

# **Corporate Social Responsibility** Communication on Progress 2016



»As a family-owned company we stand for a strong community spirit and humaneness – Acting responsible has always played a significant role for US.«



## **OPENING REMARKS BY MANAGEMENT**

#### about Social Responsibility

Dear Sir or Madam,

WAGO is a continuously expanding company in the electronics and automation sector. The ongoing positive development of our company goes hand in hand with an increase in our company's influence on society, the environment and the economy. We feel that this heightens our responsibility to actively meet the social and ecological challenges of our time – since we all depend on an intact environment.

The list of global, environmental problems is alarmingly long: Soil, air and water pollution from waste and emissions, water shortages, extinction of species, destruction of landscapes and wildlife habitat and forest dieback are but a few examples that illustrate just how destructive exploitation of nature is and that advancing climate change will certainly have grave consequences. Our society cannot be separated from our environment. Increasing social inequality in terms of infrastructure, income and nutrition, as well as the high population growth in developing countries and emerging economies, combined with political tensions, which leads to masses of refugees, are just a few examples to cite here. We asked ourselves, how can we contribute? We systematically focus our corporate social responsibility in the areas of: employees, environment, supply chain, and society. By continuously optimizing our social and ecological activities we support them within our company and supply chain. Since 2012 we are reporting our previous developments to the UN Global Compact and for the first time we are going to release a compliance statement in connection with the Sustainability Code. You will find more Information on the following pages.

We hope you enjoy reading this report!

Your WAGO Management Staff

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#### NOTE ON GENDER FAIRNESS

Any reference to persons in this report is to both genders, even when only the masculine form is used for easier readability.

Please always take this into account.



# **ABOUT US**

It all started in 1951 with an innovative idea: Screwless terminal blocks. It was on the basis of this innovation that Friedrich Hohorst and Heinrich Nagel established the WAGO-Klemmenwerk GmbH in Minden in the eastern part of the German State of Westphalia and used the patent purchased from Mssrs. Wagner and Olbricht for development of terminal blocks and push-in connectors with spring pressure connection. This formed the cornerstone for WAGO Kontakttechnik GmbH & Co. KG, which is still a family-owned company to this day. In addition to introducing a variety of new products in the area of electrical connection technology, the company has had an Automation Division since 1995. The following subsections are intended to provide a more detailed glimpse of our company in which we describe our industry solutions and a selection of products and illustrate our production and sales locations, along with the development of our company to date. Naturally this is also intended to allow you to gauge the impact of our company on society and the environment.

If you have any questions or suggestions regarding the present report or about WAGO's commitment in general, please contact us. We are always glad to receive any feedback you may have. You can reach us at following email address: csr.ehs@wago.com



## **Our Industry Sector Solutions**

Continuous advancement and improvement of our products from the product sectors of connection technology, automation technology and interface electronics has made it possible for us to support a worldwide system change. WAGO products can be found everywhere electrical conductors require permanent and safe connection in automation systems in various industrial applications. Our customers throughout the world expect safe, reliable, high-performance and economical products from us – and we rise to the occasion anew each and every day to fulfill their requirements and provide a basis for solutions for the smallest as well as the greatest challenges. This allows us to offer solutions for a wide variety of market segments.

#### Manufacturing

WAGO offers numerous components for the manufacturing industry. Connectors and PCB terminal blocks produced by WAGO, are applied cross-sectoral in industry electronics. Mechanical engineering for example, requires a high demand. After long transportation routes, on arrival at the recipient, commissioning should be prompt and servicing kept to a minimum. The WAGO-CAGE CLAMP®-Connection technology is proof to vibration, requires low maintenance and is long-term consistent. This makes retightening screws before put into operation obsolete and ensures flawless connection for several years. Machine manufacturers who supply different continents, can adapt the field signal connection of the WAGO I/O-System to the correlating customary controller, without being forced to modify the E-/A-Level.

#### Marine

With WAGO products nearly every on-board and offshore application can be automated. This is where the I/O-System 750 with its over 500 modules is utilized. Due to its special certifications (BSH, "compass" certificate) it can be used from the bridge to the engine room. Rail mounted terminal blocks from the TOPJOB<sup>®</sup> series for example, offering cross-section areas from 0,08 to 185 mm<sup>2</sup>, ensure safe connection.

#### **Building Automation**

WAGO offers a whole program for building installations. Whether it is the "CAGE CLAMP®" used in junction boxes or rail mounted terminal blocks built in various distribution boxes, WAGO provides a maintenance free product range of screwless connection technology. Energy efficient and sustainable automation of newly developed and existing buildings are counted among the functions of WAGO-Products. By finding individual solutions to optimize energy performance in building automation, costs are reduced.

#### Energy

The main objective when generating and distributing electrical power is to ensure reliable and safe power supply for the industry and private households. In order to do so, WAGO components provide the greatest degree of safety and quality. The CAGE CLAMP® connection technolo-



Manufacturing



Marine



**Building Automation** 



Energy

gy offers quick installation, low maintenance and reliability in equal measure. With WAGO solutions, the automation of energy networks and connection to producers, consumers and storage grids is efficient and sustainable.

#### Automotive

WAGO products are utilized in production equipment for the automotive industry in order to guarantee maximum degree of availability. In the automotive industry, even a short downtime means a significant breakdown of production and thus fewer vehicles sold at the end of the day. Therefor maintenance requires a flawless connection technology. Screwless connection technology has proven itself under even the harshest conditions, including vibration- and shock loads.

#### **Lighting Technology**

With its large portfolio of clamps WAGO offers the ideal connection technology for simple and safe wiring of lighting and equipment or to establish the optimal connection between single-, multiple- and fine wiring conductors with different cross-sectional areas. Furthermore our pluggable WINSTA® system makes electrical installations easy, safe and error-free. Whether it is in- or outside, residential- or industrial buildings, with WAGO, every lighting concept can be realized individually.

#### **Railway Systems**

Commuter and long-distance railway cars must have a reliable, maintenance-free and long-term service life. Sophisticated technology simplifies and reduces assembly- and maintenance time. The CAGE CLAMP® connection technology unites all of these requirements and offers the greatest degree of shock- and vibration protection even under extreme environmental conditions. Thereby she is the optimal connector in all railway related areas. Our springs have held every connection from 0,08 mm<sup>2</sup> to 95 mm<sup>2</sup> safely and reliably since 1978.

#### **Process Automation**

In chemical-, petrochemical-, food-, water and wastewater sectors as well as several different areas of the processing industry, equipment availability is essential. Future-proof and time-saving automation technology from WAGO, stands for efficiency in the industry and ensures high availability of production and assembly equipment. For applications with special requirements such as explosion protection or functional safety, WAGO offers several components which guarantee reliable, safe operating around the clock.



Automotive



Lighting Technology



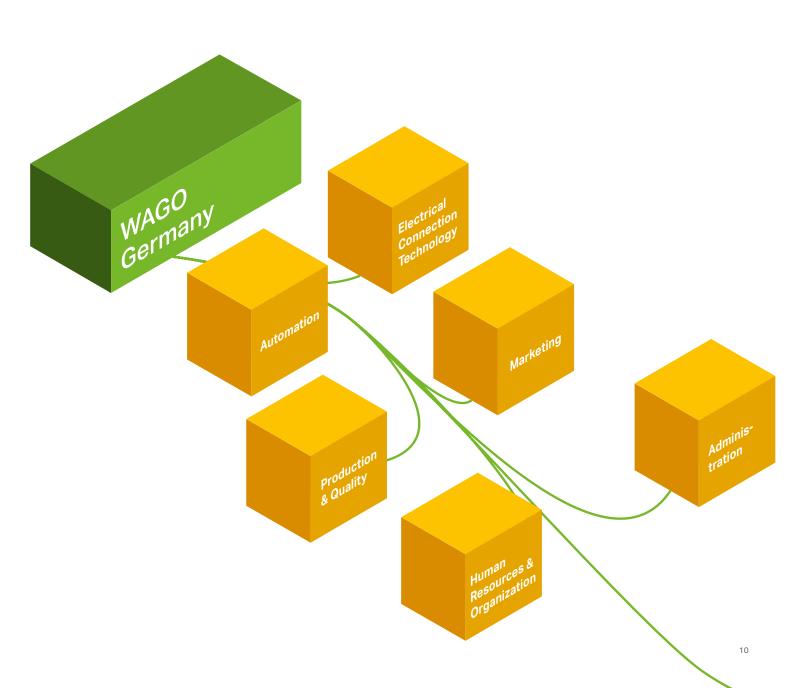
**Railway Systems** 



**Process Automation** 

## **Our Corporate Structure**

We would like to give you an insight into our corporate structure. Below is an outline of our company divisions, organized centrally at our headquarters in Minden (Germany). The cited company divisions are headed by our management staff. For reasons of clarity we have not provided a detailed break-down of the associated departments here.





