



WITH TARGETED MEASURES,
**WE ACT SUSTAINABLY AND
RESPONSIBLY**

Sustainability Report 2016/2017

INTRODUCTION

Dear readers,

“People make the difference” is not just a slogan that we have written in large letters on the wall of our company headquarters in Bruchsal. “People make the difference” is a practiced motto throughout the entire SEW-EURODRIVE Group when dealing with our employees *) , customers and competitors and is part of the foundations of our company.

Since its founding in 1931, SEW-EURODRIVE has been an independent family business. And just like a family defines itself across generations, our thinking is not only focused on the fiscal year, but rather on entire generations. And we know that sustainability in all its facets only thrives when people promote it, maintain it and continue to develop it in a contemporary manner for future generations.

Based on the guideline from the Global Reporting Initiative GRI, for this report we have consulted the employees in the parent company, as well as in our global subsidiaries as to which ecological, economic and social activities they perform and plan for a sustainable company culture and environment.

Conclusion: Our motivated employees are developing powerful concepts for a better future, support all measures and projects with the highest level of commitment and implement them accordingly in a consistent and responsible manner. Economically and technically, we also do everything to be successful in the future and grow as a company. Because only as a healthy and innovative company can we continue to play an active role in family, society and the environment for a long time. With our motors that are becoming more and more energy-efficient, performance-optimized controllers, customized energy saving systems and solutions for machine automation, we create the basis for sustainability that reaches far beyond the boundaries of our own company. Hence, we can in turn make it possible for our customers to e.g. significantly reduce machine heating and thereby save as much energy and water in their companies as possible.

The fact that we think and act outside the box with respect to sustainability is also shown in how we select our suppliers: We expect our partners to think and act in their companies in accordance with the same principles that we have defined in our Code of Conduct and in our company principles.

Thank you, including on behalf of our more than 17 000 employees worldwide, for your support on our continued, responsible path to a sustainable future for future generations.

Best regards, SEW-EURODRIVE GmbH & Co KG

*) For the purposes of easier readability, we use terms such as colleagues, employees, customers, etc. in this report in a gender-neutral format; however, these terms should be considered applicable to all genders.

I. COMPANY-WIDE GUIDELINES

1.1

Responsible boards / staff / committees

Individuals, supervisory bodies or committees addressing the issue of economic, environmental and social sustainability and the analysis and management of impacts, risks and opportunities for the company.

Chile

- Join committee for the evaluation and monitoring of compliance with the internal regulations regarding to the environment. Work in conjunction with the Asociacion Chilena de Seguridad, an industrial hygiene association.

Czech Republic

- ENVIROCONT: Environment, waste management, employee training
- PRAZSKE SLUZBY: Waste sorting
- MINOREC - hazardous waste, ecological processing
- MEWA TEXTIL SERVICE: ecological washing of industrial wipes
- EKO-KOM: authorized company for take-back and recovery of packaging
- SITA CZ: regular check of oil product separators
- RÖDL & PARTNER: economical and tax topics
- Lawyer offices: Assessments of "dangerous" situations
- DTIHK: Economical and business difficulties, laws
- Employment agencies

France

- PERFAMBIANCE Steering Committee
- ISO 14001 / 50001 Committees
- Workplace Well-being Committee
- Employee Delegates
- Works Council
- Committee for Health, Safety, and Working Conditions (CHSCT)

Germany

- Regular environment and energy management team meetings.
- Annual reviews with the participation of management. Objective: Agreement on additional environmentally-friendly measures and measures for saving energy.
- Finance and Controlling: continuously provides management with data relating to the current economic development of the company.
- International Controlling (FCI): Annual fiscal year planning within a 3-year horizon with all individual companies, consolidation of results at the subgroup and group level, monthly reporting (MFR) concerning the development of all companies.
- International Accounting (FAI) in cooperation with Internal Audit (AI): Consolidated accounts in terms of commercial law in accordance with HGB (German Commercial Code) by ensuring that the reported data is binding.

Italy

- Core team (Managing Director, HR Manager, CFO, Operations Manager, Customer Services Manager) - urgent and important strategic activities;
- Extended team (Core team, Regional Sales Managers): processing / follow-up budget and strategic activities;
- Sales management team (Managing Director, Regional Sales Managers): sales strategy;
- Middle management team (Regional Sales Managers, Managers of every dept.): innovation, communication with its dept. employees;
- Senior technical team (Technical Managers, Leader Application Engineers, Senior Product Specialists): innovation technology, technical topics
- Applications (Technical Managers, technicians): technical activities;
- Sales (Extended team, Sales people): commercial activities.

Netherland

- Management team (four people): , General lead in addressing issues of economic, environmental and social sustainability and management themes.
- VGM commission: Addressing issues in the field of environment, health and safety
- One functionary each for safety, environment and health
- BHV-group – In-house emergency response team (10 employees throughout the company) : Support in case of emergency, like accidents, fire alarm, first aid etc.
- A works council represents the employees in negotiations and cooperation with the management.
- A health group is set up in order to encourage colleagues to live more healthily.

Norway

- The Working Environment Act: Working environment, employment protection etc.
- The Norwegian Labour Inspection Authority: All issues regarding health and safety
- The Board of Directors of SEW-EURDRIVE Norway are responsible for all matters regarding CSR

Poland

- Insurance of receivables - agreements with Atradius and Euler Hermes
- Permanent cooperation with legal offices (revision of contracts)
- Cooperation within the framework of tax advisory
- Local control institutions (e.g. US - Tax Office, GUS - the Central Statistical Office, PIP - The National Labour Inspection)
- Processes related to the security of business
- Management trainings
- Policy of use of the company's property
- Regular meetings for all employees

Portugal

- Quality, Environment and Safety division
- Well Being Commission – takes care of common areas for employees, etc.)
- Management committee - decides upon HR policies and special cases, major company guidelines and future trends
- Evaluation teams for Improvement Ideas Rewarding System

Switzerland

- Annual strategy workshop (management, cadre and external coach).
- Annual audit by external advisors with respect to recertification according to ISO 9001 by SWISS TS.
- Internal complaint management system
- Periodic core team sessions with respect to compliance with topics relating to occupational safety and quality.

