

HR POLICY

As at 09/2022



HR POLICY

Preamble

As well as ensuring the quality standards of its services, Nagel-Group is committed to complying with minimum standards of social responsibility. Consideration of human rights and compliance with the relevant national laws are fundamental prerequisites for doing business with Nagel-Group. This HR Policy expresses this commitment and also serves as a guidance framework for all Nagel-Group employees as well as any contractually bound service providers.

The HR Policy defines how we respect standards by describing policies and processes to identify, prevent, mitigate and explain negative social impacts. Internal and external issues important to Nagel-Group, as well as the requirements and expectations of interested parties, are continually analysed, evaluated and followed up. Nagel-Group's management system consists of documented procedures and working guidelines as well as controls integrated in its internal processes and systems with a view to creating transparency and to be able to trace and monitor its actions. Planning, steering and control mechanisms are constantly being developed. Nagel-Group's Executive Director HR is responsible for implementing and monitoring the HR Policy, while operational responsibility lies with the management of the subsidiaries and national companies.

The HR Policy expresses our commitment to responsibly manage social impacts and complies with the requirements of DIN EN ISO 9001:2015, IFS Logistics and the globally recognised SA8000 social standard.

The policy also emphasises our ambitions on economic, ecological and social corporate governance. We are fundamentally guided in this by the 17 Sustainable Development Goals of the United Nations, six of which we explicitly focus on. These are SDG 4 (quality education), SDG 7 (affordable and clean energy), SDG 8 (decent work and economic growth), SDG 12 (responsible consumption and production), SDG 13 (climate action) and SDG 17 (partnerships for the goals).

In particular, this HR Policy explicitly addresses SDG 4 and SDG 8.

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1. RESPECT FOR HUMAN RIGHTS

Respect for human rights is a high priority for Nagel-Group. We strive for long-term relationships founded on decency and mutual recognition with all business partners in the various countries and cultures. We are guided by the principles of the United Nations Global Compact (UNGC) and the ETI Base Code, including the United Nations Universal Declaration of Human Rights, the conventions of the International Labour Organization (ILO), the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the UN Convention on the Rights of the Child and the UN Convention on the Elimination of All Forms of Discrimination Against Women.

Prohibition of forced labour:

We prohibit forced labour. No one may be employed against their will or forced to work under threat of any punishment.

Avoidance of child labour:

We strictly reject exploitative child labour. In doing so, we adhere to the standards set by the ILO on child labour and to respective national laws in force.

We use due diligence as a means to identify and eliminate human rights risks in our companies and our value chain. Nagel-Group is committed to identifying and either directly remedying or cooperating in remedying any actual or potential impairment of human rights compliance in which it may be directly or indirectly involved through its own activities or those of its business partners. We explicitly reject all forms of forced labour, child labour and human trafficking.

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2. EQUALITY, DIVERSITY & INCLUSION

Diversity is not only a social reality. It is an opportunity and a key to a company's success. Because everything that makes us different from each other – whether origin, age, gender, sexual orientation and identity, mental and physical abilities, beliefs or world views – becomes unimportant when people pursue a common goal. What's more, diversity awakens potential, reveals other perspectives, creates new solutions for challenges and also allows us to recognise and discover new things.

So, as a matter of course, we ensure a working atmosphere that embraces and promotes diversity, tolerance, openness and respect for all colleagues. Qualifications, performance, skills and experience are the determinants for staff selection, recruitment, development, remuneration and promotion in Nagel-Group.

Fair treatment:

We treat our employees fairly and with respect. We therefore condemn all forms of physical abuse and threats of physical abuse, sexual and other physical and psychological harassment. We reject harassment of any kind in the workplace and in all work-related situations outside the workplace.

We are committed to the targeted empowerment and equal participation of women in our company and in society. As a family business, we consider it particularly important to create better opportunities for reconciling family and career in all areas of our company.

Prohibition of discrimination:

We do not tolerate discrimination in employment and occupation on any grounds, such as gender, skin colour, religion, ethnic origin, age, nationality, marital status, sexual orientation, disability, social origin or political opinion.

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3. WELL-BEING & SAFETY

The safety and health of our employees is paramount. We continuously work to create and maintain a safe, healthy and productive workplace by addressing risks of accidents, injuries and adverse health effects and minimising negative health impacts in consultation with our employees. Our workplaces are free from violence, harassment, intimidation and other unsafe or disruptive influences.

Health protection in the workplace:

We comply with laws and standards on occupational health and safety in force at any time and ensure a safe and hygienic working environment. To this end, we analyse and monitor relevant work processes for potential health and safety risks and take appropriate measures to mitigate these.