# **Our Locations**

We currently have production facilities in eight countries around the world. In addition to our headquarters in Minden, our Sonderhausen location in the state of Thuringia in Germany has been part of the company since 1993. On an international level we also have plants in Tianjin (China), Paris (France), Noida (India), Tokyo (Japan), Wroclaw (Poland), Domdidier (Switzerland) and Germantown (USA). This international structure combines many cultures within our company. To foster these we continuously encourage an exchange of ideas and information across all locations. This also makes it possible for us to learn from one another and establish corporate standards. For this report we have compiled figures from the above mentioned production locations.

WAGO has 28 subsidiaries and a corporate sales network in 31 countries. There are also local representatives in 50 further countries. This complexity in our sales structure presents us with challenges of which we are well aware, particularly in view of the social responsibility of our corporate management. Not every country has legislation in place that stands up to the standards at our headquarters in Germany.

We have grown continuously since our company was established in 1951. This growth has also increased our influence on society, which in turn demands greater responsibility on our part. In the next section we would like to show you the priority this responsibility has for us and how we perceive and promote it.



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# OUR SOCIAL RESPONSIBILITY (CSR)

In this chapter of our CSR report we want to illustrate our vision regarding sustainable development and describe how we intend to incorporate this vision into our strategy using concrete instru-

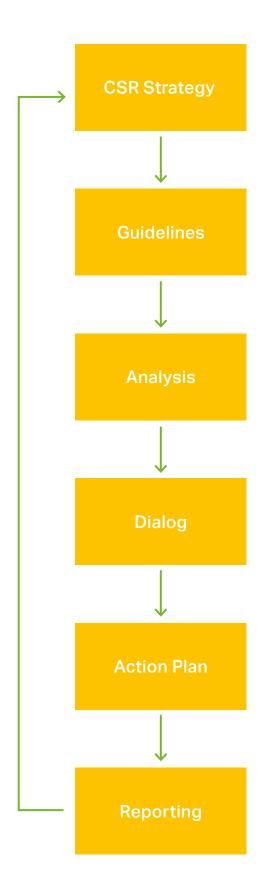
ments. This subject should be promoted by every employee, everyone can contribute something valuable. Closely linked is how we cooperate with our stakeholders in and outside the company.



# Our CSR Fields of Action

Our objective is to sustainably develop our company and, in doing so not only drive forward technological progress, but also create a balance between the social, ecological and economic services of our company. For us responsible economic business means going beyond securing WAGO's future as a company, while keeping our ecological footprint as small as possible and meeting our social responsibilities in society. In this context we additionally want to support collective exchange of ideas internal and external and find solutions from which we can all profit. Our Vision to always establish the right connection can be transferred to every level. WAGO unites the innovative force and development opportunities of an internationally successful corporation with the values of a family-owned company. Team spirit as well as a feeling of togetherness distinguished by fairness and partnership are supporting pillars of our corporate structure. A further strength is the solidarity with the regions where we do business. This creates the foundation to systematically integrate our social responsibility.





# Implementation of CSR

We apply an aligned management process to successfully implement CSR and the duties that come with it. For this purpose we continuously adapt our strategic considerations to the current guidelines. In the next chapter we will outline the most important guidelines for our work. In addition to a good information base, analysis of the company situation is essential. Using the results from observations, surveys and other instruments we set objectives associated with the corresponding topic areas. Find out more bout this in the Chapter Topics and Dialog. This is followed by the Plan of Action and Implementation to develop the topics.

An additional element is the area of Reporting & Communication. In the past we shied away from drawing attention to our efforts. We want to change this in the future on an internal and external level. Because only through communication can we put greater focus on this subject in a social context and create transparency through reporting

# Guidelines on Social Responsibility

At this point we would like to provide an overview of the most important guidelines that form the basis for our CSR management. These are the "UN Global Compact", the The Sustainability Code with GRI-G4 Indicators, the "Corporate Social Engagement Charta" and the 17 objectives of sustainable development.

#### **UN Global Compact**

Our company has been a member of the Global Compact since the beginning of 2012. The goal of this association is to implement social and ecological standards. We have committed ourselves to uphold the ten principles of the "Global Compact" to the greatest extent possible.

#### **Charta – Corporate Social Commitment**

By signing this document we commit ourselves to supporting social involvement, to cooperating with charitable organizations and to publically backing activities to encourage others to participate.

#### 17 goals for sustainable development

In September 2015 the "Agenda 2030 for Sustainable Development" was adopted by the United Nations. The agenda lays out the common responsibility by all countries in the world community for our planet and its population. We want to promote familiarity with the Agenda 2030 and make points of contact for practical application publically known.

#### The Sustainability Code

The The Sustainability Code serves to provide a concrete aid for reporting. This codex represents the minimum requirements for CSR reporting obligations and is subdivided into four areas: Strategy, process management, environment and society. By issuing a separate statement of compliance in the DNK-Portal companies can ensure they fulfill the CSR reporting duties. Information to the release of our compliance statement will be published on our homepage in the near future.



# **Everyone's Individual Contribution**

The concept of sustainability receives particular support by our company's advisory committee and management staff. This is particularly apparent by the company's commitment to its employees and different regions that has been firmly anchored in the company for decades. As an illustration of this, management issued a mandate in mid-2015 to systematically monitor the company's social responsibility. The task of Corporate Social Responsibility is situated in the International Human Resources division, where it is coordinated operatively within the Department for Environment Health Safety.

All employees share the duty to behave responsible towards fellow human beings and the environment, to observe WAGO's ethical principles and stand up for them. We are thankful for every dedicated employee not only contributing ideas for social and environmental events but who actively participates. Thanks to them we were able to host great events in the past. We depend on the dedication of our employees for the future. Further information regarding this topic will follow in the chapter "Social Commitment". Only if everyone does his own fair share can the company continue to exist over the long term. In addition to the guidelines mentioned, we have established internal principles as an orientation. These include our Management Principles, our Code of Conduct and Group Policy. These guidelines are intended to promote a consistent corporate standard and value orientation. By implementing

the Code of Conduct into our supplier surveys we sensitize the suppliers on the subject and encourage the establishment of social standards.

#### Irresponsible

- Pofit-only orientation
- Motto: "The end justifies the means
- Effects of a decision are not questioned
- Wasteful ...

#### Responsible

- Sustainability and acting ethically as values
- Motto: "Think ahead
- Keeping social and ecological impact in mind when making decisions

## **Materiality & Dialog**

Integration of our stakeholders also plays an important role for entrepreneurial dealing with our social responsibility. By integration we mean more than just information. In order to expose potential for improvement and develop a plan of action, it is necessary not only to give our stakeholders the opportunity of entering into a dialog and discussing these issues, but also, in an ideal case, to elaborate participative solutions. We contacted our customers, business partners and suppliers to find out how our corporate identity is perceived from the outside and combined it with our self perception. On this basis were able to identify two columns which simultaneously provide us feedback and orientation.

We make every effort to include our internal stakeholders in significant decisions regarding

#### Solid family-owned business

- Down-to-earth
- Humaneness
- Social awareness
- Team spirit
- Solidarity
- Confidence
- Security

#### **Innovative force**

- Courage
- Pioneering and inventive spirit
- Innovative strengt
- Progressive nature
- Dynamic



our actions. Networks as platforms for an external cooperative exchange are very important to us. We will continue to rely on networks and exchange with our stakeholders in the future. Attached is an overview of our internal and external stakeholders.

Important instruments to identify relevant topics within the scope of sustainable company management are workshops surveys and interviews. For this we have extended invitations to CSR workshops with international representatives and conducted employee surveys in departments such as Personnel, Marketing and Sales. The results have provided us with important knowledge to set priorities for our course of action. Additional knowledge is gained by participating in networks and symposiums. For the future we have planned to survey additional departments.



