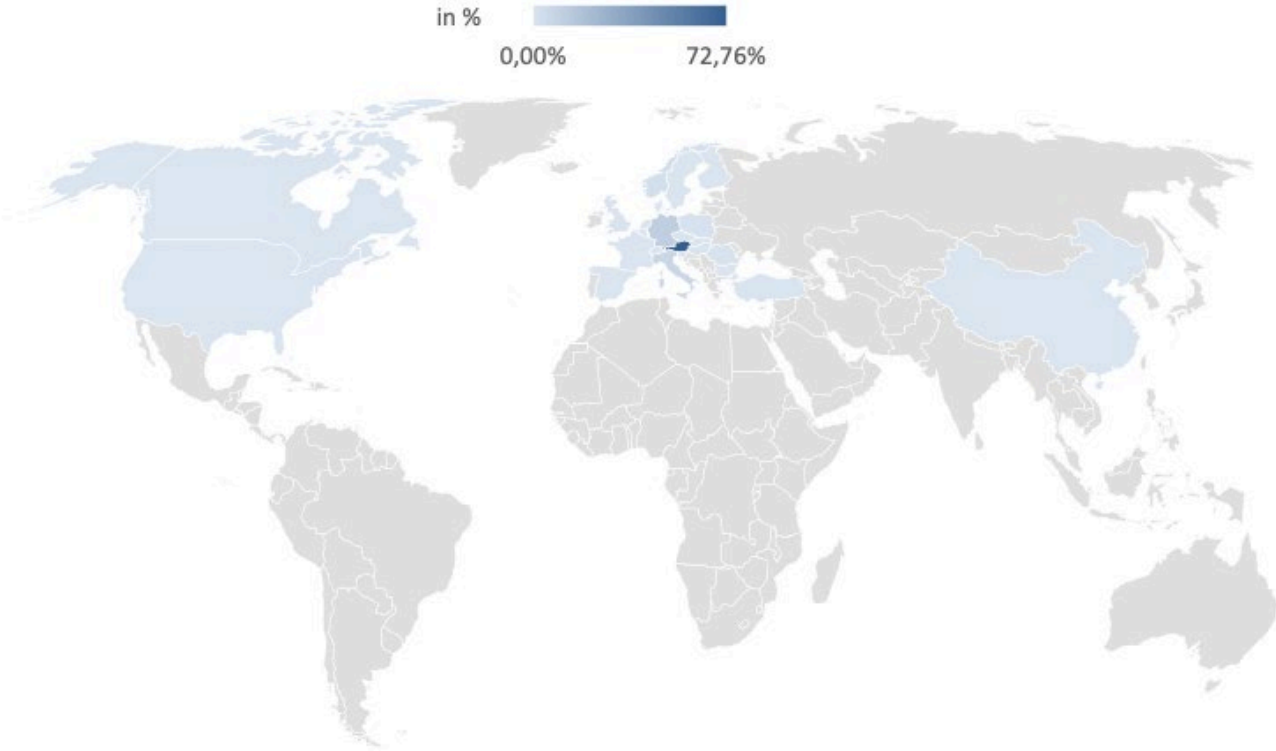
All LCAs have been or will be independently verified and validated by an Accountability accredited validation body.

In addition, supplier management is implemented to monitor the supply chain as part of the implemented sustainability management system (see sustainability report 2019, chapter "Suppliers", page 41).

More than 70% of the purchasing volume is sourced from local suppliers in Austria. After Austria, the most important procurement markets are: Germany (11%), Italy (7%) and Norway (3%).

All other markets have a share of less than 1%. 99.99% of the purchasing volume is covered in Europe (including Turkey) and in North America (USA, Canada).

Purchasing volume per country



HUMAN RIGHTS


Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2 :

Make sure that they are not complicit in human rights abuses.

Criterion 3: Commitments, policies and guidelines with regard to the protection of human rights

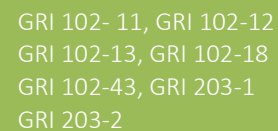


GRI 102- 16
GRI 203-1
GRI 203-2

The owner and the management of the FORSTER Group have committed themselves in the Corporate Social Responsibility Policy (see <https://www.forster.at/en/sustainability/>), in the Sustainability Management System certified by an accredited certification body according to ONR 192500 (based on ISO 26000, see https://www.forster.at/fileadmin/root_forster/Unternehmen/Nachhaltigkeit/FORSTER_ONR192500_en.pdf) as well as in a Code of Conduct binding for all employees, management, owner representatives and business partners (see <https://www.forster.at/en/information/code-of-conduct/>) to comply with all applicable laws and to respect international human rights wherever the company operates (e.g. Universal Declaration of Human Rights, Guiding Principles on Business and Human Rights).

