



Xovis Policy

HR Policy

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1 Values and Conduct

1.1 Purpose

The HR policy refers to Xovis AG's values and to the corporate vision and strategy. It conveys the values for HR policy issues and is based on the goal of applying and promoting employees' skills in the interest of the company in a forward-looking and success-oriented way. The HR policy forms the basis for Human Resources Management, providing binding framework conditions for line managers and Human Resources.

1.2 HR Mission

"Xovis employees are fit for future challenges."

Human Resources ensures that the skills required to achieve the corporate strategies and goals are available through targeted and anticipatory recruitment, development, support, remuneration and retention of employees.

1.3 Shared Values

The Xovis vision concentrates on the following values and prioritizes the following employee characteristics.

Respect

We acknowledge our counterparts and value their performance. We listen and communicate as equals. We value different opinions and work together to find the best way.

Openness

We communicate clearly and transparently. We are open to constructive criticism. We share knowledge and information.

Trust

We believe in our ability to do something and trust our counterparts.

Reliability

We know our roles and tasks and take responsibility for them. We abide by agreements.

Positive Attitude and Actions

We love challenges. They allow us to grow. We approach new tasks joyfully and with an open mind.

Sincerity

We question ourselves and act honestly and in a considered manner. We treat ourselves and our partners fairly and with respect.

1.4 Management Principles

Xovis managers actively promote these principles through their conduct.

Successful Together

We demonstrate a positive (XO) spirit. We make sure that we're working together. We treat everybody fairly and with respect – regardless of hierarchy, origin, gender and education level.

Role Model

We behave in the way that we also expect from our employees.

Communication

We encourage dialog and are not afraid to openly address conflicts. We communicate and listen.

Employee Development

We build on our employees' strengths and encourage them. Our work is results-oriented and we set clear goals. Corporate goals take precedence over team goals. Team goals take precedence over individual goals. Goals can be adjusted (dynamically). We provide feedback based on the situation, not just once a year.

Feedback and Error Culture

We encourage a constructive feedback culture, and create the space and time for this.

Decisions

We have the courage to make decisions. While doing so, we take the facts and other people's opinions into consideration. We have clear guidelines regarding the power to make decisions.

1.5 Perception of HRM

Human Resources Management (HRM) is a commitment to the company's long-term success. It is aligned to the company's strategic orientation and takes into account development trends on the labor market, in business, society and technology. Human Resources is responsible for designing all HR work. Its core tasks are forward-looking recruitment, development, support, remuneration and retention of employees as well as ensuring efficient and high-quality personnel administration. The development of innovative HRM tools adapts the future framework conditions and creates competitive advantages. Systematic cooperation with the business and with managers ensures that the HR work is implemented throughout the company. Targeted action allows Human Resources Management to make a sustainable contribution to achievement of the corporate goals.

1.6 Leadership

Central leadership tasks at Xovis are communicating the Xovis vision and the corporate strategy and actively demonstrating and upholding the Xovis values. In addition to their management tasks, managers are expected to contribute to implementing the strategies and achieving the goals. The management principles support this. Human Resources makes a key contribution to establishing a uniform understanding of leadership throughout the company. Corresponding leadership structures encourage managers to perform their tasks and exercise their competences and responsibility and also ensure short communications and decision-making paths.

2 Roles of Human Resources

Based on the perception of HRM and the core tasks referenced there, it is possible to outline four roles that Human Resources fulfills:



The four roles represent the tasks of Human Resources. They serve to clarify what management, line managers and employees expect of Human Resources. The four roles take effect in different ways within the various tasks. Often completing the work in full involves taking on several roles at the same time. As a whole, the roles convey the perception of HRM and are reflected in the core HR tasks described below.

3 Guiding Principles for Core HR Tasks

3.1 Personnel Recruitment

Xovis ensures a high degree of professionalism and transparency through clear requirements, standardized processes and modern e-recruiting. We recruit based on the principle of hiring the best possible candidates. Regardless of gender, age, origin, physical limitations and sexual orientation, all employees and applicants are given equal opportunities and we respect their individual personality.

3.1.1 Workforce Planning

Personnel recruitment is based on workforce planning derived from the corporate strategy and a specific requirement. In the event of vacancies, we check whether measures other than equivalent filling of the position would be beneficial.

3.1.2 HR Marketing

We use targeted marketing activities to generate positive attention from various interest groups and ensure that we are perceived as an attractive employer. In this way, we ensure that we can recruit the required staff via the labor market at any time. We do not make any false promises and position ourselves in line with the reality at Xovis.