**Internal Stakeholders** 

- Shareholders
- Advisory Board
- Business Management
- Employees



#### **External Stakeholders**

- Customers
- Suppliers
- Business Partners and Service Providers
- Competitors
- Network Partners
- Neighbors
- Regional Society
- Trade Union
- · Politics & Country
- NGOs

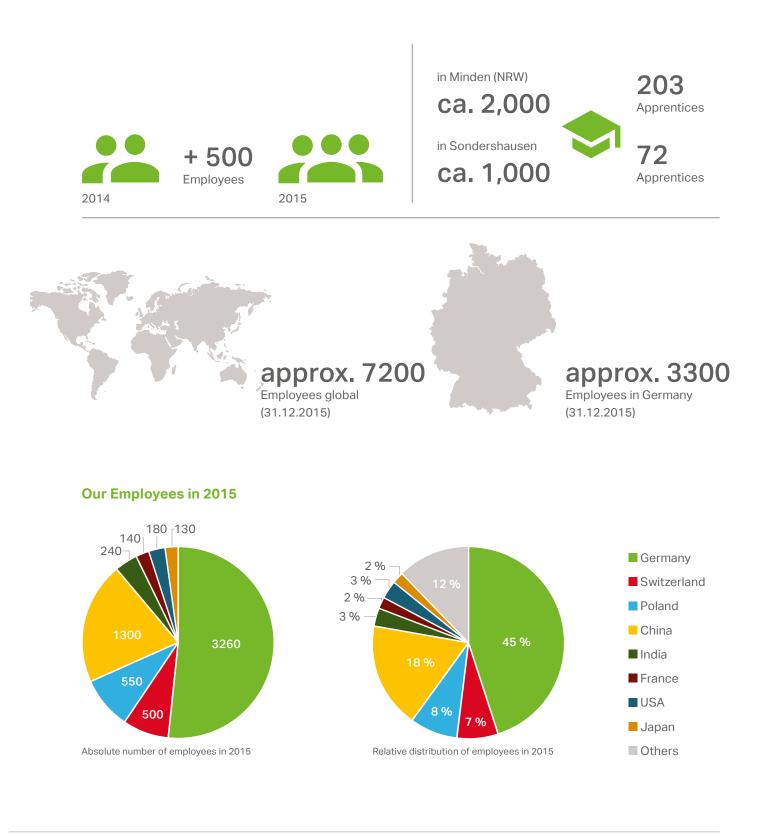


# **OUR EMPLOYEES**

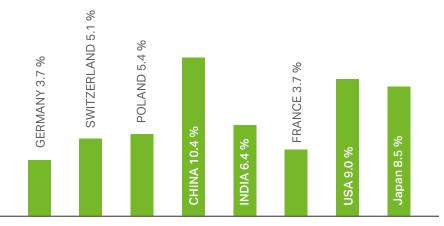
Without dedicated employees it would not be possible for us to continue to grow and put innovations on the market. Our intention is to develop our company in such a manner that our employees enjoy being a part of WAGO, that they feel associated with the company and do their best for it. We have already established a variety of measures to promote this.

# **Our Employees**

On December 31, 2015 WAGO had a total of 7,200 employees worldwide. Around 3,300 of these are employed in Germany. In comparison to 2014, we increased our staff by over 500 in 2015. In Germany we employed 280 apprentices and students in 2015 and the trend is toward even further growth.

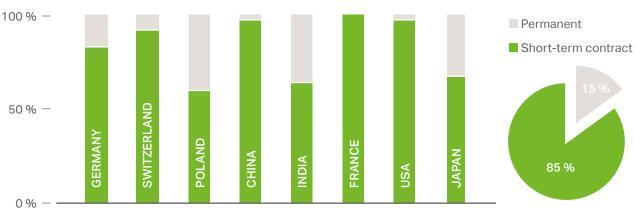


The fluctuation rate is an important indicator of employee satisfaction and commitment. It should not be too high, or too low. A high fluctuation rate would indicate that employees change jobs or companies frequently for certain reasons. On the other hand, if the fluctuation rate is very low, employees seldom change jobs. At our German locations, the fluctuation rates are commensurate with the rest of the industry. The fluctuation rates at international locations can be considered positive, particularly in view of cultural customs and basic economic conditions.



Employee fluctuation in 2015

Our workforce consists of permanent and temporary employed staff. Within the course of CSR reporting we have taken a closer look at the relationship at each production location. All totaled, 15 % of the job positions are short term. Comparing locations, we find that the ratio of short term to permanent job contracts is highest in Poland, India and Japan.



Our workforce consists of employees with permanent as well as short term jobs.

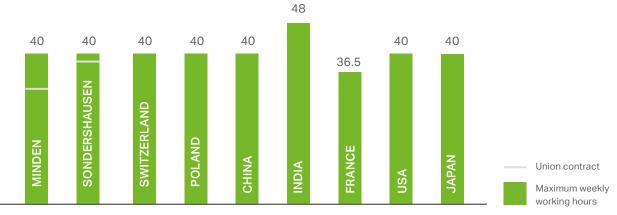
## **Human Rights**

It is the responsibility of companies to obey national and international recognized standards regarding employment rights. To guarantee this we orient our actions on the standards issued by the international Electronic Industry Citizenship Coalition (EICC) and ZVEI. The basic labor standards of the International Labor Organization are integrated into these standards and thus into the Code of conduct subscribed to by the WAGO Group. In addition, since 2012 we have been a member of the UN Global Compact and support the 10 principles set out in the compact:

- 1. Protection and observance of international human rights.
- 2. No complicity in violation of human rights.
- 3. Observance of the right to freedom of assembly and recognition of the right to collective bargaining.
- 4. Elimination of compulsory labor in all forms.
- 5. Abolishment of child labor.
- 6. Elimination of discrimination in hiring and employment.
- 7. Precautionary principle in dealing with environmental problems.
- 8. Promotion of environmental awareness through specific initiatives.
- 9. Development and propagation of environmentally friendly technologies.
- 10. Prevention of corruption, including extortion and bribery.

In addition there are so-called "quantitative social standards", which, for example, regulate working hours. Our union contracts in Germany put us at a high level in this regard, which we also want to apply to other locations to the greatest extent possible. The following table shows some of the terms of our union contract with IG-Metal. The following table shows some of the terms of our union contract:

Topics	Claim
Working hours	35 h/week (Minden) / 37.5 h/week (Sondershausen)
Monthly salary	Objective classification in ERA Groups
Bonuses	Allowances for overtime, shift work, work at nights, on Sundays and holidays. , Industry allowances for temporary employment
Vacation time & vacation pay	30 work days vacation acc. to union contract + 50 % of average earnings as vacation pay
Capital-forming benefits	incl. Christmas bonus, profit sharing for retirement, use of benefits for disability insurance or retirement
Company regulations re- garding safety & health	Protection for non-smokers, agreements after returning from illness and absence, addictive drugs, company integration management, incapability to work, pension guarantee, insolvency insurance, etc.



Maximum weekly working hours based on employment contract [h]

Another subject is the promotion of possibilities to participate. All employees are sincerely invited to submit ideas to the responsible contact person in the company. In addition to the the necessary feedback, we also obtain ideas for future projects from workshops and surveys in particular. However, co-determination and dialog are also possible in our employee portal using ,like' and comment functions. The category "Your questions to management" gives every employee the opportunity to ask questions to be answered by management in coordination with the specialized departments in the employee portal. Technologically we are also clearing a path using a suitable system landscape under the motto "Connect, Network, Understand" to allow exchange with one another and comprehensive collaboration more quickly and with fewer complications.



## **Diversity**

For us, personality and qualifications of our employees count – not their gender, age, etc.. We strictly reject discrimination of any type – and violations have consequences! We want to create a corporate structure distinguished by treating one another in a friendly and open manner. This is why fairness to employees and other groups of persons is an important principle in WAGO's company regulations. This is applied to other locations by the group policy and code of conduct.

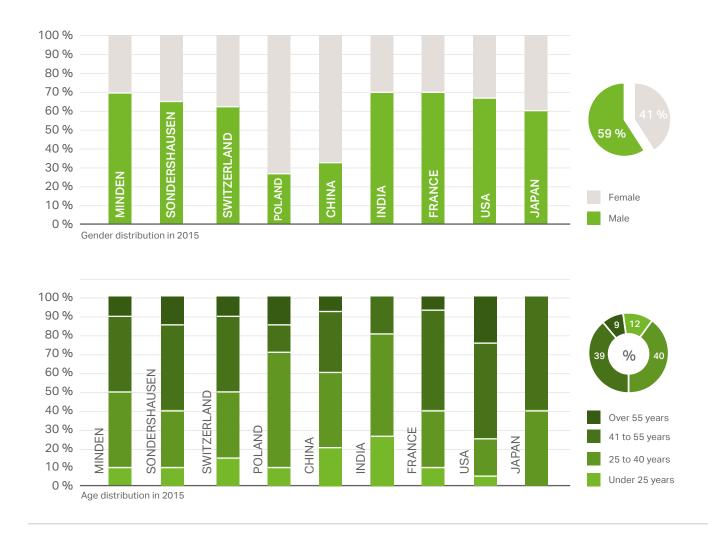
Our corporate structure is shaped by our management conducting guidelines. Here, we explicitly require fair treatment in appreciation of our values and exemplary behavior on the part of the management staff. Moreover we support the "Respect! No tolerance for racism" initiative.

To support this initiative we provide training courses on the subjects of "General Gender Equality" and "Psychological Stress at the Workplace" dealing with the topic of discrimination and outlining tips for proper behavior. Important contact persons in this context are the members of the Works Council as well as our employees in our own operations and the personnel department.

