

**HARI ABBURI**  
PROJECT LEADER  
VOICE FOR EXCELLENCE

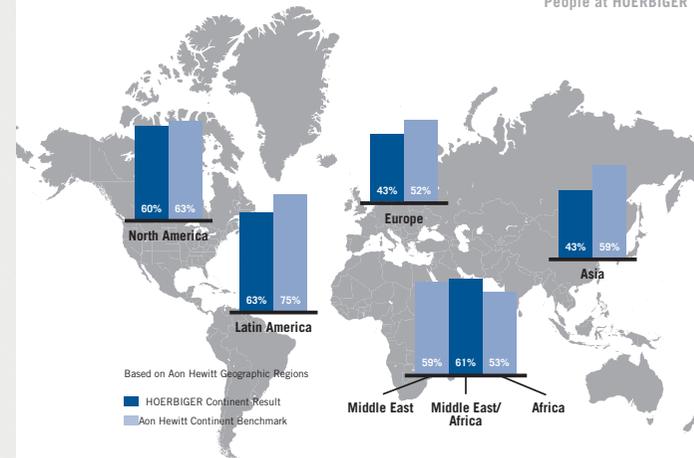


**VOICE FOR EXCELLENCE**

When the Executive Board decided in 2012 on a global survey of corporate culture, the HOERBIGER Human Resources team faced a challenge not only in terms of content, but also organizationally. The target was set high, aiming to address all employees worldwide.

The project was kicked off as the “Voice for Excellence Initiative”. The accompanying communication, information material, posters and questionnaires alone were translated into 24 languages and distributed worldwide.

Hari Abburi, Head of Organization Development & Talent, had overall control of the organizational aspects. He knows the factors that made this global project a success like no one else: “During the planning and implementation, it was crucial that we took the varying general conditions in the countries and regions into account right from the start. HOERBIGER is a Group where people of different nationalities, each with their own cultural backgrounds, work on common goals. We consistently kept these aspects in mind, and this laid the foundation for the success of the initiative.”

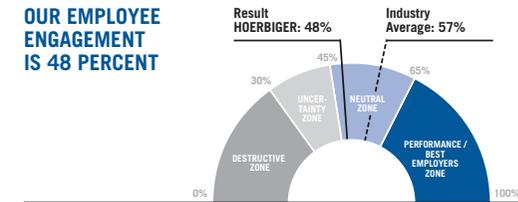


**AMERICA IS “GREAT”—  
WHAT ABOUT EUROPE?**

Employee engagement is influenced by a variety of factors. Strong influence comes from the local culture and local customs, for example.

It is therefore important to assess the results from the “Voice for Excellence” survey both in comparison with global industry benchmarks and in comparison with regional and national benchmarks.

**OUR EMPLOYEE  
ENGAGEMENT  
IS 48 PERCENT**



The new corporate philosophy leaves no doubt: the aptitudes as well as the diversity and the different cultural backgrounds of the people form the source of strength from which HOERBIGER time and again draws exciting inspiration for new product ideas and forward-thinking business models.

**VOICE FOR EXCELLENCE**

HOERBIGER bears the responsibility for ensuring that all associates have a good atmosphere to work in, where people are appreciated and performance is fostered. Including all of HOERBIGER’s employees in the process of creating a first-rate, culturally diverse and pleasant working climate is a key concern of the Board of Directors and Executive Board.

With this in mind, we launched the “Voice for Excellence” initiative in September 2012.

In order to have a resilient foundation for the future development of our corporate culture, we asked for feedback from all employees of the HOERBIGER Group as to how our corporate values, our vision “We set Standards”, and in particular our Excellence Initiative, started in 2010 as the new mission of the company, are embodied in everyday corporate culture.

**UNFORTUNATELY  
ONLY 48 PERCENT  
ENGAGEMENT ...**

Engagement is the measure of the extent to which employees identify with their company. High engagement attests to a positive attitude toward the company, its corporate values and corporate culture, as well as to a high degree of willingness and motivation to do your best at work.



“We at HOERBIGER are convinced that cultural diversity is an essential element of success in the global competitive environment. This entails great corporate challenges for a globally operating group such as HOERBIGER, as different cultural backgrounds lead to different expectations.”