Working hours and remuneration:

We comply nationally statutory or industry-standard maximum working hours in force at any time. We assess total remuneration so that it meets or exceeds the respective national minimum levels. Payment is made regularly, at least monthly.

Freedom of association and collective bargaining:

We respect the right of our workers to form independent and free workers' organisations and to negotiate freely on collective agreements and workers' rights.

We remunerate our employees competitively compared to the industry and the local labour market and in accordance with the terms of collective agreements in force. We demand the same from service providers and partners we maintain business relationships with. We strive for full compliance with applicable laws on working hours, overtime and benefits.

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Respect
Equality
Well-Being & Safety
Culture & Leadership
Employment
Digitalization & Data Protection
Learning & Development
Communication

4. PEOPLE, CULTURE & LEADERSHIP

Long-term entrepreneurial success depends on effective leadership as well as performance-oriented and motivated employees. Daring to do something new, stretching personal boundaries, taking responsibility and setting new standards: our employees are allowed and expected to live these values every day.

Culture

Nagel-Group culturally stands for EMPOWER and EMPOWER stands for responsibility. We want everyone to take responsibility for themselves and the company. EMPOWER is therefore inextricably linked to the goal of enabling people in all areas of our company to be independent and free to take action. We fully embrace this responsibility. Seven values characterise our daily interaction and the management of our company.

Enthusiasm: We are convinced that a positive 'can-do' attitude, passion for our business and loyalty to the company, colleagues, customers, partners and ourselves alike, will ensure sustainable success for Nagel-Group.

Mastery: We promote each and every individual's potential. With us, you get every chance to become the best version of yourself. We rely on expertise and an environment of continuous development.

Performance: We demand commitment, give our best in everything we do and take responsibility for the results of our actions. Speed and determination are what set us apart.

Openess: We see change as an opportunity, which is why we not only welcome new ideas and opinions but actively seek disruptive thinking, especially when it challenges existing beliefs. We promote open dialogue, because we are certain that it is only this courage to be open that will enable Nagel-Group to remain competitive in the long term.

Wisdom: We achieve business progress and personal development by constantly reflecting on ourselves and our decisions and learning from mistakes.

Excellence: We strive for the best solution and highest quality, make well-considered decisions and act consistently – in all areas of our business. Our word is our bond!

Respect: We see ourselves as part of a whole and our dealings are equally honest, fair and respectful in all areas of the company and at all levels. This is how we create an environment in which every employee is proud to be part of Nagel-Group.

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Our management guidelines

As managers, we play a significant role in strengthening and consolidating people's satisfaction and identification with our company. We convey a sense of security and direction to both the internal and external world through proactive communication and committed action in terms of our professional and quality standards.

I. **SELF-REFLECTION:** **We lead in a self-reflective way: for continuous further development.**

Authenticity and integrity are fundamental to a credible leadership style. That is why we regularly pause to question our own thinking and actions. We are open to constantly developing our personal qualities to align our leadership skills with our leadership role. That is why we actively seek feedback from our colleagues to adjust our perspectives and re-evaluate decisions as needed. After all, to err is human! We set a good example by exemplifying openness and our willingness to learn from mistakes, and promote a positive culture of accepting errors.

II. **LEADING BY EXAMPLE** **We lead responsibly: as inspirational examples.**

As leaders, we are role models. We see this as meaning leading the way and setting a clear direction of travel. We take action in a spirit of partnership and fairness towards all employees, customers and external partners and are bold enough to take the first step ourselves. We take responsibility for removing obstacles and creating space for ourselves and our colleagues to develop and find new creative and innovative solutions. We are steadfast and always have the courage of our convictions – even when difficult decisions have to be made. Our reasoning is coherent and well-founded and we explain our position even in the face of challenge.

III. **DEVELOPMENT:** **We lead strongly: to unleash potential.**

Our employees are our most valuable asset. That is why we actively support them so they can realise their potential. As well as ensuring that we work in an appropriate and professional way, we have a special duty to recognise and promote our colleagues' skills and to encourage them to shape their own careers. We work out short and long-term development goals jointly with them and regularly reflect on progress. Supporting our employees is as important to us as developing our products and services. As leaders, we empower our colleagues to rise above themselves – and above ourselves too.

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IV. COMMUNICATION: We lead by dialogue: for active involvement.

Information and communication are fundamental management functions that we handle with trust. We proactively keep abreast of all relevant company developments and inform our employees in a timely and clear way about goals, developments, backgrounds and initiatives – especially when these affect their respective areas of activity. In this way, we enable our colleagues to make well-founded decisions and to complete their work independently and focused on clear goals. We use a target group-oriented approach and express our communications understandably and unambiguously. Our statements are binding and clear. We make sure that our listeners understand us and we listen attentively to those we speak with.

