SUSTAINABILITY REPORT 2019 CHALLENGES









Dear Readers,

pandemic.

However, we must not lose sight of our long-term goals in light of current events. Sustainability will continue to be an important part of our strategy for the next five years. We have responded to the resulting challenges by intensifying our activities in this area over the past two years - among other things by establishing a special reporting tool that is currently being rolled out worldwide. We have also responded in organizational terms by creating the position of Corporate Sustainability Officer.

With this Sustainability Report, which covers the period from 2018 to 2019, we are specifically documenting the progress we have made in recent years with regard to sustainability. We are well aware that there is still a long way to go before we can fully meet the standards we have set for ourselves, but we are optimistic that we will succeed.

It is already clear that the efforts we have made in recent years are bearing fruit and are being increasingly integrated by our employees into their daily work.

Best regards,

ikolaus Külps CEO/Schnellecke Group

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WE ARE OPEN TO NEW THINGS,

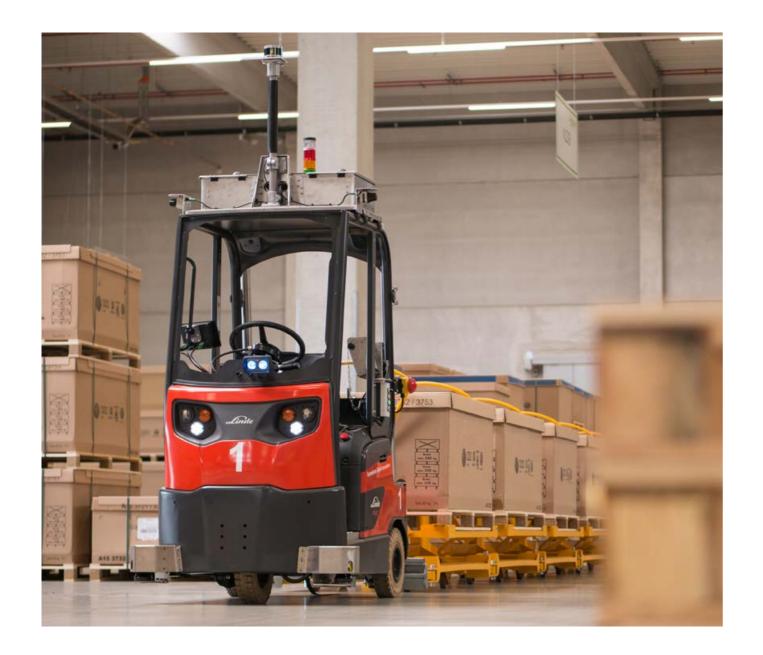
create using innovative ideas, take on new challenges, deal with mistakes openly and learn from them.

For a globally operating company, especially in the field of logistics, new challenges are part of everyday business. We have been experiencing this all too clearly in this year of the

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VALUE-ADDED LOGISTICS AND PRODUCTION FOR THE AUTOMOTIVE SECTOR AND OTHER INDUSTRIES

The Schnellecke Group is one of the world's leading logistics service providers in the automotive sector.



chnellecke offers all services for efficient supply and value-added chains, and is the reliable partner of its customers for complex logistics, production and transportation tasks. We develop tailored concepts for our customers to increase their efficiency and ensure process reliability.

Supply chain management across countries and continents is the strength of the Schnellecke Group. At our more than 70 company-owned sites in Europe, North and Central America, Africa and Asia, we control and optimize supply flows, assemble according to requirements, take over the assembly of components, as well as the pre-assembly and finishing of entire assemblies, and deliver just-in-time and just-in-sequence to our customers' production lines.

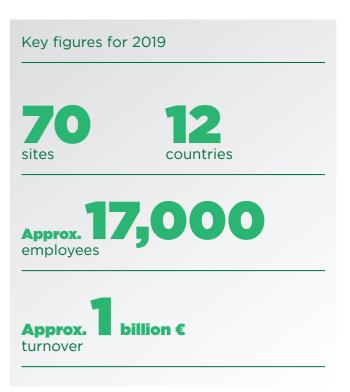
The basis of our activities is the holistic view of all goods flows and logistics processes, from procurement, through the various stages of production, to the distribution of the finished goods. Depending on their specific requirements, we integrate the most diverse functions into our customers' value-added chains.

Our Logistics and Transport divisions cover a wide range of seamlessly interconnecting services. This offer is complemented by the business units Production and Real Estate.

Innovation: a driving force of our development

RFID, Google Glass, laser picking, Internet of Things (IoT), software development – all of these are used today at Schnellecke, whether for component assembly, warehousing or inventory. Today, successful logistics and production are no longer conceivable without innovation. Service providers are under constant quality and cost pressure, and this can only be mastered by employing new technologies.

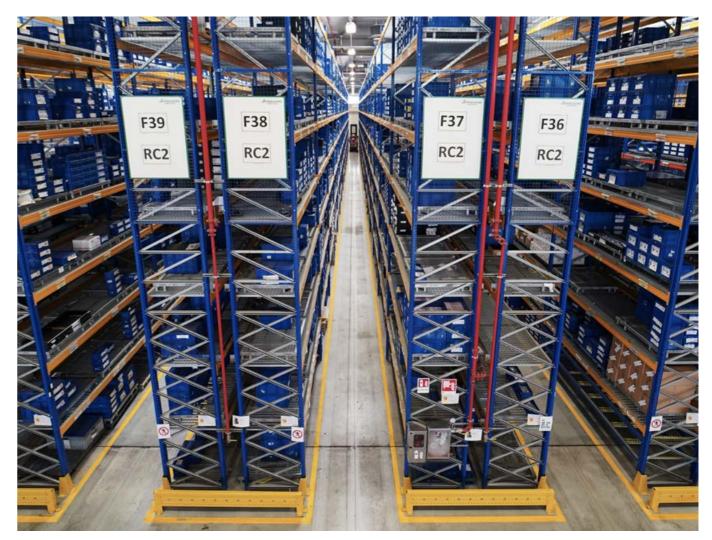
At the same time, we see the opportunities that the use of digital technologies offers for the protection of the environment and the people who work for us.



