

Hager Group Communication on Progress 2018

**UNITED NATIONS
GLOBAL COMPACT**



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CEO STATEMENT OF CONTINUED COMMITMENT

Blieskastel, June 2018



Tomorrow, next year, ten years' time... What will the future bring? Nobody knows. Yet at Hager Group we have chosen to anticipate the future by calculating risks and seizing our opportunities proactively. For example, our company projects have a longer-term approach, they are based on five years of commitment – our current one is Project 2020. We invest in our employees and their training, in energy efficiency and future technologies, in fair trade relations and we work actively to continuously improve our eco-balance sheet. Maybe we are giving up more profit in the short term, but we are convinced that this is the way to achieve sustainable success for the future.

Indeed, at Hager Group our ambition is to transform and grow in the long term rather than maximising profits in the short term. Making money is, of course, something that we have to and want to do, but what counts is how we go about it. We want to do things properly for the right reasons by adopting an ethical approach when interacting with employees, partners and suppliers, and by continuously reducing our ecological footprint and developing more

energy-efficient solutions for our customers.

Markets, technological standards and customers' needs are changing faster than ever before, therefore, the highly sought-after 'windows of opportunity' for establishing innovative solutions that are ethical, environmentally-friendly and lower in energy consumption, open and close at breath-taking speed. If we are good, fast and ahead in the field we can play a more active part in shaping sustainable progress than ever before. On the other hand, there is also considerable risk: anyone who misses important developments and rests on their laurels will find the march of time leaving them behind even faster and more mercilessly than in the past. Never before has innovation been so important to drive a cleaner, greener and brighter future.

We follow the guidance provided by the ISO 26000 standard to integrate social responsibility into our organisation. With E3, our approach for sustainable development, we act ethically, caring for people, and we respect the environment by taking into account our planet's limited resources in our business activities, offering our customers energy-efficient solutions.

In April 2007, over ten years ago now, we signed up to the United Nations Global Compact, the voluntary business initiative supervised by the United Nations to foster Corporate Social Responsibility. With this document we renew our commitment and contribution as a committed signatory.

A handwritten signature in blue ink, which appears to read "Daniel Hager". The signature is fluid and cursive, written over a light-colored background.

Daniel Hager, CEO Hager Group

HAGER GROUP, CONTINUED COMMITMENT TO SUSTAINABILITY...



... because, our values are not negotiable,

... we believe in respecting people and our environment,

... Corporate Social Responsibility is more than just words.

E3 – HAGER GROUP'S SUSTAINABILITY APPROACH

“As a family-owned company it is in our nature to be sustainable.”

With increasing globalisation and diminishing natural resources, we must consider the consequences of our actions. The need for greater corporate responsibility and shaping a sustainable future is increasing. At Hager Group, we want to move forward in such a way that we leave a clean bill of health for future generations. We have translated this vision of sustainable development into a structured approach that we called E3.

E for Ethics: we strive to offer our employees a safe and secure working environment, equal opportunities of

professional development and to promote ethical behaviour with all our stakeholders.

E for Environment: we aim to make our environmental footprint as neutral as possible for the planet by optimising the use of energies and resources, avoiding hazardous substances, and limiting emissions and waste.

E for Energy: we offer value to people and their assets through safe, smart, eco-friendly and energy-efficient products, solutions and services for both their living and working environments.



E3 is a firmly established approach at Hager Group, it is easily accessible to employees, customers and suppliers alike. In a video our Head of

Sustainable Development, Denis Munch, (above) outlines the principles of our E3 approach.

French with **English** subtitles - **French** -
French with **German** subtitles

For more information concerning our commitment to employees all over the world, please consult page 70 & 71 of **Building Bridges - Hager Group Annual Report 2017/18.**

In our current company project, Project 2020, our sustainability strategy has eight transverse challenges & eight key process indicators and objectives. The success of the sustainability strategy requires the involvement of every site, every function, every employee.

Our 8 E3 challenges

Ethics:

- > **Assessment, policy and goals:** improve health and safety at the workplace
- > **Implementation:** reduce number of work and commuting injuries (with stoppage) per 1000 employees (temporary workers included)
- > **Measurement of outcomes:** - 20%

- > **Assessment, policy and goals:** foster skills and talents
- > **Implementation:** 95% of people in scope of a Personal Development Interview have one validated individual appraisal review per year
- > **Measurement of outcomes:** - 20%

- > **Assessment, policy and goals:** Increase gender diversity in key positions
- > **Implementation:** increase % of women in management positions
- > **Measurement of outcomes:** + 15%

- > **Assessment, policy and goals:** strengthen ethical behaviours in business
- > **Implementation:** 80% of managers qualified (trained and skills validated) in ethical management
- > **Measurement of outcomes:** 80%

Environment:

> **Assessment, policy and goals:** Optimise on-site energy consumption

> **Implementation:** decrease on-site energy consumption in MWh / million € TO

> **Measurement of outcomes:** -10%

> **Assessment, policy and goals:** Reduce CO₂ emissions related to freight

> **Implementation:** kg of CO₂e emitted related to inter-sites and OTD-sales freight/million € TO

> **Measurement of outcomes:** -10%

Energy:

> **Assessment, policy and goals:** Strengthen eco-design of products

> **Implementation:** % of eco-designed products amongst the innovative projects

> **Measurement of outcomes:** 80%

> **Assessment, policy and goals:** Increase sales of energy efficiency devoted solutions

> **Implementation:** Turn Over achieved with solutions enabling energy measurement, energy savings, energy storage or devoted to renewable energies

> **Measurement of outcomes:** +100%

“Sustainability is the key to our long-term success and inherent in everything we do.”

01 HUMAN RIGHTS - PRINCIPLES

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

We at Hager Group support and respect human rights through our daily activities by providing safe and healthy working conditions and by ensuring non-discrimination in personnel practices. For example, from 2016 to end 2017, in the frame of Project 2020, occupational safety actions have been put in place to promote safety group wide. The LTIFI indicator (lost time injury frequency index), shows our actions have resulted in the number of work accidents and travel to, per 1,000

employees, being reduced by 13% on average over 2 years.

