

# Ecological awareness, social responsibility

We want to sustainably increase the value of the company for the benefit of our shareholders. We are committed to the environment and to the efficient use of resources.



Belimo is firmly committed to sustainability, as reflected in our mission statement. This commitment was further strengthened in 2013 with the signing of the UN Global Compact. In doing so, Belimo has undertaken to adopt, support and implement a range of principles within its sphere of influence from the areas of human rights, labor standards, environmental protection and anti-corruption. These principles are consistent with the values and code of conduct of Belimo.

## Ecological awareness

### Environment and energy

The energy for heating the offices and production facilities in Hinwil comes from the neighboring waste incineration plant.

The premises in Hinwil have been critically reviewed in regard to comfort and energy efficiency. The analyses performed demonstrated that need-based lighting makes a significant contribution to reducing energy consumption. Extensive operational enhancements to the building automation, such as the synchronization of the operating times of HVAC systems, have already been implemented.

The new American headquarters are being constructed in compliance with the LEED standards for sustainable construction. The aim is to achieve Gold certification, which equates to the second highest quality level.

New, energy-efficient multi-function printers are being introduced at central service stations in Hinwil, making around 30 percent of the existing devices superfluous. Paper consumption is reduced through the use of double-sided printing as the default setting.

### Innovation

Environmental thinking starts right with product design and development. We focus on sustainable and eco-efficient product development that looks at the entire product life cycle. This means minimal use of power and resources, low-impact waste disposal, the use of materials that generate low emissions in the event of fire and longer product life cycles through the use of modern technology. Optimizing existing products leads to some considerable savings in material and energy during the production process.

Our customers are involved early on in the development process with a view to finding innovative approaches together and verifying promising ideas. We secure an edge for our customers by providing them solutions that offer more comfort and greater energy efficiency and safety, and are simpler to install and maintain.

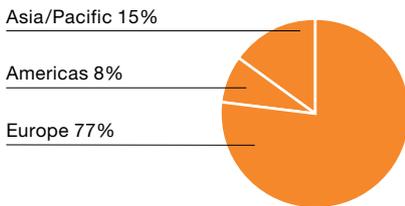
### Products

The high functionality of our products enables optimal performance of HVAC systems. The power consumption of the actuators is reduced by means of energy-optimizing algorithms.

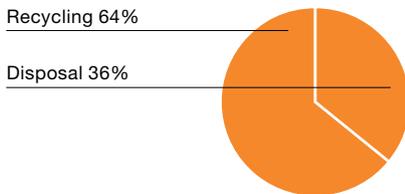
The following products and solutions promise higher value for customers coupled with lower energy consumption:

- **Optimized characterized control valve.** This technology prevents creeping circulation losses with air bubble-tight closing valves.
- **Belimo Energy Valve™.** The simultaneous measurement of energy flows and optimization of the flow rate make it possible to reduce energy waste in the building. This has been proven by the successful use in buildings around the world. Belimo has also received numerous awards for the Belimo Energy Valve™.

### Procurement in percent from



### Waste Management



- **Valve actuator with non-linear gears.** Thanks to new gear technology, a butterfly valve can be reliably operated using a smaller motor.
- **Actuators for zone applications.** Compared to thermal actuators, the new actuators for zone applications consume less energy in standby mode and have a longer useful life.

### Materials

The materials used are carefully selected to ensure that as little damage as possible is caused to the environment. We do not use auxiliary materials such as solvents, resins, paints or lead at all, or only in very small quantities. We use as little packaging as possible and give priority to recyclable packaging film. All packaging is made of materials that are not harmful to the environment. We increasingly use reusable containers and cardboard instead of plastic packaging.

### Environmental directives

We adhere to the RoHS environmental directive, which prohibits the use of substances that are harmful to the environment. Compliance is implemented on the basis of a list of banned substances that is adapted to our products and their areas of application. In addition, our suppliers undertake not to use any of the banned substances in the parts they deliver.

Belimo has been applying the international environmental management norm ISO 14001 by means of self-declaration. Certification was awarded in the beginning of 2014.

### Procurement

More than 80 percent of the added value in our products comes from our suppliers. That is why we place the same high demands on them as on ourselves, requiring them to conform to our environment and quality policies. Adherence to specifications is checked by our goods-in department by means of direct tests and by in-

specting the requested test reports and declarations.

The code of conduct for suppliers has been signed by more than hundred suppliers, which equates to around 90 percent of our procurement volume. Both new and existing suppliers are regularly audited on site, amongst others also aspects of our code of conduct.

The bulk of our supplies are procured in Europe.

### Production and logistics

Through the transfer of knowledge and technology between our production locations we ensure safe, efficient and resource-saving production processes. Thanks to an optimized software download, actuators can increasingly be produced centrally using the same means of production equipment and completed locally on site in accordance with the customer's needs. This saves resources along the entire logistics chain.

The regular review and adjustment of our logistics processes also addresses environmental issues. We reduce transport mileage by means of collective shipments and consolidated direct deliveries to customers. We now offer final assembly locally on site in almost all continents, meaning we are also able to considerably shorten the transport routes to our customers. We also minimize energy-intensive air freight on an ongoing basis.

### Recycling and disposal

Our waste is sent for recycling whenever possible. The internal collection points help to ensure the proper disposal of waste. These measures enable us to recycle more than half of the waste produced. The remaining waste is sent to the nearby waste incineration plant.

We treat each other with respect and stand up for each other.

Disposal transportation is consolidated. Thanks to a new cardboard press, it is possible to reduce the number of return transports of cardboard from previously three times a week to twice a month.

