

OKMETIC



**CORPORATE SOCIAL
RESPONSIBILITY
REPORT 2017**



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CORPORATE SOCIAL RESPONSIBILITY

Okmetic voluntarily adopts The Responsible Business Alliance's (RBA), formerly the Electronic Industry Citizenship Coalition (EICC), Code of Conduct.

Okmetic encourages its subcontractors to social responsibility and requires them to agree with the principles of RBA Code of Conduct.

Okmetic's suppliers are informed about the principles and requirements of RBA Code of Conduct. With suppliers and customers, Okmetic operates in accordance with the ethical principles of RBA Code of Conduct.

The company's corporate social responsibility policy covers human resources, occupational health and safety, the environment, business ethics, and management system.

The social responsibility policy can be found from the company's website:

www.okmetic.com>Company>Social responsibility

PERSONNEL

Competent, motivated and content personnel is a prerequisite for Okmetic's growth and success. This is described in the company values as well as in the human resources and quality policies of the company.

On average, Okmetic employed 386 (377) people in 2017. At the end of the year, Okmetic employed 394 (356) people of which 385 worked in Finland, 3 in the US, five in Japan, and one in Hong Kong. Women accounted for 27 (27) percent and men 73 (73) percent of the personnel. White-collar employees accounted for 36 (36) percent and blue-collar employees for 64 (64) percent of the personnel. The average age of employees was 44 (44) years and the average length of employment was 11.7 (12.5) years.

Throughout the organization, salaries and bonuses are based on the level of skills required in each position. In 2017, salaries and bonuses amounted to 24.1 (23.1) million euro.

The group's parent company complies with the collective labour agreements of the Technology Industries of Finland.

All employee groups at Okmetic are eligible for an incentive scheme. The possible production bonuses for blue-collar employees are paid monthly according to the achievement of set targets. White-collar employees are subject to a profit-sharing scheme, which is based on annual targets set by the board of directors relating to the group's profitability, financial situation, and operative performance.

In 2017, Okmetic arranged on average 2.1 (2.0) training days per employee.

The state of occupational well-being was measured in September-October 2017. The questionnaire showed equal levels of employee well-being compared to last year. Based on the results, the company made action plans for the well-being development and management of work ability management.

Existing occupational well-being activities were continued. These included the senior club for employees above the age of 50 as well as physical and cultural activities available to all employees.

HEALTH AND SAFETY

In occupational safety, Okmetic's target is zero accidents at work. To this end, the company strives to maintain up-to-date risk assessments in production and ensure employees' awareness of health and safety requirements. The occupational safety status is continuously monitored at different operational levels. Close-call situations and accidents at work are analysed and reported immediately. Okmetic's occupational safety committee convenes regularly and carries out scheduled visits. Order and cleanliness are integral elements of occupational safety. The '5S' targets are monitored in production by work phase.

In 2017, the number of accidents at work decreased by 11 percent (increased by 38%) from the previous year. Work place -related injury frequency in 2017 was 3.2 (10.3). Work place -related injury frequency is measured as the number of work place -related injuries per million working hours that cause a sickness leave of longer than three days.

Okmetic's occupational health services are provided by an external service provider.

Targets are set with regard to employees' occupational health, the quality of services as well as cost level. Occupational health is monitored through quarterly reviews with the service provider.

Okmetic has focused on the prevention of musculoskeletal disorders by carrying out ergonomics studies and improvements both in production and office environment.

The number of sickness absences was up from the previous year. The number of working days lost due to sickness or injury in 2017 amounted to 3.8 (4.4) percent of total hours worked. Okmetic's disability pension contribution category in 2017 was 4 (1). In 2018, the category is 7.

ENVIRONMENT

Okmetic recognizes the environmental risks associated with its operations. The company devises both a organizational risk management plan and plans for individual processes. Ecologically sustainable operations support competitiveness and profitability.

Measures devised for eliminating environmental risks are integrated to operational processes. Environmental considerations are factored into the development of products and operations in line with continuous improvement principles. Planning of preventive measures is a fundamental part of environmental risk management.

Okmetic regularly follows the developments of environmental legislation on both international and domestic level. In all our operations we comply with environmental laws and regulations.

In the area of environmental management, the company ran several projects targeted at more efficient use of polysilicon, which in turn will reduce the use of raw materials. As a step to improve the management of chemical data, safety data sheets have been transferred to the new document management system to guarantee easy access for everyone.

The company follows the chemical regulations of the European Union (REACH) and all Okmetic's products meet the requirements set in the RoHS-directive.

Okmetic has ISO 9001:2015, IATF 16949:2016, and ISO 14001:2015 certified quality and

environmental systems at Vantaa plant. Okmetic expects its most important subcontractors and suppliers to comply with the ISO 9001 and ISO 14001 certifications.

Okmetic had no major environmental non-conformities in 2017. The company is not subject to emissions trading regulations.

The company has assessed its consumption of energy, use of polysilicon, amount of acid waste as well as consumption of water and chemicals to have a significant environmental impact. The development of these factors is monitored regularly.

The key figures related to environmental protection at the Vantaa plant in 2017 are as follows:

	2017	2016
Energy consumption (GWh)		
• Electricity	35.0	36.1
• District heating	2.0	2.9
Water consumption (tm3)		
• Water	650	649
• Waste water	554	569
Waste volumes (tn)		
• Hazardous waste	299	290
• Ordinary waste	528	511

All waste can be recycled. No landfill waste is produced. Okmetic does not publish a separate environmental report in addition to the board of directors' report.

CONTACT INFORMATION

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