3.1.3 Internal Versus External Candidates

Our recruitment policies begin with retaining and developing internal employees who show potential. If applicants and employees are equally qualified, internal candidates shall be given preference.

3.1.4 Decision-Making Power

Human Resources is responsible for the process of employee recruitment. The line manager makes the decision to hire in consultation with Human Resources. HR reserves the right to escalate the line manager's hiring decision up to the Management Board given valid grounds.

3.1.5 Induction of New Employees

We view the induction of new employees as a key success factor for our continued collaboration. A successful personnel recruitment process ends on completion of the probationary period. The employee's supervisor is responsible for the induction.

3.2 Personnel Development

Every employee's development is individually supported. We support them with ongoing development of their knowledge, skills and conduct. Our Human Resources policy is aligned to the corporate strategy, the resulting business needs and empowering our employees for business operations. Human Resources is responsible for a uniform approach to training and coordination of the training content.

3.2.1 Responsibility for Training

We require the managers to increase the employees' professional and soft skills through targeted employee development and management development measures. In return, we expect our employees to take a high degree of individual responsibility for their own professional and personal development.

3.2.2 Human Capital Evaluation

We wish to recognize potential and high achievers within the company. Periodic human capital evaluation helps us with risk assessment and succession planning.

3.2.3 Advice in Team and Organizational Development

We advise and support teams and business units in their developments and transformation phases.

3.2.4 Trainees and Interns

By offering apprenticeship and internship positions, we make a key contribution to young people's professional and personal development and assume corporate social responsibility. If possible, we offer well-qualified young people who have completed their apprenticeship the option of a permanent or at least temporary job. By offering internships for university students, Xovis benefits from the interns' up-to-date academic knowledge and, at the same time, offers the students an entry into the profession.

3.3 Target Agreement and Remuneration

Generally, the staff appraisal meeting (target agreement) serves as an opportunity to take stock and, at the same time, paves the way for forward-looking dialog. Remuneration is based on a clear, objective and fair process.

3.3.1 Target Agreement

The target agreement process serves to ensure achievement of the corporate goals and is directly linked to the planning process for these. To this end, HR agrees goals with the employees, discusses their status and derives measures from this on a regular basis.

3.3.2 Pay Equity

The wage policy is based on the core principles of fairness in respect of performance, requirements and the market. Remuneration is based on division into fixed and variable salary components. The fixed salary is defined based on the factors: skills required by the position, skill level and performance of the person performing the role. Consequently, the fixed component varies based on performance. The variable salary component is measured based on the success of the company as a whole.

3.3.3 Participation in Corporate Success

Our employees should participate fully in Xovis' corporate success.

3.4 Employee Retention

Retention of highly motivated employees is extremely important to us. We therefore provide a challenging and forward-looking working environment for our employees. We discuss performance at regular intervals and initiate corresponding measures if necessary. We assess employee satisfaction regularly.

3.4.1 Change Management

We actively support transformation processes and advise the organizations/line managers on organizational, personnel-related and management matters.

3.4.2 Helping to Shape the Corporate Culture

We view the corporate culture as a living, collective phenomenon composed of a complex system of behaviors, value concepts, actions and events. We believe our role is to actively help shape and promote a corporate culture that is characterized above all by personal initiative, cooperation and entrepreneurship as well as a sustainable customer focus and openness.

3.4.3 New Normal Work

Our employees structure their work independently to a high degree and often act in larger project contexts. We offer our employees a working model that allows them to arrange their work and leisure time flexibly.

3.4.4 Employee Retention During Transformations

To minimize the loss of expertise and experience in the event of transformations, we aim to avoid letting qualified employees go. We work together with the affected employees and organizational units to seek solutions to continue deploying the existing skills within the company.

3.4.5 Health Promotion and Protection

We protect our employees' health through an effective occupational health system and targeted measures.

3.4.6 Presence Management

Through presence management, we promote a positive leadership culture with regard to health and sickness. Employees who fall sick or have an accident are actively mentored and supported before being reintegrated into the work process.

3.5 HR Administration

Our HR administration is highly customer focused. Efficiency, high quality and discretion are our benchmark when processing and providing information as well as for payroll.

3.6 Employee Redundancies

Redundancies are processed fairly and taking account of our social responsibilities.

3.6.1 Unavoidable Layoffs

In the event of unavoidable layoffs for organizational or economic reasons, we act responsibly and ensure that the affected parties are supported and that our employer image is not damaged.

3.6.2 Terminations

Employees who are laid off or who have given notice are treated fairly and with respect.