THE ENTIRE LOGISTICS SPECTRUM

The continuous optimization of the value-added chain is an essential factor in order to successfully compete in the global market. To achieve this, companies need a partner who can plan, control and implement an optimal material flow.

Warehousing, sequencing, component assembly, packaging logistics, transport and production – Schnellecke offers its customers the entire logistics spectrum. Worldwide.



Reliable production supply

In supply logistics, Schnellecke has been the strong partner of numerous international companies for many years. We use our innovative strength and experience to optimize our customers' supply chains and ensure optimal and secure processes. Our services include material supply with vendor parts and modules, warehouse management and order picking, sequencing, JIT/JIS transports, line feeding, container and empties management, as well as the entire material flow management.

Packaging and shipping

The packaging of automotive parts in consignment sizes for transport to production plants overseas and the complex spare parts logistics, including the complete shipping organization and the necessary IT processing, are another of Schnellecke's core competences. Through our worldwide infrastructure and presence at the recipient plants, we offer a continuous supply chain without interfaces. More than one million cubic meters of automotive parts are packaged and shipped annually at sites in Germany, Spain and India.

Sequencing and picking

The delivery of individual parts in sync with production is becoming increasingly important in the supply industry. We sequence parts and assemblies for more than forty tier 1 suppliers and seven automobile manufacturers at our multi-JIS centers near the plants using state-of-the-art picking systems and then deliver them to the point of assembly on the production line.

Assemblies

Component assembly is playing an increasingly important role in the supply chain of industry. In this field, Schnellecke has developed unique selling points. In our multi-JIS supply centers in close proximity to our customers, individual parts are assembled into complete modules. We are a respected system partner for many major manufacturers who takes on full responsibility for the development of the assembly and delivery process, reliably assembles components worldwide, and delivers them just-in-sequence to the production lines.

Welded assemblies and car body assemblies

Specialized knowledge is required for welded assemblies. Whether simple connecting parts or complex body assemblies such as complete exhaust systems – we are also the competent partner of the automotive industry for welded assemblies. Responsible for this business area is KWD Automotive AG & Co. KG. The company has been part of the Schnellecke Group since 1994. One of the main focuses of KWD is also lightweight construction. Production-proven solutions in aluminum, steel and composite materials support our customers in reducing the weight of essential structural parts in vehicle construction.



Spare parts logistics

Our well-developed and customized spare parts logistics ensure parts availability, short delivery times, and process stability for our customers. Among other things, we are the one-stop service provider for warehouse management, inventory management, repackaging in retail-specific packaging, shipping of empties, and kitting.

Planning, construction and management of logistics properties

Schnellecke Real Estate is the business division of Schnellecke that specializes in the planning, construction, furnishing, and management of logistics real estate. Currently, more than two million square meters of warehouse space are managed worldwide. One of the strengths of Schnellecke Real Estate is the customized modification of the infrastructure to meet individual requirements. The company develops and builds not only for Schnellecke, but also for other customers.

NATURE

The protection of our natural environment and the careful use of resources are topics we are intensively engaged in. Within the limits set for us, we strive to minimize energy consumption and environmental pollution and to increase the use of renewable energies.



There will be a meadow orchard especially for bees next to our new logistics center in Warmenau.



THINKING ABOUT THE FUTURE

SCHNELLECKE REAL ESTATE COMPLETES LOGISTICS CENTER IN WARMENAU ON SCHEDULE AND ACCORDING TO GOLD STANDARD



Despite the corona pandemic, Schnellecke was able to hand over a new logistics center to Volkswagen in August on schedule. It was planned and built by Schnellecke Real Estate, the real estate specialists of the Schnellecke Group. The managing directors: Ludwig Büttenbender (left) and Carsten Sievers olkswagen is pursuing the goal of bringing its warehouses, which are scattered throughout the city of Wolfsburg, as close as possible to its production facilities in order to further reduce the environmental impact of truck traffic and to cut costs.

So it was a good thing that Schnellecke owns a plot of land in the Warmenau district of Wolfsburg, close to the factory. It was quickly agreed: Schnellecke would build a logistics center there, and VW would then lease it.

"That sounds easier than it is," says Ludwig Büttenbender, Managing Director of Schnellecke Real Estate (SRE). "The layout of the plot of land was not exactly ideal, and Volkswagen naturally had specific requirements. A lot of time was spent on the preparatory planning."

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Sustainable logistics planning

Büttenbender and his co-managing director Carsten Sievers sat down with colleagues from Business Development at Schnellecke Logistics. "They are the absolute experts; they do this every day," says Sievers. The planning was based on the logistics requirements. Where should the external warehouse be located? What are the transport routes? Where does waste intersect? "That sounds trivial, but if this is done a hundred times a day for ten years, every wrongly planned meter is money wasted," says Büttenbender.

Not only was the planning done according to VW's requirements, but also projected into the future. VW wanted 70 parking spaces at ground level for cars. SRE planned the area in such a way that a parking facility for a total 10 | 11

of 170 vehicles could be built there if there was an additional demand.