See also sustainability report 2019, chapter "Ethical Conduct", page 44ff.

Criterion 4: Effective management systems for the integration of human rights principles



GRI 102- 11, GRI 102-12
GRI 102-13, GRI 102-18
GRI 102-43, GRI 203-1
GRI 203-2

The FORSTER group has implemented an integrated management system, certified by an accredited certification body and maintains this for the following standards:

- ✓ ISO 9001:2015 (quality)
- ✓ ISO 14001:2015 (environment)
- ✓ ONR 192500 auf Basis der ISO 26000 (sustainability)
- ✓ ISO 45001 (occupational health and safety)
- ✓ ISO 3834 (specialist welding company)

The implemented management system includes processes and procedures to ensure the following:

- ✓ Adherence to human rights and all other legal requirements within the framework of legal compliance.
- ✓ Training and awareness raising for employees, managers, management and external stakeholders (see sustainability report 2019, chapter "Dialogue with our stakeholders", page 20ff)
- ✓ Continuous improvement process in which human rights improvements are also taken into account
- ✓ Escalation process for any violation of human rights, with clearly assigned responsibilities
- ✓ Process for assessing engagement in human rights sensitive markets

FORSTER spent around 7% of the company's earnings on support for social, cultural or other initiatives with a positive impact on society in the 2019/20 financial year, compared to 5% in the previous financial year. No political parties are supported.

Criterion 5: Effective monitoring and performance measurement systems for the integration of Human Rights

GRI 407-1, GRI 408-1,
GRI 409-1, GRI 410-1,
GRI 411-1, GRI 412-1,
GRI 412-2, GRI 413-2

There were no human rights incidents at Forster or within the supply chain (direct suppliers).

In order to identify sensitive regional markets with regard to human rights and to ensure effective monitoring and performance measurement systems for the integration of human rights at FORSTER, the following procedures have been implemented:

- ✓ CSR in sales
- ✓ CSR in purchasing
- ✓ CSR in development
- ✓ CSR in production

Further information on the topic can also be found in the sustainability report 2019, in the chapter "Employee and human rights", page 40. Whereby the following data should be updated:

"Once again in 2019, no restrictions on the topics of freedom of association and collective bargaining or problems with child, forced or compulsory labour were identified at any of our verified suppliers."

LABOUR

Principle 3 :

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4 :

Abolition of all forms of forced and compulsory labour;

Principle 5 :

The effective abolition of child labour; and

Principle 6 :

Elimination of discrimination in respect of employment and occupation.

Criterion 6: Stable commitments, strategies or guidelines with regard to labour standards

GRI 405-1,
GRI 405-2

The owner and the management of the FORSTER Group have committed to comply with all legal requirements on labour standards and to promote occupational health and safety for employees in their quality, environmental and occupational health and safety policy (see https://www.forster.at/fileadmin/root_forster/Unternehmen/Qualitaetspolitik/Forster_HSEQ.pdf).

Diversity management has also been introduced as part of human resources management to promote women in management positions and in training for technical professions. See sustainability report 2019, chapter "Diversity management", page 38ff.

In addition, the FORSTER group supports the works council formed in parts of the company and, as an employer, is a member of the Austrian Federal Economic Chamber (WKO) and the Federation of Austrian Industries (IV).

Criterion 7: The COP describes effective management systems for the integration of labour standards

GRI 403-1, GRI 403-2,
GRI 403-3, GRI 403-4,
GRI 403-5, GRI 403-6

The FORSTER group has introduced a certified occupational health and safety management system in accordance with ISO 45001 (see Sustainability Report 2019, chapter "Occupational health and safety", page 54ff).

The statements in the sustainability report 2019 are still valid. However, some of the following data has changed:

- ✓ Relevant functionaries in occupational safety and health protection: 2 safety specialists, 1 occupational physician, 8 safety confidants and 72 first aiders.
- ✓ the certification according to ISO 45001:2018 took place for the first time in May 2020 (previously the system was based on OHSAS 18001)
- ✓ Number of temporary workers integrated in the occupational safety and health management system: 20 (annual average)

Criterion 8: The COP describes effective management systems for the integration of labour standards

The FORSTER Group continuously monitors the effectiveness of the occupational safety measures within its management system.

All accidents are examined by the safety specialist in accordance with the legal basis and, following a cause analysis, appropriate corrective or preventive measures are introduced in accordance with the "occupational safety" process.