Spain

- Economic and social sustainability is directly addressed by the Board committee.
- Environmental sustainability is responsibility of the Production manager, with support from the Board committee.

United Kingdom

- Management team
- Health and safety committee
- Local SWOT and business plan
- BSC
- HSBC review
- Jolliffe Cork external auditors report
- MHM
- Scottish Widows
- ISO 9001
- External financial audit

1.2 External charters, principles, norms, initiatives

Externally developed economic, environmental and social charters, principles, norms or other initiatives to which the organization subscribes or which it endorses.

Argentina

- Compliance with the law 2763 of contaminant emissions, such as, liquid, gases and waste.
- Compliance with all regulations and standards applicable in Argentina concerning social responsibility and sustainability:
Water as a resource, soil conservation, gaseous effluents, noise control, environmental impact

Chile

- Adherence to the law 18.410 of energy efficiency

Czech Republik

- ISO 9001
- Local laws and regulations (Environmental Agency, Social Security Office, Employment Agency, etc.)
- Charitable actions

France

- ISO version 2015
- ISO 14001 (Environnement)
- ISO 50001 (Energy)
- ISO 9001 (Quality)
- Alsace Excellence label

Germany

- ISO 14001 (environmental management system) and ISO 50001 (energy management): Verification and confirmation via regular external audits by TÜV
- Basic Global Compact Initiative principles of the United Nations
- Convention concerning Minimum Age for Admission to Employment (Convention No 138 of the International Labour Organization (ILO))
- Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (Convention No 182)

Italy

- Contribution to the quality of life and the conservation of energy resources
- Our principles put the customers into our actions: Ethicality, collaboration, flexibility, clearness.

Japan

- The Olympic Games 2020 in Tokyo: will initiate mayor investments.
Such a Mega Event requires SEW products to move people and goods.

Netherland

- Endorsement of the principle of legality: company complies with the laws and regulations that are valid in the countries, in which SEW-EURODRIVE B.V. is doing business.
- Adherence to the ten principles of the UN Global Compact initiative and to the International Labor Organization's Convention 138 on 'minimum age' and Convention 182 on the 'Ban of worst forms of child labor'.
- Affiliation with the Metalektro collective bargaining agreement (for the period May 2015 till June 2018): Arrangements about f. e. salary and pension, education, working hours, flexible availability of personnel etc.

Norway

- Adherence to
 - International labour organisation principles and guidelines
 - EEA Agreement
 - SEW-DE Corporate principles
 - International standard for social responsibility"
- Board members of MIN (organisation supporting businesses in the region)
- We are members of:
 - RENAS (organisation for collecting and responsible disposal of EE-waste)
 - NHO (organisation with main objective to secure profitable business and industry based on sustainable growth)

Poland

- Supporting universities:
 - Technical University of Lodz (cooperation within the framework of Small Oxford project, engaging students in various types of projects);
 - Technical University of Gliwice (faculties created under the patronage of SEW-EURODRIVE Polska);
 - Technical University of Poznań (racing car Cybina project- sponsoring and engineering support)
 - Organizing discussion panels in cooperation with technical universities
- Participation in conferences organized by the universities and other institutions
- Gold Certificate of Creditworthiness for SEW-EURODRIVE Poland on April 20th 2017: awarded by the leading International Business Information Agency Bisnode D&B Polska
- 2nd place in the XXII edition of the competition organized by the National Labor Inspectorate in the category: Employer - Organizer of Safe Work

Portugal

- The Universal Declaration of Human Rights
- Minimum Age Convention and Worst Forms of Child Labour Conventions
- Equal Remuneration Convention and Discrimination
- The Ten Principles of the UN Global Compact Framework
- Certification on ISO 9001:2015 and ISO 14001:2015

Switzerland

- Guidelines and standards of SEW-EURODRIVE GmbH & Co. KG
- Swiss Technology Network
- Initiative Industry 2025

Spain

- OIT (International work organization) principles and guidelines.
- OSHA regulation for occupational safety.
- ISO 14000 for environmental protection.

United Kingdom

- External health and safety advisor
- Confederation of British Industry
- Engineering Employers Federation
- Mechanical Handling Engineers Association
- A J Gallaghers
- Scottish Widows
- ISO9001
- TUV
- External financial audit
- Standard life

1.3

Internal charters, principles, norms, initiatives

Internally developed economic, environmental and social charters, principles, norms or other initiatives to which the organization subscribes or which it endorses.

Chile

- Internal regulation for the control and classification of waste.

Czech Republic

- Rules for specific sales activity (code)
- Reorganization for receiving and predelivery inspection, Pilsen
- Implementation of the new ecological regulations

France

- Draft of the PERFAMBIANCE project, with employees' participation.

Germany

- Corporate principles for quality, environment, energy, safety – . .
- Code of Conduct: Germany, Spain, Portugal and the Netherlands
- Data Privacy Statement

Italy

- Promotion of human rights
- Protection of privacy
- Guarantee of a safe and health-promoting work environment
- Prohibition of child or forced labor
- Environmental protection

Netherland

- Business plan 2015-2018:
- Company regulations ("bedrijfsreglement"):

Norway

- HSE and HR guidelines

Poland

- Implementation of ISO and OHSAS
- Analysis of risks and opportunities for business, of the competitiveness of the company profile and of KPI in specific areasImplementation work of paperless operation

Portugal

- Code of ethics and conduct
- Management Documents (f. e. Company Strategy and Policy)
- Improvement Ideas Rewarding System

Switzerland

- Guiding principle, corporate policy, annual working time regulation

Spain

- SEW-EURODRIVE corporate principles document, code of conduct and guidelines regarding quality, expertise, certification, price/performance
- Local Ethical code (see Suppliers, chapter 4) and local ISO 9001
- SEW-EURODRIVE/AON insurance manual

Unitec Kingdom

- Health and safety committee
- SEW-EURODRIVE corporate guidelines, group accreditations and GAAP
- Internal SEW-EURODRIVE audits

II. ECONOMIC DIMENSION

“The economic dimension of sustainability concerns the organization’s impacts on the economic conditions of its stakeholders and on economic systems at local, national and global levels. The Economic Category illustrates the flow of capital among different stakeholders and the main economic impacts of the organization throughout society.” (GRI)

2.1 Suppliers

Selecting and cooperating with suppliers: particular criteria relating to environmental, economic or social issues

Argentina

- “Ethical Principles” within the new service contracts, based on the protection of health, safety and environmental protection and strict adherence to the laws and regulations in Argentina

France

- Take CO₂ levels into account when selecting a shipping company (carbon assessment).

