

# Corporate Social Responsibility Policy of the BAUER Group



## Principles

As one of the world's leading concerns providing services, machinery and products for soil and groundwater, we measure the success of our corporate policy primarily according to four goals:

- Optimum efficiency (profitability)
- The confidence of our customers (quality)
- The safety, health and satisfaction of our employees (safety)
- The eco-friendliness of our actions and our products (environmental protection)

The prime responsibility within the BAUER Group in terms of the sustainable development of the business and policies relating to matters of quality, health and safety and environmental protection lies with the Group Management Board and with the managing directors of the holding companies of the Construction, Equipment and Resources segments.

Our company is committed to all aspects encompassed by the term "sustainability". They include operating a healthy business, which is profitable and which maintains its underlying foundations on a level such as to enable continued commercial success in future. The many aspects of sustainability encountered in our corporate environment must all be given equal consideration.

The corporate management guidelines provide our employees with a basic code of conduct and objectives to guide all that they do. The focus of our philosophy is to provide our customers and partners with maximum satisfaction through our expertise and the quality of performance we offer. We believe it is equally important to maintain a healthy organization and to provide our employees with a good place to work. The BAUER management principles are intended to help all our employees in carrying out their day-to-day work in collaboration with others. Core aspects of management alongside proper leadership include setting staff appropriate goals and encouraging them to work together. By implementing our management principles, we seek to develop a positive adjustment and sense of pride among our workforce, as a result of which they take pleasure from their work. Ultimately, that also contributes to the success of the business.

## Stakeholders

The activities of a business mean it has a wide variety of different stakeholders. We count stakeholders as being customers and partners, shareholders, employees and suppliers, research institutes and scientific bodies, as well as our local community and the society at large within which we operate. Our aim is to give due consideration to the interests of all our stakeholders.

## BAUER's triple A

The key areas of focus in the activities of the BAUER Group are expressed in three category ratings named 'BAUER's Triple A'.

The BAUER Group is closely and continuously focused on safeguarding the health and safety of its employees. Guidelines, safety rules and training courses help to improve health and safety on construction sites and in production facilities. To that end, a management system has been established covering all the companies in the BAUER Group. All subgroups, each individual company director and the Group Management Board are committed to implementing **HSE** procedures.



**Culture, Quality and Ethics** are assigned an equal level of importance. We have made "Culture" the focus topic for the future and want to show that people are the focus of our attention. Furthermore, our business competes on global markets, so it is particularly important for us to gain a competitive edge based on the quality of our products and services. Everything we do in our business is oriented to

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national and international values and principles. We believe that correct, proper, fair and decent conduct is the best way of assuring our success.

**Performance** – in terms of commercial success – is of course also a key aspect of corporate policy. Steady growth, returning a reasonable profit, is of great value to a wide variety of stakeholders. In pursuing those ends, we strive continuously to optimize the relationship between input and output in all our operations. We seek to improve performance by optimizing processes, so as to work more efficiently and increase productivity.

## **Health, Safety, Environment (HSE)**

Our Group-wide HSE (Health, Safety, Environment) system has established unified standards applying to those aspects within the BAUER Group. A corporate HSE policy has been drawn up, and a standard and a set of guidelines issued. These lay down Group-wide, international health, safety and environmental standards as well as requirements for HSE management systems within the individual companies of the BAUER Group. We regard HSE as an integral element of everything we do in manufacturing our products and carrying out our specialist services, and in our business processes. By continually reviewing the HSE targets we set against the guidelines, we ensure continuous improvement of the system, thereby consistently reducing our accident and damage rates with the clear aim of driving them down to zero.

### **Health and safety**

The BAUER Group has set itself the goal of sustainably promoting the health and motivation of our employees and reducing the personal strain upon them, particularly also with a view to enhancing the performance capability and innovative strength of our business. Bauer adopts a holistic approach to health management, focusing not just on health as such but also seeking to enhance the management culture and conditions to improve employees' work-life balance.

### **Environment**

The business activities of the BAUER Group inevitably have an impact on the environment, in terms of the air, the soil and the water, by way of noise and vibration, or with regard to the consumption of raw materials and primary energy. In our work, we make all efforts to impact as little as possible on the environment, and we employ the latest state-of-the-art methods in those efforts. The minimum standards in this respect are embodied in environmental protection legislation. In addition, we strive continuously to improve the standard of our environmental protection, in particular by means of preventive measures. Environmental protection is defined as an element of HSE policy within the BAUER Group. The HSE management system also ensures conservation and protection of the environment as an integral element of all departments and business processes, including in production and on construction sites, and is firmly anchored in the consciousness of our employees.

### **Quality**

Customer satisfaction is our primary aim. That is why we strive constantly to deliver the highest quality. The BAUER Group has today attained a leading position in the provision of specialist services and the manufacture of foundation engineering equipment thanks to its great innovative strength and high quality standards. We pay great attention to assure the highest quality standards in all our products and services, and we seek to continuously improve those standards. In our Equipment segment, quality indicators are incorporated into the development process and are continually monitored through to completion of the machine.

### **Efficiency and environmental protection**

Efficiency is a key demand in terms of reducing environmental pollution. It is essential to use available energy optimally, conserve existing resources, and at the same time cut working times.

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In our Construction segment, we try to optimize our methods so as to protect the environment and conserve natural resources. The possibility of avoiding noise on construction sites is limited. Bauer therefore employs a variety of measures in its efforts to minimize noise pollution.

All our efforts are targeted at building efficient, durable machines, while also taking into account the use of environmentally compatible materials in their manufacture. We don't just consider the environmental compatibility and high efficiency of the machines we make and the construction methods we employ. Bauer has for many years been focused on continuously improving the efficiency of its machinery for use on construction sites. The machines deployed offer high levels of quality, economy, efficiency, environmental friendliness and long service life.

## Employees

We regard our employees as the core elements in creating and maintaining the growth of the business and a successful corporate culture. It is their know-how, commitment and teamwork which drives the Group forward. In view of that fact, personnel development and employee welfare is of the highest priority for the company's management.

The BAUER Group employs some 12,000 people from around 70 different countries. All the employees of the BAUER Group are treated and respected equally, regardless of gender, origin, religion, age or sexual identity. That is how we define diversity in our company, and it is how we put it into practice through our corporate culture.

Wherever possible, our employees are recruited directly in the country where they are going to be working. In this way, we create jobs locally, encourage employee qualification, and contribute to the transfer of expertise and knowledge. We operate branch offices in more than 70 countries all over the world. This rare degree of international diversity is key to the culture of the Group, as people of a wide variety of nationalities, religions and ethnic origins work happily together on our construction sites every day.

The issue of work-life balance is becoming increasingly important. It is also the subject of intense scrutiny in relation to the personnel policy of the BAUER Group. The concept underlying work-life balance is to balance the relationship between work time and private life as rationally as possible. We have responded to that social trend by introducing a wide range of part-time working models, depending on the schemes set up in the specific locality and the post held by the employee in question. Our managers also support job-sharing and other working time models.

## Community

We regard ourselves as an active member of our community and we are aware that, alongside our commercial obligations, we also have a social duty to the community at large. We seek to play an active role in our region and in our various industry sectors. In that context, we also contribute our efforts to numerous regional development and industry-specific associations and trade bodies. The BAUER Foundation promotes the arts, culture, heritage and religion, as well as sponsoring science and research, education and training. It also provides grants to support community projects.

## The Management Board