We expect a great deal from our employees, however we also make every effort to encourage them and develop their abilities in a favourable balanced working environment. In 2017, the total number of training hours for all Hager Group employees, both e-learning and face to face totalled 30,000; thus increasing collective knowledge and skills for all to enjoy the benefits.

> Assessment, policy and goals:

Diversity



"Diversity (n. f. - Latin: diversitas, atis): character which is varied, diverse. Applied to companies, is the variety of human profiles that may exist within (country of origin, region, neighbourhood, patronymic, culture, age, gender, physical appearance, disability, sexual orientation, qualifications, etc. ...)." This definition highlights a reality today: every company is faced with diversity and the challenges it represents. Hager Group has chosen to encourage diversity by seeing it as an advantage.

Since our beginnings, we quickly established ourselves in different local regions and abroad, seeking to capitalise on this asset. *"Beyond a humanistic approach, we believe that diversity is essential for us to be successful in our various markets. Proper management of diversity at all levels of our organisation and in cooperation with our partner networks is now more than ever a genuine lever to support our business,"* explains Daniel Hager, Hager Group CEO.

> Implementation:

We are operating in a global, multicultural, multigenerational & diverse world; to

achieve success diversity is approached from four different angles in all we do.

Multicultural approach



We work in an increasingly international environment with colleagues from all over the world. Transversal projects and processes throughout the group necessitate a better understanding of cultural and linguistic differences. To facilitate our work numerous training sessions are in place to help us better understand and work efficiently with our colleagues from all around the world.

Gender Balance



41% of our working population is female and 59% male, 16.5% of managers are female (project mgr, dept. mgr, senior mgr, directors). When appointing new colleagues, HR assesses female and male candidates, however, we maintain a sensible and pragmatic approach. Our business approach on gender equality is to allow women to grow and access positions.

Disability



At Hager Group, disability is not considered as inability, rather a different kind of ability. In 2017 there were 156 colleagues in France registered within RQTH (Reconnaissance en Qualité de Travailleur Handicapé) and 267 with a RQTH, declared invalidity or an IPP (Incapacité Permanente Partielle – permanent partial incapacity).

Inter-generational approach



We act fairly in working relationships between colleagues, be they young trainees, employees with few or many years' experience and seniors. This approach aims to bring employees together in purposeful, mutually beneficial work to promote greater understanding and respect between generations and contributes to the growth of the company.

Corporate Social Responsibility CSR & community activities

> Assessment, policy and goals:

Corporate Social Responsibility is an integral part of how we conduct our business at Hager Group, make decisions and set our priorities. Our corporate social responsibility approach is based on the 30 articles of the United Nations Charter of Human Rights, the standards of the International Labour Organisation and the Organisation for Economic Co-operation and Development Guidelines for

Multinational Enterprises. We ensure that our suppliers and partners respect a number of rules on human rights and labour law. That is how we aim for a balanced and safe competitive environment and broad international diversity. This approach not only increases the motivation of our employees, but also the loyalty of our customers and our partners, at home and abroad.

> Measurement of outcomes:

Hager GO!



In 2017 a third edition of Hager GO! an internal opinion survey was launched for all employees. They gave anonymous feedback about working conditions, motivation, organisation of the company etc. The mid-year feedback resulted in actions plans to improve working life within the company. For each survey completed, Hager Group donated one euro and the

additional sum of 12,500€ to Make A-Wish, an international charity, whose objective is to make the wishes of children who are or have been seriously ill, come true. The 5 countries chosen for this donation where both the Make-a-Wish Foundation and Hager Group are present were: The Netherlands, India, Ireland, Italy and Hong Kong China.

Blood donations

On 12th September 2017 and 24th May 2018, colleagues in Obernai had the opportunity to donate their blood, as every year the National Association of Blood donors set up on site. Over 50 colleagues participated at each session.



when!



when!* a feminine network for inspiration, sharing experience and solidarity at Hager Group for meeting and exchanging ideas, contributing to women's personal & professional development and valorising them in the workplace.

The network, to which all Hager Group colleagues, both men and women, are welcome, has been active since October 2017. This grass-root initiative generated a lot of enthusiasm and gained strong support at all levels of the company. Within a short space of time, when! has grown stronger and organised several events.

- **Mentoring programs** with mentor-mentee duos for employees wanting to share and or develop their skills.
- **External networking and meetings with other companies** to meet with other women's

In a (football) league of our own

Hager Group is building bridges to the local community through its involvement with the Football club Racing Club Strasbourg Alsace (RCSA), now in Ligue 1. Page 35 of [Building Bridges - Hager Group Annual Report 2017/18](#) - features an interview with the club president about how important Hager Group support is. On 18th May 2018 a friendly match was even held between Hager veterans and RCSA.

networks and communities, create links, generate ideas and extend horizons.

- **Café when!** a discussion with the philosopher Eugénie Vegleris about being a woman in the working world of today.
- **Success story testimonial session** with Gaëlla Haller, project Manager for eco-efficiency at ES Energies Strasbourg.
- **Presence at L'Industrie Magnifique.**

***when!** W for women, H for Hager Group, E for energy, ethics, environment engagement, electricity... the possibilities are endless and N for network!

For more details, [click here.](#)



Hager Group sponsors the event L'Industrie Magnifique



From 3rd to 13th May 2018, the city squares of Strasbourg displayed 24 works of art to the general public. The exhibition brought together manufacturers, artists and public bodies to promote and develop artistic work, the culture of innovation and the region's industrial legacy. Each art work was the result of close cooperation between a local company and a selected artist.

Hager Group was one of the companies participating, exhibiting *Mann auf Stier* by Stephan Balkenhol. Being part of L'Industrie Magnifique was a novel way to promote industry to the general public and showcase Hager Group's expertise. As a major player in the local economy, Hager Group wanted to help people discover the region's large industrial base.

"Hager Group is an international company with the ambition to transform. L'Industrie Magnifique is very much in keeping with our approach: listening to our customers and the people around us so that we can build new technologies and tomorrow's world," commented Daniel Hager.

A series of Hager Group events were programmed; a Design café, a mathematics workshop for secondary-school pupils, a round-table to discuss women in industry, a children's painting workshop, an opportunity for the visually impaired to discover *Mann auf Stier* and a lecture about innovation.