Germany

- Sustainability key figure at SEW-EURODRIVE supplier management: incorporates the criteria of ecological, economical and social aspects and is already included in the evaluation during the selection process of new suppliers. Selection criteria: e.g. child labor, forced labor, discrimination, etc.
- Requesting certification according to ISO 14001 when selecting our suppliers. In addition, we strive for their compliance with ISO 50001.

India

- Environmental compliance wherever applicable. For e.g. we buy environment friendly packing material which can be disposed off in an eco-friendly manner. We prefer suppliers that have ISO certificates.

Norway

- We check ISO certification for larger suppliers
- Suppliers need financial stability and to behave professionally
- We require that all our suppliers operate within standard ethical guidelines regarding child labour, minimum salary etc.
- We prefer local suppliers so we support the local business community

Spain

- Suppliers must endorse our ethical code
- All country regulations and norms must be followed/complied with.
- Human rights will be respected: no employee will suffer mobbing, physical or mental maltreatment or any other type of abuse.
- Wages and working hours will comply with the national laws and specifically the minimum wage, overtime and maximum working hours will be respected.
- No forced man labour will be used. Employees will be free to leave their jobs upon previous notice.
- No children will be employed and all standards of the OIT (International work organization) will be complied with.
- Employees’ right to free association will be respected.
- Adequate occupational safety & health conditions and standards will be provided to the employees.
- All business activities will be undertaken with respect to the environment and to the local environment regulations in force.
- All products and services will be delivered fulfilling the quality and safety criteria agreed upon contract and they will be safe for their forecasted use.
- To guarantee goods and services supply to SEW-EURODRIVE, no fraudulent means, such as bribery, will be used.
- The supplier will ensure that his own suppliers fulfil all the above mentioned points.

2.2 Investment

Infrastructure investments and development projects for safeguarding and strengthening locations.

Germany

- Photovoltaic systems at the new “Electronics Production” construction at the Bruchsal site.
- Photovoltaic system at the new parking garage at the Graben site.

India

- Photovoltaic system for power generation for 85.5 kWp on Baroda plant, have invested for Roof Top,. It is connected to National Grid. Which allows excess power to pump to Grid and net metering will benefit us in terms of reduced energy bills.

Italy

- New office building and renovation of the existing building and workshop

Netherlands

- New workshop and additional assembly capacity – in total 2,500 m² – for large gear units in Rotterdam. In this Large Gearbox Workshop (LGW) robust industrial gear units can be repaired. This activity aims at the many logistics companies being active in the Rotterdam port area who require quick and uncomplicated service.
- Extra assembly facility for the larger 7-series gear motors in view of the lasting demand for short delivery times

Norway

- Cooperation within the ‘Viken’ network, which supports regional technical industry. The network aims to improve infrastructure and facilities for industries and to make the region competitive/attractive for new business.

2.3 Knowledge

Excellence and innovation initiatives in place for sustainable knowledge management

Argentina

- Education improvement across all levels (IT Tools, English, Safety; etc.).

France

- Development of the Perfambiance School (Ecole Perfambiance).
- Train energy advisors at each of our sites.

Germany

- Knowledge management in the following organizational divisions:
- 1. Corporate Knowledge Management in the area of personnel development
- 2. Knowledge Management in sales in the area of BUC-KM

India

- We have common document pool where all process, policy and formats are stored for common usage with necessary access controls. Employees can refer and keep updated on changes.

Italy

- Digital Innovation Teamwork with specific know-how and expertise in processes, digital transformation and improvement of the digital user experience.

Netherlands

- Promotion of remanufacturing activities, i.e. the re-use of non-wear parts in the assembly process. Transportation and warehousing expenses are saved by informing the customer in advance about price and delivery time. We are continuously optimizing the remanufacturing process.
- Lean manufacturing, lean office and lean advanced workshops in order to inform our customers and hereby strengthen the supply chain cooperation. The workshops focus on lean working methods, meant to work together more effectively and sustainably and save costs.
- Sustainability group for which 12 employees have signed up voluntarily. This group's task is to exchange ideas about improving the environment and to discuss ways to act more environment-friendly as a company. The group's attention is actually focused on the replacement, if necessary, of a defective central heating boiler by an energy-saving solution.

Norway

- Members of the steering committee in 'Viken' network. This 'top leader forum' is a competence center for industry 4.0 and digitalisation.

Spain

- Every person has a minimum of one back-up person with same knowledge level, in many cases there are 2 or more back-ups. Excel including knowledge level by department is maintained in a semester basis.
- Knowledge guidelines of critical & complex processes (for example order entry processing) existing and being monthly updated. Periodical meetings to share updates are hold regularly.
- Rotation of fitters in the workshop in order to guarantee maximum assembly knowledge and flexibility.
- Every employee signs a non-disclosure agreement regarding the company knowledge and relevant info/data.
- Every employee has received a presentation about the correct use of IT tools, company property and company knowledge.
- IT policy and IT safety measures in force to guarantee internal knowledge is not hacked by external sources.
- IT disaster recovery plan existing and being quarterly updated.
- SEW-D certificate on Information Security level standard.
- Confidentiality agreements with all our IT external partners.

