



**FLEX FORCE**  
ENTERPRISES INC

Flex Force Enterprises Inc.  
3747 NE Sandy Blvd  
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www.flexforce.us

## CORPORATE RESPONSIBILITY

### 1. Background and definitions

Flex Force Enterprises Inc. aims to operate all business activities in ways that support sound and sustainable economic and social development, as well as minimizing the burden on the environment. In order to achieve this goal Flex Force has a number of conditions that must be satisfied by vendors. These include requirements regarding the suppliers' level of social responsibility, environmental responsibility, economic responsibility as well as their corporate governance.

**Social responsibility** relates to the protection of human rights, quality of life and positive social structures, and the prevention of social dumping and social exclusion. A supplier that is socially responsible is conscious of how it affects people and society socially, culturally and socio-economically. Social responsibility comprises both the supplier's intra-firm responsibility as well as wider, external social responsibility. The requirements for social responsibility can be found in article 2 below.

**Environmental responsibility** refers to how a company can minimize negative environmental impact and contribute to an environmentally sound production, trade and consumption. The environmental requirements are found in article 3 below and may also be a part of any pre-qualification process.

**Economic responsibility** refers to how suppliers choose to invest their profits; the extent to which their investments in both products and services are done lawfully and ethically. The economic requirements are mainly a part of the pre-qualification process where suppliers must submit tax certificates, auditor-approved financial statements etc.

**Corporate governance** comprises the processes through which a company is managed and controlled. In other words, how a supplier is structured, and how it executes authority, accountability, management, leadership, performance management and control. Corporate governance is the foundation for exercising corporate responsibility in the three above-mentioned categories through set systems, guidelines and control for ethical conduct. The requirements for corporate governance can be found in article 4 below.

### 2. Social responsibility

#### a. Introduction

Flex Force shall respect the fundamental requirements of human rights, labor rights, and the environment. All products shall be designed and manufactured under conditions that are compatible with the requirements listed below. The requirements are based on the central UN-conventions, ILO-conventions and national labor law at the place of production.

These requirements establish minimum standards. Where the conventions and national laws and regulations relates to the same subject, the highest standard shall always prevail. If the subcontractors are used in the course of business, Flex Force shall forward the requirements so that the supplier can contribute to the compliance with these requirements.

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*"PROPRIETARY—Flex Force Enterprises Inc."*



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#### b. The Universal Declaration of Human Rights

Flex Force respects the UN's Universal Declaration of Human Rights.

#### c. No Forced Labor

(ILO Conventions Nos. 29 and 105)

Flex Force shall not utilize forced, bonded or involuntary prison labor.

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

#### d. Freedom of Association and the Right to Collective Bargaining

(ILO Conventions Nos. 87, 98)

Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively.

Workers representatives shall not be discriminated and shall have access to carry out their representative functions in the workplace.

Where the right to freedom of association and collective bargaining is restricted or under development, Flex Force shall facilitate meetings between workers and the management to discuss wages and working conditions without this having negative consequences for the workers.

#### e. No Child Labor

(UN Convention on the Rights of the Child, ILO Conventions Nos. 138, 182 and FLSA – Fair Labor Standards Act)

Children have the right to be protected from financial exploitation in labor, and from performing work which can limit the educational- and developmental possibilities.

Children and young persons under the age of 18 shall not be engaged in labor that is hazardous to their health or safety, including night work.

Children under the age of 16 shall not under any circumstances be engaged in labor at Flex Force.

#### f. No Discrimination

(ILO Conventions Nos. 100 and 111 and the UN Convention on Discrimination against Women)

Flex Force shall not discriminate at the workplace based on ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

#### g. Working Conditions

##### i. Wages and Working Conditions

Flex Force shall ensure that employees in its own organization and the employees of any subcontractors do not have wages or working conditions that are inferior to those stipulated by

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any applicable nationwide collective bargaining agreement or those that are normal for the relevant location and trade.

The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in, the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment. All employees shall have access to relevant health and safety equipment which meet at minimum, national legal standards. Employees shall be informed of eventual health risks associated with the work.

#### ii. No Excessive Working Hours

Working hours per week shall not exceed national legal standards.

Workers shall always receive overtime pay, minimum in accordance with national legal standards.

#### iii. Regular Employment

All workers are entitled to a contract of employment that shall be written in a language they understand.

### 3. Environmental Responsibility

Flex Force shall have established an environmental management system which as a minimum consists of the following elements:

- A system for the company's environmental objective and environmental policy
- Strategy for competence in the environmental field
- Procedures for performing the Contract in an environmentally sound manner

The Contractor can present the company's quality or environmental management system according to ISO 14000, EMAS, or other equivalent third party verified systems.

### 4. Corporate Governance

Flex Force shall take positive actions to implement the requirements of this policy, to incorporate the requirements into all its operations, and to make these requirements an integral part of its overall philosophy.

Flex Force shall assign responsibility for all matters pertaining to the Social Responsibility requirements to a manager within its organization.

Flex Force will make observance of the Social Responsibility requirements a condition of all agreements that it enters into with Sub-contractors. These agreements shall oblige these sub-contractors to conform to all requirements of this Annex and participate in the Contractor's monitoring activities as requested.

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## 5. Compliance

### a. Documentation

Compliance with the Social Responsibility requirements shall be documented. The following documentation is acceptable:

A report by the Flex Force officers which documents that the requirements of the Social Responsibility are met; or

An external report on working conditions at the production site(s). Information on inspection methods and the identity of the inspector are required; or

Relevant certification of the Contractor. SA8000 or equivalent standard.

### b. Inspections

Within the limits of US and ITAR regulations, Flex Force customers and/or authorized representatives have the right to inspect all production and storage sites used by the Contractor; including all production and storage sites used by sub-contractors.

### c. Violation of the Corporate Responsibility requirements

In case of a breach of the Corporate Responsibility requirements, the Flex Force shall take corrective action within a time limit agreed upon by the Board of Directors. The time limit agreed upon shall be no longer than 3 months.

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