We consider a diversified staff to be a distinct opportunity and support them with specific measures – not only as a reaction to the demographic change and shortage of qualified employees in some regions. Our offerings in the area of health and development of human resources ensure the appropriate educational support possibilities for all employees regardless of age. A further focal point is the support of women in technical occupations focusing on mentoring programs and specific events. These initiatives have, for example, resulted in creation of a comprehensive WAGO women's network focusing on "Aspiring Female Professionals and Managers" for collaborative advice and exchange of ideas and information.

# women@wago





# WAGO Family Program

As a traditional family-owned company we place high value on the compatibility of work and family life. This is the reason we have emphasized development of the company in this area during the past years and are continuing to work out new concepts to offer our employees attractive solutions.

For this reason we created the WAGO Family Program, which has provided support for employees of all generations since 2013. The program consists of a cooperative effort with the German Children's Protection Association and the collective nursery school, named Dandelion, at our headquarters in Minden and with the service provider WDS.Care.

We take concrete action to provide support in caring for children or family members in need of care, to relieve the psychological stress on our employees to the greatest extent of our capabilities. The program,offers our employees the possibility of a voluntary financial subsidy for the care of preschool children. However we also provide qualitative help by maintaining contact during parental leave periods, offering continuing training courses, reaching agreements on flexible working times and keeping quotas free for children in the nursery school. Moreover the German Children's Protection Association helps find and refer suitable assistance and offers a free "Help Line for Parents". We also go above and beyond this by working out measures to support this compatibility (e.g. support of private advanced training, etc.).

Initiatives for better reconciliation are being elaborated at our other locations as well. WAGO Switzerland supports employees in the same manner as WAGO Germany, with discounts in many stores in the region. Over the course of years permanent secondary initiatives based on the actions mentioned above have developed at the location in Poland. Projects such as "Share your book with others" and "Toys for toys" prevent functional products from being thrown away, while allowing our employees to take a "new" product home without having to visit a shop in the city. WAGO China has established clubs for common activities similar to our locations in Germany. For example they have a book club, soccer, table tennis and other offers.



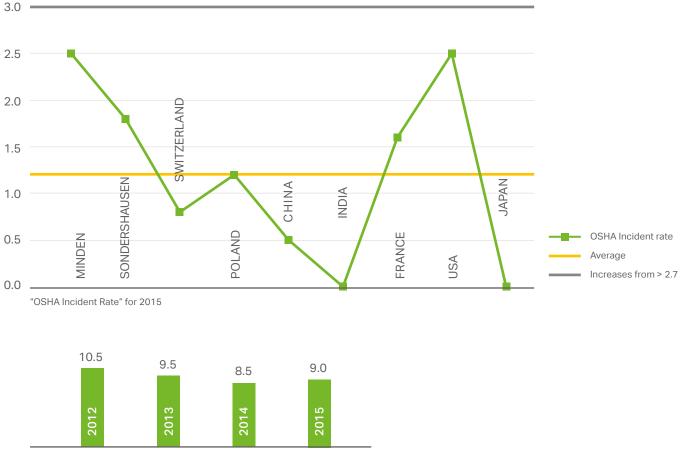
# **Occupational Safety**

Our products stand for high quality and user safety. We also want to make our workplaces as safe as possible for our employees. Our management staff is obligated to ensure that legal regulations on labor protection are observed. They are supported in these efforts above all by our Environment Health and Safety managers. But we also go beyond the legal regulations in preventing accidents and limiting endangerment associated with work.

We use hazard assessments and training derived from them to sensitize our employees to the topic of safety. We have been successful in establishing our company's internal training system at all WAGO locations. Moreover we have introduced a management system based on the OHSAS 18001 standard for our occupational health and safety and health protection policy.

# We communicate our objectives with the STOP principle, among others:

- Safety using strategies and systems implemented by a responsible management
- ${\sf T}$  echnical safety precautions, safe equipment
- Organization of safe conditions at the work place, avoidance of excessive or two few demands
- Personal safety precautions what each person should consider for their own well-being



1000-man quota in Germany

# **Operational Health Management**

For us, active health management is the key to healthier employees. Within the scope of health management, we concentrate on two different focal points for protection and promotion of employee health. At our German locations we have already established a wide range of offerings and health management is being assigned an ever-increasingly important role at the international locations as well. Naturally we implement situation-related as well as behavior-related measures in our health management program. At our locations in Germany our well equipped company medical facilities with their own company physicians and medical assistants provide complete medical services. We feature open office hours, allowing our employees to obtain medical services without additional travel time. We help fight influenza viruses with free flu shots. Moreover we have been successful in winning cooperation partners such as regional pharmacies and health insurers, to ensure that this support exceeds regular working hours. Of particular relevance are our Health Circles – moderated discussion meetings with employees from the

Health protection	Promotion of healthier living
Counseling offerings	Ergonomic workplace organization
Occupational medical examinations	Psycho-social counseling
Inspections	Addiction counseling
Travel medicine	Management staff training
Accident care	Trainee projects
Out-patient activities	Health programs
Rehabilitation	Health and action days
Operational reintegration management	In-house massage/yoga
Internal plant physician center	Health Circle
Company retirement provisions	Company sports/active breaks
Absent time meetings	Back and spine exercises
Flu shots	Offerings for sales offices
	Healthy & fresh meals



various industries on the subject of "Promotion of employee health at the workplace" – which allow us to identify potential for improvement and elaborate recommendations for solutions.

Shift work is essential for our production. The shift model used at our company is developed in close cooperation with the works council and corresponds to forward-rotating shift planning, designed to minimize negative effects on health to the greatest extent. We also offer a wide variety of sports at our company, allowing employees a sports recreation opportunity at no cost or for a very moderate fee. This presently includes soccer, fitness, dragon boat, walking and jogging groups, tennis, cycling, dancing and volley ball. Our employees in the sales offices receive WAGO vouchers honored by our health partners. This allows them to profit from health benefits in spite of their distance to the company's sport facilities.

The topic of health also plays a decisive role at our international locations. At our facilities in Switzerland we also offer free flu shots and provide our employees with discounts on additional insurance benefits from their health insurance. In Poland, health weeks, apple and bicycle campaigns are held regularly. Our employees in China also take part in the company's sports program, such as soccer or table tennis groups, to keep physically active. In France, employees with sick children can take up to four days of compassionate leave each year. Although this is not required by law, WAGO offers it as an additional benefit. They are also provided with additional heath benefits and discounts at fitness studios. Stretching exercises are done each morning in production – in addition to promoting health this also helps boosts team spirit.

A number of projects in the area of health are also available at our location in the USA. "Wellness & Health" fairs are offered. To keep the employees up to date and healthy, we send out wellness newsletters and organize walks and luncheons with informative presentations on many health topics.

#### LOSE WEIGHT FOR A GOOD CAUSE!?

A program called "Healthy Diet Plan" was introduced at our sales offices in Brazil. How does it work? For each kilogram an employee loses through healthy diet and sport, WAGO Brazil donates one kilogram of food to institutions for people in need.





# **Lifelong Learning**

The intelligence of our company is composed directly of the knowledge of each individual employee, along with synergy effects. Only by providing our employees with appropriate opportunities for advanced and additional training can we ensure that WAGO will continue to develop and "learn" as an organization. We work with a variety of personnel development instruments to promote organizational learning.

We prepare our junior staff for one of two possible careers – as managers or as project directors. With the aid of potential analyses and audits we evaluate the competencies of our junior staff and mutually define a career, for which we have concrete training modules. Management staff members profit from 360 degree feedback at regular intervals, allowing them to utilize assessment principles objectively and systematically, as well as from obligatory coaching.

At WAGO we have established an internal mentoring program, whereby in teams of two an

experienced manager serves as a mentor and a junior staff member as mentee. The mentee can profit from the mentor's wealth of experience and consult him for advice. This is intended to promote the personal and occupational development of the mentee. We also participate in a program of "Cross Mentoring OWL" – management staff development for female managers and in a program of "Cross mentoring for development of skilled employees in technically-oriented companies" for those just starting a career as well as for experienced, skilled employees.

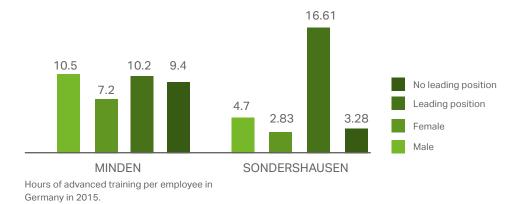
We have included various training measures in our training concept to prepare our employees for their specific tasks and for providing continuous support. We offer a series of product and basic training courses for our employees as well as for our customers. Our training modules include various in-house courses of training for employees and management staff in the areas of social, method and self competency. For example, we offer courses in intercultural training, communication and conflict management. The training courses offered by IT provide comprehensive insight into the applications used within the company, including in-depth instructions. These are implemented as eLearning sessions and as as in-house classroom training courses.