2.4 Smart Factory

Projects, measures and methods for increasing efficiency and implementing LEAN management and the intelligent factory

France

- Obtain the “Industry of Future Showcase” label for our new site in Brumath.
- Organization in mini-factories within all our production sites.
- Proposal for a LEAN training course and qualification for our technicians, engineers, and managers, in partnership with the Haguenau University Institute of Technology.

India

- India’s Chennai and Pune plant are designed as per WIEPRO layouts.

Italy

- Introduction of Cloud Manufacturing, new Wi-Fi networks and gateway to implement the Internet of Things into our assembly factory.
- We have implemented four assembly stations connected with ERP, and integrating cyber-physic systems and mobile assistants (automated guided vehicles) which communicate together, in order to monitor and manage the workshop in real time, and to increase flexibility to meet specific customers’ production needs.

Netherlands

- Experience in operating an AGV as a means to transport the heavier drives to the final inspection and the paint spraying installation. Plans are made to expand the use of AGVs in our production – as logistic assistants – for example for the transportation of assembled drives and empty trays.
- “Inspanningsdoelen” (extra effort goals) are a means to develop people and encourage them to perform their work in the direction of the company’s goals. By putting in extra efforts (and earning a share of bonus) many tasks, which would normally be neglected, are done. For example: investigate a specific group of customers, organize a training for a specific group of employees, communicate about sales activities etc.

III. ENVIRONMENTAL DIMENSION

“The environmental dimension of sustainability concerns the organization’s impact on living and non-living natural systems, including land, air, water and ecosystems. The Environmental Category covers impacts related to inputs (such as energy and water) and outputs (such as emissions, effluents and waste). In addition, it covers biodiversity, transport, and product and service-related impacts, as well as environmental compliance and expenditures.” (GRI)

3.1 Material

Materials used according to weight or volume. Report on measures aimed at sustainable materials management (recycling) in production and delivery.

Czech Republic

- All wasted material is sorted carefully and handed over to our partners for recycling.
- All materials used in production are dimensionally well optimized to avoid wasting.

France

- Use of 100% recycled aluminum ingots at the Forbach foundry.
- For shipping, use of divider bags made from recycled cardboard boxes.
- Brumath factory recycles 100% of waste.

Germany

- Effective waste management is firmly established within the scope of our environmental management, as a result of which we continuously reduce the quantity of residual waste.
- Recycling of raw materials used, wherever possible.
- Thorough separation of all waste fractions
- When selecting packaging material suppliers, we have given preference to those who has established environmental protection programs and were able to present certifications relating to environmental protection.

India

- Re-use of corrugated box material for packing as far as possible.
- Shredding of corrugated boxes (recycling) to make them suitable as cushioning material for transportation.

Italy

- Implementation of new processes for a more careful plastic recycling.
- All the waste materials coming from workshop and offices are recycled

Netherlands

- Waste materials are thoroughly separated for recycling purposes:
- Wooden pallets with SEW-EURODRIVE cardboard boxes and packing material are re-used

Norway

- Return and recycling of (2016, in tons): cardboard (7,5), paper plastic (0,21), mixed metals (16,1), electronic waste (0,32), aerosol cans mixed industrial waste (3,79)

Switzerland

- Setting up recycling sites for sorted production waste separation.

Turkey

- The regulations of the packaging waste control is under The Turkish Environmental Law.

United Kingdom

- Cardboard reused or recycled if not reusable
- Pallets and wood reused or recycled if not reusable
- Packaging recycled
- Pallets are purchased from suppliers who use sustainable sources

3.2 Renewable energy sources

Proportion of the total energy consumption supplied by renewable energy sources?

France

- Our solar panels produced 12.6 MWh of power in 2016.

India

- Solar plant installed at Baroda plant. It produces 129.000 kWh. (13.2%)

Italy

- Electricity: 23% approx

Japan

- Both Iwata and Kyoto plants have changed the power supply company to Mitsuuroko Green Energy. They operate a biomass, 2 solar and 5 windmill power plants. Their energy mix consists of 27 % renewable energy.

Netherlands

- 22,3% of the energy consumption is supplied by renewable energy sources: wind (2,1%), water (18,4%, bio mass (1,8%). (Source: Engie Nederland)

Norway

- Hydroelectric power 100%

Portugal

- 20%

Switzerland

- Currently < 10%. Switch to 100% being evaluated (hydro power, solar power).

United Kingdom

- 50 kVA PV panels on the roof of the DTC
- Solar panels on the roof of the DTC
- Wind heat source pump

3.3 Increasing renewables

Report on measures for reducing energy consumption and increasing the proportion supplied by renewable energy sources (standards, methods and assumptions).

France

- Replacement of a compressor with a very high-performance compressor, allowing a reduction of 15%.
- Twenty percent reduction in power consumption achieved by installing variators at the Forbach ventilation facility.
- Fifteen percent reduction in power consumption by installing a new, highly energy-efficient air dryer in the compressed air network for the Haguenau site.
- Seven percent annual gain in power consumption achieved by changing the heating cells in thermal processing at Haguenau.

Italy

- The new building, the renovated old building and the workshop save energy consumption thanks to efficient insulations of the three buildings.

Japan

- Add 50 kW of solar panels to the existing Kyoto Factory solar installation.

Norway

- Reduced energy consumption as the example shows: 2014 summer: approx. 40.000 kWh monthly, 2017 summer: approx. 22.000 kWh)

United Kingdom

- Automatic building cooling without AC via night time cooling system
- Lighting is sensor controlled and automatic in the whole plant

3.4 Emissions, Water, Biodiversity

Report on the standards, methods and measures used for:

- Reducing noise and emissions (i.e. greenhouse gas emissions, ozone, nitrogen, CO₂)
- Reducing waste water and other waste
- Protecting and promoting biodiversity and water quality

Argentina

- The organization meets environmental and sustainability requirements of Argentina legislation. Annual verification test are conducted regularly.

Germany

- Reduction of CO₂ emissions during business trips: In 2017, employees of SEW-EURODRIVE have traveled 730,935 passenger kilometers by train, 92.1% of which was in long-distance traffic with 100% green energy.
- Thanks to the conception of the production plants of SEW-EURODRIVE GmbH & Co KG, the biodiversity and groundwater quality is not negatively influenced in any way.

