

1. Area of application and objective

This company policy concerns the health and safety of V-LINE's employees as well as its environmental concerns. Main objective of this company policy is to ensure a uniform and common understanding of HSE culture and to implement health, safety and environmental protection efforts in every day's business of V-LINE.

2. Responsibilities

The Compliance Manager is responsible for the completeness, the accuracy and the regular updating of this company policy.

3. Terms and abbreviations

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|----------------------------------------------|---|----------------------------------------|
| V-LINE | = | V-LINE EUROPE GmbH |
| HSE | = | Health, Safety and Environment |
| Occupational Safety Specialist | = | Fachkraft für Arbeitssicherheit |
| Safety Officers | = | Sicherheitsbeauftragte |
| Company Doctor | = | Betriebsarzt |
| Reintegration Program | = | Betriebliches Eingliederungsmanagement |
| Risk Assessment | = | Gefährdungsbeurteilung |
| Dangerous Goods | = | Gefahrgüter |
| Dangerous Goods Safety Advisor | = | Gefahrgutbeauftragter |
| Representative for severely disabled persons | = | Schwerbehindertenvertretung |

4. Realization

V-LINE promotes the establishment and continuous development of adequate health, safety, and environmental targets throughout the company and its global affiliates. During the development of this policy, the appropriateness of all business activities has been considered regarding their impact on V-LINEs employees as well as on nature. Since the awareness and understanding of the importance of health, safety and environment is the major key in complying to company standards, V-LINE proactively endorses and promotes the HSE culture among employees, customers, suppliers, and other business partners.

4.1. Health

The employees' health is one of the cornerstones in running a business. It is not only a social responsibility of V-LINE to care about their employees' conditions; the general state of health of the employees has visible effects on motivation as well as productivity and sick leave, and hence

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also impacts the financial performance of the company. Therefore, V-LINE regards investments in the employees' health as a basic condition for a long-term business.

➤ **Health insurance**

V-LINE assures that all its employees are subject to social security protection including the insurance for health, accident, long-term care, retirement and unemployment as legally required in the German Code of Social Security (Sozialgesetzbücher). Additional to that V-LINE provides health insurance coverage for all employees travelling abroad.

➤ **Working times**

Regular, predictable and self-determined working times contribute to a healthy lifestyle. V-LINE do not request its employees to work in shifts, but offers them flexible working hours to allow the career to be compatible with private interests (work-life balance) and to support their individual well-being. Furthermore, the compliance with the statutory specifications on regular working time of 8 hours and maximum working time of 10 hours per day is strictly obtained. V-LINE monitors and encourages with IT-based time tracking that its employees can recover from work by taking sufficient breaks. Likewise, all other specifications prescribed by the German Working Time Act (Arbeitszeitgesetz) and the European Working Time Directive are complied with.

➤ **Protection of special groups of workers**

Certain groups of employees require special health care due to their particular circumstances. Pregnant women and new mothers enjoy special treatment at V-LINE e.g. working time restrictions, assessment of the work and implementation of an appropriate working environment, paid non-working periods, lactation times and protection against unfair dismissal in accordance with the women's needs and the German Maternity Protection Act (Mutterschutzgesetz). Additionally, severely disabled persons are offered special health care adapted to their particular circumstances such as additional vacation, the right of special employee representation (German: Schwerbehindertenvertretung) in the company and protection against unfair dismissal granted by V-LINE in compliance with German Code of Social Security (Sozialgesetzbücher). Adolescents are likewise protected through working time restrictions, longer breaks and particular requirements for working on weekends according to the German Youth Employment Protection Act (Jugendarbeitsschutzgesetz). Even if these groups of employees receive special treatment, they are equal to other employees and are not discriminated by V-LINE in any way in application of the General Act on Equal Treatment (Allgemeines Gleichbehandlungsgesetz).