For more details, [click here](#).

Celebrating music at Hager Forum



Financed and supported by Peter und Luise Hager Foundation, on 25th July 2017, colleagues in Alsace, France were cordially invited to a rehearsal concert of the Percussion Quintet of the French National Orchestra at Hager Forum. In the spirit of making classical music more accessible and mixing genres, the orchestra was accompanied by three hip-hop dancers as part of Obernai's Summer Music Festival.

Diabetes & Melanoma Awareness

End November 2017 was the opportunity for colleagues to learn more about **diabetes** at Hager Forum in the context of International Day of Persons with Disabilities. Over 200 colleagues had their blood sugar level tested and were given advice by the diabetologist Dr. Hocher. A conference about how to prevent diabetes was given by Mrs. Damgé the president of l'Association des Diabétiques du Bas-Rhin (Diabetes Association) and various activities to demystify this medical condition. The company restaurant also offered diabetes-friendly dishes at lunch time and a nutritionist was on hand with advice about healthy and balanced eating.

Getting a sun tan can be a risky business. **Sun exposure** is the most important risk factor for the development of skin cancers; to make employees aware of this issue, the Occupational Health Service organised a

Cultural awareness

In the spirit of opening up to other cultures, during Chinese New Year in February 2018 Hager Forum helped colleagues and visitors to celebrate by creating a festive atmosphere.

Every day almost 500 people discovered the festive atmosphere, local culinary specialities and information about Hager Group's presence in China. There was also an introduction to the ancient art of Tai Chi.

Christmas carols for charity

On 21st December 2017 Hager Group Obernai chorus group sang for an hour for the delight of colleagues and visitors, and also to raise money for a local charity. 240€ were raised and donated to a local association that fights against poverty and encourages solidarity - the Secours Populaire du Bas-Rhin,

prevention day in June 2017 at Hager



Forum in Obernai.

On the agenda:

- Q&A session by the League against Cancer and the Department of Health at Work.
- Free sun protection products.
- A general knowledge quiz about the potential harmful effects of tanning.
- Free Skin diagnosis by Cap Vital.
- Conference on skin cancer led by Professor Schraub.



Hager Group stimulates and promotes sustainable development during ESDW



As part of European Sustainable Development Week (ESDW) in June 2017, a positive attitude Forum was instilled at Hager with PIW#2. The programme focused on the intergenerational approach and equality. More than 360 people took part in the five activities organised. The conference on generations at work with Emmanuelle Duez was a real highlight. She shared her vision

of the company of tomorrow by commenting that, "...it will be caring and ethical".

The five activities were:

- an open innovation day with secondary school students in partnership with the local association from the Junior Achievement Worldwide network,
- an exhibition on stereotypes,
- a serious game,
- a gardening workshop,
- a conference on generations at work. Click [here](#) for a 4-minute interview with Ms. Duez.

Toy collection



For the second year running at the Bischwiller site in Alsace France a toy collection took place. All the toys given were donated to a local association that provides aid to handicapped children. Many of the gifts were donated around Christmas time.

Creativity Week



This third edition of Creativity Week was all about creatively achieving the impossible. The programme was developed to help push back the barriers of the impossible.

and the South faces. This author and keynote speaker shared her experiences and talked about team spirit, leadership, problem-solving, perseverance, and creativity: All of these skills helped her and her team to overcome the impossible.

On the agenda was:

A talk by Cathy O'Dowd, the first woman to climb Mount Everest twice: by the North

Are you up for it? Workshops. The challenge was to make energy production of Hager Forum's photovoltaic panels more understandable.

Pitch & Chips: a follow-up named **Pitch & Chips** where the teams showcased their unique solutions to the above mentioned photovoltaic panel challenge.

France and Germany

Hager Group confirms its commitment to the silver economy



End June 2017 Hager Group and Hakisa entered into a strategic partnership. By acquiring a stake in Hakisa, Hager Group is continuing to develop its services in the area of Ambient Assisted Living (AAL). Hager Group and Hakisa have already worked together for over four years to simplify everyday life for people dependent on care, their loved ones and care staff. Hakisa successfully combines

digitalisation, the Internet of Things (IoT) and the Silver Economy, developing solutions for integrating connected objects in order to create, manage and inform various communities in the area of personal care. In France, Hager Group and Hakisa are already working together as part of the social hub Facilien.

In Germany, Hager Group and Hakisa have already joined forces to approach local communities, providers of personal care services, housing associations, property developers, associations and caregivers' networks.

Germany Hager Seniors



Retired, yet still actively representing Hager Group, the Hager Seniors are a group of more than 50 retired Hager Group employees who have been meeting in Blieskastel, in Germany, on a regular basis since 2008 in order to actively present the company's corporate culture to the outside world and stay in touch with Hager Group and the Hager family.

There is also a working group consisting of twelve members who frequently meet in

the offices at the Blieskastel site to coordinate all the group's activities before they happen; they even have a Face Book page to discuss and show photos of their numerous excursions and events. In July 2017, for instance, the group travelled to Mannheim for a day out at the Luisenpark municipal park.

For more details, [click here](#).

Holiday childcare for Hager MiKids



For the past five years, the CJD in Homburg and Hager Group have worked together to provide summer holiday childcare for Blieskastel's Hager Group employees' children. In summer 2017, 18 children aged 5 to 12 spent a week with the CJD (Germany's Christian Association of Youth Villages) in Homburg. Their fun programme included doing sports and engaging in creative tasks. The carers organised team games,



water competitions and group baking & woodwork sessions in the workshops. The children were also taken on a guided tour of Hager Group factory in Blieskastel. They saw where their parents work and tried their hand at production. Hager Seniors (retired employees) also took part on a voluntary basis, assisting the CJD employees with looking after the children.

For more details, click [here](#).

Summer camp in Spohns Haus



On the 6th July 2017 during the summer camp in Spohns Haus, Gersheim in Germany, a *Hager-Day* took place. After a brief welcome and introduction from both Hager Group and the Peter und Luise Hager Foundation, the youngsters participated in a factory tour at the



Blieskastel site. Next stop was Kirkel Castle with crossbow shooting, archery, horseshoe throwing and hit the nail! Afterwards, as every year, a joint knights' dinner took place with Hager Seniors.