As part of the occupational safety and health protection management system, all areas of the company are audited both internally and externally by an accredited certification body on an annual basis with regard to occupational safety and health protection.

ENVIRONMENTAL PROTECTION

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.

Criterion 9: Commitments, strategies or guidelines with regard to environmental protection standards

GRI 102-11,
GRI 102-18

The owner and the management of the FORSTER group have committed to comply with all legal requirements for environmental protection and to improve the environmental performance of the company in their quality, environmental and occupational health and safety policy (see https://www.forster.at/fileadmin/root_forster/Unternehmen/Qualitaetspolitik/Forster_HSEQ.pdf).

As part of a risk analysis, environmental aspects and impacts, including in the company's upstream and downstream processes, are continuously assessed.

See sustainability report 2019, chapter "Integrated Management System", page 42ff.

Criterion 10: Effective management systems for the integration of environmental protection standards

GRI 301-1, GRI 302-4, GRI 303-3,
GRI 305-2, GRI 306-2

An environmental management system in accordance with ISO 14001 has been introduced and certified by an accredited certification body, see sustainability report 2019 chapter "Environmental management", page 47ff.

In the course of the environmental and sustainability management system, the following targets and key figures were introduced and already implemented as follows:

Target	Description of target	valid for	Target value Key figure	Interval	Actual key figure 05 2021	Status target achievement (green = reached; orange = in progress)
Gas consumption	Decrease by 0.6% compared to the previous year	FF, FIT	2019 4.558.545 kW 0,6% >= 27.352 kW	annually	4 587 812	0,64%
Gas consumption	Decrease by 0.6% compared to the previous year	FOM	2019 6.043.613 kW 0,6% >= 36.262 kW	annually	6 246 457	3,36%
Electricity consumption	Decrease by 0.6% compared to the previous year	FF, FIT	2019 3.148.223 kW 0,6% >= 18.890 kW	annually	3 171 518	0,74%
Electricity consumption	Decrease by 0.6% compared to the previous year	FOM	2019 2.299.804 kW 0,6% >= 13.799 kW	annually	2 246 983	-2,30%
Fuel consumption	Decrease by 0.6% compared to the previous year	FF, FIT	2019 140.830 L 0,6% >= 845 L	annually	141 687	0,61%
Fuel consumption	Decrease by 0.6% compared to the previous year	FF, FIT	2019 10,19 L/100km 0,6% >= 0,061 L/100km	annually	10,93	7,26%
Fuel consumption	Decrease by 0.6% compared to the previous year	FOM	2019 33.339 L 0,6% >= 200 L	annually	27 468	-17,61%
Fuel consumption	Decrease by 0.6% compared to the previous year	FOM	2019 8,20 L/100km 0,6% >= 0.05 L/100km	annually	8,63	5,24%
Energy use total	Reduction by 0.6% compared to previous year (without heating)	FF, FIT	2019 6.333.153 kW Reduction >= 37.999 kW	annually	6 189 138	-2,27%
Energy use total	Reduction by 0.6% compared to previous year (without heating)	FOM	2019 7.461.654 kW Reduction >= 44.770 kW	annually	7 311 215	-2,02%

Solvents	Decrease waste by 5% compared to previous year	FF	2019 8,17% 2020 <= 7,76%	annually	8,13%	-0,04%
Packaging material	Decrease paper/ cardboard waste by 10% of total	FF, FIT	2019 40,81% 2020 <= 36,73%	annually	56,32%	15,51%
Packaging material	Decrease in consumption by 10% compared to the previous year	FOM	2019 66,11% 2020 <= 59,50%	annually	51,12%	-14,99%
Reduction of accidents	Decrease of max. accidents per employee and year by 10% compared to the previous year	FF, FIT	2019 0,039 2020 <0,035	annually	0,017	-56,42%
Reduction of days lost after accidents	Decrease of lost days after accidents, per employee and year by 10% compared to the previous year	FF, FIT	2019 0,589 2020 <0,53	annually	0,841	42,85%
Reduction of accidents	Decrease of max. accidents per employee and year by 10% compared to the previous year	FOM	2019 0,101 2020 <0,09	annually	0,065	-35,51%
Reduction of days lost after accidents	Decrease of lost days after accidents, per employee and year by 10% compared to the previous year	FOM	2019 1,736 2020 <1,563	annually	1,299	-25,18%
Reduction of hazardous substances	Reduce the number of substances in the list of hazardous substances with hazard statements (340, 341, 350, 351, 360, 361, 362).	FF, FOM	2019: 16.162 3% reduction compared to the previous year	annually	14 306	-11,48%
Social engagement	Share of sponsoring expenses in the company earnings	entire group	3 to 6 % of the company's earnings is spent on sponsoring	annually	5,9%	100,0%
Fair distribution of value creation	Percentage of value added spent on employees and the state	entire group	>95%	annually	98,1%	100,0%