This is just one example of what Büttenbender and Sievers understand by sustainable logistics planning. The office space of 800 sqm was put on the second floor over the gates so that an additional 400 sqm could be added as need grows without reducing the logistics area.

Even though VW does not want a suspended ceiling at present, anchor heads have been installed in one part of the hall. The roof

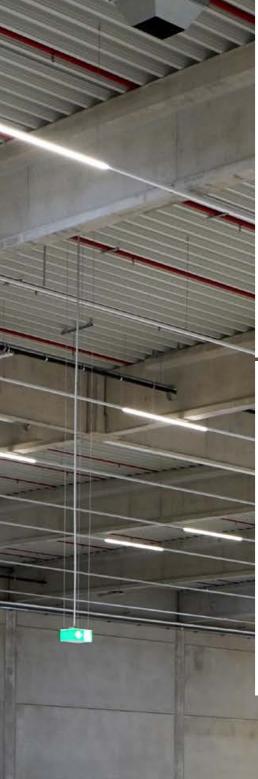
Every wrongly planned meter is a waste of money

was designed in such a way that insulation and statics allow the future installation of a photovoltaic system.

Ecology and aesthetics

However, it is not only SRE's planning that is sustainable, the property itself is also sustainable. Less sustainable materials were replaced by ecologically more sustainable ones. The low-energy construction is gold-certified by the German Sustainable Building Council (DGNB), rainwater is used to irrigate the property, a consistently low-consumption LED lighting system controlled by motion detectors was installed both inside and outside, and the outdoor facilities will be landscaped in an ecologically sound manner.

"In addition to the technical and ecological properties, one should not forget the aesthetics," emphasizes Sievers. "A logistics building will never win an architecture award, but that doesn't mean it has to be ugly." This is proven by the use of color and design patterns in the façade design in Warmenau.



Warehouse Management by Schnellecke

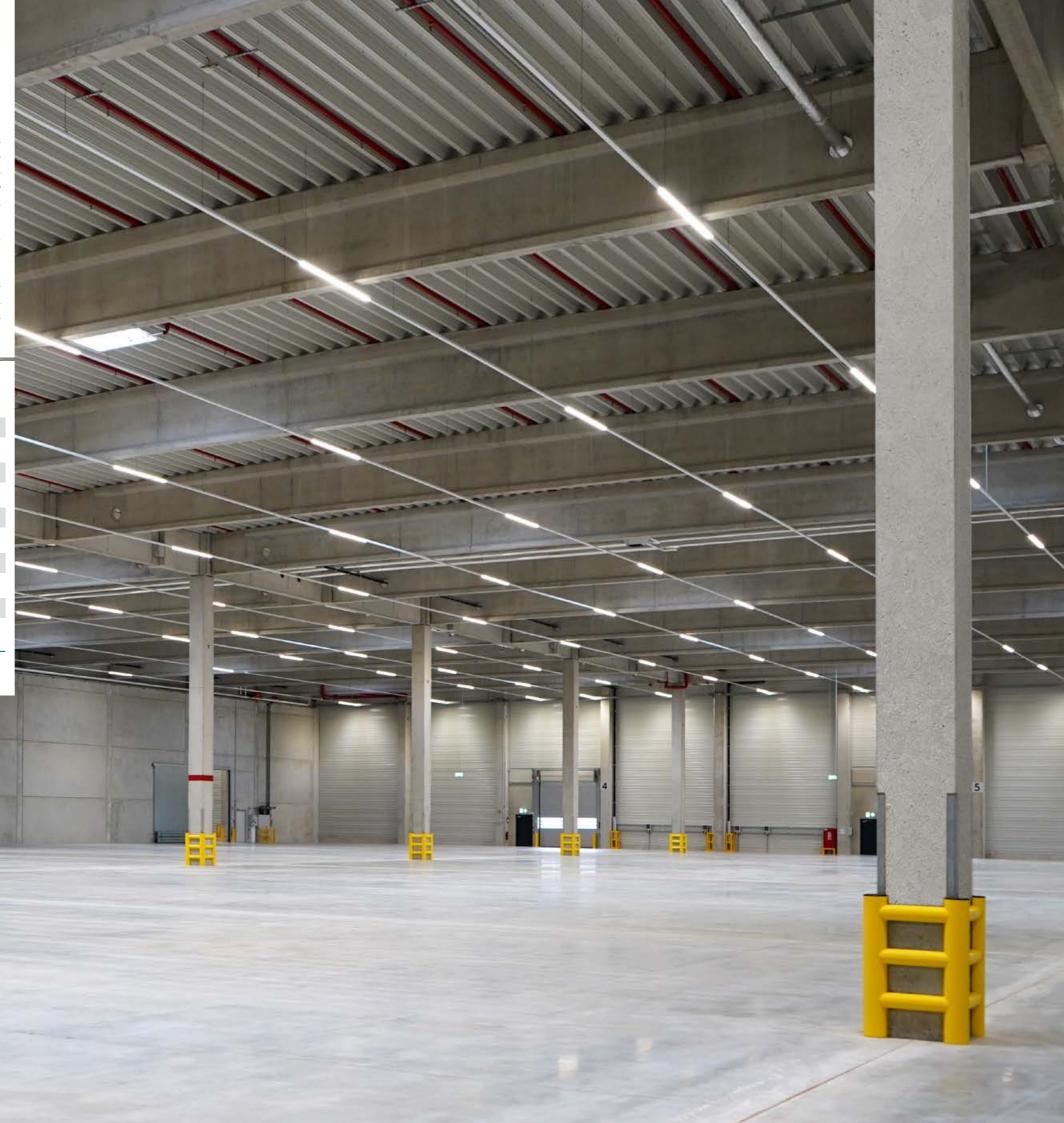
Volkswagen now has a building that meets all the company's requirements and is also flexibly equipped for the future should demands change. "This is a good example of our philosophy," concludes Büttenbender. "We develop tailor-made solutions for our customers, which, if necessary, can later be adapted with a manageable amount of effort".

