

WE AIM TO *DO*  
GOOD BUSINESS.  
BUT ONLY BY *BEING*  
A GOOD BUSINESS

ERIKS 2015

ANNUAL SUSTAINABILITY REPORT

#2015  
GOOD BUSINESS  
**DRIVE EFFICIENCY**  
**INFLUENCE CHANGE**  
**STRENGTHEN**  
**SOCIETY**



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# WELCOME TO OUR FIRST GLOBAL SUSTAINABILITY REPORT



2015 was a big year for us with significant steps taken on our sustainability journey and I am proud of the progress we have made. Having said that, we have a long way to go before we are the most 'sustainable industrial service provider' in the world, but I am looking forward to the even bigger steps that we will be taking in 2016 and the coming years.

This is our first global sustainability report, and as the first – of many – the format will be slightly different than in future years. This report sets out our vision, our strategy, how we developed it and how we plan on governing it. In future years, our reports will be much more an update on our progress.

One of the significant steps that we have taken over 2015, with massive input from our colleagues around the world, is the creation of a 20 target strategy to achieve by 2020; a set of action based initiatives across our identified stakeholder groups and in support of our sustainable pillars – strengthening society, driving efficiency and influencing change.

And we already have excellent examples of the progress we are making in each of these pillars, which you will see throughout this report. In particular, I am pleased to report the development of services for our customers which increase their energy efficiency and enable them to meet their own sustainable goals – and I am pleased that this is an area

of our offering in which we will continue to innovate and expand in the coming years. In the spirit of innovation – which we see as inextricably linked to sustainability and hence our coining of the phrase "Sustainovation" – we are excited to tell you about the work we are doing to bring structure and process to enable chaotic thinking and how this is being applied to potentially disruptive themes for ERIKS and its stakeholders; Big Data, 3D Printing and the Internet of Things [IoT].

The world is changing and we are living in challenging times; with not only new technologies and the disruption it brings, but also a slow recovering economy and the ever present threat of climate change – a hot topic on the agenda with the upcoming COP 21.

"The future is not something we enter ... it is something we create" and I believe that business has a responsibility to play its part by tackling our common global challenges, actively creating our future and we, at ERIKS, are pledging our commitment – not only because it is the right thing to do, but because we recognise that *good business* is good for business.

I hope you enjoy reading this report and learning more about our approach; we welcome your feedback and look forward to delivering our next update which will undoubtedly bring even more good news.

Marc Beckers  
CEO ERIKS

'THE FUTURE IS  
NOT SOMETHING  
WE ENTER... IT IS  
SOMETHING WE  
CREATE'