Safe products	Percentage of products that have been assessed for their impact on safety and health (CE or equivalent)	entire group	100%	annually	100,0%	100,0%
CO2 reduction	CO2 per € revenue	entire group	-5% compared to the previous year	annually	-30,0%	100,0%
Compliance with all compliance requirements	No proceedings, no fines	entire group	0	annually	0	100,0%
Evaluation suppliers	Rate 100% of suppliers according to environmental criteria	entire group	100%	annually	100,0%	100,0%
Reduction chrome + Chemistry in coating in the FOM	100% chromium-free	FOM	0% chrome	until 31.12.2021	0% Chrome	100,0%

For all targets that have not yet been achieved in 2020, measures have been set within the framework of the Continuous Improvement Process to ensure target achievement.

Criterion 11: Effective monitoring and performance measurement systems for the implementation of environmental protection standards

GRI 301- 1, GRI 302- 4,
GRI 303- 3, GRI 304-1,
GRI 305 -2, GRI 306- 2

In 2019, an energy audit in accordance with the Austrian Energy Efficiency Act was carried out at the St. Peter/Au and Waidhofen/Ybbs sites. (see sustainability report 2019, chapter "Environmental Management", page 47) The company conducted a site analysis for all sites with regard to biodiversity. The analysis was supported by a search in the WDPA database at <https://www.protectedplanet.net/>. This revealed that no site is located in or directly adjacent to a nature conservation area. (see sustainability report 2019, chapter "Environmental Management", page 50ff).

By complying with ISO 14001, the company is committed to continuously improving its environmental performance.

ANTI-CORRUPTION

Principle 10 :

Businesses should work against corruption in all its forms, including extortion and bribery.

Criterion 12: Commitments, strategies or guidelines with regard to combating corruption

GRI 102-16, GRI 203-1,
GRI 203-2

The owner and the management of the FORSTER Group have committed themselves in their quality, environmental and occupational health and safety policy (see https://www.forster.at/fileadmin/root_forster/Unternehmen/Qualitaetspolitik/Forster_HSEQ.pdf) to comply with all legal requirements for environmental protection and to improve the environmental performance of the company.

FORSTER has a publicly accessible Code of Conduct which contains, among other things, requirements for combating corruption and a ban on corruption. This is available at the following link: www.forster.at/verhaltenskodex/. The Code of Conduct also serves as a voluntary commitment to comply with all relevant anti-corruption laws. (see sustainability report 2019, chapter "Ethical Conduct", page 44ff).

All significant business partners, in particular suppliers and sales partners, are informed about our compliance principles and are obliged to observe them. This is part of the terms and conditions of purchase. (see sustainability report 2019, chapter "Ethical behaviour", page 46)

Criterion 13: Effective management systems to integrate anti-corruption.

GRI 102-16, GRI 203-1,
GRI 203-2

All employees are trained on the contents of the Code of Conduct upon joining the company. Furthermore, all managers annually sign that they comply with the requirements of the Code of Conduct. The members of the controlling body (owner representation) are informed about the contents of the Code of Conduct. The entire Executive Board is obliged to comply with the Code of Conduct. (see sustainability report 2019, chapter "Ethical Conduct", page 46).

The Code of Conduct for Ethical Business Conduct in the FORSTER group ensures the fight against corruption.

Criterion 14: Effective monitoring and performance measurement systems for the integration of anti-corruption

GRI 102-16, GRI 203-1,
GRI 203-2

All employees are bound by the rules of the Code of Conduct. (see sustainability report 2019, chapter "Ethical Conduct", page 46).

There were no incidents with regard to corruption. (see sustainability report 2019, Appendix "GRI- Matrix", page 74)

SUPPORT FOR THE BROADER UN GOALS AND TASKS

Criterion 15: Central corporate commitment to UN goals and tasks

The Code of Conduct for Ethical Business Conduct of the FORSTER group contains tasks and goals which the company would like to implement and achieve. The objective of the management is to comply with ethical standards and to create a working environment characterised by integrity, respect, and fair conduct.