The management of the new logistics center is also in the hands of Schnellecke. In a parallel call for tenders by VW, Schnellecke Logistics was able to prevail over its competitors.

KEY FIGURES

Hall area:	30,000 m ²
Of which, office and	
social areas:	1,000 m ²
Hall clear height:	10.50 m
Hall grid:	30 x 18 m
Outside warehouse:	7,500 m ²
Of which, roofed:	5,000 m ²
Truck parking spaces:	15
Car parking spaces:	70

COMPLETION DATE: 05 AUGUST 2020



ENVIRONMENTAL MANAGEMENT SYSTEM ACCORDING TO ISO 14001:2015

ur Environmental Management System is part of the Integrated Management System (IMS) of the Schnellecke Group. Our IMS manual defines and regulates the areas of application and central requirements for all companies and employees of the Group. Environmental goals are supplemented at the sites by local goals and programs.

Environmental aspects are identified and potential risks assessed at the earliest possible stage as part of project management.

Energy audits in accordance with the requirements of DIN EN 16247 (EDL-G) were carried out at all German sites of the Schnellecke Group that are not SMEs. Appropriate measures are being implemented at the Schnellecke Group's EU sites in accordance with the respective national legislation.



ENERGY MANAGEMENT SYSTEM FOR THE CONSERVATION OF RESOURCES

strategic goal of the Schnellecke Group is the systematic recording and analysis of energy use in all companies of the group. For this purpose, we record the types of energy (for example, electricity, gas, oil, district heating, etc.) at all sites and analyze

At Schnellecke, we consider all environmentally relevant aspects of our business activities, for example

- controlled and uncontrolled emissions into the atmosphere
- controlled and uncontrolled water contamination
- Waste generation and management
- Analysis of raw, auxiliary and operating materials

However, as a contract logistics company with limited duration contracts there are certain limits, since we do not primarily provide our services on our own premises but in rented buildings or buildings provided to us by the customers.

When selecting suppliers, we evaluate not only the qualitative suitability but also the environmental compatibility of the products to be procured (raw materials, supplies, chemicals). If the suitability is the same and them with regard to the operational use of energy. Key energy figures are defined to identify energy saving potential. This identified energy saving potential is documented and implemented at each site with measures to minimize energy consumption.etzt.

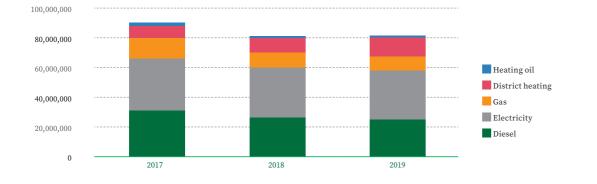
- Handling of environmentally relevant materials
 Contamination of soil
 Consumption of land, water and energy in all forms
- Noise, dust, vibrations and optical effects on the environment

the price is economically justifiable, the requirement is to choose the more environmentally friendly variant and thus further reduce the impact of a given site on the environment.

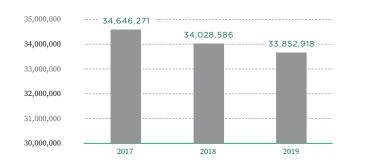
In the area of waste produced, we attach importance to a continuous reduction of waste quantities. The amount, method of disposal, and the associated costs of operational wastes have to be recorded in the annual report and assessed regularly.

ENERGY CONSUMPTION OF THE SCHNELLECKE GROUP IN GERMANY

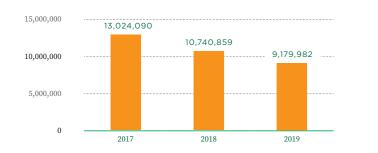
Total energy consumption (in kWh)



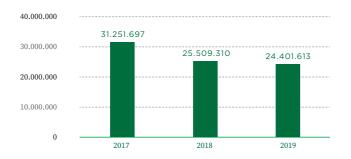
Power consumption (in kWh)



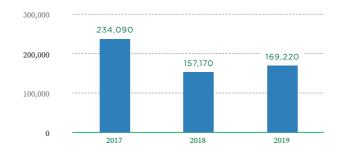
Gas consumption (in kWh)



Diesel consumption (in kWh)



Heating oil consumption (in kWh)



District heating consumption (in kWh)



$\rm CO_{2}$ EMISSIONS OF THE SCHNELLECKE GROUP IN GERMANY

CO₂ emissions

	Electricity	Heating oil	Gas	District heating	Diesel
CO ₂ emissions 2019 (tons)	10,710.72	47.38	2.279,67	3,441.61	6,485.59
CO ₂ emissions 2019 (total)			22,964.97t		
CO ₂ emissions 2018 (tons)	10,787.43	44.00	2.699,31	2,621.88	6,886.42
CO ₂ emissions 2018 (total)			23,039.04t		
CO ₂ emissions 2017 (tons)	16,924.46	74.67	7,215.35	8,437.96	803.84
CO ₂ emissions 2017 (total)			33,456.28t		

