

# SUSTAINABILITY REPORT

2017

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# PREFACE

When you think of Picanol, you immediately think of weaving machines. Over the past few decades, we have continually pushed our limits in the field of weaving machines and with our customers, which has made us the world's top manufacturer of weaving machines. However, Picanol is more than weaving machines. For instance, in our foundry and mechanical finishing department, Proferro, we produce, among other things, compressor and agricultural machinery components as well as parts for Picanol weaving machines. At PsiControl, solutions are developed regarding controllers for textile machines, compressors and fleet management, and at Melotte, innovative product solutions are developed and produced for customers from various sectors.

Founded in 1936, the Picanol Group has evolved from a traditional weaving machine manufacturer into an international, customer-focused group that specializes in the development, production and sale of high-tech weaving machines, engineered casting solutions and custom-made controllers. Sustainability and a long-term focus have been a recurring theme in our story for the past 80 years.

This sustainability manifests itself primarily in our products and processes; for example, the use of simulations for the design of more energy efficient weaving machines, the conversion of old iron into high-tech castings, durable mechanical components and advanced electronics that ensure the optimum quality of fabrics and less waste, etc. Nowadays, sustainability is interwoven in all processes and products of the Picanol Group; from development to production.

We also try to integrate our sustainability efforts into other business processes, from our ambition of being a good employer to limiting our impact on the environment. In our processes, for instance, we systematically consider the environment and we try to limit the impact of our activities by also constantly and closely paying attention to issues such as emissions and water consumption, as well as energy consumption and waste management. The health and safety of our employees also receive a great deal of attention from the Picanol Group, as well as protection in the workplace, ergonomics and prevention. In 2017, we also launched a new internal campaign in Ypres – Let's Make it Together – which we, and all employees in Ypres, want to use to prepare for the future. With Let's Make it Together, we are building a future-oriented machine park, effective processes and a place where it is both pleasant and fun to work.

The Picanol Group also plays an important social role. We make a positive contribution to society, the economy and the environment. We achieve this through our products and services, the creation of employment, social involvement and the responsible use of raw materials.

It is our ambition to continue our efforts in the future to be a responsible and sustainable company that strengthens the relationship with our stakeholders through consultation and dialogue and recognizes the value creation throughout the chain. Our key stakeholders are our employees, customers, shareholders, governments and regulators, trade unions and suppliers. The publication of this first sustainability report from the Picanol Group is therefore a new, important step in regard to making our sustainability efforts more visible to our environment.

This sustainability report contains data from the GRI Guidelines regarding reporting on sustainable development (version 'core criteria') and was not subject to an external audit. The follow-up table is included in this report. The GRI indicators used in this report are indicated for each theme. From now on, the Picanol Group will publish an annual update of this report.

For any questions, please do not hesitate to contact us at [sustainability@picanol.be](mailto:sustainability@picanol.be). The sustainability report of the Picanol Group is also available in a digital version on [www.picanolgroup.com/en/sustainability](http://www.picanolgroup.com/en/sustainability).



Luc Tack  
Managing Director



Stefaan Haspeslagh  
Chairman

# ABOUT THE PICANOL GROUP

The Picanol Group is an international, customer-focused group that specializes in the development, production and sale of weaving machines, engineered casting solutions and custom-made controllers.

The Weaving Machines division (Picanol) develops, manufactures and sells high-tech weaving machines, based on air (airjet) or rapier technology. Picanol has played a pioneering role worldwide for more than 80 years and is today one of the world's top weaving machine manufacturers. In addition, the Industries division bundles all non-weaving machine-related activities: Proferro comprises the foundry activities and the mechanical finishing activities of the group. It produces cast iron parts for compressors, pumps and agricultural machinery, as well as parts for Picanol weaving machines. Via PsiControl, the group specializes in the design, development, production and support of custom-made controllers for original equipment manufacturers in various sectors. Melotte is a high-precision producer of metal components, molds and reconditioned molds. It has also played a leading role in the 3D printing of components for a number of years. Since 2013, the Picanol Group has also had a reference interest in the Tessenderlo Group (Euronext: TESB).



**Picanol**  
Weaving Machines



**Proferro**  
Engineered casting  
solutions



**PsiControl**  
Custom-made controllers  
and EMS

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# GLOBAL PRESENCE

In addition to the headquarters in Ypres (Belgium), the Picanol Group has production facilities in Asia and Europe, which are linked to our own global service and sales network.



## BELGIUM

Picanol (Ypres):  
headquarters and **R, P, M, S**  
Proferro (Ypres): **P, M, S**  
PsiControl (Ypres): **R, P, M, S**  
Melotte (Zonhoven): **R, P, M, S**

## EUROPE

**France**  
Burcklé (Bourbach-le-Bas): **P, M, S**  
**Romania**  
PsiControl Srl (Brasov): **R, P, S**  
**Turkey**  
Picanol Tekstil Makinalari: **M, S**

## AMERICA

**Brazil**  
Picanol do Brasil: **M, S**  
**Mexico**  
Picanol de Mexico: **P, M, S**  
**United States**  
Picanol of America: **M, S**

## ASIA

**India**  
Picanol India: **M, S**  
**Indonesia**  
PT. Picanol Indonesia: **M, S**  
**People's Republic of China**  
Picanol SIP Textile Machinery: **R, P, M, S**  
Picanol (Suzhou) Trading Company: **M, S**  
Picanol Guangzhou Sales Office: **M**

R: Research & development  
P: Production  
M: Marketing  
S: Service

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# SUSTAINABLE BUSINESS PRACTICE

## INNOVATION

For more than 80 years, the Picanol Group has played a pioneering role throughout the world in the development and production of high-tech weaving machines. In 1971, for instance, the Picanol Group introduced the first electronically controlled weaving machine in the world. Based on our innovation policy, the Picanol Group succeeds in surprising the market time and time again with new high-tech weaving machines and thus strengthening our position as a global leader. The extensive R&D efforts are not only focused on the development and production of the most advanced weaving machines and related products and services, but also on realizing the most cost-efficient weaving process in the world. This allows the Picanol Group to offer our customers innovative solutions for increasing their productivity and the effectiveness of the weaving process. Since our technological knowledge and expertise can also be applied in related or other branches of industry, it is the Picanol Group's strategy to expand upon the sale of this technology to third parties. This diversification builds on the existing competences of the group, including development and production know-how.

## ENVIRONMENT, HEALTH AND SAFETY

Care for the environment is an essential part of the company policy. At the Picanol Group we systematically consider the environment in our business processes and try to limit the impact of our activities on the environment. In addition, numerous safety questions are dealt with and resolved each year in cooperation with the Committee for Prevention, Protection and Welfare at Work. One important part of the policy is the voluntary participation of many employees, including industrial and first aiders, the internal firefighting team and the safety monitors. They also ensure that the necessary training courses are given on an annual basis in each department.

## QUALITY & WORLD CLASS MANUFACTURING

Quality is a matter for all subsidiaries and employees worldwide. Picanol is the first weaving machine manufacturer in the world to have obtained the ISO 9001 certificate. In 2017, the Picanol Group also achieved the new ISO standard, namely ISO 9001:2015. The group has a team of internal auditors, who form a crucial link in the quality process. They carry out various internal audits every year in order to continually fine-tune the quality system.

In addition, the Picanol Group focuses on a global level on World Class Manufacturing (WCM). This stands for constantly striving to optimize and innovate with the involvement of all employees, so as to become a world class company.

Several management audits are carried out every year, with the management in the various departments following up on the implementation of WCM. The Picanol Group also works with a suggestion system, which allows employees to submit proposals for work-related improvements. In recent years, further steps have been taken in the implementation of self-managing teams within the Picanol Group.

# SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY AT THE PICANOL GROUP

Sustainability and corporate social responsibility are inextricably part of the strategy and daily actions of the Picanol Group. This includes continuously acting, deciding and investing with the sustainable future in mind for the company and its stakeholders.

We are convinced that sustainability efforts help us to establish a strong relationship with our employees, our customers, our suppliers and other stakeholders. It helps us to attract and retain new talent, while at the same time it also provides a strong impetus to innovation. Within the Picanol Group, we want to act according to the expectations of both our current and future stakeholders and create value for our company in the long term.

Therefore, the Picanol Group resolutely opts for a sustainable production process that shows respect for people, the planet and the community.

This is why the Picanol Group focuses on three important pillars in this report:

## OUR PEOPLE

Within the Picanol Group, we want to continuously invest and take good care of our greatest strength: our people.

## OUR PLANET

The Picanol Group tries to limit the impact of our activities on our planet by thinking, deciding and acting in a sustainable way.

## OUR COMMUNITY

From the Picanol Group, we work actively together with the environment in which we live and work in order to meet the expectations of our stakeholders.

Within this framework, the Picanol Group has a number of rules of conduct that apply to all employees and which must be adhered to by everyone. These rules of conduct describe our relationship with shareholders, customers, suppliers, colleagues, the press and society. These generally applicable policies, which include the Business Ethics Code or Professional Conduct, the Social Media Policy, the Communication Policy, the whistleblowing procedure and the IT Policy, are made available in Dutch and English on the the Picanol Group Intranet.

## REPORTING METHOD AND PERIOD

In this first sustainability report of the Picanol Group we are providing an overview of the most relevant objectives, efforts and results in terms of sustainability for the year 2017.