The Code of Conduct deals with compliance with laws and other regulations at home and abroad, respect for human rights, a management commitment, dealing with conflicts of interest, the prohibition of corruption, dealing with gifts and hospitality, fair working conditions, dealing with internal knowledge and assets, confidentiality, and data protection as well as the implementation and monitoring of the Code of Conduct

Criterion 16: Strategic social investments and philanthropy

GRI 102-12, GRI 102-13, GRI-102-43
GRI 203-1, GRI 203-2

FORSTER spent around 5% of its corporate earnings in the 2018/19 financial year on supporting social, cultural, or other initiatives with a positive impact on society. (see sustainability report 2019, chapter "Dialogue with our stakeholders", page 21)

Criterion 17: Involvement in politics and representation of interests

GRI 102-12, GRI 102-13, GRI-102-43
GRI 203-1, GRI 203-2

FORSTER does not support any political parties. (see sustainability report 2019, chapter "Dialogue with our stakeholders", page 21).

Within the integrated management system, decision-making on strategic orientation as well as major investment decisions takes place in management meetings. These are attended by the managing directors, an owner representative and the senior management representative for quality, environment, and occupational safety. (see sustainability report 2019, chapter "Integrated Management System", page 42ff).

GRI 102- 11
GRI 102-18

Criterion 18: Partnerships and joint initiatives

GRI 102-12, GRI 102-13, GRI-102-43
GRI 203-1, GRI 203-2

FORSTER supports the following United Nations initiatives: United Nations Global Compact and the UN Sustainable Development Goals initiative. Furthermore, the companies of the FORSTER Group are members of various associations, societies, specialist groups and organisations (see sustainability report 2019, p. 20).

SUSTAINABLE CORPORATE GOVERNANCE AND LEADERSHIP

Criterion 19: Support and the leading role of the Chief Executive Officer

GRI 102- 1, GRI 102- 4, GRI 102-10
GRI 102-45, GRI 102-48, GRI 102-49
GRI 102-50, GRI 102-51, GRI 102-51

In the FORSTER Group's sustainability management system, the Managing Directors commit to comply with the UN Global Compact Principles and to implement the UN Sustainable Development Goals. (see sustainability report 2019, chapter "About this report", page 6)

Criterion 20: Control functions

GRI 102- 11, GRI 102-18, GRI 102-42,
GRI 102-43, GRI 103- 2

The control function is performed by the owner. (see sustainability report 2019, chapter "Integrated management system", page 43)

Criterion 21: Dialogue with stakeholders

GRI 102-12, GRI 102-13, GRI-102-43
GRI 203-1, GRI 203-2

As part of the integrated management system, identifying the expectations and requirements of our stakeholders is particularly important. In order to maintain and continuously improve dialogue with our stakeholders, we strive to maintain direct dialogue with our customers, suppliers, employees and neighbours, as well as memberships in associations and societies and active support of initiatives. (see sustainability report 2019, chapter "Dialogue with our stakeholders", page 20ff)

KEY FIGURES

Staff

GRI 102-8, GRI 102-41, GRI 202-2
GRI 401-3, GRI 402-1, GRI 404-1

In the 2018/19 financial year, Forster group companies employed 646 people of which 40% were women and 60% were men. In the 2019/20 financial year, the number of employees decreased to 635, with 35% women and 65% men employed.

Staff costs as a percentage of turnover increased from 39% in the 2018/19 financial year to 41.60% in the 2019/20 financial year.

For further explanations on the topic of personnel, see sustainability report 2019, page 36ff. The updated key figures for the 2019/20 financial year are shown in the following tables.

Employees of the group of companies divided among different work commitments:

Company	Country	Number of employees															
		Full time				Part time				Partial Retirement							
		35,0	38,5	40,0	42,0	Obligation in % of the full time				weekly hours							
				up to 25%	up to 50%	up to 75%	above 75%	15,4	19,3	20,2	20,3	23,1	38,5	0,0	Apprentices		
Forster Verkehrs- und Werbetechnik GmbH	AT	206				0	12	13	9	1	1	1	0	0	2	7	
Forster Industrietechnik GmbH	AT	99				1	1	5	1					1	2	7	
Forster Metallbau GmbH	AT	229				0	3	14	5			1		4	5	0	
Arbitec-Forster GmbH	DE	6				0	1	0	0							0	
Forster archivna a dopravná technika s.r.o.	SK		1			0	0	0	0							0	
Forster Archiv- und Verkehrstechnik GmbH	CH			3		0	2	0	0							0	
Samodef-Forster Sarl	FR	5				0	0	0	0							0	
		5	540	1	3	1	19	32	15	1	1	1	1	1	6	8	14