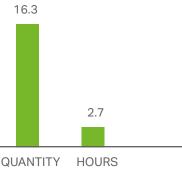
n addition to standardized training measures, our employees have the opportunity to apply for individual development measures, as long as, they are work related. These primarily external events must be discussed with the immediate supervisor. We are willing to grant our employees the opportunity to pursue their own training goals, as long as they are commensurate and constructive. Additionally WAGO employees profit from discounts on discountable courses offered at the regional community education center.

It is difficult to summarize the variety of advanced training measures in figures. We presently have several systems to illustrate our training courses. In addition to conventional training listed in the

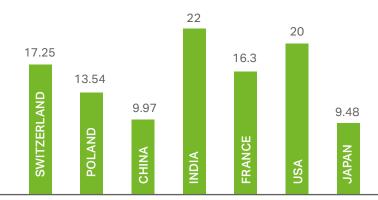


personnel department, we are working on electronic training. The figures for financial year 2015 are listed here.





Electronic training courses and time allotted per employee in Germany in 2015.



Hours of advanced training per production location in 2015.

# Apprenticeship & Studies

We hold ourselves to a high standard in aspect of our apprenticeship and study programs. At our German locations we currently offer following apprenticeships and practice-integrated study courses:

Training	Bachelor Studies
Industrial Mechanic	Mechanical Engineering
Construction Mechanic	Electrical Engineering
• Machinist	Industrial Engineering
• Toolmaker	Business Informatics
Mechatronics Specialist	
<ul> <li>Process Mechanic for Plastics and Rubber Technology</li> </ul>	
• Electrician for Operating Technology	
• Electronics specialist Area of specialization: Energy and Building Technology, Automation Technology, Infor- mation and Telecommunications Technology	
Machine and System Operator	
• Technical Product Designer	
Industrial Cler	



We want to provide external pupils and students with the opportunity to gain an insight into our company and therefor offer internships parallel to their regular courses. Because fairness

is important to us, we participate in the Fair Company Initiative. Fair Companies do not replace fulltime positions with interns, volunteers, trainees or temporary help. They do not merely console college graduates who apply for a permanent position with an internship or lure them in with vague promises of a subsequent permanent position. Instead they offer internships primarily for professional orientation during the training phase. Interns receive a reasonable salary and external students are supported while working on their theses. In cooperation with our technology network partners we organize a semi-annual student camp.

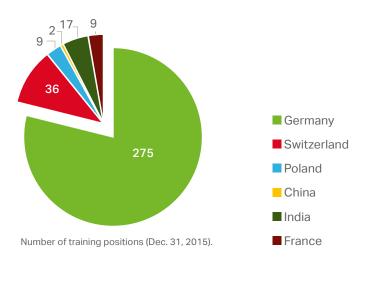


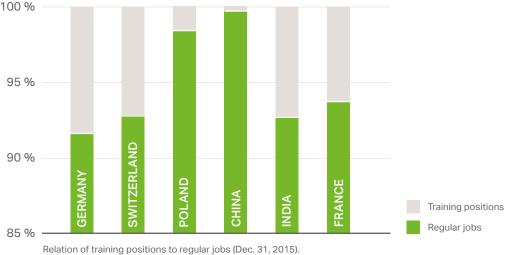
In addition we cooperate with the initiative "Zukunft Ausbildung im Mühlenkreis ZAM e. V." where trainees are given a glimpse into a number of training companies within the scope of their training. This helps cre-

ate additional training positions in the region each year. We use events such as Training Day, Future Day and "Girls Engineering Day" to actively participate in finding suitable candidates for our training and study positions by providing information as well as direct interviews.

The Wago Foundation, founded in 1998 by our former business manager and present advisory board member, Wolfgang Hohorst, promotes dual training on a practical basis and helps support young people getting started in their professional career. The incentive awards, including a monetary stipend of up to 1,000 euros each, are presented in the Counties of Minden-Lübbecke, Kyffhaus, and Nordhausen. In the year 2015 alone our Foundation's incentive award totaled over 27,500 euros.

As of Dec. 31, 2015 we employed a total of 220 apprentices and 55 practical integrated students in Germany alone. Percentagewise that is 9% of our entire workforce in Germany. Additionally ZAM apprentices and regular students pass through the company during internships on a regular basis. Similar percentages apply to Switzerland, India and France. However, such training systems are not yet common in all countries. This is why statistics are not listed for all production locations.







# **Employer Awards**

WAGO is highly dedicated to its employees. This is proven by the several awards we have received in the areas of personnel management and employer branding. This makes our workforce and us happy. We are particularly proud to have received the following awards at our German locations during the year 2016: "Best Place to Learn", "Excellent Employer", "TOP National Employer" and "Top Employer Engineers Germany". At the location in Sondershausen we were honored with the "Demographically Oriented Company" certificate in 2015. Just recently WAGO China were awarded the recognized "TOP Human Resources Award 2016" and "Best Employer China" certificates. This proves were on the right track and that we can be proud of our achievements.











## ENVIRONMENTAL PROTECTION

Since 2002 our locations in Germany and Switzerland are yearly audited regarding relevant environmental regulations by an independent certification center. With our ISO 14001 certification, WAGO proves our dedication to both environmental management and conservative use of natural resources. We maintain these standards at our locations in Germany, Switzerland and China. Our facilities in China and India have also been audited in the area of sustainability.

WAGO was one of the first companies in the industrial branch to be certified according to the Energy Management Standard ISO 50001. We work with the multiplier model to promulgate knowledge regarding energy saving potentials within the company. A contact person for energy matters is appointed in each department. In the production departments our energy officers help ensure energy efficient processes and advise employees and business partners as required.

## Conformity with Laws and Directives (REACH/RoHS)

Product-related environmental protection plays a significant part in WAGO's sustainable environmental management. We place high priority on ensuring observance of substance prohibitions/ limitations worldwide, such as REACH, RoHS, etc.

#### RoHS – Restriction of (the use of certain) Hazardous Substances

RoHS Is an EU directive on restriction of the use of particular hazardous substances in electrical and electronic devices. In addition to reducing harmful effects on human beeings and the environment, the goal is to improve recycling possibilities. WAGO closely monitors RoHS developments and will respond accordingly in a timely manner to any changes in these requirements. Our products which meet the material requirements of this RoHS feature a "RoHS-compliant" identification mark on their packaging.

## Please contact WAGO directly if you have any questions: EHS-product-compliance@wago.com

## REACH – Registration, Evaluation and Authorization of Chemicals

EU Directive No. 1907/2006 (REACH regulation) took effect on June 1, 2007, and since then has been a valid legal basis for all EU member states. To protect human health and the environment, this EU chemical directive regulates classification and identification of all chemicals including their effects. Certain duties arise from the REACH regulation for everyone involved in the supply chain. The items manufactured by WAGO are considered products to which the regulation applies. As products are not subject to registration, WAGO usually assumes the role of the downstream user in the supply chain. Therefore, WAGO has the duty to inform all involved in the supply chain according to REACH Regulation Article 33. Naturally, WAGO takes this duty seriously.

## Please contact WAGO directly if you have any questions: EHS-product-compliance@wago.com

#### **BOMcheck**

European laws such as REACH and RoHS require the provision of information about restricted substances in products. This information must be passed on by the manufacturers and suppliers to all participants of the supply chain. In order to manage this challenge WAGO uses BOMcheck. BOMcheck is a centralized database for the declaration of substances to allow manufacturers and suppliers to efficiently create well-structured substance declarations complying with REACH, RoHS, and other regulations concerning the limitation of substance This Internet database system enhances data quality in the product-related environmental protection sector.

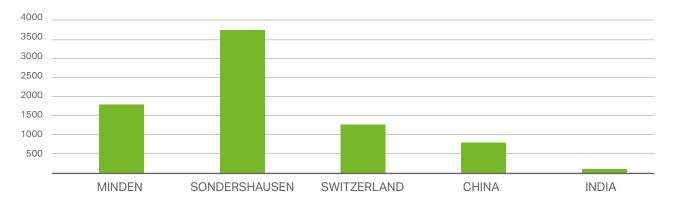
For additional information on BOMcheck, click on the following link: http://www.bomcheck.net

Product-related environmental protection plays a significant part in VAGO's sustainable environmental management.

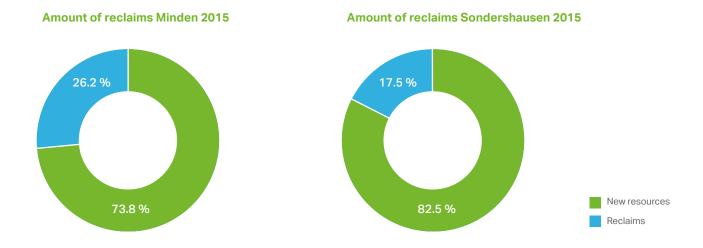


#### **Plastics Recycling**

Plastics are made from non-renewable petroleum-based fossil fuels. Manufacturing plastics produces a significant amount of CO2 . To make the best use of this non-degradable resource we depend on our own recycling technology at our locations in Germany, India and China.