India

- Wastewater is cleaned and used for horticultural irrigation.
- In the Pune and Chennai plants, rainwater is collected.
- Empty containers are sold to a third party company for recycling.
- Used oil is collected and sold on to a service provider who processes it for reuse.
- Used stators are sold to a recycling company that recycles the aluminium and copper contained in them.
- All electronic scrap is sold to waste disposal companies.
- Scrap metal is sold to an outside contractor for recycling.
- Batteries are returned to the manufacturer for recycling.

Italy

- System to clean the spray gun in the painting cabin that recycles the cleaning agent. At the end of the life cycle of the cleaning agent, it is eliminated following the Italian law.

Turkey

- We have to obey to rules, regulations and laws and have to check measures daily, monthly and yearly basis according to Work Security Laws and The Turkish Environmental Law.

3.5 Transport

Description how the environmental impacts of passenger transport and the transportation of products, goods and materials are minimized.

Germany

- Transportation of goods primarily by freight forwarding companies who are able to present programs and certificates relating to environmental protection.
- Intracompany transportation is almost exclusively carried out with electric vehicles.
- Providing charging stations for electric vehicles of employees.

India

- Transport vehicles used for employee and goods transportation comply to the Pollution Control requirement of India duly certified by authorized agents

Netherlands

- Agreement with the main transport company to transport products only once a day..

Norway

- We aim to use transport partners with environmental focus

Portugal

- Employees are encouraged to use SEW e-bikes for short journeys
- Partnership with CP (Portuguese Railways) for staff trips between big cities
- Contract with a transport company, which allows optimal transport services

Switzerland

- Grouping shipments into collective deliveries.
- Cooperation with a major transport company with a larger infrastructure, which operates according to the "hub and spoke" model (star topology)
- Employees are using pool cars or public transport.

3.6 Buildings

Report on the standards you use for building management / refurbishment.

India

- GREEN building concepts implemented in Chennai and Pune plant

Turkey

- Building Safety Law: the building inspection consultancy firm have to check the stability of the building for earthquake and have to make ground survey.

IV. SOCIAL DIMENSION

“The social dimension of sustainability concerns the impacts the organization has on the social systems within which it operates.” (GRI)

4.1 Employer services

Services provided for the full-time employees of the organization (healthcare, maternity/paternity leave, pension scheme, disability/incapacity cover, etc.)

Argentina

- Health insurance for all the employees in addition to legal requirements.
- Daily delivery of fresh fruit for all employees
- Lunch Service subsidized by a company, with a nutritionist follow up.
- Influenza vaccination for all employees and their families (Voluntary)
- Sport field available for all employees.
- Assistance to maternity, pensions and disability according to Argentine law

Czech Republic

- Half-day work and flexible working hours
- Home office
- Maternity leave
- Food vouchers
- Company doctor
- Sick days

France

- Proposal for crèches at the Haguenau and Forbach sites.
- “Vitasanté” well-being forums at each site.
- Widespread campaigns, throughout the year, on the theme of well-being:
- Introduction of flexible working hours for day staff.
- Staff canteen subsidized by the employer.
- Option to donate vacation time to other employees.
- Option to temporarily adjust working hours, on request.
- Ergonomic rating scale for all production and assembly workstations.
- Greater access offered to pregnant women.
- Gym for all SEW-USOCOME staff in Brumath.
- Access to therapists in the event of personal issues.
- Introduction of pre-shift warm-up exercises at the Brumath site.
- Opportunity to take part in sporting challenges throughout the year.
- Complementary mutual health insurance for all employees.
- Open days for employees and their families.

Germany

- Holistic company health management
 - Health guidelines
 - Health days and sports events
 - Ergonomic consultation, physical activity at the workplace
 - Health seminars
 - Cooperation with fitness studios
 - Nutritional tips
 - Social counseling, company integration management
 - Company doctor, company nurse
 - Health scouts (on-site contact persons)
- Retirement provision plan for financial protection during retirement (SEW company pension) and benefits for retirement provision
- Trained care advisors provide advice as to how to combine job and providing care
- Varied flexible working time models
- Company day-care center
- Parental leave and partner months, one day special leave for birth
- Cafeterias at several sites, kiosks, catering vehicles, vending machines, water dispensers

India

- Medclaim insurance coverage for unforeseen hospitalization is provided for each employee, their spouse and children
- 26 weeks maternity leave is provided to each female employee for two kids in her total tenure of employment with us.
- Gratuity for employees after they complete 5 years of service.
- Financial aid for critical long illness is supported on case-to-case basis subject to management discretion.

Italy

- Welfare plan: € 300 on top for each employee to spend in a lot of different services available on SEWelfare web portal concerning three main areas work-life balance, Healthcare, family support and leisure.

Japan

- All above requirements are required by law and followed by SEW-EURODRIVE Japan, including retirement bonus for long-time employees

Netherlands

- Several services for employees: a holiday allowance, a collective pension scheme, voluntary collective health insurance, a maximum gross allowance in order to stimulate employees to take a supplementary health insurance, a maximum reimbursement of travel expenses, an annual bonus (if economically justified, a year-end bonus, a jubilee bonus, a contribution to studying expenses, maternity (parental) leave...
- Professional fitness room
- Two pieces of fruit per day are available for all employees free of charge.

Poland

- Childbirth benefits,
- Employee group assistance,
- Christmas gifts for workers' children,
- Recognition bonuses for extraordinary performance,
- Co-financing of language learning,
- Co-financing of university education and increasing employee competences,
- Flexible maternity and paternity leave possibilities,
- Created Social Benefits Fund,
- Co-financing of sports activities
- Health insurance, including annual check-up, for all the employees.
- Life insurance.
- 1/2 day per month, up to a maximum of 5 days per year, of employee absence to deal with pending subjects from their private life. These days do not subtract to holiday period.
- Marriage and parenthood bounty.
- Day-off for the birthday

Switzerland

- Above-average benefits from accident insurance
- Flu shot for all employees

Spain

- Free annual health check for all employees.
- Tri-annual check of working conditions by external experts. Annual follow-up.
- Advice and support in all safety at work matters (health, ergonomics, occupational safety...)
- Life insurance for all employees.
- Presents for retiring employees and for employees celebrating 25 years in the company
- Workplaces in the workshop are arranged for safety, ergonomics and lean & state of the art processes.
- Recognition at birth, death.
- Maternity/paternity leave.