Company	Country	% of women	Total without apprentices	m	f	Total
Forster Verkehrs- und Werbetechnik GmbH	AT	35,5%	245	158	87	245
Forster Industrietechnik GmbH	AT	23,4%	111	85	26	111
Forster Metallbau GmbH	AT	40,2%	261	156	105	261
Arbitec-Forster GmbH	DE	16,7%	7	6	1	7
Forster archivna a dopravná technika s.r.o.	SK	0,0%	1	1	0	1
Forster Archiv- und Verkehrstechnik GmbH	CH	40,0%	5	3	2	5
Samodef-Forster Sarl	FR	0,0%	5	5	0	5
		34,8%	635	414	221	635
				65%	35%	100%

Company	Country	State	Responsible	received on:	Employee number in maternity leave		employee number who returned from maternity leave		Employee number who did not return from maternity leave (resigned voluntarily)	
					male	female	male	female	male	female
					Forster Verkehrs- und Werbetechnik GmbH	AT	WJ 19/20	WÜ	12.11.2020	0
Forster Industrietechnik GmbH	AT	WJ 19/20	WÜ	12.11.2020	1	3	0	1	0	1
Forster Metallbau GmbH	AT	WJ 19/20	WÜ	12.11.2020	0	13	0	5	0	2
Arbitec-Forster GmbH	DE	WJ 19/20	WÖ	12.11.2020	0	0	0	0	0	0
Forster archivna a dopravná technika s.r.o.	SK	WJ 19/20	WÖ	12.11.2020	0	0	0	0	0	0
Forster Archiv- und Verkehrstechnik GmbH	CH	WJ 19/20	WÖ	12.11.2020	0	0	0	0	0	0
Samodef-Forster Sarl	FR	WJ 19/20	WÖ	12.11.2020	0	0	0	0	0	0
				Number of employees:	1	25	0	9	0	3

Company	Country	% employees		% employees under 30		% employees between 30-50		% employees over 50		% vulnerable employees	
		m	f	m	f	m	f	m	f	m	f
		Forster Verkehrs- und Werbetechnik GmbH	AT	64%	36%	11%	8%	29%	19%	23%	9%
Forster Industrietechnik GmbH	AT	77%	23%	15%	5%	40%	9%	21%	10%	2%	1%
Forster Metallbau GmbH	AT	60%	40%	7%	4%	32%	24%	20%	13%	2%	1%
Arbitec-Forster GmbH	DE	83%	17%	0%	0%	17%	17%	67%	0%	0%	0%
Forster archivna a dopravná technika s.r.o.	SK	88%	12%	4%	0%	27%	4%	58%	8%	0%	0%
Forster Archiv- und Verkehrstechnik GmbH	CH	100%	0%	0%	0%	100%	0%	0%	0%	0%	0%
Samodef-Forster Sarl	FR	60%	40%	0%	0%	40%	20%	20%	20%	0%	0%

	Hours for education and training					
	Executives		Employees		Workers	
	m	f	m	f	m	f
Domestic	28,7	24	27,1	27,7	35,4	27,2
Foreign	0	0	0	0	0	0
Total:	28,7	24	27,1	27,7	35,4	27,2

Corporate and quality targets

In the 2018/19 financial year, the company generated a turnover of 104 million euros. In 2019/20, the company generated a total revenue of 96 million euros. In both years, the total capital amounted to 64 million euros, equity capital to 39 million euros and debt capital to 25 million euros.

In order to achieve the strategic goal of a cash flow above 3.5 million euros + 1-2% annually, the following short-term targets were defined and evaluated: The external shortfall costs from the maximum turnover in the FF unit should be below 0.60%. In May 2021, this value without warranty defects was 0.48%, which results in a minus of 0.12% compared to the previous year. The external shortfall costs in the FOM unit have a target value of less than 0.25%. The current value is 0.18% and has thus been reduced by 0.07% compared to the previous year. The number of error-free deliveries should have a value of over 98%. In May 2021, this amounts to 96.79%, whereby this value was 1.21% higher in the previous year, in the FF unit. In the FOM unit, the target value for the error-free deliveries indicator is set at over 97.5%. In May 2021, this is 96.75% and is 1.21% lower than in the previous year.

Environmental targets

The strategic goal environment, sustainable production and products is measured by 13 short-term targets or key figures (see chapter on environmental protection).

Compared to the previous year, gas consumption increased by 0.64% in the FF and FIT divisions and by 3.36% in the FOM division.

With regard to electricity consumption in the FF and FIT units, this has increased by 0.74% compared to the previous year. In the FOM unit, the ACTUAL key figure for electricity consumption in May 2021 is 2,246,983 kW, whereby electricity consumption here has fallen by 2.30% compared to the previous year.