This sustainability report contains data from the GRI Guidelines on reporting on sustainable development (version 'core criteria') and was not subject to an external audit. The follow-up table is included in this report. The GRI indicators used in this report are indicated for each theme. From now on, the Picanol Group will publish an annual update of this report.

The KPIs in this report were drawn up on the basis of the figures from the production sites in Belgium, Romania and China (which together comprise more than 90% of the total number of employees), unless stated otherwise.

For any questions or comments regarding the sustainability report of the Picanol Group, you can contact us by writing to [sustainability@picanol.be](mailto:sustainability@picanol.be).

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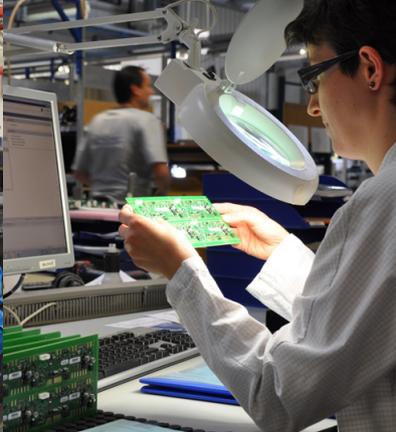
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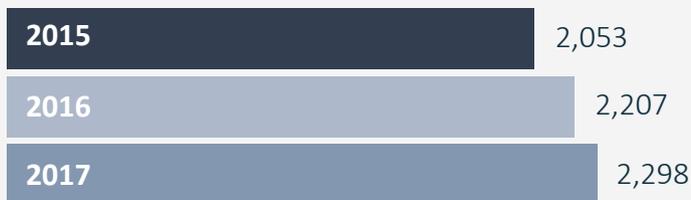
# OUR PEOPLE



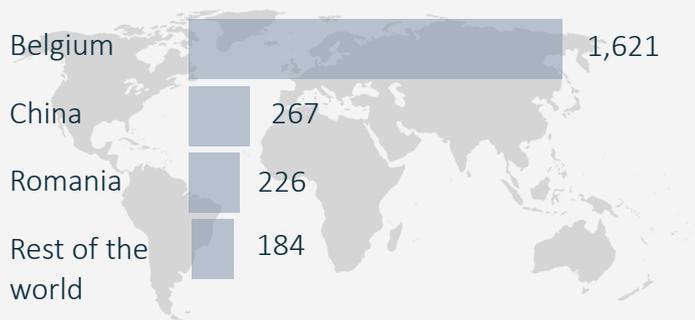
# 1.1. EMPLOYMENT

The Picanol Group employs almost 2,300 employees worldwide, who together comprise more than 35 different nationalities.

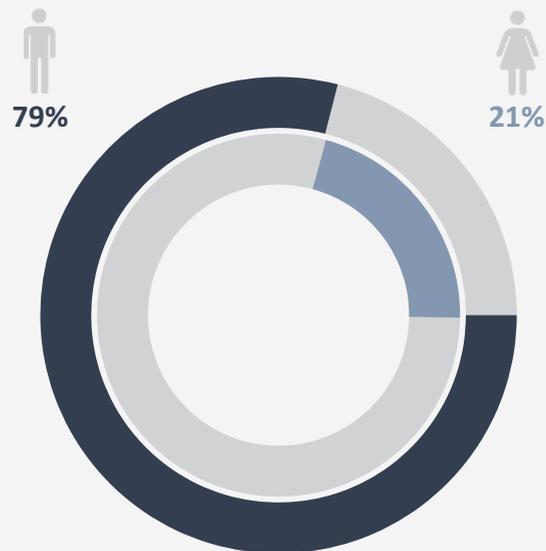
## NUMBER OF EMPLOYEES WORLDWIDE \*



## GEOGRAPHICAL DISTRIBUTION



## EMPLOYEES BY GENDER



\* headcount

## 1.2. EDUCATION

Today, the Picanol Group is a global leader. And we can only maintain this position in the future if we continue to invest in our employees. Within the Picanol Group, we therefore help our employees to develop their talents to the maximum. We offer training, personal coaching and support from the group in the workplace, thus investing in sustainable employability. We are committed to providing people with the knowledge and training they need to carry out their work thoroughly. This ensures that every new employee receives a personal training and development plan at the start, as well as a basic training in which the rules and regulations of the company are explained. In addition, and depending on the job to be performed, extra training courses are organized, such as ERP systems, CAD/CAM software, welding training, ESD training, safety training, etc.

### PI-C-UP TRAINING PROGRAM

The Picanol Group's new Pi-C-Up (Picanol Competence Upgrade) training program brings young executives and Young Potentials into contact with further development opportunities and modern leadership. The program guides and supports employees with the help of management training and courses.

### FIELD TECHNICIANS

Our field technicians come into direct contact on a daily basis with our customers worldwide. Therefore, it is vital to offer them sufficient training in order to be able to perform their assignment at the customer's location as professionally as possible. Each year, Picanol organizes a group seminar and various expert seminars to strengthen the technical knowledge and personal skills of the field technicians. This is complemented with training sessions in the different gravity points and individual training sessions based on the competency matrix of the field technicians.

### "EVERYBODY LEARNS"

All employees in Ypres can voluntarily follow a number of courses from their own field of interest that are offered free of charge by the Picanol Group.

### EDUCATION IN 2017



**963** EMPLOYEES FOLLOWED A TRAINING COURSE



**51,446** HOURS OF TRAINING, OR ON AVERAGE 25 HOURS PER EMPLOYEE

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## EUREKA TRAINING PROJECT

Within Proferro, we have started a training project called Eureka, with the aim of teaching all colleagues from the production environment extra technical process knowledge and providing them with insight into their role in the entire production process. On the one hand, it serves our goal of increasing quality while on the other hand, the job satisfaction and involvement of every employee is central to this training project.

## 1.3. LET'S MAKE IT TOGETHER

Nowadays, the Picanol Group is active in a continuously changing world with an increasing degree of complexity, which creates a lot of challenges. In addition to automation, product development, innovation and quality of products and services, agility, teamwork and, above all, smart responses to new technological challenges will be the key factors in order to be and remain successful in the future.

We want to completely focus on the future and sustainable growth of the Picanol Group, with our employees as the driving force. This is why we launched the campaign entitled **Let's Make it Together**, which aims to make the Picanol Group by 2020+:

- a place where dynamic and committed teams work;
- a place where it is pleasant to work;
- a place where top quality production is realized.



Therefore, in the coming years, we will focus on three priorities that will help us on the road to being the (manufacturing) company both of and for the future. With these three pillars, we have the following ambitions in Ypres:

### 1. WORLD CLASS MANUFACTURING TECHNOLOGIES

We will continue to invest in a future-oriented machine park and effective logistics processes. At the same time, we are also focusing on improving the working environment.

### 2. DIGITAL COMPANY

We will focus on the digitization of our production and processes by collecting data, making it available and using it efficiently. Supporting our business processes is essential to this objective, based on good hardware and software platforms.

### 3. HUMAN-CENTERED COMPANY

We strive for an organization where committed employees have room for creativity and initiative. Our employees are actively supported and receive continual training in order to further develop their talents and provide added value.



Several pilot projects are underway in the assembly department to examine how new technologies can better support our operators. In addition to digital instructions, we also look at how so-called cobots can physically help our employees with heavy and/or complex assemblies. Cobots are collaborative robots that support and help the operators in a shared work process.



A test project was organized in the assembly department of Picanol to examine the possibilities of Virtual Reality (VR) in the context of training and to test it with the operators in the workplace. A simulation environment of a workstation was set up in Virtual Reality in the assembly department. The operators were able to perform a complete assembly in the virtual workstation using VR glasses and controllers.



In 2017, we continued to invest substantial amounts in the infrastructure for the Ypres plant. This included a renovation of the canteens. This way, we want to create bright and neat spaces, and develop a pleasant work environment for everyone.

With the Let's Make it Together campaign, we want to accelerate the process and prepare for the future together with all employees.

Within the framework of the three pillars of our Let's Make it Together campaign, we have launched various initiatives to raise awareness about technological challenges and opportunities among our employees.

### INFORMATION SESSIONS

We have organized information sessions to explain personally to each employee at Ypres what the challenges and objectives within Let's Make it Together entail. We aim to increase the involvement and commitment of our employees this way.



### TOP EVENINGS

We also organize various evening sessions, in which renowned speakers come to talk about a theme that fits in with the Let's Make it Together story; such as innovation and technological challenges.

### PICANT

As part of the new campaign Let's Make it Together, we have released a special edition of our staff magazine Picant. In this Picant, the three pillars and their focus points are explained in more detail. We also zoom in on a number of cases which show that the Picanol Group has already taken a lot of steps in this direction.

### CAMPAIGN MOVIE

For the launch of Let's Make it Together we have recorded a campaign film in our factory that was used to roll out the campaign in Ypres.