For more details, click [here](#).

Talent spotting Career Day for Family Businesses (KFU)



On 30th June 2017, Hager Group took part in the 19th Career Day for Family Businesses Karrieretag Familienunternehmen, KFU for the third time.

The Human Resources team interviewed nearly 30 candidates; some of the interviews were planned, while others were spontaneous. The candidates were highly motivated and very interested in the career opportunities at Hager Group, and now that the fair is over, the application processes are in full swing.

This day allowed Hager Group to present itself and its corporate culture and open up

a dialogue with lots of potential employees. One of the highlights of the event was the engineering lab opened to give visitors a chance to find out more about our products and solutions.

To get young academics and experienced managers excited about careers in family-run companies, the Foundation for Family Businesses (Stiftung Familienunternehmen) joined forces with leading family-run companies and the Entrepreneurs' Club to launch the Career Day for Family Businesses (Karrieretag Familienunternehmen, KFU).

Hager Group at the Saarbrücken careers fair



Almost 6000 youngsters flocked to the Messe der Wirtschaftsjunioren recruitment fair for school leavers at Saarbrücken on 2nd September 2017. This careers fair is primarily geared towards students who are looking for an in-house apprenticeship or degree course. Welcoming at the Hager Group stand were the Head of Commercial

Training, three skilled technical instructors, five trainees and a student representative. This Hager Group team held just short of 100 meetings in total during the day.

For more details, click [here](#).

Long Night of Industry 2017



The Lange Nacht der Industrie (Long Night of Industry) took place in Saarland on 28th September 2017. Once a year, this event gives school pupils, students and people looking for jobs and training opportunities a chance to see what goes on behind the scenes at major companies. 17 companies from the region took part; Hager Group, participating for the 7th time, was one of them. The event is organised by the Saarland Chamber of Industry and Commerce (IHK) with the employers' association AGV ME Saar. Hager Group



welcomed two separate groups of 50 visitors to our company on the evening of the event. Welcoming the groups were the TAI Community (Trainees, Apprentices and Interns), the relevant specialist departments and Corporate Communications. At each stop along the way, former trainees gave the visiting groups informative insights into their roles and responsibilities.

For more details, click [here](#).

Italy

Several actions were implemented:

- A charitable contribution was made in favour of Comunità Papa Giovanni XXIII. This nationwide Association helps girls who are or have been victims of slavery or sexual exploitation by offering them a new life. The contribution was made in collaboration with FAAC, a partner:
- As every year, a food collection was organised at AB Plast for the *Banco*

di Solidarietà: an organisation that supply food and offers support to families in financial difficulty. The organisation provides them with food and other basic necessities.

- Hager Lumetal continues to work with the foundation *Il Giglio* in social projects aimed at helping disabled people.

Responsible purchasing at Hager Group

> Assessment, policy and goals:

As a signatory of the United Nations Global Compact we aim to promote the principles of sustainable development among our suppliers. From the selection of our suppliers, which involves ethical work and environmental protection criteria, to signing a purchase contract, involving a

commitment from the supplier to comply with the terms of Hager Group's sustainable growth and ethical trade policy, we encourage our suppliers to be active in rolling out their socially responsible business approach.

> Implementation:

Hager Group stands for high standards in brand quality, reflected in our procurement activities. We are very careful in choosing suppliers, and apply a range of selection criteria. Any supplier wanting to work with us must recognise our core values used in our own business: professionalism, fast response times and a high level of customer focus.

Hager Group fully supports the OECD initiative of 2013, 'Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas', which is in line with our values and

our sustainable development commitment. Hager Group **requests that its suppliers comply** with Hager Group's 'Sustainable Growth and Ethical Trading Policy' that includes the request to source materials needed for their operations solely from socially responsible vendors. In particular, the signing of our 'Conflict mineral position-Hager Group' document to determine if their components contain tin, tungsten, tantalum and/or gold, is mandatory.

For more details about our sourcing policy, click [here](#).

02 LABOUR – PRINCIPLES

Principle 3: businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: the elimination of all forms of forced and compulsory labour

Principle 5: the effective abolition of child labour

Principle 6: the elimination of discrimination in respect of employment and occupation

Occupational Health & Safety

> Assessment, policy and goals:

At Hager Group, employee health and safety are vital issues. Beyond compliance with the applicable regulations and the financial aspects of the costs of workplace accidents or occupational illnesses, it is not ethically acceptable for an individual's mental or physical health to be permanently or temporarily affected by their professional activity. Providing

employees with a safe workplace, environment and working conditions is a core value at Hager Group, which places the company's men and women at the heart of its concerns. This is an integral part of our commitment to sustainable development, and more specifically to the ethical aspect contained within E3.

> Implementation:

Hager Group's European Works Council, in agreement with the company's Top Management, has put in place a committee made up of elected members of staff whose goal is to notify management in the event of any serious issues or the

appearance of major risks to the health and safety of individuals or to the environment. In the context of this mission, this committee is tasked with carrying out monitoring visits of the company's sites.

> Measurement of outcomes:

A shared health and safety indicator for the group was put in place in 2009: this is known as the frequency index. This measures the number of workplace and

travel accidents resulting in stoppages of one day or more per 1,000 people (Hager Group employees or temporary staff) per year.

Internal mobility

> Implementation:

Internal mobility on a local and global scale is an important factor in career development and Hager Group

International Mobility policy is part of a wider business strategy developing businesses in new countries as well as developing international careers.

> Measurement of outcomes:

Human Resources departments in Hager Group follow indicators for the number of positions filled through **internal mobility**. For example for 2017:

- France was 25%
- Hager Group was 20%.

Health & Safety Certifications

> Assessment, policy and goals:

OHSAS 18001 & ISO

We do our utmost to uphold the international standards such as OHSAS

18001 and ISO throughout Hager Group's industrial and other sites.