#### Plastics onsumption in 2015 [in t]







## Packaging

Our packaging materials primarily consist of corrugated and solid cardboard, steel strapping, stretch wrap, polyethylene foil and plastic trays. All of our packaging fulfils the requirements specified in the 94/62/EC Directive. As a result, our packaging is made of 80 % recycled material. The packaging management continuously tries to improve the quality of our packaging in terms of thickness, size and regenerates. If possible we would immediately consider a more sustainable alternative. Manufacturers located in Germany who place packing on the market are legally obligated to ensure its proper recycling. Since Feb. 2, 1993 WAGO has been in contract with Interseroh Zero Waste Solutions which manage take-back, recovery and recycling of our packaging materials. In 2015 we were able to save 489.08 tons of resources and 58,537 kilograms of greenhouse gases.

### **Hazardous Materials**

Hazardous materials are any items or agents which have the potential to cause harm during transportation due to their physical or chemical characteristics. These materials are defined and regulated by law and subdivided into 9 different UN classes and 3 UN packaging categories. At our company , the following series are currently classified as hazardous and assigned as listed below:

- Cleaning set/Pen cleaner, 258 Series (UN 3092, class 3, packaging group III)
- Disposable ink cartridges / disposable plotter pins, 258 Series (UN 1263, class 3, packaging group III)
- WAGO-I/O-IPC, 758+762 Series (UN 3091, class 9, packaging group II)
- Battery module / battery / To Pass outdoor, 761 +787 Series (UN 2800, class 8, packaging group III)

WAGO has appointed a hazardous materials specialist to ensure that hazardous materials are handled and controlled in a safe manner and in compliance with regulatory requirements.

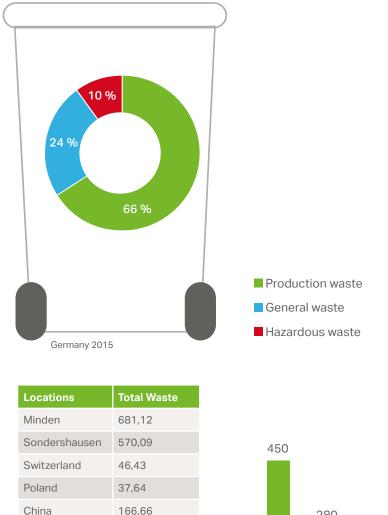


#### Waste Management

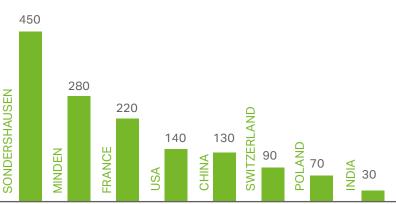
"The best waste, is that which is not produced". This is the main objective of our waste management. Besides regulatory compliance and monitoring material cycles and disposal costs we constantly try to establish potential for improvement.

Waste management starts with procurement by purchasing eco friendly production resources

and tools, which have been subjected to an approval process. Subsequently, employees in all departments are sensitized to economical use of resources and trained in proper use of our sorting system for waste and recyclable material. We maintain close contact to our various certified recycling and disposal companies and manufacturers.







Waste in 2015 [in t] Complete figures not yet available from all locations

Waste per employee [in kg]

#### "Environmental Protection & Resource Efficiency"

## Training & Information

Environmental protection starts at the workplace: Objectives such as avoiding-, labeling- and separation of waste and saving energy is highly dependent on our employees. We are fully aware of this correlation and therefore regularly offer internal training programs. Site inspections and audits help us to evaluate and if necessary take measures for improvement where required. We review these objectives within various departments and make sure all employees know whom to contact in case they have any questions or suggestions.





**Ressources** 

Company growth leads to higher consumption of resources. The charts and diagrams below show how much water, electricity and gas we consume at our various production sites. Furthermore you can see the total surface area used to build our production sites. By supporting resource efficiency projects in terms of energy- and environmental management we try to keep our consumption of resources as low as possible. Please note that to date we have not calculated any overall CO<sub>2</sub> balance for our company. But we have reviewed the topic, performed research and are attempting to optimize the basis for these figures. The topic has been included in our objectives for further development.

#### Water consumption in 2015

Location	Total m <sup>3</sup>									
nina	35,843									
inden	19,972									
ershausen	10,354	2	2 0 2							
nd	7,040	33	3.82	07.70						
	6,087			27.72	2	JSEN				
zerland	2,982					AUS			QN	
a	1,881				12.78	Sec. 11	7		RLA	ш
ice	802	4		CHINA	LAN	NDE	WINDEN WINDEN	7.94	6.10	ANCI 5
an	200	NSA		CH	POI	SONDI	<b>∠</b> ₩		SW	FR/

m<sup>3</sup> per employee

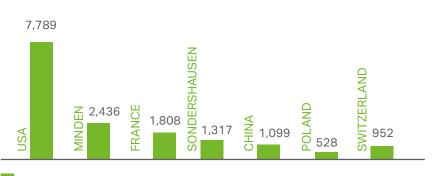
#### Power consumption in 2015

Location	Total kWh
Sondershausen	18,971,067
Minden	17,461,606
China	8,830,600
Switzerland	7,830,068
Poland	1,119,544
USA	875,000
India	667,516
France	183,817
Japan	19,930

kWh per employee

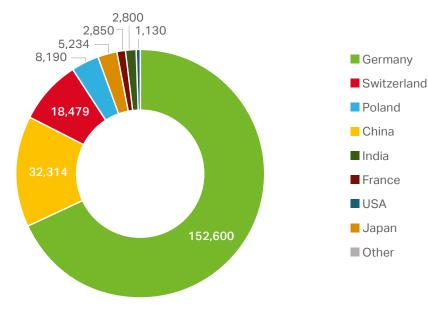
#### Fuel gas in 2015

Location	Total kWh
Minden	6,014,195
Sondershausen	1,682,000
China	1,420,900
USA	1,409,000
Poland	524,430
France	260,000
Switzerland	258,198
India	0
Japan	0



kWh per employee

Space requirements in 2015



Space requirements in 2015 [m<sup>2</sup>]



#### **Other Resource Efficiency Projects**

Our innovative solutions have contributed to greater resource efficiency in various industry sectors. At this point we would like to present additional resource efficieny projects of ours which contribute to environmental protection and promote renewable energy.

#### **Environmental Compatibility of Our Buildings**

We put a great deal of consideration into the ecological compatibility of our premises. 20 years ago we began equipping all new buildings with cisterns to recycle rain water. This single measure allowed us to reduce water consumption by more than 25 %. Furthermore roofs are covered with extensive vegetation which made it possible to convert these usually unused areas into biotopes for various animals and plants. We have taken advantage of geothermal energy for more than a decade by installing heat pumps to efficiently heat and cool our facilities while preserving natural resources. We explicitly added sustainability to the list of criteria in the search of a new caterer. The main focus was set on using regional and fresh products. For this reason we purchase fish exclusively from certified suppliers and meat only from controlled livestock farms. Dishes are prepared without additives and primarily organic products. A chief attraction in the new restaurant – we process "culinary misfits". This means fruit and vegetables which do not meet visual standards and are usually thrown out.

The new industrial dishwasher is equipped with an integrated heat pump, for which we received public subsidies from the Federal Ministry Project "Promotion of measures to utilize renewable energy on the heat market". Hereby we support the German government's goal to increase the use of renewable energy in terms of heat and refrigeration up to 14 % until 2020. The savings obtained by this system are 12.2 kW/h in comparison to a conventional industrial machine of the same size.

The company restaurant uses a disposal system for wet waste which includes a grease separator. These investments pay for themselves in a number of ways – we save the costs for disposal transport and storage and simultaneously gain renewable energy through the recycling process. Moreover this method is particularly hygienic and odor-free. According to the manufacturer up to 20 m<sup>3</sup> of biomass can be used for production of energy in the biogas plant and the  $CO_2$  emissions can be reduced by up to 90 %.





#### **Efficient Production**

By investing in more efficient manufacturing equipment and machines we try to minimize consumption. At our location in Sondershausen we have successfully cut gas consumption in half, just, by incorporating heat exchangers into our ventilation systems and upgrading the control systems. Furthermore we installed pollution filters at our manufacturing sites in order to protect the environment and residents near the plant. Our automation solutions have also provided a valuable contribution to energy efficiency. We insulate the facades, roofs and windows with high quality insulation to prevent loss of heat energy.