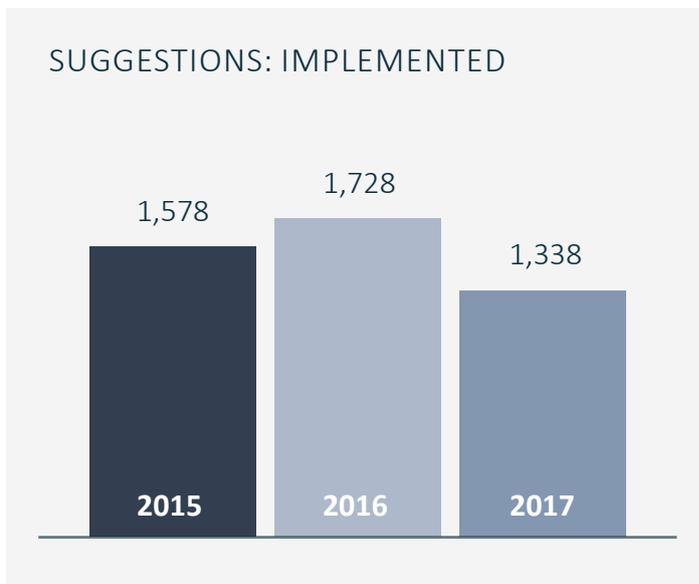
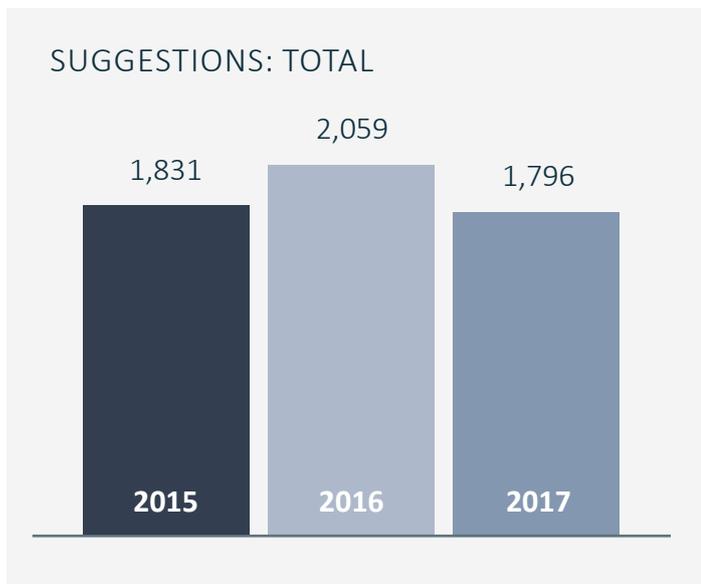
## TECHNOLOGY FORUMS

As part of the first pillar, World Class Manufacturing Technologies, we organized several technology forums in 2017. During these technology forums, employees from all departments in Ypres were able to visit recent investments in the factory. The employees who work daily with the recently installed machines provided an explanation and demonstrated how the machine works and the benefits of the recent investment.

## 1.4. SUGGESTIONS

For the Picanol Group, it is an ongoing goal to remain a world class company. To this end, the commitment of everyone within the company is of crucial importance; it is only if we strive together for a better organization that we can guarantee the future for all of us.

This is why we have developed a suggestion system within the Picanol Group through which we are looking for constructive proposals that achieve a real improvement of our activities. Suggestions can be submitted via suggestion boxes that are available in all departments of the factory, or via our electronic suggestion system. This way, we want to work with our employees on building an even stronger company for the future.





## BEST SUGGESTION

Every year, the Picanol Group gives out three awards for the Best Suggestions which were submitted that year by our employees. Thereby, account is taken of various improvement criteria, including time, costs, safety, quality, ergonomics, stock, surface area and order and tidiness.

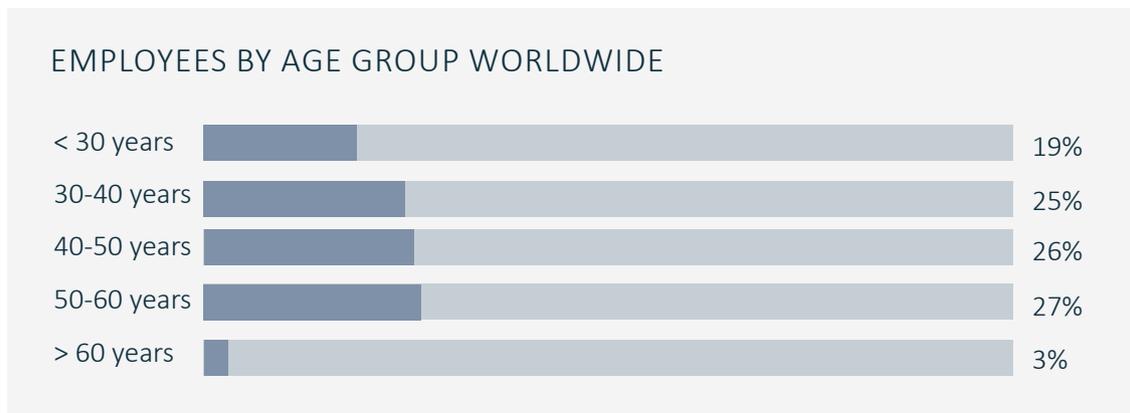
## 1.5. SUSTAINABLE EMPLOYMENT

We are all obliged to work more and longer. At the same time, the world of tomorrow is changing rapidly and economic and technological developments are creating new challenges. Therefore, we are determined to focus strongly on sustainable employment and employability by creating a work environment in which ambition and enthusiasm are stimulated and made possible- for both younger and older employees.

We are convinced that efforts in the area of health, safety, development and support create challenges,

less work stress and higher labor productivity. Thereby, we want to support our employees both physically and cognitively. However, in addition to physical and mental well-being, we also want to continue to focus on talent development, involvement and the personal development of our employees.

Sustainable employment therefore requires attention for, among others, ergonomics, anti-burnout programs, active relaxation and motivation for healthy living.





## DIGITAL INSTRUCTIONS

A project was launched in the niche area in our assembly zone in order to examine how the necessary work instructions for operators can be displayed digitally and in a more visual way. Since everyone needs to keep working longer, we want to use this project to evaluate how we can keep it practical for everyone. This will make it easier for the operators to bring complex assemblies to a successful conclusion while new assemblies are also learned in an easier way.

## 1.6. HEALTH AND SAFETY

The health and safety of our employees receive a great deal of attention from the Picanol Group, as well as protection in the workplace, ergonomics and prevention.

Safety rules such as a framework for day-to-day operations are a must; however, safety goes much further than rules alone. We want to create a safe work environment for all of our employees and we can only achieve that if everyone actively cooperates. We therefore strive to deeply embed the concept of safety in our daily activities and way of thinking. We encourage our employees to confidently deal with the health and safety aspects of each job and to take the appropriate precautions. The Picanol Group provides the necessary training, coaching and support.

### EHS AND THE COMMITTEE FOR PREVENTION AND PROTECTION AT WORK

Within the Picanol Group in Ypres, the EHS (Environment, Health & Safety) department has the task of helping to shape and support our health and safety policy. The Committee for Prevention and Protection at Work (CPBW) is a jointly constituted body, the primary task of which is to actively contribute to everything that

is undertaken in order to promote the welfare of the employees in the performance of their work.

### TAILOR MADE SAFETY TRAINING

Every new employee receives a comprehensive safety training course at the start of his or her career at the Picanol Group, which is tailored to the job that he or she will perform. These safety training courses are both theoretical and practice-oriented.



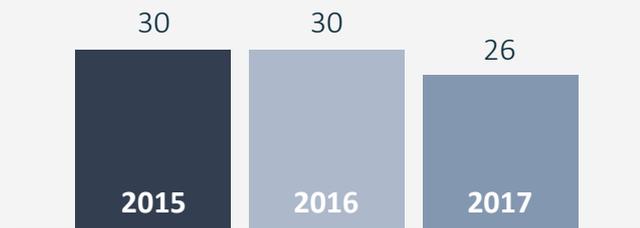
## SAFETY@PROFERRO

Proferro has launched an internal campaign on safety in the workplace. The foundry industry is a heavy industry and it has a higher average risk of accidents. Although Proferro has always put in a lot of effort in terms of safety, we want to increase this even further with the Safety First campaign. The starting point of this renewed focus on safety is that we all want to work together on a safer working environment by assessing our own attitude towards safety and above all to change our own behavior accordingly. This includes a visual campaign on various safety issues in the production department, which will also be discussed in team meetings and newsletters. Furthermore, several Safety First suggestion boxes have been installed in the workplace to collect ideas and improvement proposals on safety in the workplace. In 2017, Proferro started a pilot project whereby every week one of the employees of the various departments is appointed safety coach. This safety coach is then responsible for the safety behavior of his or her colleagues within the department. The safety coaches must, for instance, prepare a short report every week outlining their positive experiences and the points for improvement within the department.

## SAFETY PERFORMANCE

The Picanol Group has developed a recognition program to reward employees for their good safety performance. For example, Proferro's Modeling Department managed to work for two years without any workplace accidents taking place, for which they were rewarded with a fruit basket for the entire team.

### LOST TIME ACCIDENTS: FREQUENCY \*



\* number of lost time accidents per 1 million hours worked

### LOST TIME ACCIDENTS: DEGREE OF SEVERITY \*



\* number of days off work per 1,000 hours worked

## HEALTH

In the spring of 2017, we organized a health program in Ypres where colleagues were able to compete in groups by eating healthier, exercising more, stopping smoking or sleeping additional time. More than 120 colleagues participated in the health program. The results were measured during two health checks, one before and one after the health-related game. Some of the results:

- 69% of the participants had a better condition during the second health check;
- 79% of the participants had a lower body fat percentage during the second health check;
- 90% of participants confirmed that the program encouraged them to exercise more.