> Measurement of outcomes:

Number of production sites including 3 logistic sites certified to:

- ISO 14001: 21
- OHSAS 18001: 22

Number of sites in France (5 industrial: Annecy, Bischwiller, Crolles, Obernai, Saverne, as well as Bordeaux) certified to:

- ISO 50001: 10

Number of production sites certified to:

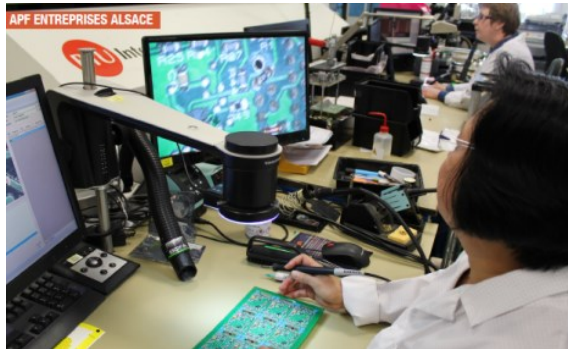
- ISO 9001: 28



International
Organization for
Standardization



France



A sub-contractor, APF Entreprises Alsace, for electronic PCBs (Printed Circuit Boards) and bobbins is a dynamic employer of people with declared handicaps. It is an EA, *Entreprise Adaptée*, that is to say a

UNE ENTREPRISE ADAPTÉE À L'INNOVATION

Quel est le point commun entre la numérisation de documents, le câblage des trains Alstom et la fabrication d'objets connectés ? APF Entreprises Alsace, une entreprise adaptée (EA) qui emploie 90% de personnes handicapées. Installée à Illkirch depuis 50 ans, 160 salariés démontrent chaque jour les clichés qui entourent le handicap au travail. Visite avec son directeur, Franck Suzon.

« À mon embauche en 2009, nous enregistrions 350 000 € de perte. Nous avons alors décidé de jouer la carte de la haute technicité. En 2016, nous avons enregistré un résultat de 550 000 € et surtout... nous avons embauché 36 personnes ! », annonce Franck Suzon, non sans une certaine fierté. « Je commence même à avoir du mal à retenir le prénom des nouveaux venus... ». La raison du succès pour une entreprise où l'écoute des salariés est une priorité.

« Nous sommes soumis aux mêmes contraintes de rentabilité et d'efficacité économique que les autres entreprises. Nos clients sont avant tout attentifs à la performance sur le triangle qualité-coût-déai »

Loin du poncif du travailleur handicapé glissant des vis dans des sachets plastiques, le site APF Entreprise d'Illkirch excelle dans les domaines de l'électronique et de l'électrotechnique. « Si ce n'est nous attend pas, alors que nous possédons les compétences et les références ». Les commandes affluent dans ces deux secteurs, comme d'ailleurs dans sa troisième activité, le tertiaire. En l'occurrence de la saisie informatique, de la numérisation et de la reprographie.

« Nous sommes soumis aux mêmes contraintes de rentabilité et d'efficacité économique que les autres entreprises. Nos clients sont avant tout attentifs à la performance sur le triangle qualité-coût-déai »

Des investissements stratégiques

Anticipant les besoins de ses clients et prospects, Franck Suzon a soutenu qu'APF Entreprises Alsace « se positionne sur des produits pointus fabriqués en petite et moyenne série et donc à plus forte valeur ajoutée comme par exemple des baguères destinées aux véhicules ou des cartes de pilotage de paraboles. Nous voulons profiter d'un avantage unique dans l'Est de la France : nous sommes la seule entreprise qui fait de la production électronique et électrotechnique sur le même site. Nous en avons fait une force et un élément de différenciation ».

Le regard de Franck Suzon brille lorsqu'il présente la chaîne d'assemblage de cartes électroniques « en 2015, nous avons investi 500 000 € dans ce matériel de pointe qui nous a notamment permis de se lancer sur le marché des objets connectés ». L'entreprise a su en tirer profit en réalisant 6 millions de chiffres d'affaires en 2016.

company with the specificity of employing workers with disabilities, where the working abilities of employees are taken into consideration and conditions suited to their possibilities.

Italy

Several projects and initiatives have taken place in Hager Group companies in Italy over the last 12 months.

Pages 21 & 22 of this report offer a selection:



Atral Italia celebrated its 25th Anniversary with a party on 18th March 2018 at Villa Saponi e Lazzari. During the party a fun puzzle based on Atral's history was organised in order to involve all the employees and agencies. Videos of the

most important events over the past 25 years were projected and there was an award ceremony for employees with over 10 and 20 years at the company. A souvenir with the 25 years logo was given to all participants.

- AB Plast and Hager Lumetal provided free influenza vaccinations for all employees.
- Hager Lumetal provided training courses for the use of a defibrillator and first aid.
- Atral Italia updated first aid training courses for employee representatives were according to Italian Law D.LGS. 81/2008.
- Atral Italia updated training courses for safety issues for employee representative.
- Hager Lumetal provided training in the company's safety systems for the following employees: Department Managers, employee representative and Emergency Teams & all staff.
- English training courses were provided for 16 Bocchiotti employees.
- Bocchiotti SpA provided training courses for Health & Safety policies for all employees.
- Bocchiotti SpA created an operative group for security. Its 8 members hold monthly meetings.
- AB Plast provided training for the employee representatives and the Health & Safety Manager in the company's safety systems.
- Hager SpA updated training courses for employee representatives for safety issues (first aid and fire-safety). This action involved the headquarters and branch offices.
- Bocchiotti SpA provided training courses for Health & Safety policies for all employees.
- At Hager SpA the new headquarters Casa Hager were inaugurated on 20th July 2017 with the participation of Daniel Hager.

03 ENVIRONMENT - PRINCIPLES

Principle 7: businesses should support a precautionary approach to environmental challenges

Principle 8: undertake initiatives to promote greater environmental responsibility

Principle 9: encourage the development and diffusion of environment friendly technologies



The following commitments form our approach for sustainability.

At Hager Group, we:

- want to be a corporate citizen and a responsible employer,
- care for people,
- act for the protection of the planet,

- put ethical behaviour at the centre of all we do with our customers, partners, suppliers & employees,
- contribute, with our solutions to a more efficient use of energy in buildings.

For further E3 (Ethics, Environment and Energy) details, consult [pages 5 & 6](#) of this report.

