



BLUMENBECKER

CUSTOMERS AND BLUMENBECKER – **SUCCESSFUL TOGETHER** ↗

Our **foundational attitudes** to conducting business



Mission Statement of the Blumenbecker Group

»Nothing strengthens people's **trust** more than congruency of **word and deed**. That is the easiest way to gain **credibility** – and in fact it is not easy at all: **say what you do, and do what you say.**«

[Johannes Rau, President of the Federal Republic of Germany, in his "Berlin Speech", 12 May 2004]

➔ WHO WE ARE AND WHAT WE WANT

Dear Blumenbecker staff,

Blumenbecker Group looks very different now than it did at the start of this decade and millennium. There have been considerable increases in both sales and the number of staff thanks to growth brought about by existing companies developing well, new branches and subsidiaries being established, and the acquisition of other companies. Another very visible sign of our rapid change is the degree to which we have become international.

The environment in which we do business is changing at ever-increasing speed, too, becoming more complex and bringing new demands from customers and tougher competition.

Taken together, these factors have presented our tradition-oriented family business with huge challenges. Managers find their job even more demanding, and everyone is having to master new skills and ways of acting.

Questions inevitably come up during times when everything is in flux. „Who are we? Where are we heading? What goals and values do we orientate oursel-

ves to? What principles guide our choices and actions?“

Many of you were involved in the intensive discussion process where we worked out the answers to these questions, clarifying the values, standards and rules of play that apply to all managers and staff in all Blumenbecker companies. We have summarised them by formulating the Blumenbecker Mission Statement – 12 corporate guidelines and explanations that will, from now on, function as our „constitution“. These guiding principles set the framework for our Group strategy and the strategies of our various business divisions, from which the business goals are derived.

They describe the ideals to which we aspire. We realise that, in some cases, we are not yet living by them, but we want to move closer and closer in that direction. We see this as a constant challenge and an ongoing process. It is essential that we are all „on the same page“ as we go forward.

The guidelines are intended to give us the direction we need as we move towards greater success.

Beckum,
December 2009



Astrid Blumenbecker
Shareholder



Wolfgang Albertz
Managing Director, B+M Blumenbecker GmbH



TRUST

➤ AN INDEPENDENT, TRADITIONAL AND FORWARD-LOOKING FAMILY COMPANY

Blumenbecker was founded in 1922 as a family company and we want to keep it that way. Having been established such a long time ago, we are conscious of tradition, but at the same time forward-looking and innovative as well as regional and global.

With three generations of experience under our belt, we are used to thinking long-term. We would rather maintain and build on the firm foundation of what we have already achieved than attempt excessive expansion. This approach guides our strategy of balanced growth and openness to innovation and internationalisation. One thing is certain: we want to maintain our independence.



➤ DECENTRALISED MANAGEMENT – CENTRAL STEERING

Embedded in a decentralised group structure, each company in the Blumenbecker Group is managed by an entrepreneurial management team in its respective market. Concurrently, the entire Group is steered centrally by a holding company.

Our management philosophy combines decentralised and centralised elements.

Though our markets vary considerably according to products and region, the key factors for success in all of them are extensive knowledge of the market, customer proximity, and flexibility. All Blumenbecker companies have the right degree of freedom to act appropriately for their situation and the requisite authority to make their own decisions. We have great confidence in the knowledge, experience and judgement of our management teams in each location.

At the same time, being a member of a strong Group means that Blumenbecker companies share cer-

tain advantages that are enjoyed only by those who belong. These advantages include the Group's financial strength, the increased efficiency that comes from using shared information technology, uniform management and administration guidelines, centrally provided services, a shared corporate identity with a consistent visual image and, last but not least, a Group-wide sense of unity. The only way to create benefits like this is by overarching, consistent control.

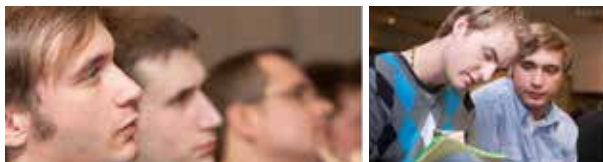
Management is therefore decentralised in the individual companies but also centralised through the holding company, B+M Blumenbecker.