### PPE-PANELS

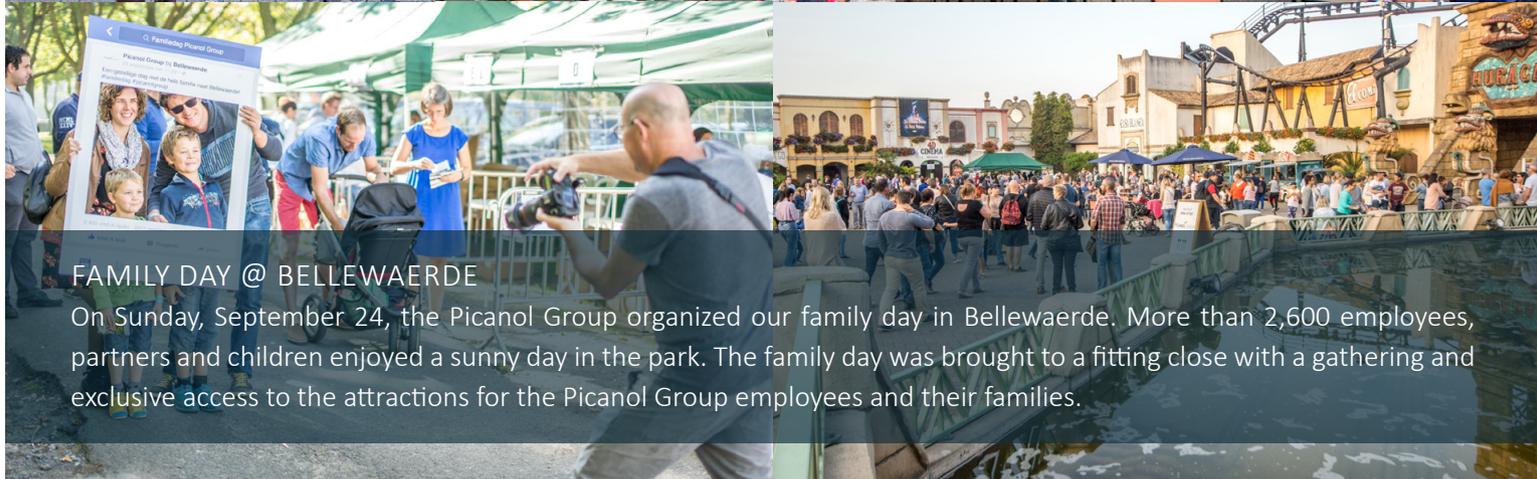
To increase safety in the workplace, Proferro uses PPE panels to clarify the required personal protective equipment (PPE) to the employees of the department. We show our employees the complete and proper working gear by presenting photographs of our own employees wearing the appropriate personal protective equipment within each department.

## 1.7. SOCIAL ACTIVITIES



The Picanol Group was convinced at an early stage that you can't do it alone. Without solidarity and cooperation, the chances of success are not great - neither as a company nor as a private individual. That is an idea which our founder Charles Steverlynck had always fostered. He had an eye for the social dimension in and around his factory. He was the great promoter of several associations which have continued to this very day. A pleasant working environment is important in order to feel good about ourselves and (continue) to enjoy and remain enthusiastic about our work. We place enormous value on building strong team spirit and capitalize on every opportunity to take part in activities with colleagues outside of normal working hours.

We are constantly coming up with new initiatives. Activities for everyone such as Picanol's 75th and 80th anniversary celebrations were accompanied with a grand festival, the New Year's reception and information evenings with famous guest speakers, etc. Every year, we organize a St Martin's celebration, the St Nicholas celebration of the region, for the youngsters. Meanwhile, events are also regularly organized at the local branches, such as the Chinese New Year, a big party for the 10th anniversary of PsiControl in Romania and team building activities.



## FAMILY DAY @ BELLEWAERDE

On Sunday, September 24, the Picanol Group organized our family day in Bellewaerde. More than 2,600 employees, partners and children enjoyed a sunny day in the park. The family day was brought to a fitting close with a gathering and exclusive access to the attractions for the Picanol Group employees and their families.

# OUR PLANET



Processing of recovered material



Processing of material



Production of parts



Assembly



Use of the product



Finished product

Care for our planet is an essential part of the company policy of the Picanol Group. In our product design and our processes, for instance, the Picanol Group systematically considers the environment and tries to limit the environmental footprint of our activities by constantly and closely paying attention to issues such as energy consumption, emissions and waste management.

We strive to remain world leaders and to use innovations and new technologies in a sustainable manner in order to respond to current and future social and environmental challenges. For example, consider the use of simulations for the design of energy efficient weaving machines. The Picanol Group is already taking a lot of environmental protection measures, but we want to take responsibility and make even more efforts in the future, together with all of our employees worldwide.

## 2.1. SUSTAINABLE DESIGNS AND PRODUCTS

As a manufacturer of weaving machines, Picanol realizes that consciously dealing with energy is an inseparable part of product design and product development. In addition, more and more customers are opting for a machine that offers the best conditions in terms of total cost of ownership: they take into account not only the initial purchase price but also the maintenance and operational costs for the entire life-cycle of the machine. This is why Picanol considers energy efficiency and sustainability as important performance requirements. We start with a sustainable design and strive to deliver a sustainable product.

### SUSTAINABLE DESIGNS

#### **Platform design**

In the platform design, attention is paid to:

- The optimization of product complexity through modular platform design;
- The reduction of stock and non-added value;
- Avoiding surplus stock when phasing out products.

#### **Ecolyzer: training in ecological design and Life Cycle Engineering**

With this training course, we want to improve the assessment accuracy of the effect of our choices in design on the environment and learn to compare alternative designs and materials.

#### **ESTOMAD**

Picanol was involved in the European ESTOMAD project (Energy Software Tools for Sustainable Machine Design), during which a design method was developed for the model-based ecodesign of drive trains in machines. This design method allows the energy efficiency of a drive train along with the functional behavior to be modeled during the design of a machine. This allows machines to be physically modeled and simulated.

In close cooperation with KU Leuven, the Picanol R&D engineers succeeded in modeling the energy flows of the main drive train of a rapier weaving machine, together with its functional behavior. This enabled Picanol to optimize the machine design from an early design stage, with a focus on energy efficiency. The results achieved will also help to improve development processes for machines in the future.

### **Life-cycle analysis**

Picanol is in close contact with suppliers of IT tools to allow for life-cycle analyses of the weaving machines, using CAD tools and product configurators.

### **SUSTAINABLE MATERIALS**

For the design of the electronics for the weaving machines, the following matters are taken into account:

- Materials are ROHS compatible (Restriction of Hazardous Substances);
- Materials are REACH compatible;
- Conflict minerals are avoided;
- ...

### **Supplier Code of Conduct**

The Supplier Code of Conduct forms an integral part of the contract that PsiControl concludes with its suppliers. This allows PsiControl to ensure compliance with all applicable laws and regulations of the countries in which business activities are carried out, in order to act in a fair and ethical manner. As a condition for doing business with PsiControl, all suppliers are expected to comply with the standards and laws relating to respect for human rights, environmental protection and product and service safety, as specified in the Supplier Code of Conduct. Suppliers must also comply with the

rules as described in the REACH Regulation. REACH is a system for registration, evaluation, authorization and restriction of chemical substances that are produced in or imported into the European Union. REACH stands for Registration, Evaluation and Authorization of Chemicals.

## ENERGY CONSUMPTION

Picanol invests a lot of time and energy in the optimization of the air consumption of our weaving machines to ensure that customers can use their available energy as efficiently as possible.

One of the developments in this context is the Automatic Relay Valve Drive or **ARVDplus**. The *ARVDplus* automatically adapts the closing time of the relay nozzle valves on the airjet weaving machines according to the behavior and air-friendliness of the weft yarn. Once the *ARVDplus* is activated from the machine terminal, it continuously monitors the main insertion parameters measured by the machine, such as the winding times and weft arrival times. These data are processed and evaluated, and the valve blowing times of the relay nozzle valves are adapted automatically. The system reduces blowing times until it detects a possible unstable situation, after which the machine reverts to the optimal situation. Since the relay nozzles are responsible for 75% of total air consumption, optimizing the timing significantly impacts on the overall air consumption of the weaving machine. Depending on the type of weft yarn, a saving of up to 12% of the general air consumption can be achieved.



## AIRMASTER

On airjet weaving machines, compressed air accounts for up to two-thirds of total energy consumption. Whereas electricity consumption usually remains relatively stable, air consumption is definitely not. This is the reason that Picanol has developed the **AirMaster** system which so far is the only fully integrated air management system available on the market. AirMaster consists of an air consumption meter and a software module on the machine. This allows the user to see what the current and average air consumption is during weaving. These values are continuously shown on the display and compared with a maximum value set by the user. In this way, both the air consumption can be monitored, and leaks or faults can be detected.

## WASTE

In addition to the basic fabric, a weaving machine also produces some waste, which is necessary to make the main process function efficiently. Through new developments, Picanol strives to systematically reduce or even avoid this kind of waste.

### **SmartCut**

The development of the SmartCut resulted from the increasing demand from our customers for maximum performance in combination with extreme versatility. Thanks to the independent drive and the modular design of the SmartCut filling cutter, the cutting moment can be controlled independently. As a result, the clamping in the rapier head and the length of the weft tail can be fully adjusted. This allows every filling combination to be cut and clamped at the exact moment required, thus ensuring a flawless insertion with minimum waste.

## TOTAL COST OF OWNERSHIP

In the development of our products, Picanol always strives to further optimize the real total cost of ownership of our customers. In addition to various projects aimed at dealing with the available energy as efficiently as possible and to convert the available raw materials as efficiently as possible into quality fabrics (avoiding second choice and waste), we also offer the customer products and concepts to optimize the weaving mill as a whole. The aim thereby is always generating more output with the same resources.