> Assessment, policy and goals:

In line with E3 and Global Compact's principles to support a precautionary approach to environmental challenges, Hager Group undertakes both internally and externally to promote greater environmental responsibility and

encourages the development and diffusion of environment friendly technologies that reduce our carbon footprint. As a family-owned company, social responsibility is a matter close to our hearts.

> Implementation:

Hager Group's employees have played a significant role in our company's success with the professionalism and commitment they have shown. The future of Hager Group depends on its employees, so with this in mind, priorities have been set for 4 different areas:

- improving safety and creating good working conditions,
- supporting internal advancement, developing competencies and increasing employability,
- promoting diversity,
- respecting and supporting ethical principles.

> Measurement of outcomes:

Ethics: For every 1,000 employees, we have seen a reduction of 43% in the number of accidents occurring in the workplace and on the way to or from work since 2009. One of the aims of our health

and safety policy is for all our production sites worldwide to be certified in accordance with the international standard OHSAS 18001. So far, 74% of Hager Group's employees work at a certified site.

Environment: 21 sites are already certified ISO 14001 (environment management) and 10, ISO 50001 (energy management). March 2018 saw 2 projects highlighted at a

ceremony where environmentally friendly projects were presented. For more details please refer to [page 26](#) of this report.

Energy: The need to contain CO₂ emissions and curb the extraction of the earth's oil reserves has brought with it a demand for new transport solutions. One of these solutions is the electric car. Hager Group develops the charging stations for these electric cars. The equipment used in our sustainable buildings is intended to have as little impact on the environment as possible. The solutions Hager Group develops are subjected to a life cycle analysis from the conceptualisation stage. This analysis not only helps us to pinpoint

the best compromises to be made in order to limit any negative impact on the environment, it also enables an environmental profile to be created for the product. This serves as a sort of 'green pass' for products. The number of products with an environmental profile, named Hager Product Passport, has tripled in the space of two years. For more information about Hager Product Passport, please refer to pages [74 to 77 of our 2016 Annual Report](#).



“We do not inherit the earth from our parents; we borrow it from our children.”

Antoine de Saint-Exupéry, a French writer, aviator and poet.

Hager Group Eco-Awards



Two ECO projects were featured at Hager Group Operational excellence Awards ceremony on 14th March 2018.

Energy Saving in HEHL: the objective of Energy saving in HEHL project was to reduce electricity consumption and encourage E3 spirit. To reduce electricity consumption, the Huizhou facility team introduced a technical solution in air

conditioning system and injection machine & workshop lighting was adapted. These actions brought a total saving of 391kRMB within 2 years. The reduction kwh/turnover was -2.2% in 2016 and -4.6% in 2017. In addition to this, a monthly event for employees - Energy Saving Theme Month - promotes an energy saving culture.

Electrical Energy Consumption

Reduction: the objective of Electrical Energy Consumption Reduction project was to reduce the electric energy costs in Hager Dongguan factory. From start 2017 a team was organised to work out all energy saving opportunities. The final positive result was 344k RMB savings in electrical cost by the year end; a big contribution to POH cost target reductions and also aligned to group concept of 'Produce more with less' for factories.



“All employees are part of our sustainably shaped future.”

E-mobility: excellent news for the climate and consumers



As e-mobility becomes increasingly popular around the world, the question of how climate-friendly it really is and continues to be subject of controversial debate. E-mobility and renewable energy production are spurring each other on.

Ulrich Reiner, e-mobility expert and Advanced Energy Solutions Manager at Hager Group comments, "... a vehicle battery can store about as much energy as an average household needs in a week.

This means that, with e-vehicles, vast decentralised storage capacities are suddenly being made available." In this way, the growing use of e-vehicles can noticeably balance out the natural fluctuations in renewable energy production. This is because, in future, more and more home-owners will have a battery in their garage or outside their front door in which, for example, energy generated by their own photovoltaic system can be stored. However, this requires a robust connection to a smart home-energy system. Static home batteries such as Hager Group's E3DC storage system optimise the use of renewable energies even further.

For more details, click [here](#).

E-mobility: Bridging cars and buildings



In the past, houses were the places where cars were parked. Today, the two communicate with each other. In the future, electric vehicles and intelligent buildings will exchange both information and energy as they increasingly merge into one digital entity. Experts Veit Rohrberg (VR), Head of Development of Smart Charging at Audi AG, and Ulrich Reiner (UR), Advanced Energy Solutions Manager at Hager Group, work together on the inevitable breakdown of the barriers between house and car. The two were interviewed for [Building Bridges - Hager Group Annual Report 2017/18](#). The interview excerpt below gives a taste of discussions and progress so far. For the

full interview consult pages 46 to 52 this afore mentioned Annual Report.

VR: *That's how we see it, too. Right now, we're integrating the customer's digital experience into our cars, so networking the vehicle with its environment is, in principle, nothing new for us. The energy management system of buildings is adding another important element.*

UR: *The other major topic is the energy revolution. Right now, rooftop photovoltaic systems, energy storage devices and electric heat pumps are being used in households and their production and consumption need to be managed. This requires intelligent management systems capable of managing energy flows and costs. The Home Energy Management System (HEMS), which Hager Group is now developing, manages the optimal charging speed scheduling for electric vehicles. This prevents customers from overloading their home power grid and enables them to reduce their ecological footprint and energy costs.*

Energy storage & running almost entirely on renewables



2018 began with a new record for electricity customers in Germany: for part of the day on 1st January, 95 per cent of the country's electricity requirements were met with renewable energies. This achievement broke the previous record from 30th April 2016, when 88 per cent of Germany's electricity needs were met with electricity from renewable sources. The record was primarily the result of strong winds and – for a few hours – the use of solar power. This is good news for Hager Group, as it has been playing a key role in the energy transition with smart building control centres, charging stations for electric vehicles and the relevant controlling software. By acquiring E3/DC, a

company specialising in energy storage, Hager Group has also now laid another key building block that will help pave the way for a future-oriented energy supply. *“The energy transition is picking up speed thanks to the constantly growing share of renewables in the mix and the updates to the infrastructure,”* says Daniel Hager, Chief Executive Officer of Hager Group. *“Similar changes are on the cards for many countries all over world. And as a developer of future-oriented energy management solutions, we aim to play a defining role in this transformation.”*

For more information, click [here](#).