➤ A ONE-STOP SHOP FOR TECHNICAL SOLUTIONS

We have many years of experience and exceptional technical expertise, in terms of both breadth and depth, in the business areas we have selected. This firm foundation enables us to provide a wide range of solutions, individualised to each customer's needs. Our work is always completed on time and to the highest standard.

Utilising skills across the whole Group, we are experts in automation technology, industrial services and industrial sales. Within these three specific areas, we have further specialised in particular sectors, service objects, product ranges and target customer groups. What these three divisions have in common are high standards of quality and reliability and their ability to respond flexibly to customer requirements.

Customers particularly appreciate the fact that, wherever possible, and when it is in their interests, we offer solutions of different business units from one source. We believe that „cross selling“ like this, across all our companies, is a significant instrument for developing customer loyalty, gaining new customers and achieving long-term growth.



➤ LONG-TERM PARTNERSHIP WITH CUSTOMERS

Because we desire long-term relationships with our customers and constructive, robust partnerships, increasing our customers' productivity and position in the market is a top priority for us. We also help customers develop new markets and technical innovations.

A long-lasting partnership provides more opportunities for us to prove our diverse strengths and, in turn, promotes customer satisfaction and loyalty. Financially, too, cooperation over many years is preferable to short-term contact because it provides a reliable basis for planning and thus certainty.

As we see it, listening carefully to customers and finding out what they really need is an excellent way to keep them satisfied. We give customers competent advice, offer services tailored to their needs and deliver these services on time, at the level of quality they expect.

This is the best way to improve our clients' productivity, achieve their goals for innovation and make them even more successful.

With subsidiaries outside Germany we tap into new markets. We're also ready and willing to set up new Blumenbecker enterprises in new locations so we can follow our customers as they expand internationally.



WORD AND DEED



➤ DEALING FAIRLY WITH SUPPLIERS AND COMPETITORS

Our relationships with our suppliers are also conducted in a spirit of partnership. In relation to our competitors, we are – of course – competitive, but also fair.

In short, we live and work by the principles of fairness, partnership and sustainable, long-term business in all aspects of what we do. So it almost goes without saying that our business partners on the procurement side of things can expect the same type of relationship. Our purchasing criteria are very clear as regards cost and efficiency. When making decisions we realise that, depending on the type of service or product we need, price is not the only thing that should be taken into account.

All the conditions, including customer-oriented quality and any extra services that may be provided, matter too.

We welcome competition within a market economy and use all means available to us, fairly and within the law, to win contracts and convince our customers and potential customers to use our products and services.



➤ PROFIT AS THE BASIS FOR GROWTH

We see our earning power as the key to ensuring continuity of employment for our staff, sustainable development for the Group and achieving the growth we aspire to. We aim for a long-term rather than a short-term rate of return.

Ongoing investment and innovation are crucial to Blumenbecker's continued growth. A healthy profit is therefore essential to our existence, the future development of the Group and securing and creating jobs and training opportunities. The proprietors' multi-generational thinking means that the investment needs of the business will always be given top priority when profits are distributed.

We want to grow – primarily internally, by increasing sales and profits and establishing new branches or subsidiaries, but also by buying companies where this appears promising. But we do not take risks without fully assessing them first.



➤ OPENNESS TO CHANGE

We create a corporate culture that welcomes and encourages changes and continuous innovation, with the goal of continually improving our products and processes in order to become more competitive.

Business and change are inseparable – nothing ever stands still. Only those who can keep pace with constant change, becoming change-makers themselves, will survive in the market in the long term. This presents us with a fundamental challenge: being able – and willing – to call into question time-honoured ways of doing things, seek improvements, and work on new developments. To facilitate this, the atmosphere in all parts of our

business should be one in which initiative is welcomed and new ideas can flourish. This creative, entrepreneurial path is not always easy for a tradition-conscious Group with a long history, but it is definitely the one we want to take.



➤ LEADERSHIP BY EXAMPLE AND RESPONSIBILITY FOR STAFF

Our managers are role models for their staff. We build strong relationships, encouraging each other by practising trust and openness, active listening, respect, being reliable and providing constructive feedback. The way we relate to our employees and their families is characterised by a sense of social responsibility.