#### Here are a few concrete examples

- 50 % energy savings in the injection-molding shop through use of electrical injection molding machines.
- Decentralized dry air treatment for plastic granulate
- Energy savings through replacement of tempering units in the injection molding process
- Innovative Production Portal for Production Data Acquisition
- Ultra-filtration of process water

## Introduction of Deposit System for Coffee Cups

According to information from DUH (German Environmental Aid) Germans use 2.8 billion disposable coffee cups each year. DUH National Business Manager Jürgen Resch said: "The Production of these cups requires 64.000 tons of wood, 1.5 million liters of water, 11.000 tons of plastic and an energy amount that could provide a small town with electricity for an entire year."

These figures were reason enough for us to revise our cup system. In order to avoid more waste, WAGO provided manufacturing workers with reusable KeepCups at all German locations free of charge. Additionally the Minden restaurant offers No-Waste-Cups which consist of renewable materials in case you want your beverage to-go. With this solution we made disposable coffee cups obsolete.

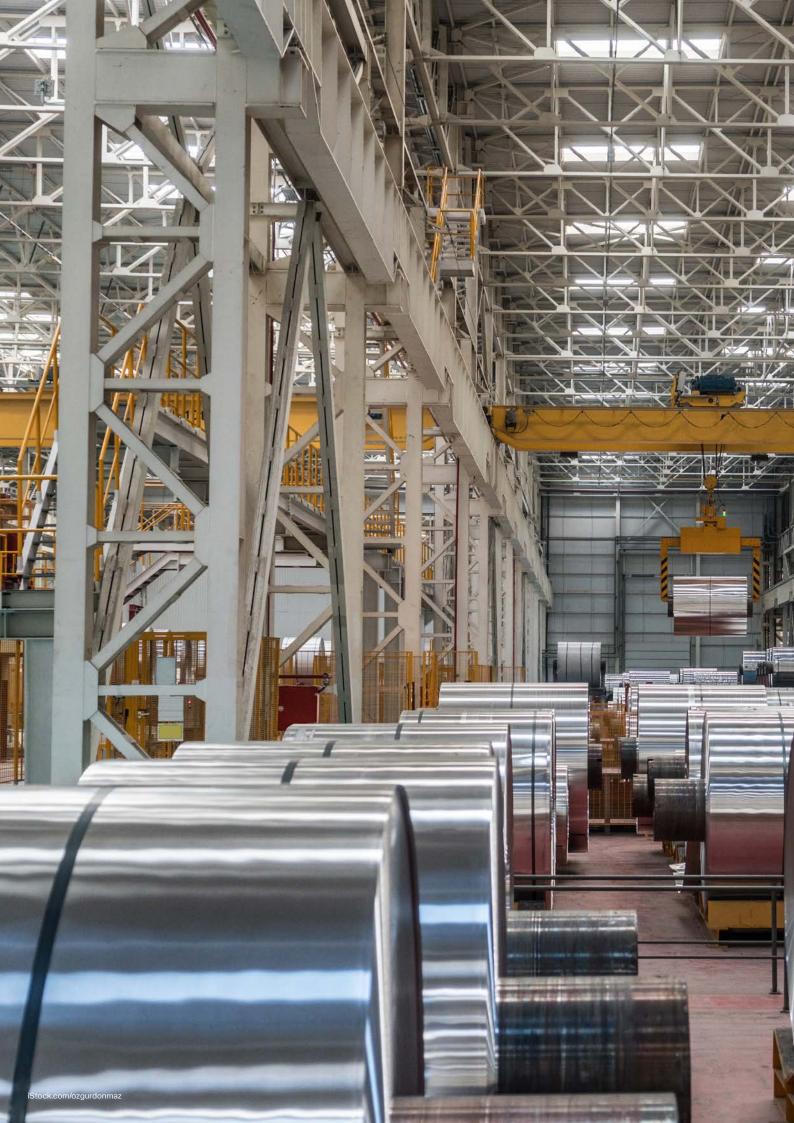


## **CEOs Pro Recyclingpapier** - Initiative für Ressourcenschutz

#### **Conversion to Recycled Paper**

We are constantly trying to integrate environmental friendlier alternatives into our daily office routine. This is why we are partner to the "CEO Pro Recycling Paper" initiative. In 2016 we began to successively replace regular office paper with recyclable Blue Angel certified paper. The sole exchange of DIN A4 office paper in Minden and Sondershausen resulted in savings of approx. 14 tons of wood, 150 liters of water, 31 mWh of energy and 800 kilograms of  $CO_2$  emissions. Furthermore we are motivating our subsidiaries to follow our example.

In addition, we exclusively use toner from a manufacturer who compensates for the  $CO_2$  emissions resulting from the printing process, by supporting projects in Africa. The combination of recycled paper and  $CO_2$  neutral toner makes printing very resource-efficient for us. Within a period of only one year, the use of these toners made it possible for use to compensate for 13.08 tons of  $CO_2$ .

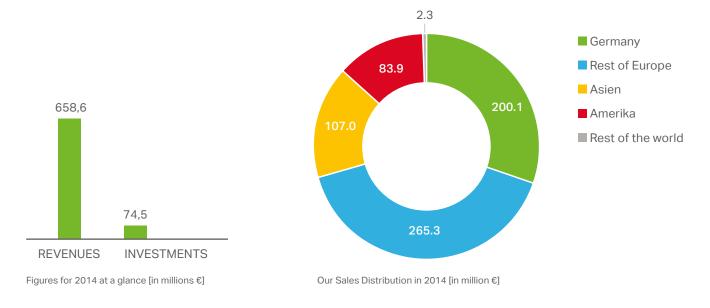


# RESPONSIBILITY IN SUPPLY CHAIN

Social responsibility does not stop with our employees, society and the environment. There are a lot of things to consider within the supply chain and how we engage economic activity in a responsible way. Setting and passing on consistent social and ecological corporate standards, establishing measures which comply with rules, maintaining fair business relationships and keeping up a high quality self demand are all part of this responsibility.

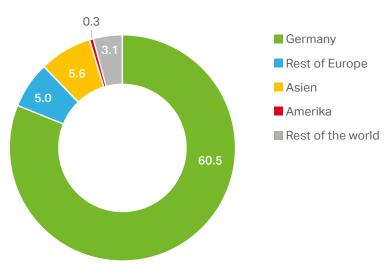
## Our Market Situation in Figures

In this chapter we would like to give you an overview of our market situation. Our turnover and investment figures regarding the financial year 2015 have not yet been published in the Federal Bulletin and therefore all figures refer to 2014. Approximately 30 % of 658.6€ million total turnover is generated by Germany, 40 % by the rest of Europe, 16 % by Asia and 13 % by the United States of America. The rest of the world generated 0.4 % turnover.



In 2014 approximately 70 % of 85 € million total investments were placed in Germany, 19 % in the rest of Europe, 7 % in Asia, 0.3 % in the United

States of America and 4 % were invested in other parts of the world.



Distribution of investments in 2014 [in million €]

#### **Supplier Management**

As an internationally operating and expanding company with a high product variety, our supply chain keeps growing ever more complex. In this chain we assume the role as a manufacturer of electrical components and devices distributed B-2-B which are only conditionally recognized by end consumers as WAGO-Products. We work together with a wide number of suppliers and consumers. A trustworthy relationship with our suppliers is essential in order to ensure observance of legal regulations and social standards. For many years we have performed and evaluated supplier surveys on the subject of "Environmental Management", "Conformity with REACH/RoHS" and "Labor Protection Management". Suppliers who do not satisfy our expectations completely are reevaluated annually. Since this year we include the "CSR" topic in our survey. We ask of our suppliers to evaluate and verify the priority of sustainability in their company by giving us concrete examples. In addition we demand compliance with our Code of Conduct throughout the entire supply chain.



#### **Fair Competition**

In the areas compliance and anticorruption we have predominantly been working with our code of conduct as a company guideline, the group policy and sensitizing measures in form of providing information and training courses. As a preventive measure for the future, we want to additionally support these areas.

We always seek to make a professional but still personal impression on our customers and business partners. This is reflected by our company's Code of Conduct. Furthermore we foster integrity and honesty in training courses and are currently working on correlating compliance processes. Our intention is to preventatively address topics such as corruption and simultaneously shape our corporate structure. Serving as basis is the top-level-commitment of our management which demands and supports relating measures.

Our legal department and several other departments primarily analyze the legal guidelines and the conclusions drawn from them in order to ensure compliance with the law, while csr management sensitizes employees and does framework on general conditions in the company. We are approach this goal by taking a "holistic view". For us this means the entirety of active measures taken by the company which are necessary to uphold internal and external rules as well as our corporate- and societies values. In order to be sustainable one hast to depend on the employees acceptance and self commitment functioning as a pillar for holistic compliance.

iStock.com/macrovector



## **Our Quality Promise**

The quality of our products is another significant aspect when it comes to sustainability. We can only ensure durability and safety through high product quality. Endurance tests have proven that even after 35 years our maintenance-free terminal blocks "don't let loose". Our quality management system is certified according to DIN ISO 9001:2008 and IRIS (International Railway Industry Standard). This is why our business processes are designed to prevent errors and nonconformance's even during the product planning process. All WAGO products are likewise subjected to comprehensive testing and intensive examination. Automation components, for example, are tested according normative requirements and increased in-house regulations in our company's own electro-technical lab, accredited in line with DIN EN ISO/IEC 17025.