## Social responsibility

### Corporate culture

Together with the heads of Divisions, the members of the Group Executive Committee have held workshops around the world in order to train employees on the new code of conduct. The discussions held helped to ensure that our values and corporate culture are understood by everybody in the same way. In anonymous follow-up surveys, the employees were questioned on the culture at Belimo. The results showed that there is no immediate need for action. The Belimo values of trust and credibility also mean that employees get in touch with the appropriate contact person in the event of perceived violations of either applicable laws or ethical standards.

New employees learn about our values and quality standards during their introduction to the company. The individual employee's long-term ability to internalize and put those values into practice is also part of the annual employee appraisal.

In Hinwil, assembly and packaging work is given to workshops for the disabled. In the United States, we provide more than 40 disadvantaged people with jobs. Belimo supports various regional sporting and cultural events.

On the Day of Caring, employees in the United States have the opportunity to use a working day to perform voluntary work for the common good.

Each year, Belimo conducts a Bring Your Child to Work Day in Switzerland

and the United States. This gives the children of employees the opportunity to accompany their parents at work for an entire day.

We offer employees with personal, social or health problems access to free advisory services.

### Sustainable personnel policy

We value cultural diversity and assist employees from other countries with their integration, for example by providing free German lessons. The high average length of service of eight years underlines the extent of employee loyalty and their identification with the company. The part-time working models are valued both by employees and the company itself. In Hinwil, around 30 percent of employees work on a part-time basis.

Management is firmly committed to the production sites in Switzerland and the United States, as evidenced, for example, by the high level of investment in both locations.

Belimo works at all levels with a performance and behavioral appraisal system. This includes regular assessments of individual goal achievement, as well as a discussion of appraisals with employees and appropriate measures. For employees in higher positions, a competence analysis is carried out every two years. This is based on the newly developed Belimo competence model and supports individual development planning. The system of remuneration lets employees participate in the company's success.

Internal information events are held on a regular basis. The special preparatory courses for employees nearing retirement are very popular.

The final measures from the 2011 employee survey have now been implemented. Preparations are already

underway for a new global survey in 2014.

### **Training, personal and career development**

We help employees develop their specialist knowledge. With thorough induction programs, Belimo makes sure that new recruits are familiarized fully with their tasks and responsibilities and the corporate culture. We support the personal development of our employees. Time spent abroad at one of the company's other locations is an opportunity for professional and personal development and brings added value for the company.

Managers around the world regularly complete training courses on leadership issues.

In addition to managerial positions, Belimo also offers careers for professional specialists. Development prospects in both cases are treated equally. Professional specialists can prepare themselves for future challenges with defined development plans.

### **Encouraging new talent**

We help new talent to develop and offer traineeships to 21 trainees in six professional areas. Trainees with good performance reviews can stay with us for at least another six months after completing their traineeships to gain professional experience.

Each year, an educational excursion organized by the trainees takes place. In addition, a member of the Group Executive Committee or a head of Group Division and the trainees' mentors hold an annual parents' evening for the parents and trainees. This provides the parents with an insight into the company and the work performed by their sons and daughters. The trainees are given the opportunity to present their traineeship project.

To ensure that the young people receive the best possible support, the mentors attend training sessions regularly.

### **Health and safety**

All employees are aware of the possible dangers in their jobs and know how to prevent accidents. The first aid team in Hinwil has repeatedly received training on the handling of various medical emergencies and the correct use of defibrillators and reanimation. The approximately 40 specially trained individuals are represented in all parts of the buildings. In sensitive areas, emergency boards provide information and first aid kits are available for the event of accidents.

The safety managers in Hinwil have received training on emergency management and the findings from building evacuations.

In order to improve collaboration and working atmosphere in open-plan offices, noise reduction measures have been tested in Hinwil.

The BelimoVital program to promote occupational health includes targeted relaxation and strengthening exercises, training in workplace ergonomics and other specific activities.

The Bike to Work campaign has proved to be very popular in Hinwil. 92 participants cycled more than 18 800 kilometers in June 2013. In the United States, participants in the King of the Hill Marathon completed a set distance either individually or in teams. Belimo provides financial support for these campaigns.

These offerings are intended to help improve satisfaction, health and motivation of employees.

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## Key figures 2010 – 2013

### Locations Hinwil (Switzerland) and Danbury (CT, USA)

	Unit	2013	2012	2011	2010
<b>Key personnel figures</b>					
Number of employees (average)		970	916	878	838
Female employees	as % of number of employees	47	47	47	50
FTEs (average)		905	854	821	780
Days off due to sickness					
	absences as % of total working days	2.8	2.9	3.5	3.2
Accident rate (occupational and non-occupational)					
	absences as % of total working days	0.6	0.3	0.3	0.5
<b>Environmental indicators</b>					
Number of actuators produced	in million items	5.1	4.8	4.6	4.3
<b>Utilization</b>					
Paper (A4, A3 sheet) only office					
Copiers, printers	kg per FTE	12.8	13.9	15.2	13.0
Buildings and total energy consumption					
Electricity	MWh	4 782	4 275	4 383	3 812
Heat energy					
District heating (own building)	MWh	1 191	1 199	986	1 159
Gas	MWh	973	1 040	924	814
Mains water	m <sup>3</sup>	8 647	8 486	8 098	9 144
<b>Recycling and disposal</b>					
Waste for recycling	t	340	377	353	370
Waste for incineration	t	145	116	108	104
Remaining waste	t	65	70	96	91
Hazardous waste (electronics, separated materials)	t	37	32	28	29
Sanitary water	m <sup>3</sup>	8 647	8 486	8 098	9 144