CO₂ emissions Transport

	Company/Site	Data collection for truck	fleet km	Reduc- tion (%)	Total diesel consump- tion of		Fleet consump- tion (I/100	reduc-	GHG emission	ns (kg CO ₂)	Reductio emissions k	on of GHG g CO ₂ (%)
		fleet		(,,,,,	the fleet (liters)	(70)	km)	(%)	${\sf EN}_{\sf ttw}$	EN wtw	EN_{TTW}	EN wtw
	STL, Brunswick *	2019	1,351,356	+3.57	435,306	+6.05	32,21	+2.39	1,083,912	1,371,214	+6.05	+6.05
	Truck fleet	2018	1,304,733		410,486		31,46		1,022,110	1,293,031		
S		2017	1,717,728	-24.04	520,523	-21.14	30,30	+3.82	1,296,102	1,639,647	-21.14	-21.14
Ise B	STL, Brunswick **	2019	21,046	-17.17	49,430	-13.75	0,00	0.00	123,081	155,705	-13.75	-13.75
ehot	Forklifts	2018	25,408		57,311		0,00		142,704	180,530		
War		2017	25,525	-0.46	61,524	-6.85	0,00	0.00	153,195	193,801	-6.85	-6.85
Satra ZW/Bratislava/Warehouse	Satra, Zwickau*	2019	3,135,193	-12.72	943,173	-14.05	30,08	-1.53	2,348,501	2,970,995	-14.05	-14.05
atisl	Truck fleet	2018	3,592,014		1,097,336		30,55		2,732,367	3,456,608		
V/Br		2017	4,567,244	-21.35	1,360,731	-19.36	29,79	+2.54	3,388,220	4,286,303	-19.36	-19.36
a ZV	NC, all*	2019	1,699,058	+6.14	462,645	+7.06	27,23	+0.87	1,151,986	1,457,332	+7.06	+7.06
Satır	Truck fleet	2018	1,600,697		432,121		27,00		1,075,981	1,361,181		
yses		2017	1,945,029	-17.70	529,247	-18.35	27,21	-0.79	1,317,825	1,667,128	-18.35	-18.35
/Hr.	Slovakia, Bratislava*	2019	2,320,335	+2.17	654,608	+3.36	28,21	+1.17	1,629,974	2,062,015	+3.36	+3.36
uck. 2019	Truck fleet	2018	2,271,087		633,317		27,89		1,576,959	1,994,949		
ly tr ary		2017	2,115,848	+7.34	592,238	+6.94	27,99	-0.37	1,474,673	1,865,550	+6.94	+6.94
onth Janu	Total	2019	8,505,942	-2.99	2,495,732	-3.01	29,34	-0.02	6,214,373	7,861,556	-3.01	-3.01
e: m		2018	8,768,531		2,573,260		29,35		6,407,417	8,105,769		
Source: monthly truck analyses As of: 09 January 2019/Hr.		2017	10,345,849	-15.25	3,002,739	-14.30	29,02	+1.11	7,476,820	9,458,628	-14.30	-14.30

* only own truck fleet ** operating hours

GENERATION OF ENERGY

Site	2017	2018	2019
Zwickau	521 MWh	957 MWh	938 MWh
Glauchau	1,462 MWh	1,403 MWh	1,390 MWh
Radeberg	2,363 MWh		

Schnellecke not only consumes energy, we are also producers wherever possible. We install solar cells on the roofs of our own building to generate photovoltaic electricity.

CNG TRUCKS FOR A SUSTAINABLE FUTURE SCHNELLECKE CONVERTS MORE VEHICLES

TO GAS OPERATION

Data collection with Quentic

The "Quentic" software is used to ensure sustainability management and controlling as comprehensive as possible. Quentic provides a uniform platform for all tasks, data and information relating to occupational safety and environmental protection. The software combines several specialized modules for the different areas of occupational

safety, environment, energy and sustainability management. Quentic provides support for documenting, organizing and evaluating all HSE and sustainability processes. In this way, we create a globally uniform Schnellecke

standard for sustainability.



While alternatives to the combustion engine have been gaining market share in the passenger car segment for some time now, the diesel engine continues to dominate the truck segment. Using natural gas in compressed (CNG) or liquefied (LNG) form as a fuel provides a sustainable alternative to this but also to EV technology, which is not yet market-ready in all segments.

CNG is an interesting option, especially for delivery and distribution transport, while LNG is more suitable for heavy (and long-distance) transport due to its higher energy density.

October 2019, a CNG-powered truck ran JIT transports for two weeks on a trial basis for Schnellecke Transportlogistik GmbH in Zwickau. CNG is compressed natural gas, i.e. highly compressed natural gas with a continuously increasing proportion of biogas, which can be used as an alternative fuel to diesel in the future.

The starting point for the test deployment was the strategic initiative "Alternative drive technologies in heavy-duty traffic". The aim of this initiative is to find environmentally friendly and cost-effective alternatives to the classic diesel truck, test them, and then evaluate them for use at Schnellecke.

The advantages of the gas-powered truck are numerous: the main argument in favor of a CNG truck is its low emissions. According to manufacturer information, CO2 emissions can be reduced by up to 95%. In addition, the CNG truck emits less nitrogen oxide and almost no soot particles at all. This means that the ecological footprint is significantly smaller. In addition, the raw materials for biogas are renewable, which in the long run may mean that the limited fossil resources for diesel will no longer be needed in the future and the gas will be produced in a CO2-neutral way. In addition, noise pollution for humans

and animals is also minimized, since a CNG truck is no louder than a vacuum cleaner or hair dryer at less than 71dB.