# SOCIAL COMMITMENT

Our commitment is not limited to our core business. We sincerely care about the surrounding regions in which we do business. In the past this has resulted in cooperation agreements contributing to preservation and promotion of regional structures. We intend to continue these efforts. In the aspect of society the most important topics to us are the promotion of regional infrastructure, mutual interaction with society and the molding opportunities we have through networks and cooperation.

WAGO Singapore collects for Initiative Lions Befrienders

## Examples from Germany

#### Minden

Our company's headquarter is deeply rooted in the community. This can be explained by the tradition of our family-owned company and is greatly impacted by the personal commitment of our partners and business managers. A very topical project is the "Refugee Partners Minden" network, which WAGO helped to establish. Companies, service clubs and educational partners have combined to support projects to help integrate our new fellow citizens. The intention is to help the city meet this challenge.

WAGO Minden is also committed to supporting the upcoming generation. For example, we sup-

port the Dandelion Nursery School (see Chapter Work Life Balance). In collaboration with regional high schools and colleges we also organize regular events for promotion of upcoming technicians and for orientation in selecting a profession. For example, we have an annual Occupational Training Day on which we provide a glimpse inside our company and the various training and educational profiles available. As before mentioned we established the WAGO Foundation and work in cooperation with a local organization in order to give more adolescents a chance to begin an apprenticeship.

> Founding members of "Refugee Partners Minden" with WAGO Business Manager Axel Börner





At the end of 2016 the City Minden was awarded for their Digitalization Project. A regional Savings Banks Association awarded the city the Tourism-Innovation Prize for combining W-Lan, the Beacon-Mile App, a Digital Market Place and QR-Codes. WAGO supported this project very actively. "Digital Minden" provides a big opportunity for city marketing, and city development: http://www.minden-erleben.de/tourismus/index. php/de/digitales-minden

We also promote construction/restoration projects and cultural projects in Minden, such as the Cultural Summer Stage and various educational initiatives. Additionally we support regional associations by donating to their cause.

#### Sondershausen

In Sondershausen our employees and works council organize an "Open house day" and use the opportunity to collect donations for regional institutions. In the past, the proceeds collected were doubled by the management and donated to the Middle German Children's Hospice and the Düne Family Center. In Sondershausen we also participate in the "Clean City" campaign and actively integrate our trainees in environmental protection. This entails our trainees assembling and cleaning up the surrounding area by removing all waste and trash. Additionally our trainees were awarded by a regional Energy Transition Initiative as best Energy Scout Team for their presentation about energy recovery when manufacturing plastics.

> In Sondershausen our employees and vorks council organize an "Open house day" and use the opportunity to collect donations for regional institutions.





The donated presents in a shoe box are given to < children in Eastern Europe, giving them a gift of joy for the holiday season.

Thanks to several particularly dedicated employees at our Sondershausen location we have also been participating in the "Christmas in a shoe box" gift campaign for children in need since 2009. The donated presents in a shoe box are given to children in Eastern Europe, giving them a gift of joy for the holiday season. Our employees also participate regularly in blood donation drives and bone marrow donor registration campaigns. As in Minden, we place great value at the location in Sondershausen on supporting youth in selecting an occupation and provide insights into technical fields. We therefore sponsor events coordinated with the schools at regular intervals.



## International Examples

Here are some selected examples from international locations:

We make every attempt to support the surrounding community at our international locations. As does Germany, Switzerland has a National Future Day, on which we too open our doors to the next generation of employees. The project focuses on helping boys and girls changing their perspectives in order to support non traditional career choices. We also place great importance in cooperating with surrounding schools and companies which employ apprentices, host events and sponsor selected regional projects.

On December 26, 2016 WAGO China officially founded a community service non-profit association. The goal was to stand up for others and give something back to the community. Furthermore employees visit nursing homes, social homes and support schools and nursery schools after work. By doing so the company wants to show compassion and serve the community. Prior to that WAGO China had initiated several social projects such as donating clothes to poor regions and collect donations for people affected by the "Tianjin Tanggu Explosion". Our employees at our location in the USA are very dedicated to social causes. They support the "Adopt a Family" program, the "Salvation Army" and "American Cancer Society" in their efforts to promote social equality. Since children represent our future we place their well being above all. Furthermore for three times last year WAGO Germantown hosted the blood drive in cooperation with the Blood Center of Wisconsin. More than 35 employees regularly participate and donate for a good cause that will potentially save 51 lives.

At our location in France, comprehensive networking and promotion of the future technicians plays an important role. We are the motivator and technical consultant for school books and our automation experts serve as lecturers at the university. Our employees also get involved outside the technical field. A good example for this is participation in Marathons to raise donations for children with handicaps.

## Networks with Social Orientation

Social commitment is a subject that thrives on being made public. We have now come to maintain networks as a source of inspiration and to propagate ideas. The table below lists some of our valuable partners and describes the type of cooperation intended to increase social responsibility. For purposes of clarity, we make no claim to completeness.

Name	Description
CSR Competency Center NRW	The GILDE Economic Foundation is the CSR Competency Center for the German State of North Rhine/Westphalia; we use the facilities offered by the CSR Competency Center and cooperating partners, such as the local Chambers of Commerce, for regional networking.
Deutscher Kinderschutzbund e. V. [German League for Protection of Chil- dren]	Cooperation partners for our WAGO Family Program
Deutsches Netzwerk Wirtschaftsethik DNW [German Business Ethics Network]	German Representation of the "European Business Ethics Network" (EBEN); We use this as a source of inspiration and means for networ- king.
EICCoalition	The central association of electronic companies in regard to sus- tainability and CSR, source of inspiration.
Success factor family – corporate network	We are a member in this corporate network, which provides a plat- form for topics on family-conscious personnel policies.
Flüchtlingspartner Minden [Minden Refugee Partnership]	Integration initiative of local companies, service clubs and educati- on partners.
Fokus Nachhaltigkeit [Focus on Sustainability]	WAGO as source of inspiration and project partner for this three year research project.
Chamber of Commerce and Industry OWL	The Chamber of Commerce offers a variety of opportunities in the area of CSR; in 2015 we subscribed to the Charta for "Corporate Social Commitment".
Papiernetz – CEOs Pro Recyclingpapier [Paper Network – CEOs for Recycled Paper]	WAGO Germany participates in the initiative for use of recycled paper and implemented the changeover itself in 2016.
UN Global Compact	UN initiative for support of responsible business activity WAGO has subscribed to the 10 principles.
zdi Zukunft durch Innovation [Future Through Innovation]	Cooperation partner; Cooperative offensive for support of young MINT employees.



# OUR CSR OBJECTIVES

Together we are working on general framework for a responsible and sustainable company management. In order to further strengthen the subject we have different topics on our agenda we want to support in the future. We predominantly focus on the qualitative aspect. Quantitative objectives certain departments pursue are not being further mentioned at this point. (For example: environmental management objectives).

Goal	Description
Reporting	We are working on transparency regarding reporting in compliance with CSR-Reporting Guidelines. The focus lies on elaborating an adequate basis of key performance indicators. These indicators will continue to be based on the German Sustainability Code with GRI G4 indicators. Additionally we will continue to further improve topics like our ecological performance evaluation. You can find further information in the Sustainability Code Compliance Statement.
Voluntary Commitment	In the area of "social responsibility" we intend to focus more on the topic of Corporate Volunteering in the next few years and create more incentives for our employees to become involved in voluntary work in their region.
Participation	Besides the current possibilities (e. g. intranet, questions to manage- ment, previous surveys) to participate, for the future we want to give our employees the opportunity to place their ideas and suggestions on a companywide platform including regular employee surveys about CSR and sustainability and an additional anonymous reporting platform.
Training and Information	We intend to continuously sensitize our employees to social responsibility using web-based courses as well as actual classroom training and work- shops on these topics.
Responsibilities in the Supply Chain	A further focal point is the fostering of Responsibilities in the Supply Chain. This includes, for example, our code of conduct as well as other internal policies which are yet to be prepared to support responsible action on the part of our employees. We intend to anchor this subject more deeply within the entire company.



# CLOSING REMARKS

We hope the previous pages have provided you an insight into our company. We believe that WAGO has offered a number of valuable contributions to a functioning society over the past decades. Sustainability and social responsibility have always been important values of ours. We care for our employees, the environment and our professional and social relationships. We are aware that there is still room for improvement in all areas and that this is an ongoing process. This ensures that we continuously develop our full potential.

We would like to thank all contributors, our business partners and above all our employees – without their commitment and support we would certainly have less to report.

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