

# 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.



## 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 are continually reviewed and adapted in regard to comfort and energy efficiency. Since 2014 there has been a tool in use for monitoring environmental and energy key figures.

The new production, logistics and administration building in Danbury (CT, USA) is now completed and started operations. The building was constructed in compliance with the LEED standards for sustainable construction. The next step is to achieve certification.

### Innovation

Environmental thinking starts right with product design and development. The focus is 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.

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

The Swiss research and innovation building NEST (Next Evolution in Sus-

tainable Building Technologies) is a joint project between industry, research and the public sector supported by Belimo. Therein, not only forms of living and working, but also the energy flows and utility engineering of tomorrow's houses are being researched.

### Products

The high functionality of the 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™.
- **Valve actuator for butterfly valves.** In addition to non-linear gears, new types of gears for large butterfly valves are in development for reliable operation 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. Auxiliary materials such as solvents, resins, paints or lead are not used at all, or only in very small quan-

tities. All packaging is made of materials that are not harmful to the environment. Reusable containers and cardboard are increasingly used instead of plastic packaging.

**Environmental directives**

Belimo adheres 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 which is aligned to products and their areas of application. Suppliers also undertake not to use any of the banned substances in the parts they deliver.

Since certification in early 2014 Belimo has applied the international environmental management system ISO 14001.

**Procurement**

More than 80 percent of the added value comes from suppliers. Belimo therefore places the same high demands on them as on itself. They are involved in the environment and quality policy. Adherence to specifications is checked by our goods-in department by means of direct tests and by inspecting 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 the procurement volume. Both new and existing suppliers are regularly audited on site, amongst others also aspects of the code of conduct.

Procurement is done for the most part in Europe.

**Production and logistics**

Through the transfer of knowledge and technology between production locations, safe, efficient and resource-saving production processes are ensured. Thanks to an optimized soft-

ware 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 logistics processes also addresses environmental issues. Transport mileage is reduced by means of collective shipments and consolidated direct deliveries to customers. Final assembly is offered locally on site in almost all continents, meaning considerably shortened transport routes to customers. Energy-intensive air freight is minimized on an ongoing basis.

**Recycling and disposal**

Waste is sent for recycling whenever possible. The internal collection points help to ensure its proper disposal. These measures enable the recycling of more than half of the waste produced. The remaining waste is sent to the nearby waste incineration plant. Disposal transportation is consolidated.

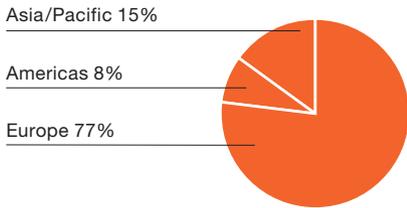
**Social responsibility**

**Corporate culture**

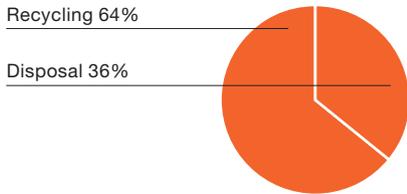
The mission statement and code of conduct present the principles for internal cooperation, behavior on the job and interaction with suppliers and competitors. The values of trust and credibility also mean that employees get in touch with the appropriate contact person in the event of perceived violations of either applicable laws or ethical standards.

New employees learn about 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.

**Procurement in percent from**



**Waste Management**



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



In Hinwil, assembly and packaging work is given to workshops for the disabled. The location in Danbury (CT, USA) provides more than 45 disadvantaged people with jobs. Belimo received the Business Leadership Award for its long standing pioneer engagement with disadvantaged people from the organization Ability Beyond.

Belimo supports various regional sporting and cultural events.

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

Each year, Belimo holds a National Future Careers Day in Switzerland, and a Bring Your Child to Work Day in the United States. This gives employees' children the opportunity to accompany their parents at work for an entire day.

Employees with personal, social or health problems are offered access to free advisory services.

### **Sustainable personnel policy**

Belimo values cultural diversity and assists 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, amongst others, 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 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 third worldwide employee survey conducted in 2014 confirmed the good result in the area of engagement from the 2011 survey. Detailed results are analyzed and measures derived worldwide in the individual teams. Also in comparison with other companies, Belimo is a popular employer. Belimo took part for the first time in the renowned Swiss Employer Award, achieving second place in the category "1000+ employees".

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

Belimo helps employees develop their specialist knowledge. Thorough induction programs ensure that new recruits are fully familiarized with their tasks and responsibilities and the corporate culture. The internal training program has been revised. Employees' personal development is supported. Time spent abroad at one of the company's other locations is considered as 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**

Belimo encourages new talent and offers traineeships to 21 trainees in six different professional areas. Trainees with good performance reviews can stay for at least another six months after completing their traineeships to gain professional experience.

Each year, a member of the Group Executive Committee or a Head of Group Division and the trainees' mentors hold a 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. Thereby the trainees present their traineeship project. In 2014 they made a short movie about their traineeships.

In order to ensure optimal education and support for new talents, the mentors attend regular training sessions.

#### **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. The approximately 35 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.

In connection with the new construction in Danbury (CT, USA) the emergency procedures were adjusted and investments in job safety were made. A review of workplace ergonomics

was made by external specialists. The design of open-plan offices in Hinwil is also being optimized on an ongoing basis.

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 in Hinwil has become very popular. In June 2014, 104 participants cycled more than 21 100 kilometers. In the United States, 137 participants in the King of the Hill Marathon completed a set distance either individually or in teams. Belimo provides financial support for these initiatives.

These offerings improve satisfaction, health and motivation of employees.

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## Key figures 2010–2014

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

	Unit	2014	2013	2012	2011	2010
<b>Key personnel figures</b>						
Number of employees (average)		1021	970	916	878	838
Female employees	as % of number of employees	47	47	47	47	50
FTEs (average)		959	905	854	821	780
Days off due to sickness	absences as % of total working days	3.0	2.8	2.9	3.5	3.2
Accident rate (occupational and non-occupational)	absences as % of total working days	0.4	0.6	0.3	0.3	0.5
<b>Environmental indicators</b>						
Number of actuators produced	in million items	5.5	5.1	4.8	4.6	4.3
<b>Utilization</b>						
Paper (A4, A3 sheet) only office						
Copiers, printers	kg per FTE	15.4	12.8	13.9	15.2	13.0
Buildings and total energy consumption						
Electricity	MWh	5 312	4 782	4 275	4 383	3 812
Heat energy						
District heating (own building)	MWh	814	1 191	1 199	986	1 159
Gas	MWh	1 547	973	1 040	924	814
Mains water	m <sup>3</sup>	8 682	8 647	8 486	8 098	9 144
<b>Recycling and disposal</b>						
Waste for recycling	t	452	340	377	353	370
Waste for incineration	t	165	145	116	108	104
Remaining waste	t	92	65	70	96	91
Hazardous waste (electronics, separated materials)	t	1	37	32	28	29
Sanitary water	m <sup>3</sup>	8 682	8 647	8 486	8 098	9 144