# ABOUT US / 2015

**/TURNOVER**  
**> 2 billion** EUROS  
 TURNOVER  
 IN 2014

**/PRESENCE**  
**65** COMPANIES IN 27  
 COUNTRIES WITH  
 OVER 420 LOCATIONS

**/LOCATIONS**  
**164**  
 IN NORTH  
 AMERICA

**/LOCATIONS**  
**233**  
 IN EUROPE

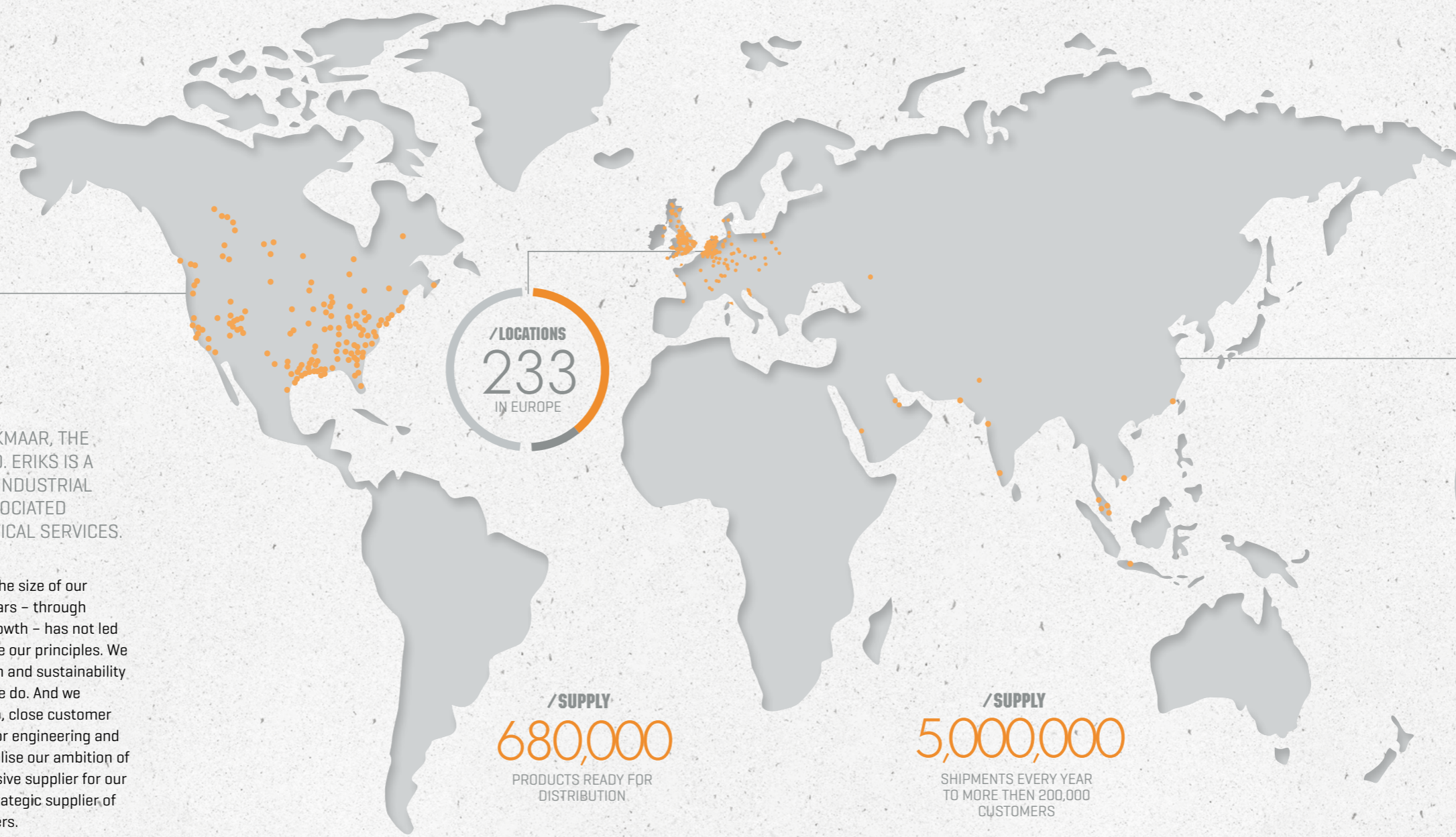
**/LOCATIONS**  
**23**  
 IN ASIA

**/ERIKS**, FOUNDED IN ALKMAAR, THE NETHERLANDS, IN 1940. ERIKS IS A LEADING SUPPLIER OF INDUSTRIAL COMPONENTS AND ASSOCIATED TECHNICAL AND LOGISTICAL SERVICES.

The significant increase in the size of our organisation over recent years – through acquisitions and organic growth – has not led us to change or compromise our principles. We place technology, innovation and sustainability at the heart of everything we do. And we combine product leadership, close customer relationships and support for engineering and project management, to realise our ambition of being a unique, comprehensive supplier for our MRO customers, and the strategic supplier of choice for our OEM customers.