The way managers lead their staff and colleagues relate to each other determines the corporate climate and the level of commitment and involvement of everyone at Blumenbecker. Everyone in the company is responsible for this, but managers take it especially seriously, because they set an example for others.

We want to treat others as we would like to be treated, being helpful, reliable, authentic and trustworthy, demonstrating respect and tolerance. We listen well, express genuine appreciation and thanks, give constructive criticism and receive criticism graciously. We don't expect ourselves or others to be perfect. We learn from mistakes and

try to prevent them happening again in the future. Transparent communication – personally and in the Group's media – is foundational to constructive relationships.

As the owners of a tradition-conscious family business, the proprietors have always felt that good relationships with their staff and their families were vital. We affirm our ongoing commitment to good relationships, within the constraints of what is financially possible, and we make every effort to put this principle into effect. This includes consideration of family needs.





CREDIBILITY

➤ PROMOTING AND SUPPORTING INDIVIDUAL RESPONSIBILITY AND PERSONAL DEVELOPMENT

We set great store by personal responsibility and solution-oriented, independent action. To support this, we promote and support the professional and personal development of our staff for the Group's benefit.

We cultivate our staff members' talents and give them the leeway they need to grow and develop. This means that each person has to contribute and act independently, and also that everyone must be willing to find goal-oriented solutions for the tasks they have been set and to take responsibility for their own job.

We support the professional and personal development of each and every staff member, also for the good of the Group.

Measures to encourage and develop individual staff members also include in-house development opportunities. We are highly motivated to keep good trainees within the Group once they have completed their training and to offer them, and everyone with talent, interesting prospects.



➤ ACHIEVING MORE THROUGH COOPERATION

We achieve our goals by making the most of the extensive knowledge of the many people who work for Blumenbecker. Therefore, we work cooperatively together both within and between our companies, throughout the Group. We are convinced that we can achieve more by working as a Group than we could individually.

A company can produce excellent products and services only when it has exceptional staff who have a broad range of skills and experience, and when it is able to motivate them to work together constructively and cooperatively in a way that focuses on the shared goal. Work processes that are based on substantial differentiation of labour and involve experts from different specialties depend on efficient teamwork for success, so cooperation is one of our key management principles.

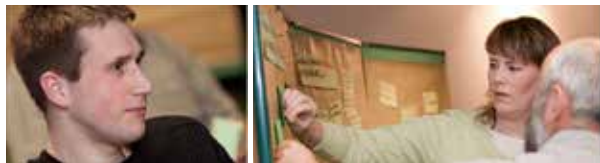
Cooperation is vital, not just within each of our companies and between all the companies in each business division, but also beyond them, especially when we strive to offer multi-faceted solutions.



➤ JOB SECURITY, CONSERVATION OF RESOURCES AND ENVIRONMENTAL PROTECTION

We attach great importance to job security for all Blumenbecker employees and for the business as a whole. We also regard efficient use of resources and protection of the environment as a necessary part of business management, as well as worthwhile goals in themselves.

Job security and health protection in our companies, protection of our environment from pollution and careful use of material and energy resources are non-negotiable elements of our sustainability-based philosophy. This involves complying with national laws and regulations, using energy and raw materials efficiently so as to minimise costs, and knowing that everyone at Blumenbecker „owns“ the principle.



➤ OBSERVING THE LAW AND BEING SOCIALLY RESPONSIBLE

We obey the law in Germany and in all the other countries where we work or intend to work. We take social responsibility seriously in the sectors in which we are active. We do this in a direct sense through our companies and indirectly through the Marianne Blumenbecker Foundation.

As a traditional, medium-sized family company with close ties to its surroundings, we comply with laws, ordinances and regulations in the countries where we do business. This applies in particular to the way we treat staff and staff representatives, customers and potential customers and suppliers, and our environment.

Our sense of responsibility extends beyond Blumenbecker premises. At our many sites, we are mindful of social concerns and give as much support as we can to private initiatives, especially in education, cultural ac-

tivities and sport. We do this in two ways: directly, through Blumenbecker companies in their regional contexts, and indirectly, through the Marianne Blumenbecker Foundation. The foundation, by way of Marianne Blumenbecker Stiftung GmbH, holds 40% of the shares in our Group.







BLUMENBECKER



We're part of it!

BLUMENBECKER MISSION STATEMENT