And the cost advantage of the new truck cannot be denied either. With a consumption of approx. 25.5 kg/100km, a CNG truck is more economical than a diesel truck and can currently achieve a range of almost 450 km with one tank filling. This means that a CNG truck can only be used for short distances, but there it is particularly efficient, because CNG costs comparatively less than diesel. The higher purchase costs for the tractor are therefore offset by major ecological advantages.

Following the successful test in Zwickau, Schnellecke has decided to gradually replace the conventionally powered semitrailer tractors by CNG tractors in the JIT sector. This will affect 15 tractor units in 2021. At the site in Lozorno, Slovakia, at least one LNG-powered truck is to go into operation in 2021. If the infrastructure for refueling improves accordingly, the use of further LNG trucks is planned in the Dresden/Zwickau area.

PEOPLE

Despite all the digitalization, people still play a prominent role in our business areas. Value-added logistics in particular is highly personnel-intensive despite automation. Our business is inconceivable without committed and motivated people.

As a family-owned company, Schnellecke has always felt a special obligation towards its employees. A responsibility that we are still aware of and that we take very seriously.





HEALTH AND SAFETY

The health and safety of our employees is a high priority for us. We continuously optimize occupational safety with a wide range of measures and offer a comprehensive health program. Our activities are based on the internationally recognized OHSAS 18001:2007 standard, among others. Il employees receive regular training to expand their knowledge of occupational safety issues and to identify potential hazards at an early stage. The occupational safety guidelines of the Schnellecke Group are communicated to all new employees when they are hired. The corporate policies for occupational safety, environment and energy are documented and can be accessed using a QR code.

Risk assessments are carried out for all workplaces and activities and documented accordingly. Identified hazards are evaluated with a risk index and displayed graphically (traffic light system). The risk assessments are reviewed at least once a year to ensure that they are up to date.

Occupational safety inspections, shelf inspections, and instruction are carried out regularly. Regular quarterly meetings and workshops on occupational safety and the environment are held.

Operational Health Management

Within the framework of its corporate health management, Schnellecke follows a holistic understanding of health. We combine both the preventive and the corrective approach. With the growing size of the company and various challenges in workplace and work process design, it is a constant challenge to create programs that are tailored to the needs of specific target groups.

In 2019, we focused on preventive services as part of a wide range of health campaigns throughout the year. Another central theme in 2019 was the survey of increasing mental strain in the stressful everyday working environment. Comprehensive marketing and internal and external communication accompany these campaigns. The aim is always to increase the personal responsibility and health competence of employees. MENSCHEN

NACHHALTIGKEITSBERICHT 2019

HEALTH MANAGEMENT ACTIVITIES 2019



AZUBI FIT Nutrition:

A healthy and balanced diet is essential to stay healthy and fit. With our AZUBI Fit program on the subject of nutrition we lay the foundation for healthy eating in everyday working life with. After receiving theoretical input, our trainees have a lot of fun preparing healthy food and then eating it together.

AZUBI FIT Exercise:

In addition to a healthy diet, exercise is very important to stay physically and mentally fit. Musculoskeletal disorders are still the most common cause of absenteeism. At the start of their working lives our trainees are given ergonomic advice on sitting and standing activities and tips on balancing exercises at the workplace.

Skin cancer screening:

As part of our OHM, Schnellecke offers its employees appointments for painless skin examination using reflected-light microscopy. The examination is free of charge for employees, takes only 10 minutes, and is performed by a specialist. Appointments are allocated and coordinated by the responsible staff members at the respective sites.

Ergonomics consultation at workstations with monitors:

Many work situations today are dominated by working on and with computers. This is particularly challenging for the employees, as there is no visible high physical strain, but there is an unvaried and constant strain from this activity. The goal is to motivate employees to actively address the demands of working at a computer screen and to reduce the stress with targeted instructions in order to improve their well-being and to prevent permanent posture problems. We offer our employees individual ergonomics advice at regular intervals. The consultation takes place by appointment for individuals or for office groups. In order to reduce stress, tips are given on how to design a healthy (computer) workstation.

Eye examination:

Preventive Examination 37 is a routine examination to check eyesight and vision. Both employees who work with motor vehicles or forklifts, as well as employees at computer workstations can take advantage of this regularly.

Risk assessment of psychological stress at the workplace:

Risk assessments are the prerequisite for the targeted introduction of safety-related and health-promoting measures. Risks should be recognized early and measures taken to prevent or reduce stress. The online survey on mental stress at the workplace serves to diagnose mental stress in the context of work organization and work behavior. Predominantly negative strains for a majority of employees have to be filtered out and countermeasures have to be taken. The questions are based on the common and established questionnaire, the COPSOQ (Copenhagen Psychosocial Questionnaire). The results were presented in management groups and discussed in detail in the Health Committee. The impetus for the definition and implementation of intervention measures has been given.

HSE AZUBI Scouts:

Schnellecke offers its trainees training in the areas of health, safety and environment with the goal that the young colleagues will see and hear a lot in their areas of work with open eyes and ears, in order to recognize optimization potential and to be able to promote it in a qualified way.

Health Day: stress and relaxation

Quitting smoking course for truck drivers

Flu vaccination

Annual Symposium, AOK Hannover:

Together with 20 other companies from Lower Saxony, Schnellecke participated in the AOK innovation project: Health in the Working World 4.0, which was launched in 2016/2017. At least 2 AOK consultants are available to assist the participating companies over a period of 3 years. The participants regularly exchange experiences and transfer knowledge. The hosts are participating companies.

Health Committee:

The Health Committee meets at regular intervals on a monthly or a needs-based basis. Participants are employees from the areas of Occupational Health and Safety and 24 | 25

Health Protection/Management, the works council, as well as employees with a personal interest in the topic and voluntary commitment.