➤ **Reintegration of employees with health issues**

Employees having a total sick leave period longer than 6 weeks within the last 12 months are offered to participate in a Reintegration Program (German: Betriebliches Eingliederungsmanagement) which helps to analyze the causes of the health problems. Together with the employee V-LINE identifies workplace and task related measures to

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eliminate or reduce the impact on the employees' health e.g. redesigning the working environment, providing height-adjustable desks, etc. The Reintegration Program is based on the requirements of the German Code of Social Security No. 9 (Sozialgesetzbuch IX). The principles and the procedure of this reintegration is determined in the V-LINE Procedure Instruction "Reintegration Program" (German: Verfahrensanweisung Betriebliches Eingliederungsmanagement, G_EU_PI_0001_d).

➤ **Sports**

One aspect of a healthy lifestyle is physical activity. Therefore, V-LINE supports their employees in various ways to be physically active. Firstly, V-LINE provides sport and relaxation classes free of charge on a regular basis. Therefore, at the location in Sehnde an extra room equipped with mats, balls and other sport equipment is permanently allocated to sports activities. Also, V-LINE employees can participate in the program Hansefit, an association of numerous sport studios, fitness clubs, swimming centers and training courses, which is sponsored by V-LINE and therefore inexpensive. Furthermore, V-LINE supports company-wide events voluntarily organized by employees such as bowling competitions among all employees including the coverage of fees, beverages, etc. Additionally, the supporting of sport activities also includes encouraging employees to participate in public sport events such as marathons by sponsoring and covering the registration fees.

➤ **Free beverages and fruits**

To support healthy nutrition V-LINE provides the employees with unlimited free water, tea, coffee and different sorts of cappuccino, cocoa, etc. Moreover, there is fresh and mainly organic fruit distributed in fruit baskets among the departments on a weekly basis.

➤ **Quality of Water and Air**

At the location of V-LINE there is easy access to water for all employees at any time. All water from pipes is declared to be of drinking quality by German government.

The air quality at the location of V-LINE is pure and clean countryside air without transcending the natural extend of exhaust fumes due to the choice of location and the absence of a production site. The whole V-LINE site is smoke-free except for one designated smoking area. When temperatures rise to a certain level in summer, additional flexible working time is allowed so employees can start work earlier in the morning when the temperature is more comfortable.

➤ **Sponsored Massages**

On a regular basis, a state-approved masseur/ masseuse provides massages at the V-LINE location which are organized by the company and discounted for the employees.

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4.2. Safety

Safety at work is essential to assure the employees' health and well-being, therefore V-LINE considers working safety and the prevention of work-related accidents as its primary duty.

➤ **Safety Representatives**

To provide an extensive occupational safety, V-LINE counts on several safety representatives. To begin with, V-LINE commissions an external Occupational Safety Specialist (German: Fachkraft für Arbeitssicherheit) according to the requirements of the German Occupational Safety Act (Arbeitssicherheitsgesetz). Furthermore, some of V-LINE's employees are authorized and trained Safety Officers (German: Sicherheitsbeauftragte), who support the external Occupational Safety Specialist and monitor the safety at the site through internal assessment. This is in accordance with the German Code of Social Security No. 7 (Sozialgesetzbuch VII) and the German Statutory Accident Prevention Regulations (Unfallverhütungsvorschriften). Through their inside knowledge of the company's processes and their integration into the internal organization they can provide safety at the core of the company. The external Company Doctor (German: Betriebsarzt) supports the safety undertakings in all medical aspects as required by the German Occupational Safety Act (Arbeitssicherheitsgesetz).

➤ **First Aid**

V-LINE takes safety very seriously, although accidents can still happen. Therefore, it is necessary to implement first aid in the system of working safety. V-LINE engages employees to be authorized in-house first-aiders to assist people in case of any health problems until medical aid arrives to the workplace. Beside the provision of first aid equipment (such as dressing material, health aids, rescue blankets, defibrillators, etc.) there is a permanently available first aid room both in accordance with the legal requirements (several sources of legislation). All accidents are recorded with the intention to prevent future occurrence.