V. TEAM ORIENTATION: We lead in a team-oriented way: for common achievements.

We know that outstanding achievements result from working together. Each employee contributes to spreading motivation and enthusiasm both in their own team and in the entire company through working constructively and in a spirit of partnership. As leaders, we exemplify teamwork by proactively engaging with our staff and taking on board their feedback and opinions. We recognise our team's achievements by celebrating successes together and sharing positive feedback from the outside.

VI. RESULTS ORIENTATION: We lead in a goal-oriented way: for measurable results.

One of Nagel-Group's key management tools is the joint agreement of challenging and at the same time measurable goals. We make clear and sustainable decisions to achieve these. At the same time, we always keep a close eye on compliance with all quality guidelines and goals. We take responsibility and show initiative across geographical and social boundaries. We plan with realistic budgets and time resources, deploy our teams in a targeted and efficient way and regularly review our work processes. We represent our company's interests conscientiously and are always on the lookout for ways to optimise how we use resources and create value, whether for us, our partners or our customers.

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5. EMPLOYMENT

Our employees are the heart of the entire company and the key to its success. Nagel-Group has invested heavily in its recruitment process, the primary goal being to find the right talent to fit the job requirement and strengthen the existing workforce. The company needs employees who are motivated and committed to the company's activities. The recruitment process is designed to ensure that we only hire employees who share our corporate culture. Recruitment and selection are based on an oral interview and further selection steps such as assessment centres or trial work days. Nagel-Group is guided exclusively by the latest diagnostic standards and selection methods in this. The recruitment and selection model enables the company to attract the right talent to the organisation and retain them for the long term through mutual job satisfaction. Equality and fairness are particularly highly valued when selecting candidates, both for internal and external applications.

6. DIGITALIZATION AND DATA PROTECTION

We don't just want to keep up with technical progress. We want to be a part of it. Digitalization involves creating a culture of using technology to run a business. This is a question of identifying where technical solutions can make routine tasks more efficient and support the employees to achieve success in their work. This leads to an agile organisation that is ready to adapt to rapidly evolving technology. Furthermore, this progress helps to ensure data protection and to fully comply with data protection law, especially when dealing with personal data.

7. LEARNING & DEVELOPMENT

The increasing complexity and networking of processes and systems makes systematic, needs-based and continuous training more and more important to support the company's global goals through appropriate initiatives and tools. Against this background, (personnel) development is an essential success factor for the comprehensive qualification of employees and includes all measures that are suitable to furnish employees with the professional, social and methodological competencies required for the job.

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Our specific goal is to make an attractive and needs-oriented training offer available to all employees, because their qualifications and competencies form our competitive advantage. Access to online and offline learning content is quick and easy. In keeping with EMPOWER, we provide a training landscape that also encourages self-directed and autonomous further training.

Our learning culture summed up: Sustainable. Self-determined. Enjoyable. Relevant.

Sustainable: Learning is flexible in terms of time and place.

Self-determined: Everyone should make their own decisions on what they want to learn, how and when.

Enjoyable: Learning should be fun.

Relevant: The learning content serves current needs and is continuously revised.

Creating time for learning, providing technical infrastructure such as mobile platforms to make learning time and location-independent, offering further education on digital competencies and soft skills or improving individual learning paths for employees demonstrate the company's clear commitment to a living digital learning culture.

8. COMMUNICATION

We attach great importance to a climate where openness, transparency, appreciation and trust is the norm. This applies to dealings with employees, customers, business partners and other organisations and institutions.

We promote awareness and knowledge of human rights, including labour rights, among our employees and encourage them to raise any concerns they have without fear of reprisal. We use our internal and external grievance mechanisms for this. We draw particular attention here to the EU Whistleblower Directive, which we implement in cooperation with INTEGRITY Gesellschaft für Datenschutz, Geldwäscheprävention und Compliance mbH (Society for Data Protection, Money Laundering Prevention and Compliance). We also encourage our suppliers to have effective grievance mechanisms in place.

Management Nagel-Group

Handwritten signature of Carsten Taucke in black ink.

Carsten Taucke (CEO)

Handwritten signature of Michael Lütjann in black ink.

Michael Lütjann (CIO)

Handwritten signature of Dr. Holger Werthschulte in black ink.

Dr. Holger Werthschulte (CFO)

This HR Policy consolidates our existing commitments and provides greater clarity on our processes and procedures. The principles are implemented throughout our business activities and value chain. Nagel-Group communicates the impact of its activities to internal and external stakeholders.