



## RESPONSIBILITY REPORT 2019

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# THE 10 PRINCIPLES OF THE UN GLOBAL COMPACT



**Global Compact**  
Network Switzerland

## PROGRESS REPORT 2019

### 1. DECLARATION OF SUPPORT FROM GROUP MANAGEMENT

Interroll sets new standards worldwide with its material flow solutions. We help to responsibly shape new connections between the physical and the digital world. Our principles make it easier for our customers and our employees to act responsibly in a complex environment on a daily basis. We combine business success with an awareness of sustainability, the environment and social responsibility in both the short and long term.

#### **Sustainability principles**

- We act sustainably and are focused on long-term business success. We strive to find an appropriate balance between environmental awareness, social responsibility and economic success.
- We require our business partners and suppliers to comply with minimum standards.
- We require our managers and employees to adhere to our Code of Conduct.

Our strategies and activities are based on universal principles of human rights, working standards, environmental protection and anti-corruption. We also strive to drive forward social goals.

By joining the UN Global Compact in November 2016, we stated our global dedication for the first time and committed to the transparent documentation of our progress in the stated areas.

Our third progress report for the 2019 financial year presents the most significant measures and successes of our continuing engagement in accordance with the 10 principles of the UN Global Compact. In doing so, we underline the importance of social responsibility in our business activities.

At the same time, we are also renewing our commitment as a member of the UN Global Compact for another year.

28 February 2020

Interroll Holding AG

**Paul Zumbühl**  
CEO

**Martin Regnet**  
Global PR Manager

## 2. PRESENTATION OF PRACTICAL MEASURES AND MEASUREMENT OF RESULTS IN 2019

### HUMAN RIGHTS

#### Principle 1

Support and respect the protection of internationally proclaimed human rights.

#### Principle 2

Ensure that the company itself is not complicit in human rights abuses.

#### Self-commitment

“Interroll does not tolerate any discrimination, harassment or unfair treatment based on gender, race, disability, ethnic or cultural origin, religion, belief, age or sexual orientation.” This extract from the Interroll Code of Conduct requires the company and its employees to respect human rights and the relevant laws. Interroll’s reputation and the trust of its customers, suppliers, business partners, shareholders and the general public depend heavily on the behaviour of all of its employees.

Interroll expects all suppliers and sub-contractors to adhere to these principles, which reflect Interroll’s company values and play a significant role in the selection and evaluation of suppliers. We also expect our suppliers to respect these standards in the rest of their supply chain.

The relevant guidelines set out in the Supplier Code of Conduct are intended to ensure compliance with all applicable laws, regulations and directives, and guarantee that the processes across Interroll’s supply chain meet certain social, environmental and economic standards.

#### Measures in 2019

1. Global roll-out of a Supplier Code of Conduct
2. Prevention through training
3. Continued implementation and expansion of the Compliance Management System
4. Further training and development

#### Measurement of the results

Re 1: In the selection of new suppliers, adherence to our principles is a necessary requirement for establishment of a business relationship. Existing suppliers are also obliged to comply with the Supplier Code of Conduct. By the end of 2019, we were able to secure this for 95 % of suppliers to our European companies, and we aim to achieve it for all companies worldwide in 2020.

Re 2: In order to ensure that our Code of Conduct continues to be implemented, managers at our Chinese, Danish, French and US companies were given training in the Code of Conduct and compliance regulations in 2019. Further in-depth training will take place in the 2020 financial year.

Re 3: The Interroll Group’s Compliance Management System (CMS) is designed according to the international ISO 19600 Compliance Management Systems standard. The risk-based approach is intended to weight the gravity of possible violations of laws and commitments in relation to the achievement of corporate goals and the negative effect on the reputation of the Group, and to define priorities for action accordingly. A local compliance board became active in Germany in the year under review. Internal training as a compliance manager, including an examination, was carried out with participants from six countries. Readiness checks were carried out by an external compliance expert in Germany, Denmark, France, China and the US, the results of which will be expanded on in the 2020 financial year.

Re 4: Every employee has the right to report violations of the Code of Conduct, the law or an obligation to their manager. An anonymous whistleblower system with letter boxes has been established for this purpose in Germany.

## WORKING STANDARDS

### Principle 3

Uphold the freedom of association and the effective recognition of the right to collective bargaining.

### Principle 4

Strive to eliminate all forms of forced and compulsory labour.

### Principle 5

Promote the effective abolition of child labour.

### Principle 6

Promote the elimination of discrimination in respect of employment and occupation.