Occupational physicians or external service providers are consulted depending on the topic. In 2019, the Health Committee discussed and planned the various health campaigns at the Wolfsburg site and advised on the results of the mental stress at the workplace risk assessments. There is also close coordination with the Occupational Safety Committee.

Key figures - Development of accident statistics (Quentic)				
1000-person quota (incident rate)	4.149			
Lost work days per employee	0.06432			
Accident rate at work	118.6			
Severity rate	15.5			
Lost work day rate (1,000)	3.675			
Accident frequency (frequency rate 1,000)	0.2371			

INVESTMENTS IN THE FURTHER TRAINING OF OUR EMPLOYEES

The Schnellecke Group offers its employees further training and qualification opportunities through a wide range of programs at all levels of the company. These include among others

- Management trainee programs
- Individual qualification programs
- Various management programs
- A general management program
- The Schnellecke Talent Management Program

In addition, we place great emphasis on the integration of people with disabilities wherever possible.



SCHNELLECKE SLOVAKIA WINS LEARNING AND DEVELOPMENT AWARD



SENIORITY AND AGE STRUCTURE

	Average seniority	Average age
Group	5.08	37.89
SLT	4.55	37.58
Logistics	4.23	37.23
Production	10.07	40.84
Transport	10.85	
Asia	6.53	38.07
Germany	5.72	41.75
Europe	6.59	41.09
Corporate Divisions	7.45	37.38
Mexico	3.13	33.27
South Africa	4.46	36.42
USA	2.25	36.55

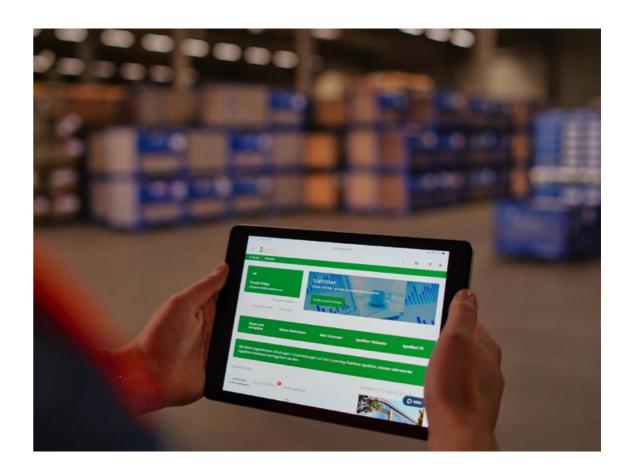


Schnellecke Slovakia s.r.o. has introduced a leadership development program for all management levels of the company. This development program is characterized by a few "non-standard elements" and was awarded the title of Best Development Program of 2019 in Slovakia. The first part of this program, called "Leadership Stops", was defined for the management team consisting of the CEO, profit center manager, and department manager. The main focus of the program is on the personal development of the individual and the entire team in order to develop awareness of their own leadership roles and build strategic leadership skills. In addition, it stabilizes teams, preserves corporate knowledge, and exemplifies the values of the Schnellecke Spirit. The program is rounded off with mentor training and the definition of topics for the development of line management consisting of shift and team leaders.

E-LEARNING AS AN EFFECTIVE ALTERNATIVE

TRANSPORT DIVISION OF SCHNELLECKE HAS BEEN SUCCESSFULLY FOCUSING ON EMPLOYEE INDEPENDENT LEARNING FOR ONE YEAR

There are particular hurdles for training and further education in forwarding companies. There are numerous legally required training courses, but it is difficult to frequently interrupt the work process. This is especially true for drivers who are often on the road the whole week. With the introduction of e-learning in the Transport sector, Schnellecke has now taken a promising step.



henever we wanted to train the drivers, we had to order them to the company on a work-free Saturday," says Mandy Beck, who is responsible for implementing the e-learning project in the Transport Division. "And even career changers often underestimate the complexity of the profession and need comprehensive training. The administrative effort required to instruct all employees in accordance with legal regulations was immense. Added to this was the subsequent documentation effort, for example for the professional associations or for audits."

Schnellecke has found a tool, INN-ovativ KG's software "Spedifort", which is specially tailored to the needs of freight forwarding companies. "The software consists of individual modules covering almost all questions that are important to us," says Beck. The spectrum ranges from short modules, such as "Handling ladders", to complex topics, such as "From beginner to scheduler" or "Handling dangerous goods". The contents of the training courses are multimedia-based, with a growing proportion of videos.

Optimal for drivers

For Schnellecke, it was important that all legally required instructions in Spedifort are approved by both TÜV and DEKRA and authorized by the Federal Office for Goods Transport. Furthermore, INN-ovativ KG is AZAV certified. Another advantage, according to Beck, is that Schnellecke can also design its own modules and load them into the program. "We have, for example, developed six onboarding modules for new employees, which they can work through on their first day with us."

E-learning is an ideal method of further education, especially for drivers. The "Trimble" system, which includes a tablet, is installed in all Schnellecke trucks. Thanks to the integration of Spedifort in Trimble, drivers can now call up a training module at any time, for example when they are waiting at the loading or unloading ramp. Another advantage is that, since the drivers log on to Trimble with an ID card, they are also clearly identifiable to Spedifort.

Each employee receives a training plan that lists which modules he or she should complete and by when.

E-learning is an ideal method of further training, especially for drivers.

"The modules are either department-related or job-related," explains Beck. "A forklift driver is thus offered different training courses than an employee in the accounting department."