Turkey

- Healthcare, maternity/paternity leave, pension scheme, employees. Private health insurance, canteen service and personnel transportation for our full-time employees.

United Kingdom

- Pension Scheme
- Incapacity insurance
- Maternity and paternity pay
- Sick pay up to 13 weeks per year
- Family day once per year at the DTC
- Free eye test for PC users
- Free flu vaccination for all personnel
- Canteen and restrooms
- Individual specific workstation where health determines.

4.2

Training and professional development

Training, professional development and life-long learning measures and programs for staff, customers and stakeholders (e.g. training opportunities, training centres, BA program).

Czech Republic

- Free language courses
- Internal advanced technical training
- Internal product training
- Support for employees in distance learning

France

- Opportunity to join various sports clubs (motorcycle, cycling, hiking, etc.) through the Works Council.
- Proposal for training sessions called “Workshops for Managers” to share experience.
- Inter-company managers club.
- Interview and appraisal meetings held at least once every 2 years, to listen to employees and hear about their projects.
- Apprenticeship and internships policy.
- Operation of the Perfambiance School.
- Development of an annual training plan for all employees.
- Option to take evening language classes on a voluntary basis.

Germany

- Learning hub: DriveAcademy® at the headquarters in Bruchsal,
- Additional training centers at the Drive Technology Centers (DTC) in Garbsen, Meerane, Kirchheim and Langenfeld, and additional global ones for customers and employees.
 - High-quality, varied training opportunities for employees: Imparting product knowledge and advanced personal development
 - Promotion of advanced occupational training measures
 - Additional offers in personnel development: Coaching, moderated knowledge transfer, mentoring, mediation
 - Customer training at the DriveAcademy® and at customers' premises by professional and technically qualified product trainers: Imparting product and application knowledge

- Special programs:
 - Leadership and management excellence: Programs for different management levels
 - SFU manager program: Management program for production
 - Project manager training
- Modern and lasting learning culture: Focus on lifetime learning. Learning contents are incorporated in specific everyday professional life. Learning platform “LearningBase” and appraisal interviews for systematic, continued development according to requirements and demand.
- Training and studies: approx. 250 apprentices and students in integrated degree programs to ensure a professional work force over the long term:
 - Business and Chamber of Industry and Commerce apprentices in four occupations requiring formal training
 - Technical Training Center - integrated degree program: Studies at Duale Hochschule Baden-Württemberg (Baden-Württemberg Cooperative State University), StudiumPlus (Studies at Hochschule Karlsruhe Technik und Wirtschaft (Karlsruhe University of Applied Sciences) + shortened parallel training), dual master program
 - Collaborations with schools in the region
 - Lectures, hands-on workshops, applicants' training...
 - Numerous information events on topic of training and integrated degree programs for students, parents and teachers
- External students (student interns, student trainees, bachelor's degree candidates, master's degree candidates, doctoral candidates)
 - Seminars at the DriveAcademy® in cooperation with the student corporate consulting company focus on topics such as project management, personality and team work, presentation and discussion, public speaking)
 - Assistance with final papers
 - Ongoing commitment and cooperation with institutions of higher education
 - Practical seminar relating to drive technology
 - SEW Days: Insights into the company via plant tours, workshops and company presentations

Italy

- Employee trainings concerning three areas:
 1. cross expertise: Assessment for Middle Management team (2017); Business Management training for Middle Management team and Top Management (2016-2017); coaching for Middle Management team (2016-2017);
 2. specific technical expertise: negotiation trainings for sales and application engineers (2016-2017), communication trainings (2016), technical training for sales support people (2017), Personnel legislation for HR Dept. (2016-2017); upgrade of products and services with Drive Academy and trainings among Sew Italy departments (2016-2017);
 3. Quality, Safety and Environment: general safety trainings (2016), safety trainings for low and high risks (2016), first aid trainings (2016), overhead work trainings (2017), fire suppression trainings (2017), manual handling of loads (2017), PPE (Personal Protective Equipment) trainings (2017).

Netherlands

- The company has its own DriveAcademy® in Rotterdam, where customers and employees can be trained in the use of our products. The other four regional offices in The Netherlands have training facilities as well, although on a smaller scale.
- Free workshops and theme days are being organized for customers and students on a regular basis. Topics are products' characteristics, energy efficiency and lean manufacturing.
- SEW NL has a continuous education program for all employees. Not only job-related trainings are being organized, but also non-jobs-related trainings, if at least five people sign up. The purpose is to continuously develop people's skills and knowledge and to strengthen team building.

Poland

- Technical Trainings for employees
- Learning Management Platform.
- Annual Performance Review for Employees and open discussion panels.
- Internal trainings for new employees.
- Cooperation with Universities regarding trainings for managers.

Switzerland

- Use of LearningBase for advanced employee training
- Periodically recurring first-aid courses
- Driver training for field staff
- Alfred Imhof AG's internal DriveAcademy® to train customers and employees
- Internal training in occupational safety and health protection

Spain

- External training courses: the company pays for language, accounting, logistics, technical, sales techniques... courses, for the employees.
- In-house occupational health and safety training for all employees: ergonomics, occupational safety, emergencies, etc., including annual fire drill.
- Staff training plan is done in a semester basis & followed up every two months. All info is recorded in an Excel sheet and in the protocols written after every follow-up meeting.
- Specific and ad-hoc training program with tutor for new employees.
- Specific and ad-hoc training program with tutor for employees changing department/functions.
- Empowering of mutual training by colleagues within the organization.
- Empowering of expert training by colleagues from other Eurodrives and the HQ

Turkey

- Training for our staffs like work safety, environmental and new products etc.
- Training and seminars for our customers to inform them about new products.
- English language training to our staffs if necessary.