### Self-commitment

Interroll's globally applicable Codes of Conduct include basic internationally recognised working standards, such as freedom of association, the elimination of forced labour, the abolition of forced and child labour and a working environment free from discrimination. Interroll and its suppliers do not tolerate any discrimination against employees based on gender, race, disability, ethnic or cultural origin, religion, belief, age or sexual orientation.

### Measures in 2019

1. Global roll-out of a Supplier Code of Conduct
2. Prevention through training
3. Continued implementation and expansion of the Compliance Management System
4. Enhanced cooperation between the Chief Compliance Officer and local compliance managers
5. Measurement of key performance indicators (KPIs)
6. Employee engagement
7. Employee training
8. Working conditions

### Measurement of the results

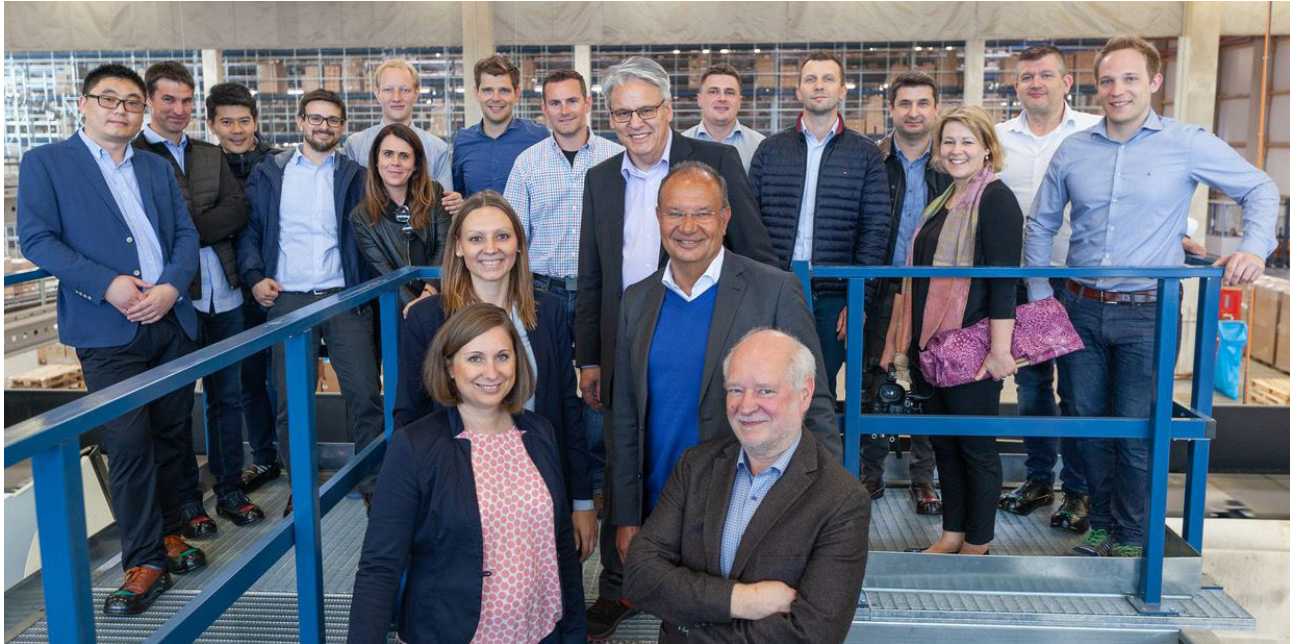
Re 1 to 4: See section on human rights.

Re 5: There were no reported instances of forced or child labour within Interroll or its supply chain in the year under review.

Re 6: The third group-wide employee engagement survey showed very good results in the year under review. Interroll has dedicated staff who are always willing to go the extra mile for the company. The employees also confirmed the quality and customer focus within the group. The next global employee survey will take place in the 2021 financial year to monitor consistency.

Re 7: The Interroll Academy is a major driving force behind knowledge transfer when it comes to material flow. Our strong dedication to the further training and development of our employees and the exchange of knowledge with our customers and partners contributes significantly to the success of our business and the development of our industry.

We are convinced that good training is a prerequisite for a motivated workforce, which is why we train our employees with the aim of imparting technical knowledge that will enable them to provide our customers with valuable support. Participants in our training programmes – who come from all parts of the company – not only become familiar with Interroll products, but also with the applications and issues faced by our customers.