Some modules are not longer than thirty minutes and end with a quiz. Other modules can take up to three months to complete and are concluded with an examination, for example, the further qualification to become a scheduler. Participants stop working in a module at any time. The system saves the learning status and resumes at exactly the same point the next time the user logs in.

The system also checks whether employees have completed their modules within the specified time frame. If this is not the case, an automatic email reminder is sent. Also, if someone has twice failed a final test on one of the legally required learning contents, an email is sent, but then to the supervisor so that he or she can take up the matter and complete the course again together with the colleague. "But no employee is dismissed if he or she fails a course," Beck emphasizes.

Separate self-study rooms

In addition, separate self-study rooms with PCs and headsets were set up at the transport companies' sites because many employees are unable to use the system optimally due to the high volume of telephone traffic at their workstations. In addition to the mandatory modules, employees also have the option of voluntarily choosing two further courses, such as a language course. In theory, they could also log in from home via a secure connection, but this should be the absolute exception, according to Beck. There are also special offers for managers or for special situations, such as during the Corona Crisis in which all workplace-specific safety instructions for Covid-19 were communicated via the platform. Overall, Mandy Beck is very satisfied with the results of the first year. "E-learning is much more effective than packing our employees into a room for eight hours and showering them with face-to-face instruction," she says. "In addition, we always have an overview of the modules completed and a significantly reduced administrative workload." And, she emphasizes, "We don't want e-learning to replace personal contact and internal training, but to complement it."

KEY POINTS

- INN-ovativ KG is AZAV certified
- Driver-related training courses
- Modules according to the professional driver qualification law
- Specially tailored and individually adaptable courses for career changers
- Access to YouTube training videos
- Languages available in the professional courses: Bulgarian, Czech, Latvian, Polish, Romanian, Slovak, Slovenian, Serbian
- No installation on PC workstations necessary, as it is a web-based licensing model
- Cooperation with Trimble (app pre-installed on tablets)

SOCIETY

Economic stability and action in compliance with laws and regulations, as well as a continuous dialog with our stakeholders – for a family-owned company such as Schnellecke, these are traditionally essential pillars of responsible business activity.



The Christmas Parcel Convoy supported by Schnellecke collects presents in Wolfsburg, Braunschweig and the surrounding area for children in Romania, Moldavia and the Ukraine.



COMPLIANCE

Compliance is an indispensable part of the value culture at the Schnellecke Group. We live compliance out of the conviction that we are only successful if we align our business activities with adherence to the law and the internal and external framework conditions.



hen providing our services, we comply with applicable local law, policies, and standards, avoid conflicts of interest, and respect the customs, traditions and social values of the countries and cultures in which we operate. We expect the same behavior from our business partners, i.e. service providers and suppliers.

The basis for successful and sustainable business activities is to operate with integrity and transparency. Only in this way can competitiveness, employment and economic success be secured in the long term. The OECD Guidelines for Combating Corruption in Business Transactions, national and international legal requirements, and the agreements entered into with Schnellecke provide a binding framework for proper conduct.

Compliance is monitored by a designated person within the company who has extensive powers of control and must be consulted in cases of doubt. The Chief Compliance Officer is supported by a Compliance Committee in the further development of the Schnellecke Group Compliance Management System. The Schnellecke Group Compliance Management System is based on our code of conduct, our Schnellecke Spirit philosophy of values, and a regular corporate compliance risk analysis across all business areas, which defines the scope, focus, and intensity of annual compliance activities.

All employees of the Schnellecke Group are required not only to follow our central compliance guidelines, but to live them in their daily work:

- 1. We always act with integrity.
- 2. We are committed to fair competition.
- 3. We treat each other fairly and respectfully.
- **4**. We stand by our responsibility for our employees, the environment and society.
- 5. We act in the best interests of the Schnellecke Group.
- 6. We protect our own and respect the intellectual property of third parties.
- 7. We ensure the protection of personal data.

SOCIAL ISSUES





Germany

With the active support of many helpers and sponsors, the Margarete Schnellecke Foundation was fortunately able to implement more than 130 funding projects for people in need in 2019. In keeping with the spirit of its founder, Margarete Schnellecke, these were primarily projects and support for senior citizens, but the foundation also turned its attention to children and young people, who were also helped with a number of projects and activities.

Mexico

- Every year non-perishable food (cooking oil) is delivered to emergency shelters in Hermosillo. The cooking oil is collected as part of health campaigns in which every kilogram that someone loses is weighed against one liter of oil.
- Together with the Mexican Social Security Agency, a health campaign is carried out every year, testing for cancer, diabetes and high blood pressure, and vaccinations are given.
- The "Pueblito de los Abuelos" foundation is a day care center and residential home for the elderly in the community of Atlacomulco. The foundation provides assistance to impoverished and lonely seniors, including shelter, meals, medical care, free dental and psychological treatment, social counseling and more. Schnellecke helped with the further expansion of the premises and provided financial assistance for the insurance of the foundation vehicle and the construction of a bathroom.

- Casa CERA is a non-profit organization that cares for children with cerebral palsy and mental and motor disabilities in the state of Puebla. Support:
 - Donation of 25 Roscas de Reyes (Epiphany cakes) to disabled children and their families.
 - Donation of material for activities and daily work
 - Donation for the purchase of a hydraulic lifting device

USA

- Donations \$3,000 US to the Chattanooga Area Food Bank, which was doubled by an anonymous donor.
- Collection of unused toys for the Toys for Tots Foundation.
- Employees receive their wages for up to 80 working hours in advance during off-peak periods; "payback" is in the form of overtime during "peak season"
- Good Samaritan and local organizations













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