## FROM SCRAP TO HIGH-TECH

The Picanol Group is a fully integrated company: scrap is transformed into high-tech. For example, all steel scrap from poor quality parts or processing waste is reused during casting and the production of cast iron parts in the foundry.



### OPTIMAX-*i*

The OptiMax-*i* is by far the best of its kind in terms of minimum energy consumption.

#### **Sumo main motor**

The combination of the highly energy efficient Sumo motor with the direct drive of the main shaft and weaving frame drive results in a power saving of more than 10% compared to conventional configurations with a clutch and brake. The energy costs for air conditioning are also lower since the Sumo motor emits less heat in the weaving mill.

#### **Optimized lubrication**

The redesigned lubrication system further reduces energy consumption.

#### **Dissipation of heat thanks to the water cooling system**

The water cooling unit evacuates half the thermal load produced by the weaving machine from the internal components and structure of the machine via the lubricating oil. As a result, a new air conditioning installation can be kept small and energy efficient or an existing installation may have more potential for weaving at higher speeds with the OptiMax-*i*.

#### **Short drive train**

The motor speed is controlled electronically, without a frequency converter, thus reducing energy consumption and permitting greater flexibility.

## 2.2. ENERGY

An important pillar in the environmental policy of the Picanol Group is the efficient use of energy to limit the ecological footprint.

### EBO

The Picanol Group has endorsed the Energy Policy Agreement (EBO in Dutch) of the Flemish Government. This is an agreement between industrial companies and the Flemish Government aimed at contributing towards the realization of the European CO2 equivalent and the Flemish energy efficiency targets. In this context, the Picanol Group prepared an energy plan in 2015 through which the group commits to implement a number of defined cost-effective measures with a view to reducing the energy consumption of our own production. These actions must deliver an absolute energy saving of 3% by the end of 2018 compared to the reference year 2014, which was the last year prior to the launch of the Energy Policy Agreement. In addition, there are a number of ongoing studies that can result in additional energy savings of 5%.

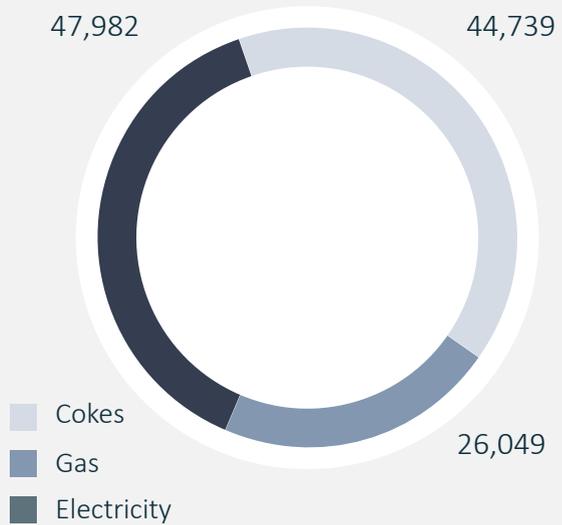
In 2017, a number of successful actions were implemented that significantly reduced the energy consumption of the Picanol Group, including:

- Heat recovery of the cupola furnace for the heating of the buildings;
- Frequency control on various installations;
- The use of high efficiency motors;
- Relighting or energy efficient adjustments of the lighting;
- The installation of frequency-controlled compressors;
- Partial elimination of compressed air leaks by completely shutting down systems and isolating them from the compressed air network in case of a standstill.

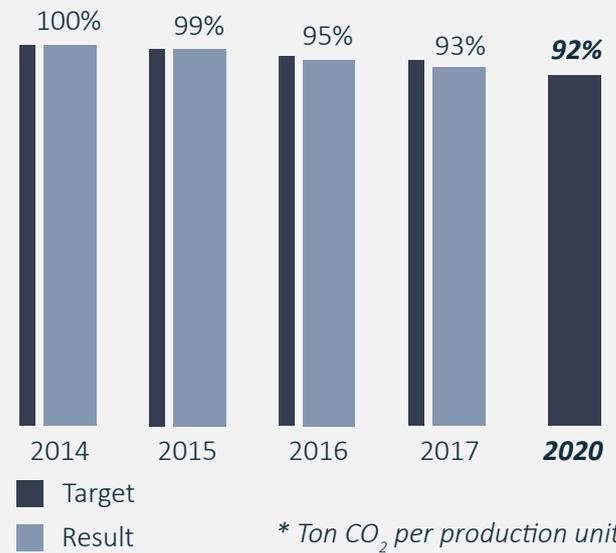
So far, the actions have resulted in a total energy saving of 7% compared to the reference year (2014). Additional measures, which are currently in the study phase, will be further investigated and implemented if they prove to be cost-effective.



### ENERGY CONSUMPTION (MWh)



### ENERGY REDUCTION \*



## 2.3. WASTE

### INTEGRATED WASTE MANAGEMENT

For more than 10 years, the Picanol Group's business sites have been working according to the principle of integrated waste management. To this end, the Picanol Group works together with an external partner, whereby employees of this partner support the waste management within the group.

In concrete terms, the principle of integrated waste management means that everyone at the workplace needs to sort the waste generated and that the necessary resources are provided to achieve this objective. Waste bins are present at all workstations, which are then emptied into waste collection areas and finally end up in larger collection bins. These steps take place entirely within the buildings of the Picanol Group. The external partner's staff then ensures that all large collection receptacles are emptied in a timely and appropriate manner in the container park outside the buildings. Among other things, they use a roll-packer, with which the waste is compressed and compacted in a dumpster. This has the advantage of increasing the weight of each dumpster and reducing the number of trips to be made.

The registration of all the times the collection bins are emptied provides the various departments with the

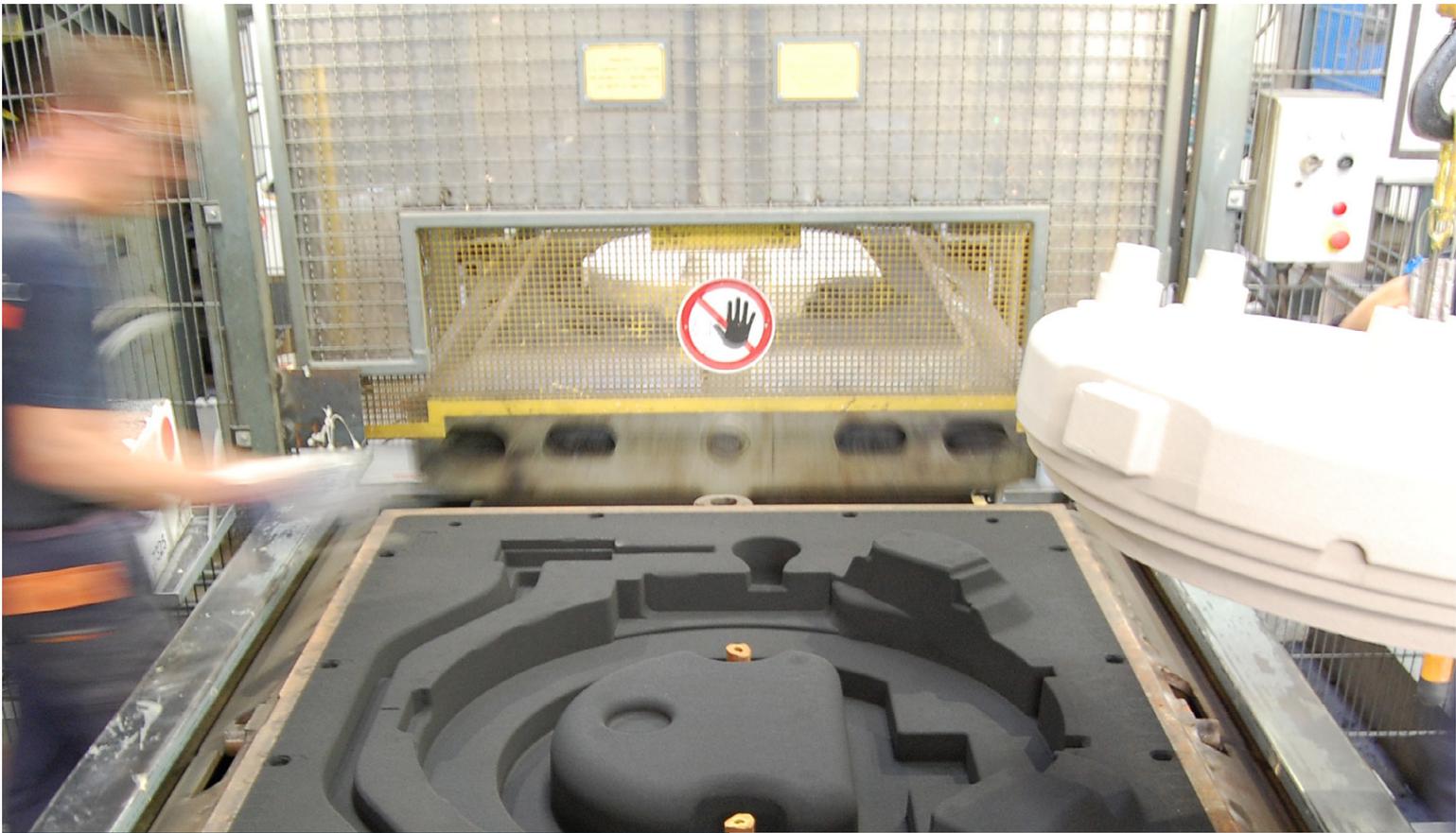
necessary information about the nature and quantity of the waste streams produced. It is also now possible to keep track of where the waste is going and its final destination.