DR. SIEGMUR SCHLAGAU  
MEMBER OF THE EXECUTIVE BOARD  
AND CEO OF THE  
STRATEGIC BUSINESS UNIT DRIVE TECHNOLOGY

**A DISTINCTIVE COMBINATION**

The combination of our corporate values—Pioneering Spirit, Courage, Fairness and Closeness—is distinctive. Pioneering Spirit and Courage shape the HOERBIGER culture of innovation—Fairness and Closeness define our conduct toward suppliers and customers as well as with each other.

Our employees who embody the corporate values are our drivers of innovation and culture, and the hallmark of HOERBIGER's success. They provide the HOERBIGER group with a distinctive profile.

**PIONEERING SPIRIT**

Overcoming your own boundaries. Approaching new tasks without already knowing the solution.

**COURAGE**

Taking carefully weighed risks, taking responsibility, and seeing the job through even in difficult situations.

**FAIRNESS**

Toward employees, customers, suppliers and all other business partners.

**CLOSENESS**

Worldwide presence, familiarity with all cultures, knowing customers and their needs.



"HOERBIGER is a company you can rely on. Clear agreements form the basis for cooperation—internally and externally. We value the open discourse in internal dialog. Among colleagues, we provide feedback to each other."

LUDWIG SCHNEIDER,  
HEAD OF CORPORATE COMMUNICATIONS

We already conducted an initial survey among our employees on their engagement in 2011 as part of a pilot project. The interest and participation in this initial survey encouraged us to implement this survey as a regular process within the Group. Our objective is to continually improve engagement through workshops.

Our partners in this project have many years of experience in collecting this type of data. In addition to an international and cross-industry data pool, this allows us to compare the HOERBIGER results to those of our benchmarks.

For the survey conducted in 2012, we developed a standardized questionnaire in 24 languages. A total of 4,875 employees participated in the survey, which equates to a very high response rate of 72 percent when compared to other countries.

The results surprised us. Employee engagement at HOERBIGER is 48 percent. This score is below the worldwide average figure in our industry, which is 57 percent.

**TRANSPARENCY MATTERS**

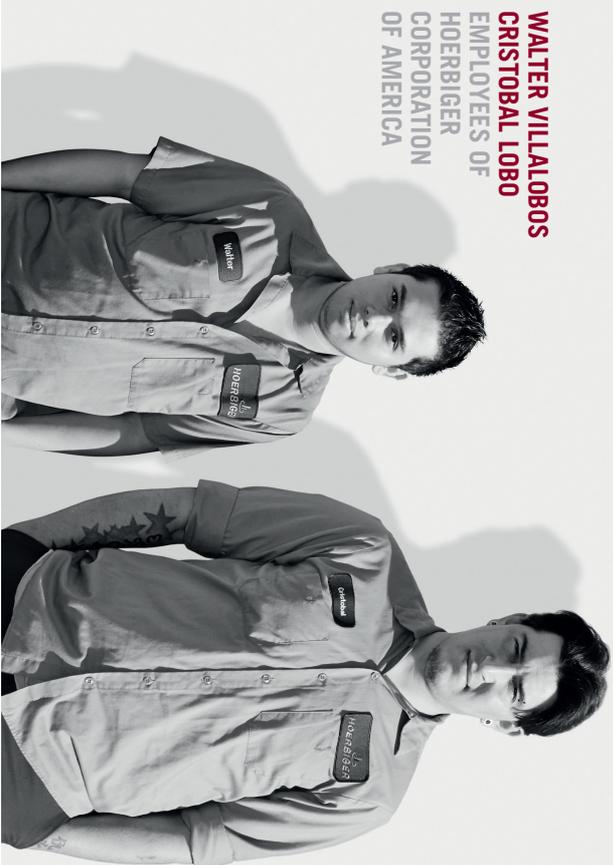
Open communication is important to us. We deal with each other openly and honestly. We communicated all the results of the "Voice for Excellence" survey with the corresponding transparency at the beginning of 2013.

The "Voice for Excellence" survey provided application that was developed specially for our "Intranet"—the HOERBIGER Community—gives every associate the opportunity to learn about the results of the "Voice for Excellence" survey for their respective site and region.

**HONEST FEEDBACK**

The "Voice for Excellence" survey provided us with honest feedback on many aspects of working at HOERBIGER. We value the strong cohesion among colleagues. We stand out in terms of our close relations with our customers as much as in terms of the attractiveness of our tasks.

**WALTER VILLALOBOS  
CRISTOBAL LOBO  
EMPLOYEES OF  
HOERBIGER  
CORPORATION  
OF AMERICA**



**LIFE-SAVERS**

Weeks of rainfall during the month of July 2012 resulted in extensive flooding in the region surrounding Houston, Texas, USA. A young woman underestimated the danger. On her way to work, she drove her vehicle into a flooded underpass and nearly drowned when she was trapped in her car.