Fuel consumption has a target value of less than 0.6% (=845l), e.g. 0.6% less fuel is to be consumed compared to the previous year. The ACTUAL value in May 2021 is 141 687 and is 0.61% higher than the value of the previous year in the FF and FIT unit. Furthermore, the target percentage value (0.6%) divided by 100km in this unit results in an actual ratio of 10.93 in May 2021. Fuel consumption was increased by 7.26% compared to the previous year. In the FOM unit, the target of a 0.6% overall reduction in fuel consumption was achieved. In contrast to the previous year, this value was 17.61% lower. However, with the same target calculated per 100km, the key figure value increased by 5.24%.

With regard to the total energy use in the FF and FIT unit, a reduction $\geq 37,999\text{kW}$ was used as the target value for the key figure. In contrast to the previous year, the company was able to reduce the value by 2.27%. In the FOM unit, this target value, which is $\geq 44,770\text{kW}$, was also reduced by 2.02% compared to the previous year.

The solvent target (reduction of waste by 5% compared to the previous year), which was set for 2020 with a target value of less than 7.76%, was not achieved. The actual value in May 2021 was 8.13%.

The packaging material in the FF and FIT unit has also increased by 15.51% compared to the previous year. The overall target is to reduce paper and cardboard waste by 10% of the total. The target for 2020 was 36.73%. In the FOM unit, the reduction in the consumption of packaging material was reduced by 14.99% compared to the previous year, with an actual value of 51.12% in May 2021.

Sustainability goals and social responsibility

The Forster Group has also set itself goals with regard to ethical behaviour, which have already been achieved. In contrast to the previous year, accidents in the unit of FF and FIT were reduced by 56.42%. The goal of reducing the number of days lost due to accidents by 10% compared to the previous year has not yet been achieved. In May

2021, the ACTUAL key figure was 0.841. In comparison, this means an increase of 42.85%. In the FOM unit, accidents per employee were reduced by 35.51% compared to the previous year and the goal of reducing the previous year's value by at least 10% was achieved. The reduction in the number of days lost due to accidents per employee was also reduced by 25.18% compared to the previous year, and the 2020 target value of <1.563 was met in May 2021 with a value of 1.299.

The goal of reducing hazardous substances was achieved according to the target indicators. In contrast to the previous year, the use of hazardous substances was reduced by 11.48%.

The goal of spending 3 to 6% of the company's profit on sponsoring was achieved by 100% in May 2021 with 5.9%. The percentage of value added spent on employees and government was also 100% achieved, as the target was >95% and the actual figure in May 2021 was 98.1. The goal of ensuring safe products was fully achieved. The goal of achieving a -5% reduction in CO2 compared to the previous year was also achieved with a reduction of 30%. Furthermore, all compliance requirements were met and therefore no proceedings or fines were imposed on the company. The suppliers were assessed 100% according to the environmental criteria and the target for the reduction of chrome and chemicals in the coating in the FOM was reduced 100%.

Tabular summary of the objectives

Key figure	2018/19	2019/20
Number employees	646	635
Revenue	104 mil. Euro	96 mil. Euro
Staff expenditures in % of revenue	39%	41,60%

Key figure	Target description	ACTUAL Key figure 05 2021	Status target achievement
External shortfall costs from maximum turnover (FF unit) without warranty defects	< = 0,60%	0,48%	-0,12%

Key figure	Target description	Actual Key figure 05 2021	Status target achievement
External shortfall costs from maximum turnover (FOM unit)	< = 0,25%	0,18%	-0,07%
Number of error-free deliveries (unit FF)	<98%	96,79%	-1,21%
Number of error-free deliveries (unit FOM)	<97,5%	96,75%	-0,75%
Gas consumption (unit FF, FIT)	Decrease by 0.6% compared to the previous year	4.587.812	0,64%
Gas consumption (unit FOM)	Decrease by 0.6% compared to the previous year	6.246.457	3,36%
Electricity consumption (unit FF, FIT)	Decrease by 0.6% compared to the previous year	3.171.518	0,74%
Electricity consumption (unit FOM)	Decrease by 0.6% compared to the previous year	2.246.983	-2,30%
Fuel consumption (unit FF, FIT)	Decrease by 0.6% compared to the previous year	141.687 L	0,61%
Fuel consumption (unit FF, FIT)	Decrease by 0.6% compared to the previous year	10,93 (L/100km)	7,26%
Fuel consumption (unit FOM)	Decrease by 0.6% compared to the previous year	27.468 L	-17,61%
Fuel consumption (unit FOM)	Decrease by 0.6% compared to the previous year	8,63 (L/100km)	5,24%
Energy use total (unit FF, FIT)	Reduction by 0.6% compared to previous year (without heating)	6.189.138kW	-2,27%
Energy use total (unit FOM)	Reduction by 0.6% compared to previous year (without heating)	7.311.215kW	-2,02%
Solvents (unit FF)	Decrease waste by 5% compared to previous year	8,13%	-0,04%
Packaging material (unit FF, FIT)	Decrease paper/ cardboard waste by 10% of total	56,32%	15,51%
Packaging material (unit FOM)	Decrease in consumption by 10% compared to the previous year	51,12%	-14,99%
Reduction of accidents (unit FF, FIT)	Decrease of max. accidents per employee and year by 10% compared to the previous year	0,017	-56,42%