Since the introduction of integrated waste management, the amount of residual waste has been reduced considerably. This is on the one hand because of better sorting at the source, while on the other hand, it is due to a better knowledge of the different types of waste that is generated at our company.

At our location in Ypres, approximately 60 different waste streams are collected separately and taken to a certified processing plant.

### ISO:14001

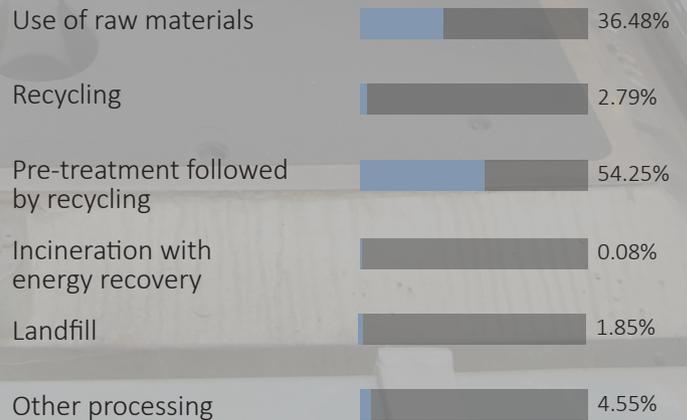
At the production site in Romania, the environmental policy is developed based on the ISO:14001 standard. ISO:14001 is an internationally accepted standard to manage and reduce environmental risks. Waste streams, for instance, are described in detail and annual targets are established to minimize the impact of the activities on the environment.



## REUSE OF SAND

After the use of molding sand in the molding and casting lines, the sand is regenerated in the sand plant. Here, metal remains are removed, the moisture content is brought up to standard and additives such as bentonite are added. This allows us to internally reuse more than 98% of the molding sand used. It minimizes the quantity of foundry sand to be disposed of. For a number of the foundry waste streams, Proferro has raw material certificates, which allows the waste sand to be used directly as a raw material for building applications.

## FROM WASTE STREAM TO FINAL TREATMENT



## 2.4. WATER

The Picanol Group uses tap water (as sanitary and process water), surface water (as cooling water and process water) and rainwater (as sanitary and cooling water).

### WATER USAGE

The largest amount of cooling water is used in the foundry. The melting zone has three cooling water circuits: for the cooling of the holding furnaces, jacket cooling of the cupola furnace and water cooling of the slag. To save cooling water, the three cooling water circuits are connected to each other. As a result, the drain water of the most critical cooling circuit serves as feed water for the next circuit. The drain water from the second cooling circuit is also used as feed water for the cooling circuit with the lowest quality requirements.

Process water is mainly used in the surface treatment where metal pieces are phosphated and chromated in process baths. After the surface treatment, the pieces are cleaned in rinsing baths. The wastewater is purified in the wastewater treatment plant. To reduce the water consumption here, several measures have already been taken:

- Rinsing baths set up in cascade rinsing;
- Rinsing water from the most contaminated rinsing bath is used as feed water for the process baths;
- The service life of the process baths is extended for as long as possible.

Furthermore, in most sanitary facilities customized water taps were installed to reduce water consumption. In new construction projects, all of the provisions necessary to collect and reuse rainwater are installed.

### WASTEWATER TREATMENT MONITORING

The proper functioning of the wastewater treatment is monitored on a daily basis by the process operators of the surface treatment plant. The monitoring of the wastewater quality takes place with the aid of a wastewater measurement program, in which we take and analyze wastewater samples at regular intervals. In 2017, the wastewater treatment plant was expanded with an active carbon filter as the final treatment step.



## 2.5. EMISSIONS

During the production process in the foundry, sand is used on several occasions, which results in dust accumulating in various places. Therefore, dust from the installations and the workstations is extracted at the source as much as possible. These extractors are then connected to various dedusting installations.

In order to minimize diffuse emissions (i.e. emissions that cannot be traced back to point sources) and to manage the emissions to the greatest extent possible, numerous measures have been taken in recent years.

### DUST HUMIDIFICATION

Dust from the dedusting installations of the Desanding Department and the Deburring Zone of the castings is collected in open containers. The dust from these installations is then collected in dumpsters and transported to external processors. To prevent the dust from being blown around during storage and transport, the dust is moistened with water. To this end, the dust filters have been equipped with humidifier installations.

### NEW MOLDING AND CASTING LINE

In 2009, Proferro invested in a completely new molding and casting line. The design of this line was closely monitored to ensure that diffuse dust emissions are prevented to the greatest extent possible. The housing

of the molding and casting line was maximized and has an extraction system connected to air purification plants. All operations where sand can be released are encapsulated.

### MONITORING

Measuring equipment was installed on several chimneys of the dedusting installations to monitor the guided dust emissions online in a qualitative manner. An alarm level has been set for each dust filter, based on an independent qualitative dust measurement. This makes it possible to respond much faster to wear or breakdown of filter sleeves, so that an undesirable increase in dust emission can be avoided.

The monitoring of the functioning of the air purification plants and the quality control of the emitted air takes place, on the one hand, through continuous qualitative measurements and on the other hand, with the aid of the measuring program 'air'. Each year, the emissions of all air purification plants are measured at least once by an external certified expert.



## NEW DUST FILTER

In 2014, the dust filter of the melting furnace was completely renewed. The new filter offers better protection against corrosion, among other things, and more efficiently reduces dust, thus preventing any blockages. The new dust filter also has a controlled additive dosing device which ensures that the amount of additive (a mixture of lime and absorbent) in the airflow is dosed in function of the extracted air flow.

## 2.6. TRANSPORT

### ONE COMPANY LOCATION IN YPRES

The head offices of Picanol, Proferro and PsiControl are all located at one business site in Ypres. The main advantages thereof are that we can work in one business location according to vertical integration, namely the production process from scrap to a fully finished weaving machine, and that we can minimize the costs and emissions resulting from transport.

### DISPATCH DEPARTMENT

Every day, containers leave the Dispatch Department to take the Picanol weaving machines to all corners of the world. Most of our weaving machines are shipped from Ypres to countries such as China, India, Pakistan, Bangladesh, Brazil and Turkey. 90% of our weaving machines leave for our worldwide customers by sea freight. Besides containers being transported by sea freight, weaving machines are also shipped by truck to customers in the European Union, Russia, Belarus and Uzbekistan.

### PICK-UP ROUNDS

For more than 60% of all transport of goods by truck, pick-up rounds are carried out to ensure the trucks are loaded as optimally as possible so that as many goods as possible can be transported covering the least number of miles. The same principle is also used for filling the containers, whereby measures are regularly taken to

fill the containers as efficiently and cost-effectively as possible.

### NEW INITIATIVES

Picanol is participating in a study to analyze the possibilities of inland shipping, from Menen or Wielsbeke (Belgium) to the Port of Antwerp (Belgium) for the transport of containers.



## 2.7. COMMUTING

The mobility plan of the Picanol Group is an important pillar in the pursuit of a reduced environmental footprint. We are convinced that the proportion of cars in terms of the commuter traffic of our employees must decrease. The aim of our mobility plan is therefore to make our employees aware that things can be done differently and better.

In 2017, 266\* employees came to work on foot or by bike, which accounted for 18% of the total number of employees in Ypres.

*\* figures as at 30 June 2017*

### BICYCLE LEASE PLAN

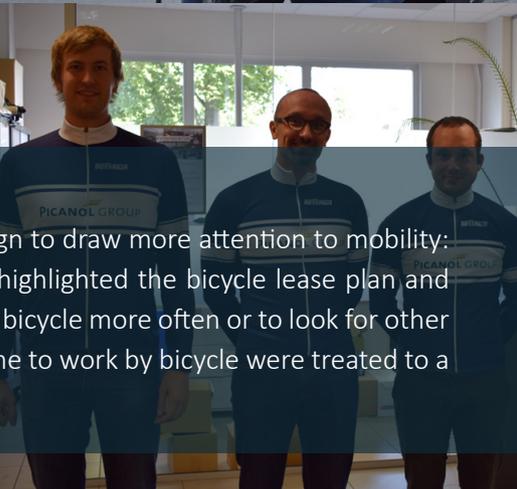
With this in mind, the Picanol Group launched a bicycle lease plan in the spring of 2017, which allows employees to lease a bicycle at an advantageous price. In order to be valid, the bicycle must be used for more than 20% of commuting. So far, already more than 200 employees have ordered a new bicycle.

### BICYCLE UNIFORM

As part of the lease plan, employees could order a bicycle uniform from the Picanol Group at a greatly reduced price. Furthermore, the bicycle uniforms are designed with the best European materials, with a focus on durability.

### CARPOOLING

Since September 2017, the Picanol Group has also offered our employees the opportunity to subscribe to an online tool for carpooling with colleagues. Carpooling has many ecological, economic and social advantages. For instance, carpooling cuts down on CO2 emissions, reduces congestion and creates a healthier living environment, reduces the costs per car and contributes to a good atmosphere among colleagues.