> Measurement of outcomes:

Health, Safety and Environment - France

Spotlight on Hager Forum

At Hager Forum a certain number of initiatives have been set-up to reduce impact upon the environment:

- No plastic cups: end 2017 plastic cups were replaced by reusable eco-cups for all organised meeting

Spark café: eco facts & figures

- **30%** of all fruits and vegetables used are produced locally.
- **100%** of all fresh drinks are local.
- **100%** of hot drinks are from organic farming.

Hager Group in Obernai continues to participate in funding a local bus to avoid employees taking their personal vehicles. The bus runs between the sites and from the sites to the train station and town centre.

Pascal Christmann, in charge of Health, Safety and Environment in France comments that *“every effort we make to reduce our carbon footprint helps, for example our company restaurant*

breaks that take place at Hager Forum.

- Event: all printed matter is done with 100% recycled paper.
- Catering: use of local & seasonal produce and organic where possible and no throw-away plastic or paper plates.
- **80%** of the menu is ‘home-made’.
- Used coffee grains are collected and used as compost by a local fruit & vegetable producer.

serves over 164,000 meals per year and Spark café 22,000 equating to a saving



more than 744,000 kms per year, this corresponds to about 126 tonnes equivalent CO₂. This has a positive impact on the environment.”

Bicycles encouraged and to the ready

In the past year, 5 extra bicycles were added to the pool for use for employees to travel the few kilometres between Factory 1 and Factory 4; an extra dissuader to driving.

To encourage and facilitate the use of bicycles, 20 extra parking spaces have been added to the Obernai bicycle parking area.

To further encourage bicycle use, from 6th to 18th June 2017, a project was launched the boost the use of bicycles as a means of transport to and from work. Over the two-

week period 46 participants in Obernai clocked up 3,600 kilometres. A small event was organised to thank them for their



participation in reducing their and Hager Group’s carbon footprint. The action will be repeated again this summer.

Home office

In the three Alsatian sites, the promotion of working from home has resulted in over the past year 2,058 days of home office, which

Energy economy results

- 450 photovoltaic panels of the roof of Hager Forum in Obernai produce 23% of the buildings electricity consumption needs, this is the equivalent to annual production of 130 000 kWh.

Respecting ISO standards

In particular for Environmental and Energy Management Systems we have consolidated and guarantee to carry out the following:

- Assess, analyse and improve most significant environmental impacts including energy consumption in a systematic way at all sites.

Zero pesticides in Obernai

An article in a local magazine highlighted that over the last two years Hager Group uses zero pesticides at the Obernai site. The aim is the preservation of water, biodiversity and health of both employees and visitors on site; as such no pesticides are used and alternative methods were found to prevent weeds. In addition to this, a small vegetable garden has been planted where colleagues and visitors alike can try their hand at gardening.

equates to 75,000 non-driven kilometres (almost the equivalent of driving twice around the world!) and 13 tonnes equivalent of CO2.

The following figures expressed in percentages, represent the reduction in production equivalent at Obernai:

- Electricity: - 8.77%
- Gas: - 19.22%
- Water: - 3.73%
- Compressed air: -1.66%

- Certify every production or logistics site to ISO 14001 standard.

- Certify every site with more than 250 employees to ISO 50001 standard.

- Request newly acquired companies to satisfy these obligations at the latest three years following the acquisition. Indeed several small companies have been recently bought and they are all being accompanied for Health & Safety.



Germany

Funding for energy-efficient projects

2 energy-efficient projects in Germany are being funded; this funding comes from ERDF and Rhineland-Palatinate. One of the projects is for a new generation of

extruder, the other for upgrading LED inserts.

For more information, click [here](#).

Italy

The following initiatives took place at Hager Group companies in Italy:

- At Hager Lumetal a new system to sort waste collection was implemented.
- Bocchiotti SpA achieved OHSAS 18001 Certification for Occupational Health & Safety Management System.
- ISO 9001 and ISO 14001 Certifications were also renewed.
- At Hager Lumetal the yearly audit or Environment & Safety complying to the OHSAS 18001 (Occupational Health & Safety Management System) and ISO 14001 Standards was successful.
- At Atral Italia the yearly audit for Quality Certification according to Standard ISO 9001:2015 was successful.

Regulations & Certifications

> Measurement of outcomes:

REACH Regulations

Hager Group requires its suppliers to declare the presence or not in their supplied goods of one or more of the latest substances added to the SVHC list (substance of very high concern). This declaration concerns goods provided with and beyond Europe. Yearly screening tests are carried out by a third party laboratory

on randomly chosen products to confirm that they don't contain hazardous substances over the regulatory thresholds. At Hager Group we endeavour to not use these substances of high concern in our existing products and all new projects do not contain any of them.

ISO 14001 Certifications

By the end of 2016, 21 of our 28 production and logistics sites were certified ISO 14001.

ISO 50001 Certifications

By the end of 2016, 10 of our 25 production and logistics sites were certified ISO 50001. (Energy Management System)

04 ANTI-CORRUPTION PRINCIPLES

Principle 10: businesses should work against corruption in all its forms, including extortion and bribery

Anti-corruption initiatives

> Assessment, policy and goals:

What is the right thing to do?
What is not right?
Where do you draw the line?

Doing business globally entails many challenges, particularly when working in diverse cultures where 'appropriate' business conduct can vary widely and in countries where enforcement of national or international standards may be weak. Therefore adherence to the company's Ethics Charter must be observed. In a

business environment, making the right choices becomes increasingly more complex and more important. It is important that new and current employees be guided through our company values and understand our Ethics Charter which make it very clear what is expected behaviour of a Hager Group employee. Our Ethics Charter is a reference framework based on our values, providing an authoritative guideline for an upright, reliable yet successful way of doing business.

> Implementation:

Hager Group has set out its company values and philosophy in its own Code of Ethics. In addition to obeying the law and treating competitors fairly, it also covers complex problems.

For example - can I accept a supplier's invitation to a symposium with a stay in a luxury hotel?
Is the gift of a pen tantamount to bribery?

