

FOUNDATION PHILOSOPHY

EXTRACT FROM THE SUPPLEMENTARY FOUNDATION DEED OF THE TGW FUTURE PRIVATE FOUNDATION

As co-founder of TGW Group, the founder wants the group of companies to be continued in his sense and spirit and according to his wishes – especially regarding the relationship between the companies and the people employed there. To flesh out and give life to his wish, the founder provided the Foundation Board with the following general guidelines for the exercise of stakeholder rights in the TGW Group:

- (i) In case of doubt, the sustainable continuation of the TGW group of companies shall be given preference over the provision and support of the beneficiaries.
- (ii) In 2004, the co-founder and then owner of TGW Ludwig Szinicz bequeathed 100 % of the shares to TGW Future Private Foundation. The donation was made to ensure that the TGW Group will be sustained and carried forward in the spirit of its founder and able to keep its independence.
- (iii) In this foundation model, ownership in the company is not placed in the forefront. Because the TGW Group does not belong to individuals or to a company but to the Foundation, and the Foundation does not have owners. The substance of the company is inviolable. TGW is a “loan” to the people who work there. It is there for the people who work there. The income generated by TGW Group is to be primarily aimed at safeguarding the future of the company.
- (iv) The main tasks of the Foundation include: promotion of learning and personal growth and exemplary entrepreneurship. These tasks can only be satisfied based upon the company's lasting and sustainable economic success.
- (v) Picture TGW Group as a cow. Nobody is allowed to slice a cutlet from this cow. She must be looked after lovingly and with great care so that she can produce lots of good milk and rear healthy calves. Her milk must be shared fairly and wisely, according to the contributions made to her care and growth. She must be left plenty of milk for rearing her calves.

- (vi) We as human beings have the capacity to choose from the opportunities life offers; to make decisions and help shape our personal development. We endeavour to make meaningful decisions that make our lives happier. This is why we're always looking for purpose in life. A meaningful life includes meaningful work. Only then can we work successfully.
- (vii) At TGW Group, we must ensure that every employee understands the purpose of the company and how their work contributes towards the achievement of the whole. TGW Group must also create framework conditions in the companies that allow individuals to lead meaningful lives both at home and at work.
- (viii) Due to the Foundation's mission, TGW Group is not merely a convenient economic community but a purpose-oriented community of values that facilitates human and professional growth and entrepreneurial success. Shared values constitute the basis of how the people within TGW Group interact with one another as well as with people outside the company. A culture of freedom from fear predominates within the TGW group of companies. This culture is embodied by respect and trust. People can place trust in the good will of others.
- (ix) TGW Group is not only there for the people who work at the company. The Foundation's mission "to promote learning and growing" includes young people outside the company as well. Currently, projects run by the non-profit Future Wings Private Foundation are pursuing this goal; in the future, other suitable legal entities might be involved. Future Wings is a foundation subsidiary of the TGW Future Private Foundation. 10 % of the commercial profit of TGW Group is earmarked for fulfillment of this task.

When exercising stakeholder rights in TGW Group, the Foundation Board ensures that these guidelines are implemented and complied with throughout the Group. When filling key management positions as well as according to the self-renewal principal of the Foundation Board pursuant to 7.4 of the Foundation Deed, the people to be selected must be carefully chosen from among those who are willing to identify with these general guidelines.