## WEEK OF MOBILITY

As part of the Week of Mobility 2017, the Picanol Group has organized a campaign to draw more attention to mobility: *the Picanol Group is committed to mobility!* In addition, the Picanol Group has highlighted the bicycle lease plan and carpooling with a video message from Luc Tack to call on all employees to use the bicycle more often or to look for other employees with whom to carpool together. Furthermore, the colleagues who came to work by bicycle were treated to a healthy energy drink and a healthy energy bar.

# PICANOL

A large group of children and adults are posing for a group photo in what appears to be a school or community center. The children are dressed in winter clothing, including jackets, scarves, and hats. Many of the children are wearing bright yellow safety vests. They are arranged in several rows, with some sitting on the floor in the front. In the background, there is a large, glowing neon sign that reads "PICANOL" in blue letters. The setting includes some industrial-looking equipment and a white wall.

OUR COMMUNITY

Sustainability and corporate social responsibility also mean that we as a company must be aware of what is going on outside our company walls. The Picanol Group plays an important social role and we want to make a positive contribution to society and help to create a society featuring more prosperity and a higher level of well-being for all our stakeholders.

In our daily activities and objectives, we continuously consider our company's stakeholders, including our:

- Employees;
- Customers;
- Suppliers;
- Partners;
- Shareholders;
- Media;
- Local residents in the area where we operate;
- ...

## 3.1. CUSTOMERS AT CENTER STAGE

With our head office in Belgium and local offices in China, India, Indonesia, Turkey, the US, Mexico and Brazil, Picanol is able to build up strong and long-term relationships with all customers.

### SERVICE

Weaving machines are among the most important investments of our customers. Offering durable weaving machines with a long service life and ensuring that they are always in an optimal condition is crucial in order to safeguard the high value of their assets and to ensure that our customers can remain competitive in a globalized world. Thanks to the genuine Picanol spare parts, our customers can count on our machines to continue to perform optimally. In addition, our customers can also expand their weaving options and/or improve the performance of their machines. This can be achieved by using the upgrade packages Picanol offers for installed Picanol machines.

With separate services and a personalized team for the after-market, Picanol meets the specific requirements and requests from customers worldwide. These tailor made solutions include online ordering of parts via P@rtsline, the timely supply of genuine high quality parts, the analysis of and recommendations regarding operational costs and preventive maintenance, and machine audits.

### EDUCATION

Training is part of the deal that Picanol enters into with our customers. We consider it our duty to help our customers to improve both their skills and knowledge. To this end, we invested in a modern technical training center in Ypres in 2014. This training center covers a total area of 270m<sup>2</sup> and features three fully equipped rooms, each of which is equipped with weaving machines, openwork models, mini-workshops, etc. Thanks to this new knowledge center, Picanol can train technicians of customers from all over the world in optimal conditions. In the event that customers are unable to travel to one of our training centers, our instructors go to the location of the customer in order to organize the training.

Apart from Ypres, Picanol also has two leading training centers in Suzhou (China) and Greenville (USA). Our training centers are all specialized in technical training on weaving machines for operators, fitters and weaving managers. So as to make the transfer of knowledge as efficient as possible, the courses are available in English, Dutch, French, German, Spanish and Chinese; however, courses in other languages can also be arranged upon request.



# LET'S GROW TOGETHER

## **Growth is the essence of weaving.**

Thread by thread, line by line, from the simplest to the most sophisticated, a wide range of fabrics roll off our machines. This is why Picanol offers a wide variety of machines and services that enable weavers to create all conceivable fabrics.

## **Growth is the essence of entrepreneurship.**

The constant aim to weave faster, better and more cost-effectively is what drives our customers and what motivates us. That is the reason we always make our machines more energy efficient, user-friendly and easier to configure.

## **Growth is the essence of the future.**

The world is changing fast and only those who are able to learn and adapt will survive. Therefore, at Picanol we strive to be an intelligent company that listens to our customers and develops along with them.

## **This is because our goal is to grow together. With you, our customers and partners.**

We will grow together by ensuring that our customers always have access to the latest technologies and by inspiring each other, listening to each other and learning from each other.

We believe that the future holds great growth opportunities. Let's grab them together. **Let's grow together.**

For more information, go to [www.letsgrowtogether.be](http://www.letsgrowtogether.be).

## CUSTOMER DAYS AND SEMINARS

Picanol also organizes annual customer days and seminars in different countries and introduces customers to the latest technologies and the latest Picanol weaving machines on the market.



Customer Day in Surat, India



Seminar in Egypt

## EXHIBITIONS

Every year, the Picanol team is present at various international exhibitions, including Inlegmash (Moscow), Iगतex Karachi (Pakistan), Techtexsil Frankfurt (Germany), Caitme (Uzbekistan), Techtexsil (India), and numerous other events. At these international exhibitions, Picanol presents our (potential) customers a wide range of weaving machines, both airjet and rapier weaving machines, as well as new technologies.



Irantex, Iran



Techtextil Mumbai, India

PsiControl is also present on an annual basis at many international exhibitions, including ISH, the largest trade show in the world for innovative bathroom design, energy efficient heating, climate control and building technology as well as renewable energy. However, Eu'Vend & coffeena and Compamed are also on the exhibition calendar. PsiControl will present its custom-made controllers there in combination with innovative HMI (Human Machine Interface), control and connectivity solutions and EMS (Electronics Manufacturing Services). In order to demonstrate its expertise in the area of custom-made controllers, PsiControl also displays its own SwipeStat and SwipeXL platforms.



ISH, Frankfurt

## NOMINATION FOR THE ATLAS COPCO INNOVATION AWARD

In 2017, Proferro was nominated for the Atlas Copco Innovation Award. Together with two other companies, Proferro was selected from more than 200 suppliers for its innovative approach to a project for Atlas Copco. Proferro has been supplying various parts to the different divisions of Atlas Copco's Compressor Technique for many years, including oil separators or vessels.



## 3.2. COMPANY VISITS

The Picanol Group attaches great importance to fostering long-term relationships with universities, colleges and secondary schools that offer technical training, as well as with their students.

Every year, the Picanol Group organizes dozens of company visits so that students can take a look behind the scenes of the production of our high-tech weaving machines, the foundry and mechanical finishing activities as well as our electronics department. Experienced guides take the pupils and/or students on a tour from the foundry to the weaving machine demo room.

### JOB CAFÉ

For students who are on the verge of graduating, we organize a job café at our Picanol bar after the tour, where they can meet young engineers within our company. This way, they can establish relations with employees with the same profile and they can form a better picture of what a future job within the Picanol Group can do for them.

### TECHNICAL ACADEMY

Every year, the Picanol Group participates in the Technical Academy, which is an initiative of VIVES University of Applied Sciences. As part of the Technical Academy program, we receive children aged between 10 and 12 years and we help them become acquainted with technology. Research results from VIVES show that children, after taking part in the Technical Academy, have more ambitions to choose a technical job and think less about the gender stereotypes when it comes to technology.

### COMPANY VISITS 2017

In 2017, no fewer than 1,063 pupils and students visited the Picanol Group in Ypres, accounting for more than 42 different class groups.



*"I was surprised by the diversity of production processes. From the production of cast iron parts to the assembly of high-tech weaving machines and the production of electronics: it was impressive."*

*(Student KU Leuven)*

## 3.3. CAMPUS RECRUITMENT

In order to maintain and strengthen the current position of the Picanol Group, we are constantly looking for new, young and dynamic talent. Therefore, the Picanol Group participates each year in various job fairs to introduce final year students to our internship or job offers.

### CAMPUS RECRUITMENT 2017

The Picanol Group took part in the following job fairs in 2017:

- Job fair Ypres
- JobExpo VTI Ypres
- JobExpo VTI Menen
- Jobhappening Kortrijk
- Odisee KU Leuven-  
technology campus Gent
- KHBO KU Leuven Kulab- VIVES  
industry day
- JobExpo VTI Poperinge

Following the conclusion of these job fairs, all interested students are invited to visit the Picanol Group, where they receive an extensive tour and they can speak on a one-on-one basis with colleagues who are active within their field of interest.

### THESES

Encompassing such a wide range of activities, the Picanol Group also appeals to a large group of students as a subject for their final project or thesis.

### INTERNSHIPS

Every year, many students also work as interns within the Picanol Group, including Engineering students, Communication and Marketing students, Office Management students or Commercial Sciences students. This includes both short and long internships and students from secondary schools and students from colleges and universities.

### STUDENT WORKERS

The Picanol Group has a lot of student workers every year, both during the holiday periods and during the school year. In July, August and September 2017, some 55 students worked as student workers at the Picanol Group in Ypres.

# PICANOL GROUP



PICANOL

PROFERRO



www.picanol.com

## JOB FAIRS

The Picanol Group is represented at the many job fairs by a Human Resources employee and by one or more young colleagues from different departments with vacancies. This way, we keep the threshold for students low and provide them with specific information about the job, the working atmosphere and the team spirit within the group.

## 3.4. SPONSORSHIP

The Picanol Group also supports various organizations and events each year through targeted sponsorship.