The Interroll Academy is cooperating with the Fraunhofer Institute for Material Flow and Logistics (Dortmund), among others, on the topic of "Management of Material Flow Processes".

Our numerous training and development programmes offer every employee the opportunity to optimally develop and implement their talents. A blended learning format that combines traditional teaching with new, online training methods (e-learning) enables participants to overcome their inner hurdles and also engages eager to learn employees who are not on site. In 2019, new content (e.g. for new product developments) was introduced into the training programme. A further expansion of our range of internal training programmes is planned for 2020.

Re 8: Interroll and its suppliers comply with all the relevant legislation and regulations on working hours and breaks. Overtime is always carried out voluntarily. Employees must receive appropriate remuneration and the applicable national statutory minimum wage.

Interroll and its suppliers ensure workplace safety for all employees and provide a working environment that promotes health, helps prevent accidents and exposes employees to as few health risks as possible.

Interroll has an appropriate health and workplace safety system in place. Employees must receive adequate training in workplace health and safety issues in their native language. Health and safety information must be clearly displayed on site. Interroll expects the same from its suppliers.

In the 2019 financial year, the number of sick days was once again successfully reduced and the number of accident-free days increased, thanks to Interroll's health and workplace safety management. An internal competition was held on this topic with bonuses awarded for the most creative ideas.



## ENVIRONMENT AND CLIMATE

### Principle 7

Support a precautionary approach to environmental challenges.

### Principle 8

Undertake initiatives to promote greater environmental responsibility.

### Principle 9

Encourage the development and dissemination of environmentally friendly technology.

### Self-commitment

A responsible approach to resources and environmental and climate protection are key elements of corporate responsibility and thus a central strand of Interroll's strategy.

Our foundational principle "Inspired by efficiency" refers not only to the advantages our customers expect from Interroll solutions. Companies can also increase their profits with Interroll's products and solutions, minimise their ecological impact and ensure sustainable growth. Our resource efficiency is also an important factor at Interroll. The correct approach to resources is the most important requirement in maintenance of our leading market position in terms of technology and innovation – which in turn also benefits our customers.

### Measures in 2019

1. Global roll-out of a Supplier Code of Conduct
2. Prevention through training
3. Continued implementation and expansion of the Compliance Management System
4. Enhanced cooperation between the Chief Compliance Officer and local officers
5. Measurement of key performance indicators (KPIs)

### Measurement of the results

Re 1 to 4: See section on human rights.

Re 5: Following our first recording of KPIs in the 2017 financial year, we established further targets for 2019. The aim was a group-wide reduction in paper use of 10% and the introduction of other "paperless" projects. A further 10% reduction is planned for 2020.



Interroll products and solutions enable customers to increase their profits. They reduce their ecological footprint and ensure sustainable growth.

## PREVENTION OF CORRUPTION

### Principle 10

Work against corruption in all its forms, including extortion and bribery.

#### Self-commitment

We want to counteract potential violations of regulations in advance by sensitising and raising awareness among our employees. Comprehensive on-site and e-learning training programmes educate our employees on topics such as “Competition law” and “Gifts, invitations and conflicts of interest”.

The anti-bribery guidelines introduced in 2016 are designed to establish control mechanisms to ensure compliance with all relevant anti-bribery and anti-

corruption regulations, and to ensure that the company carries out its business in a socially responsible manner. Bribery is considered any offer, promise, provision, acceptance or demand of an advantage in return for an illegal action or breach of trust. This includes acceptance of donations of material value in exchange for a trade, contractual, administrative or personal advantage. We carry out our business honestly and ethically in accordance with our Code of Conduct.

We have a zero-tolerance policy when it comes to bribery and corruption. We undertake to act professionally, fairly and with integrity in all our business relationships, and to introduce, implement and enforce effective mechanisms to combat bribery.

#### Measures in 2019

1. Global roll-out of a Supplier Code of Conduct
2. Prevention through training
3. Continued implementation and expansion of the Compliance Management System
4. Enhanced cooperation between the Chief Compliance Officer and local compliance managers
5. Monitoring of anti-bribery guidelines

#### Measurement of the results

Re 1 to 4: See section on human rights.

Re 5: There were no reported instances of corruption, extortion or bribery within Interroll or its supply chain in the year under review.



Interroll is heavily involved in industry associations. In 2019, as part of the “Robotics 4 Retail” initiative of the EHI Retail Institute, a pioneering workshop on “Conveyor Technology in the Supermarket of the Future” was held at the Interroll Academy.



**Interroll Holding AG**

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