4.3 Identification with the company

Measures, standards and methods for promoting staff motivation, engagement, personal responsibility and a sense of identification with the company

Czech Republic

- Company benefits
- Regular employee meetings (information about the state of the company, situation, open discussion)
- Joint sportive activities,
- New entertainment department
- Company gathering with a barbecue party three times a year
- Company Christmas party

France

- Management guidelines.
- “Workshops for Managers” training.
- Orientation program for new employees including a systematic factory tour.
- Training in the Performance Behaviors (PRET).
- Process for evaluating employee suggestions (SMI).
- Donation and sale of work clothing bearing the company logo.
- Celebration of long-term senior staff
- Holding of regular workshops with employees.
- Organization of festive meals both within and outside the company.
- Organization of a Christmas party at each site.
- Carrying out a Supply Chain project.
- At each site, organized exhibition of photos of employees in the workplace.

Germany

- Incentive bonus
- Profit-sharing
- Bonus system for executive personnel and AT-MA
- Joint activities and recreational offerings or sports events
- Employee surveys
- Employee dialog with a purpose: ongoing continued development of the management and dialog culture at SEW-EURODRIVE while keeping in mind the changing requirements for our work. An open exchange between managers and employees that fosters trustful collaboration.
- Management development program: Leadership and Management Excellence
- Anniversary celebration for long-serving employees

India

- Alternate year employee satisfaction survey i.e. working climate analysis
- Involvement of employees in corporate social responsibility programs
- Structured training and development programs
- Transparent performance management system
- Documented Human Resource policies & process

Italy

- Digital Signage (screens in reception and coffee break areas showing company internal communication)
- Progetto RETE (Net Project) since 2015: Preview of the real time situation of incoming orders requests and the possibility to share the working volumes with all the Italian colleagues
- Internal marketplace in 2016 in order to explain which are the activities of every department.
- Two company events a year (Christmas and Summer parties)
- For the 50th anniversary of SEW-EURODRIVE Italy in 2018 a book will be published and all the employees will give their contribution.

Japan

- The company promotes several sports activities.
- Mid-year and year-end gatherings are sponsored.

Netherlands

- Annual assessment interviews and performance appraisals are used to evaluate the employees' motivation, performance and wishes.
- The management team is periodically informing the work force in employees' sessions about the company's doings.
- Cultural or sportive activities.
- Annual jubileecelebration .

Poland

- Factory Open Days for employees and their families.
- Factory Open Days for kids of employees.
- Team Building Activities.-Sportswear with company logo
- Sport activities participation in sport events with company logo.
- Workwear with company logo.
- Advertising in local media and press.
- Participation in local events
- Annual bonus scheme, defined by the management and the shareholders.
- Monthly barbecue with the employees. Snacks on Fridays.
- Annual end of the year party (Christmas party) with the families.
- Summer party for the employees

Switzerland

- Flexible working hours model and team-oriented personnel policy that demands and encourages initiative and individual responsibility.
- Christmas party with partners.
- Gifts for length of service and gifts for important personal events (marriage, birth of a child, etc.)

Spain

- Annual salary bonus depending on Sales planning target figures achievement
- Customer oriented culture is identified by a common goal
- Maintenance of the Quality standard associated to our leader brand (Product, Service and Customer care) empowers our people commitment
- The “champion feeling” by belonging to a leader brand helps the sense of identification with the company and its red color.
- CIP periodical meeting of Management with all areas of the company
- Periodical inter-departmental meetings where all participants get to know each other better
- Periodical visits of the office employees into the Workshop
- Periodical visits of the workshop workers into the office

Turkey

- Bonus and MBO system for employees.
- Measurable targets as well as personal growth target to keep the motivation in high level.
- Some social activities like family day arrangement

United Kingdom

- Company values are promoted by the management team
- Flat management structure and open door policy
- Voluntary health and safety committee
- Voluntary fire wardens
- Voluntary first aiders
- Workplace improvement use WIEPRO principle where workers are part of the decision-making and implementation process.

4.4 Corporate Social Responsibility

Projects, measures and initiatives that support civil society and local organizations
(beneficiaries / cooperation partners).

Argentina

- SEW-EURODRIVE Argentina is part of a social responsibility committee with other companies in the area that collaborate with the needs of the community where they operate: school, club, social organizations.

Czech Republic

- Participation in charitable activities
- UNICEF partner

France

- Close partnerships with high schools and colleges (mock interviews, family days at the company, donation of materials, etc.).
- Our employees participate as jury members in various schools.
- Membership of employer organizations (UIMM, Union of Industries in Metallurgy).
- Exhibitions of paintings, on our walls, in partnership with an association of independent artists.
- Regular organization of blood drives at the company.
- Tours of the company for schools.

Germany

- Type identification campaign for blood donations – 1 000 employees have had their blood type determined
- Hoffnungslauf Stadt Bruchsal (“Run of Hope” of the City of Bruchsal) – SEW-EURODRIVE supports it with 20 000 euros every year
- Various vehicle donations from the vehicle pool of SEW-EURODRIVE went to the Deutsche Lebensrettungs-Gesellschaft (DLRG) (German Life-Saving Organization), the German Red Cross (DRK) and other associations in the region
- Edeltraut Blickle Foundation
 - 100 000 euros to doctors without borders, Berlin
 - 40 000 euros to the German Cancer Research Center in Heidelberg

India

- Sponsored a “e-learning centre” in a rural area to enhance computer literacy of the community with an objective to increase employability and enhance skills. Project is run by a NGO wing “Akshara” under “Mahindra United World College” situated in Pune city where we have our Chakan plant. Outreach of 400 participants is already achieved involving students, teachers, security personnel etc..
- Partnered with Bannari Amman Institute of Technology in the state of Tamil Nadu in setting up a full-fledged credit course (optional elective) in the Mechatronic Department run over 2 semesters. SEW provided working models, designed the curriculum, provided teacher training, and will finally certify the students.