Hager Group firmly believes that only those whose actions are moral and trustworthy will benefit in the long term. To apply these principles to the daily lives of employees, 80% of executives will be receiving online and face to face ethics training by 2020.

For more details about our Ethics Charter, click [here](#)

> Measurement of outcomes:

Italy

All Hager Group companies in Italy are in compliance with the Italian Standard (Legislative Decree) 231. This Italian

Legislative Decree no. 231 entered into force on 8th June 2001, and safeguards against corruption within a company

05 SELECTED EXAMPLES OF SOCIAL ACTIVITIES WITHIN HAGER GROUP

Peter und Luise Hager Foundation



> Assessment, policy and goals:

As a family-run company, it is part of Hager Group's culture to be aware of its responsibility. This means taking responsibility for employees and their families as well as the sustainable protection of the environment and natural resources, and above all, social

responsibility. The founders are convinced that it is important to give something back to society in return for its commercial success. Such a commitment reflects the Hager family culture, integrity and their values.

> Implementation:

The Peter und Luise Hager Foundation was established in December 2010 to support projects in the fields of science and research, protection of the environment, culture, child development and education and social care. Many of the projects are

located near Hager Group sites and therefore benefit the people who live and work in close proximity to the company. The name of the foundation is also fitting; it is named after the parents of the company founders, Dr. Oswald and Hermann Hager.

> Measurement of outcomes:



A section of [Building Bridges - Hager Group Annual Report 2017/18](#) - features the Peter und Luise Hager Foundation (PLHF) with interviews of its members. For more details about recent activities of the Foundation, please consult pages 28 to 34.

On the next pages are some examples.

The Peter und Luise Hager Prize

Since 2011, the Foundation has been supporting young artists in association with the Saar Academy of Fine Arts and Design (HBKsaar). Alongside HBKsaar, the Foundation supports art, music and education in its home state of Saarland in

several different ways. One such project involves supporting the Modern Gallery, part of the Saarland Museum, which was reopened in 2017 after it underwent a large-scale expansion.

Experiencing science up close

The schoolchildren of Saarlouis are able to get up close and personal with science, thanks to a state-of-the-art facility that's practically on their doorstep. The town's Student Research Centre, which opened in 2015, houses three large laboratories, as well as conference and meeting rooms. Each laboratory has space for 20

schoolchildren, who take part in various experiments in groups. The laboratory equipment was almost exclusively funded by foundations such as the ME Saar Foundation, set up by the Saarland Metal and Electrical Industry Association, as well as the PLHF.

Water for India

The PLHF has organised the construction of two check dams in the Indian state of Rajasthan in association with the PHD Rural Development Foundation. The Foundation provided 30,000 euros for the necessary materials, the structures themselves were built by men from neighbouring villages. As such, the check dams can be serviced by the residents

themselves in future, who will also be able to carry out any necessary repair work themselves. Recently, the Foundation further increased its involvement by introducing the Wash in School programme, which operates in five schools in the region. It funds sanitary kits and facilities for these schools as well as hygiene classes for the schoolchildren.

With our neighbours, for our neighbours

Many of the projects support initiatives and communities based in the vicinity of Hager Group sites and recommended and/or supervised by Hager Group colleagues. Larry Darst based in Edison, New Jersey is involved in a project at a school in the company's neighbourhood. An above-average number of students at Lakewood High School have difficult family situations and are forced to take on part-time work alongside their school commitments to make ends meet; this is reflected in the low proportion of students successfully graduating High School. PLHF wants to help to change this situation by contributing to the Positive Behaviour Support in

Schools programme that provides support to students who successfully apply themselves despite the difficulties they face.

Nuno Gonçalo Pina at Hager in Portugal is personally involved in providing support to a riding centre at Cascais, Portugal with the Associação Hipica Terapeutica. They offer therapeutic horse-riding sessions for people with physical disabilities and/or learning difficulties. Some 80 people benefit; riding improves self-confidence as well as flexibility and body awareness. The economic crisis left many parents unable to afford this for their children, PLHF decided to step in.

Supporting the German-Polish-Ukrainian youth camp (Urban Land Art)



The summer camp at the environmental education centre Spohns Haus is Germany's largest youth exchange project between Poland, Ukraine and Germany. It ran from 3rd to 15th July, and was the fifth time that Peter und Luise Hager Foundation sponsored the camp. This year's theme was Urban Land Art. A total of 62 young people took part: 27 from Poland, 20 from Ukraine and 15 from Germany. The timetable included language courses in the morning and afternoon workshops on topics such as graffiti, urban dance and film. The graffiti workshop was particularly popular with the young people



this year. The participants also went on several excursions during the two-week camp. The highlight was a day trip to Paris. For many of the young people it was their first visit to the French capital. The camp programme also included the traditional Hager Day, where young people visit Hager Group's headquarters in Blieskastel and meet Hager Seniors (die hager-Senioren), who, together with specialists from the Technical Sales Promotion department take them on a tour of the plant and answer all their questions about the company. For more details, click [here](#).

Award Ceremony for Peter und Luise Hager Prize



The 2018 Peter und Luise Hager Prize was presented at the Hochschule der Bildenden Künste Saar (Saar Academy of Fine Arts and Design – HBKsaar) in Saarbrücken, Germany, on 2nd February 2018. Peter und Luise Hager Foundation and the Saar

Academy of Fine Arts and Design honoured students for outstanding work and concepts dealing with the sensual experience and communication of technical, social and cultural processes in a creative, artistic way.

hagergroup

The brief for this year's competition was to examine the subject of contact in art and design. The students were free to decide which media they wanted to use to convey the theme of the competition.

From the total of 47 entries received, the jury selected 11 candidates whose work was included as part of an exhibition at the HBKsaar gallery from 3rd February to 4th March.

Their work was also displayed in the Saarländische Galerie-Europäisches

Kunstforum in Berlin from 16th March to 14th April.

The jury selected 3 of the exhibited works as winners of the prizes, which were presented by Evi Hager, President of the Peter und Luise Hager Foundation.

The winners were in order:

- Lukas Ratus & Frederic Zenner
- Felix Bronko Noll
- Jenny Tran.

For more details, click [here](#).

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