➤ **Site inspections**

Performing site inspections on a regular basis is a main part of preventive measures to maintain safety. Site inspections are conducted with the external Occupational Safety Specialist (German: Fachkraft für Arbeitssicherheit) to evaluate the safety conditions of all workplaces and uncover potential safety risks. In addition, the Safety Officers (German: Sicherheitsbeauftragte) perform site inspections with the new employees to increase their awareness of safety in general, to draw their attention to the applicable safety instructions and to show them of the locations of first aid and fire equipment as well as the first aid room.

➤ **Online Trainings**

V-LINE provides annual online trainings for its employees to learn about ergonomics, stress prevention, health insurance, prevention of and dealing with accidents, prevention of and dealing with fires, other health & safety measurements, contact persons in V-LINE and

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specifics of the V-LINE site. The trainings include an evaluation of the employee's knowledge to ensure the understanding and the compliance with all measurements.

➤ **Fire protection**

To exclude any risks of harming the health of the employees and to prevent great damage of the property of the company, V-LINE takes fire protection very seriously. Modern fire alarm systems are installed in the company buildings and evacuation tests are performed on a regular basis. In online trainings the employees receive detailed explanations about fire extinguisher locations, escape ways, and alarm systems. Through the execution of an *E-check* all electricity sources are secured. The measures of fire protection are developed in compliance with the German Statutory Accident Prevention Regulations Rules and Information papers (Vorschriften, Technische Regeln und Arbeitssicherheits-Informationen der Deutschen Gesetzlichen Unfallversicherung) and the specifications of V-LINEs insurance policies.

➤ **Providing safe working equipment**

V-LINE respects the safety standards of working equipment of German Industrial Safety Regulations (Betriebssicherheitsverordnung). Related to that, electrical devices get checked regularly to prevent safety-related failure. Furthermore, Operating Instructions (German: Betriebsanweisungen) provide information about risks and countermeasures concerning the usage of particular machines, plants and dangerous goods according to the German Work Protection Act and the Industrial Safety Regulations (Arbeitsschutzgesetz, Betriebssicherheitsverordnung). Especially new employees receive sufficient instruction. Working equipment such as safety gear, forklifts, storage shelves, etc. are state of the art and undertake a yearly inspection in compliance with German Statutory Accident Prevention Regulations (Unfallverhütungsvorschriften).

➤ **Workplaces**

The external Occupational Safety Specialist (German: Fachkraft für Arbeitssicherheit) surveys the safety standard of all workplaces. In this context, Risk Assessment (German: Gefährdungsbeurteilung) are undertaken to monitor hazards and to initiate actions against them. V-LINE considers it as its responsibility to improve workplaces on an ongoing basis.

❖ **Workplaces in offices**

Workplaces equipped with monitors are set up according to the requirements of the German Workplace Regulation (Arbeitsstättenverordnung) and the Statutory Accident Prevention Rules (Technische Regeln der Deutschen Gesetzlichen Unfallversicherung). This contains considerations about ergonomics, arrangement of working equipment, moving space, etc. To ensure an optimal working environment also regarding physical health and safety of the employees, V-LINE provides among others height-adjustable chairs, ergonomic mousepads and footrests.

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❖ **Workplaces in the warehouse**

Employees working in the warehouse are provided with PPE (personal protective equipment) such as personalized hearing protection, safety glasses and safety shoes. To decrease general dust exposure V-LINE carries out a fundamental wet cleaning of the complete floor in the warehouse. This should prevent negative effects on the respiration tract of the employees. For the sake of cleanliness, health and well-being, V-LINE provides washing facilities like showers located in the warehouse which are usable for all employees free of charge.