Netherlands

- Annual charitable donation: All employees are invited to propose a good cause, thereafter the majority rule determines the charity organization that will be supported. During the jubilee celebration, this organization is presented and the employees are invited to influence the height of the donation. In 2016 the donation went to the Stichting ALS Nederland and in 2017 to Alzheimer Nederland.
- Partnership with JINC (Youth Inc.) concluded for two years: JINC is an organization that - in collaboration with municipalities and companies - offers opportunities to underprivileged pupils from schools in the Rotterdam area. Three SEW-EURODRIVE NL employees offer them a flash teaching practice, job interview trainings etc.

Poland

- Supporting of local sports team.
- Supporting social and charity initiatives (Business Run, Mountain Bikes Racing, Formula 1 Students)
- Cooperation with Universities.
- Money support to local fire squad, children care and elderly people.
- Prize for the best student on Mechatronics for the local technical school.
- Toys, food and clothes carbarn to distribute for local institutions.
- Equipment donation for R&D projects.
- Support the transport expenses for the school bus of local kindergarden

Switzerland

- Annual survey on employee satisfaction
- 2 Shareholders are members of the foundation board of the charitable trust “Münchenstein hilft Manglaralto”: Active nutritional support and building a livable infrastructure in Ecuador.
- Annual donations to welfare organizations in many different fields.
- Donation to the SEW cyclists who are raising money for a funding body to support the Oncology Unit of the Karlsruhe Childrens’ Hospital.
- 2 Members from management are active Rotarians and thereby engage in various projects worldwide.
- 1 Member from management is member of the board of directors of the Automobil Club der Schweiz (ACS) (Automobile Association of Switzerland). The objective is to reduce accidents on the roads and thus, the number of road casualties.

Spain

- Cooperation agreement with GUPPOST-Lantegui Batuak, a company that mainly employs disabled people, for all our mailings activities.
- Donation of groups to some VIP Customers with training purposes.
- Cooperation agreement with AMPROS, a company that mainly employs disabled people, as our pallet supplier.
- Used computers and servers formatted and donated to non-profit organizations dedicated to help poor and social excluded people.
- In cooperation with the Technological Park of Zamudio, where our premises are located: subsidies are provided for the maintenance of a sports center for Technological Park employees, for planting new trees in the Park, for holding various events (football championship, golf tournament, cookery course, wine tasting, etc.)
- Obsolete geared motors & converters gift for Professional Schools to be used in practical lessons with students.

Turkey

- Co-operation with high schools to fulfill social responsibility of our company.

United Kingdom

- Various charitable donation each year
- Christmas toy appeal for children in war zones organised by internal personnel within the company
- We still involve our retirees in some of the social events that we organise

The company at a glance

- Argentina
- Australia
- Austria
- Belarus
- Belgium
- Brazil
- Cameroon
- Canada
- China
- Colombia
- Chzech Republic
- Denmark
- Finland
- France
- Germany
- Ghana
- Great Britain
- Hungary
- India
- Italy
- Ivory Coast
- Japan
- Kazakhstan
- Malaysia



Foundation 1931



50 countries



79 Drive Technology Centers



- Mexico
- Marocco
- Netherlands
- New Zealand
- Norway
- Paraguay
- Peru
- Poland
- Portugal
- Russia
- Singapore
- Slovakia
- Spain
- South Africa
- South Korea
- Sweden
- Switzerland
- Tanzania
- Thailand
- Turkey
- Ukraine
- United Arab Emirates
- United States of America
- Ukraine
- Uruguay
- Venezuela



16 production plants



Services along the system's entire life cycle

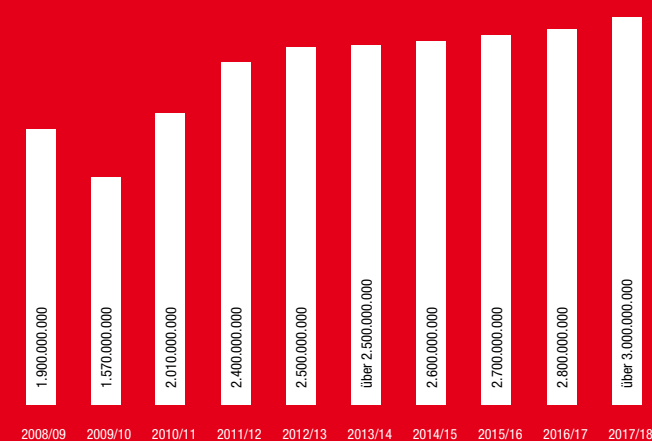


More than 17 000 employees

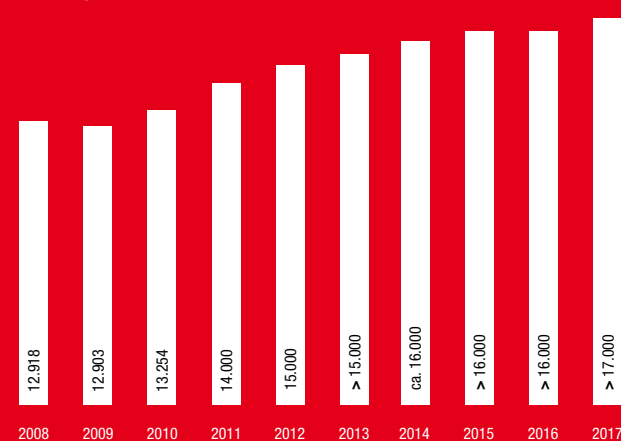


At home in many industries

Sales development over the last 10 years (in euros):



Development in the number of employees worldwide over the last 10 years



250 Trainees and dual Students	140 Students	20% Proportion of woman	25% Engineers and Computer scientist	1000 Patents
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PUBLICATION INFORMATION

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In the interest of readability, either the male or female form of a personal noun was selected. This in no way implies discrimination against one or the other sex. Both women and men are addressed equally by this sustainability report.

Please do not hesitate to contact us. Your opinion is important to us.

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