"We didn't think twice and acted immediately," Cristobal Lobo recalls. The 23-year-old HOERBIGER employee and his colleague Walter Villalobos were returning from their lunch break when they saw the young woman drive her vehicle directly toward the flooded underpass. "We thought she would stop, but she just continued," said 21-year-old Walter Villalobos. The woman's vehicle started to disappear in the water, with the driver trying in vain to free herself. With the help of a third man, Lobo and Villalobos managed to pull the woman to safety through the open side window. The two demonstrated courage and responsibility—a very special and hopefully one-time example of HOERBIGER culture as it is embodied every day.



**"We don't mind digging deeper into our pockets when it comes to fostering the talent of our employees. Investments in the people at HOERBIGER will pay off. I am convinced."**

GAEBLE BASSO  
CEO AND MEMBER OF THE EXECUTIVE BOARD

Our business processes offer significant room for improvement. Additionally, we must continue to work on the level of appreciation that we show each other.

We have planned to address all the feedback that was provided in the 2012 survey over the course of 2013 in workshops, small groups as well as team discussions.

The "Voice for Excellence" Initiative gives all of us the opportunity to influence and shape our future corporate culture based on our own input. The "Voice for Excellence" initiative will help the HOERBIGER brand, and consequently our company, to become an even better employer at all sites where we are represented—with attractive jobs, a good work atmosphere, exemplary benefits and compensation systems that are in line with the market.

## HOERBIGER CAMPUS

HOERBIGER invests worldwide in employee training and education. Even as early as during apprenticeships, we advocate that young people develop a work ethic according to which they are willing to assume responsibility in every respect—for themselves, for a harmonious work-life balance, and for their duties on the job.

In 2012, our continuing education program, ranging from language courses for all employees to work-study programs and International Trainee Programs, was supplemented by another initiative.

The "HOERBIGER Campus" provides all HOERBIGER employees with a new online platform for individual continuing education. In the future, all the training programs that are available within the Group and suitable for self-study can be accessed by every employee who has an Internet connection; neatly organized by topic and edited for conciseness.



## WE FOSTER TALENT

With initiatives such as the "HOERBIGER Campus", HOERBIGER creates an environment that allows all employees to develop their personal potential. The Management Excellence process of the company is a way to evaluate the development of talented individuals and purposefully foster their potential.

Over the course of 2012, Corporate Human Resources further improved the systematic advancement of talented employees: the "Quick Blue Calendar" being implemented in 2013 is a tool that supports senior managers at HOERBIGER in specifically planning key personnel development processes during the fiscal year. From the performance management process in January / February, to the reward management process in March / April and succession planning process in May / June, to planning new "Voice for Excellence" initiatives in September.

Another important initiative that was launched in 2012 and is aimed at purposefully fostering talent is the creation of expert careers at HOERBIGER. In the future, this is intended to offer specialists an alternative comparable to the classic management career in operations—and thereby further increase the attractiveness of the HOERBIGER brand for qualified experts.

## MAXIMILIAN HOJKA EMPLOYEE OF HOERBIGER DRIVE TECHNOLOGY



## SPECIAL YOUNG RESEARCHERS AWARD

Maximilian Hojka has gasoline running through his veins. He tinkered with internal combustion engines for model cars even at primary school age, before turning later to tuning a tractor engine. In February 2012, the scientific curiosity of the young man was rewarded. Hojka, who works as a machine tool technician at HOERBIGER Antriebstechnik GmbH in Schongau, Germany, was awarded a special prize in 2012 as part of the regional "Jugend forscht" (Young Researchers) competition for the best industry-typical application. His presentation of a hydraulic combustion engine convinced the panel of judges.

With his development of an unconventional engine, Hojka is anything but mainstream. "It's a decision that he consciously made. "I don't care what everyone else does," said the young man. It was much more exciting for him to be a pioneer and enter uncharted waters. "This is the best chance I have to discover something truly novel, despite the setbacks I had to endure." The courageous approach paid off for Maximilian Hojka. His special "Jugend forscht" award earned him an invitation to the Erlangen-Nuremberg University, where he had the opportunity to present his project to the Department of Physics. In addition, Aalen University is interested in Max Hojka's work. Who knows what other ripple effects the hydraulic combustion engine will have in the future ...