### DONATION OF TOYS FOR ST. MARTIN

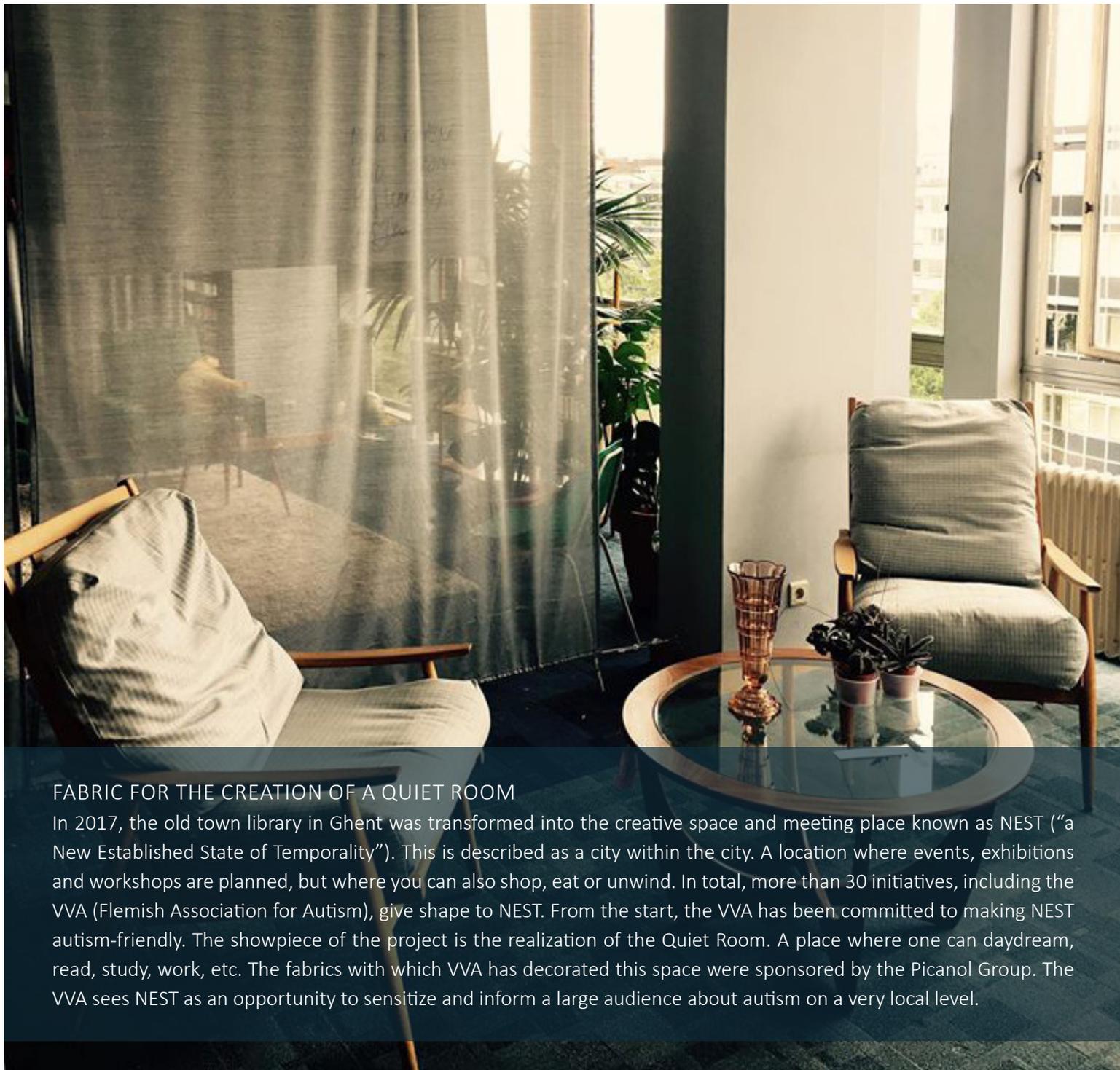
Every year, the Picanol Group donates toys to Ons Teyhuis in Ypres, a joint venture between OCMW Ypres, Kortrijk, Poperinge, Waregem and Wervik, for the care and supervision of young people placed by the Juvenile Court or the Special Youth Assistance Committee. These toys are distributed among the children in the period of St. Martin.



### HIKING COMPETITIONS FOR CHARITY

Every year, the Picanol Group participates in various hiking competitions for charity, including the Wings for Life Run, which gives the proceeds in full to research into spinal cord injuries, and the McBride run, a portion of the registration fee of which goes to the WA non-profit association in support of their local work in Ghana.





## FABRIC FOR THE CREATION OF A QUIET ROOM

In 2017, the old town library in Ghent was transformed into the creative space and meeting place known as NEST (“a New Established State of Temporality”). This is described as a city within the city. A location where events, exhibitions and workshops are planned, but where you can also shop, eat or unwind. In total, more than 30 initiatives, including the VVA (Flemish Association for Autism), give shape to NEST. From the start, the VVA has been committed to making NEST autism-friendly. The showpiece of the project is the realization of the Quiet Room. A place where one can daydream, read, study, work, etc. The fabrics with which VVA has decorated this space were sponsored by the Picanol Group. The VVA sees NEST as an opportunity to sensitize and inform a large audience about autism on a very local level.

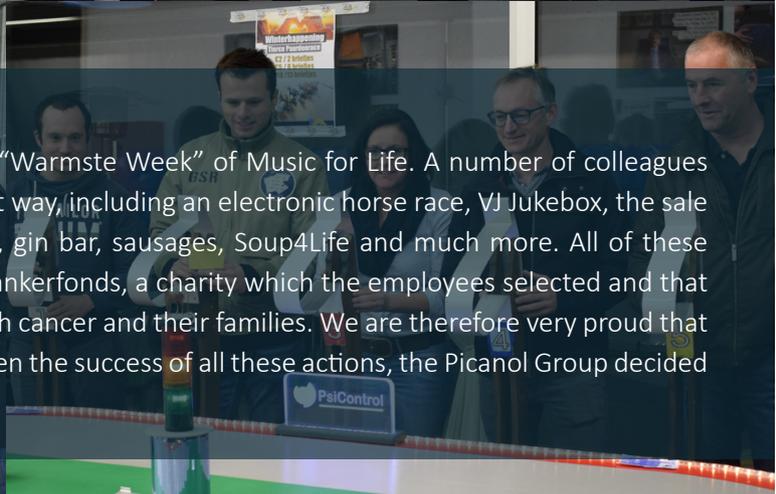
## ROBOT CAMP

With the financial support of a number of local companies, including the Picanol Group, VTI Poperinge organized a two day robot camp for 12 year-olds. During the camp, the youngsters assembled their own robots and became acquainted with 3D drawing, soldering, welding, assembling, and were also allowed to program the control of the robot. With initiatives such as this robot camp, we want to bring young people into contact with modern technology at an early age and to stimulate their interest in technical training.

## SPONSORSHIP IN ROMANIA

PsiControl Romania also offers financial support to various organizations. For example, PsiControl sponsors the organization “*Asociatia Ingerri de langa noi*”, which helps children suffering from muscle paralysis. Thanks to the sponsorship, medical support was expanded from four children to eleven after just one year. The money is used to renovate the building, purchase medical appliances that help in the neuromotor recovery of the children and to make a contribution to the physiotherapeutic costs, the costs for psychotherapy and the costs for speech therapy. In addition, PsiControl Romania also supports the Education for Life project, which helps young people from orphanages, family centers, childcare services, etc. once they have reached the age of majority and are no longer covered by these services.





## MUSIC FOR LIFE 2017

A wide range of activities were organized in Ypres for the “Warmste Week” of Music for Life. A number of colleagues either organized various events or contributed in a different way, including an electronic horse race, VJ Jukebox, the sale of lasered Christmas trees (Proferro), toasted sandwiches, gin bar, sausages, Soup4Life and much more. All of these warm campaigns were aimed at raising money for Kinderkankerfonds, a charity which the employees selected and that provides financial and psychological support to children with cancer and their families. We are therefore very proud that together we managed to raise no less than 7,116 euros. Given the success of all these actions, the Picanol Group decided to increase this amount to 10,675 euros.

## 3.5. PARTNERSHIPS

### PARTNERSHIP WITH WORK CENTERS

Picanol collaborates with a number of work centers, including Westlandia, which is a supplier and subcontractor in various domains of the industry and services sector. Westlandia is an association that strives to promote the integration of people with disabilities by offering sustainable customized employment. The main activities carried out by Westlandia are the assembly of the cable harness of the weaving machine, sub-assemblies of a range of mechanical parts and various machining operations of mechanical parts. To the Picanol Group, Westlandia is not just a supplier. The cooperation goes far beyond that: there is room for co-creation and integration of the activities of one another.

Picanol also works together with Mariasteen. This is one of the largest work centers in Flanders and it focuses mainly on metalworking and assembly, woodworking, groundskeeping and enclave services. Among other things, Picanol uses the services of Mariasteen for the processing of the wooden bottoms that are used to transport the weaving machines.



## FLANDERS MAKE

The Picanol Group is a member of, among other organizations, Flanders Make. This is the strategic research center for the manufacturing industry that works structurally with the research departments of the five Flemish universities. The objective of Flanders Make is to realize a top level research network in Flanders, where manufacturing companies find full support for their innovation processes. Flanders Make carries out technological research in the field of mechatronics, product development methods and production technologies. It focuses on industry-driven technological research and innovation together with and for companies in the Flemish manufacturing industry.



## WESTHOEK. DE NIEUWE WERELD.

In collaboration with more than 35 partners – including the Picanol Group, as the largest employer in the region – the Westhoek has launched the new regional campaign “Westhoek. De Nieuwe Wereld”. The campaign aims to promote the region Westhoek as an excellent place to live, work and do business.



# GRI TABLE OF CONTENTS

This sustainability report contains data from the GRI Guidelines.

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