➤ **Handling dangerous goods**

To ensure the employees' health and safety in handling Dangerous Goods (German: Gefahrgüter) V-LINE commissions a Dangerous Goods Safety Advisor (German: Gefahrgutbeauftragter) to carry out regular inspections at the site, to develop and conduct training programs and to establish guidelines for handling dangerous goods. These safety measures are performed according to German Dangerous Goods Safety Advisor Ordinance (Gefahrgutbeauftragtenverordnung). In general, V-LINE reduces the dealing with Dangerous Goods to a minimal level (handling only with small or stationary batteries) by commissioning another Company to handle the goods receipt, warehousing and the shipping preparation.

4.3. Environment

To maintain healthy and safe living conditions on earth for the current as well as for future populations, environmental protection should be a fundamental principle of human behavior. V-LINE sees its own responsibilities in environmental questions and promotes a sustainable and ecological business.

➤ **Production of sustainable electricity via photovoltaic plants**

The roof of the warehouse at the location of V-LINE's headquarter is equipped with state of the art solar panels. Through this energy production an average of 16 % of the sites electricity consumption can be covered over the whole year. That is about as much as the electricity consumption of over 20 households of two persons.

➤ **Reducing energy consumption**

Due the absence of a production site V-LINEs energy consumption is already on a low level. Nevertheless, in upcoming renovation work V-LINE plans to reduce the energy consumption e.g. by conversion of the lightening system to energy-saving LEDs with motion detectors in the major part of the buildings.

➤ **Elimination of plastic waste**

V-LINE is working on various factors to reduce plastic waste. Regarding the provision of free drinks, plastic cups are banned from use. But also in the main business V-LINE tries to find

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sustainable solutions. Therefore, plastic packaging is reduced to necessary minimum. This takes place on the one hand by ongoing explicit request to suppliers to refrain from using films and plastics for packing orders. On the other hand, V-LINE itself mainly uses ecological plastic-free packaging in wood and cardboard where no own film is used and thus meets the requirements of the strong Saudi Arabian SASO Technical Regulation No. M.A-156-16-03-03 of degradable plastic products.

➤ **Sustainable ecological materials**

Instead of using plastic packaging V-LINE relies on renewable raw materials, their environmentally friendly treatment and biodegradability. For shipment V-LINE uses wooden boxes provided by an external supplier, who treats them in his certified ecologic production by drying according to the phytosanitary specifications of the United Nations ISPM-15 standard (import requirements for solid wood packaging targeting plant protection). These wooden boxes mainly get nailed. For the rest, all glues and paints are solvent-free according to current German standards. As a filling material cardboard and other papers serve a secure packaging and prevent the usage of polystyrene to the possible extend.

➤ **Waste Management**

In addition to the efforts of waste reduction, also waste separation is a major contribution to sustainability. V-LINE separates films and plastics, cardboard, wood so that the waste can either be used as secondary raw material or can be disposed of according to type.

➤ **Digitization**

In daily work, V-LINE focuses on paper-reduced work. Digital archives not only make the work easier but also reduce paper consumption. A part of that is the relying on electronic transmission of invoices, which are preferably send electronically by email, data interface or online portals.

➤ **Reducing greenhouse gases**

To reduce greenhouse gases V-LINE promotes the employees to use public transport on their way to work and in general by providing them access to discounted tickets.

➤ **Saving Water**

Due to the lack of production at V-LINE the water consumption is on a very low level. Nevertheless, efforts of water saving are relevant for the improvement of environmental protection. V-LINE uses special extensions on water taps to reduce the outflow of water to a required minimum.

➤ **Raising awareness for environmental matters**

V-LINE supports and encourages an initiative of employees to work on improvement suggestions and environmental projects in their working time. Along with other outcomes of

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this initiative, V-LINE hosts a “GO GREEN WEEK” to raise awareness among the employees and business partners for environmental problems and solutions.

5. Remarks

None.

6. Distribution list

All V-LINE employees, on the website www.v-line.com

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