Key figure	Target description	Actual Key figure 05 2021	Status target achievement
Reduction of days lost after accidents (unit FF, FIT)	Decrease of lost days after accidents, per employee and year by 10% compared to the previous year	0,841	42,85%
Reduction of accidents (unit FOM)	Decrease of max. accidents per employee and year by 10% compared to the previous year	0,065	-35,51%
Reduction of days lost after accidents (unit FOM)	Decrease of lost days after accidents, per employee and year by 10% compared to the previous year	1,299	-25,18%
Reduction of hazardous substances (unit FF, FOM)	Reduce the number of substances in the list of hazardous substances with hazard statements	14 306	-11,48%
Social engagement	3 to 6% of the company's profit is spent on sponsoring	5,9%	100%
Fair distribution of value creation	>95%	98,1%	100%
Safe products	Percentage of products that have been assessed for their impact on safety and health (CE or equivalent)	100%	100%
CO2 reduction	-5% compared to the previous year	-30%	100%
Compliance with all compliance requirements	No proceedings, no fines	0	100%
Evaluation suppliers	Rate 100% of suppliers according to environmental criteria	100%	100%
Reduction chrome + Chemistry in coating in the FOM	100% chromium-free	0% chrome	100%

SUMMARY

In summary, the principles of the UN Global Compact are embedded in all corporate functions, business units and processes of the company. The sustainability report ensures that the impacts of products and services are considered in upstream and downstream processes.

To ensure compliance with all applicable laws and the observance of international human rights, the company has introduced a code of conduct that applies to both management and employees. In addition, the Forster group has an integrated management system which includes the following standards: ISO 9001:2015, ISO 14001:2015, ONR 192500 based on ISO 26000, ISO 45001 and ISO 3834. Furthermore, CSR procedures have been implemented to ensure an effective monitoring and performance measurement system for the integration of human rights.

In the quality, environmental, occupational health and safety policy, the owner and the management of the Forster group commit themselves to comply with all legal requirements regarding labour standards and to promote occupational health and safety of employees. A certified occupational health and safety management system in accordance with ISO 45001 has been introduced. In addition, diversity management has been introduced, the company supports the works council and, as an employer, is a member of the WKO and the Federation of Austrian Industries. For the integration of labour standards, the effectiveness of the measures is monitored within the framework of the management system.

Furthermore, an environmental management system according to ISO 14001 was introduced and certified. By complying with ISO 14001, the company has committed itself to continuously improve its environmental performance.

The Code of Conduct of the Forster group serves, among other things, as a self-commitment to comply with all relevant anti-corruption laws. All employees, executives and the management are informed about the contents of the Code of Conduct and are bound by it.

The goal of the management is to comply with the ethical standards and to create a working environment characterised by integrity, respect, and fair conduct. The Forster group supports social, cultural or other initiatives with a positive impact on society. Furthermore, the company supports initiatives of the United Nations and is a member of various associations, societies, professional groups and organisations.

In the FORSTER group's sustainability management system, the executive management commit to complying with the UN Global Compact Principles and to implementing the UN's Sustainable Development Goals. In order to maintain and improve the dialogue with stakeholders, in addition to the dialogue with customers, employees, suppliers and neighbours, the aforementioned membership in associations and societies as well as the active support of initiatives are also strived for.

With regard to the key figures, it can be said that the Forster group has also withstood the challenges posed by the Covid-19 pandemic. Despite slight declines in revenue, the company is able to continue to employ all its staff and to focus on its strategic and also short-term goals and drive their implementation forward.

The COP 2020's compliance with the goals of the UN Global Compact and the UN Sustainable Development Goals as well as the Core GRI requirements for the preparation of sustainability reports can be found in appendix A of the sustainability report 2019.