**/SUPPLY**  
**680,000**  
 PRODUCTS READY FOR  
 DISTRIBUTION

**/SUPPLY**  
**5,000,000**  
 SHIPMENTS EVERY YEAR  
 TO MORE THAN 200,000  
 CUSTOMERS




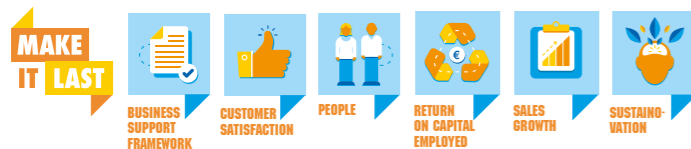
# MAKE IT LAST

**/ ERIKS IS PART OF THE SHV GROUP, A FAMILY BUSINESS MADE UP OF A FAMILY OF COMPANIES, THAT ALSO INCLUDES SHV ENERGY, MAMMOET, MAKRO, NUTRECO, NPM CAPITAL AND DYAS.**

SHV has introduced the Make It Last strategy to ensure a sustainable, long-term future for the organisation. The strategy has been encapsulated in six pillars, defining their focus. One of the strategy pillars is Sustainovation... SHV's approach to sustainability goes further than simply reusing,

renewing and recycling. To be a truly sustainable business, the SHV Group believes in combining sustainability and innovation. "Sustainovation" defines the Group's responsible, sustainable approach to the business – not only for the good of the business itself, but also for the good of society, the environment and the planet.

The SHV Group has always taken responsibility for achieving successful economic growth without compromising a sustainable future. ERIKS' own sustainability strategy has been explicitly formulated to contribute to the SHV Group Sustainovation pillar. 



## / SHV SUSTAINOVATION BOARD

Comprising colleagues from across the SHV Group, the Sustainovation Board meets monthly for review meetings and workshops, to ensure sustainovation continues to progress within all Group companies. Formed at the beginning of 2015, the Board has already made significant progress in implementing and improving sustainability data reporting, as well as addressing a range of other sustainability issues.

"SUSTAINOVATION" DEFINES THE GROUP'S RESPONSIBLE, SUSTAINABLE APPROACH TO BUSINESS

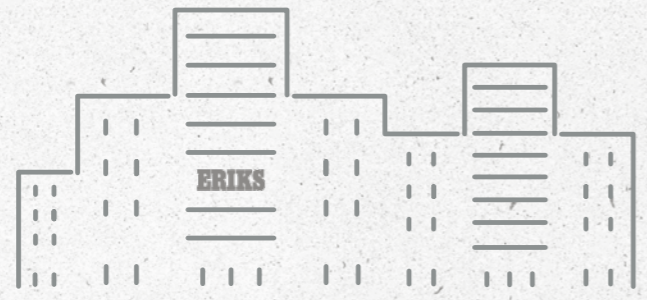
## / SUSTAINOVATION HUB

The Sustainovation Hub's philosophy states: we can do this better when we do it together. This online tool is used to seek ideas from as wide a range of people as possible within the SHV Group. Challenges or questions are posted on the Hub, and solutions sought to help develop new, innovative processes, procedures and products – leading to concrete benefits for the business and positive impact for the environment.



# WHAT WE DO

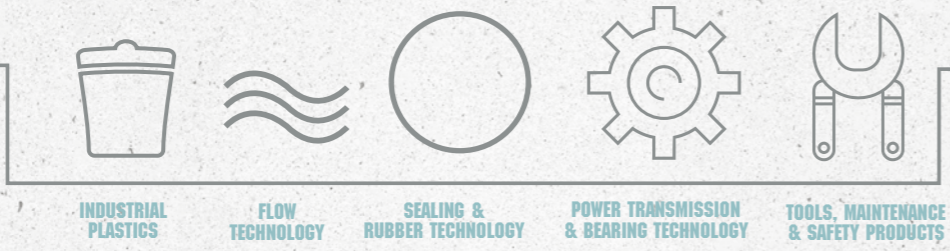
**/TECHNOLOGY AND INNOVATION** IS KEY TO EVERYTHING ERIKS DOES. K.E.Y; KNOW-HOW, ENGAGEMENT AND YES-MENTALITY - A SET OF VALUES THAT MAKE THE DIFFERENCE FOR OUR CUSTOMERS.



**/ERIKS**  
Delivering the right solution to reduce customers Total Cost of Ownership

**/GLOBAL BRANDS**  
Leveraging breadth of assortment

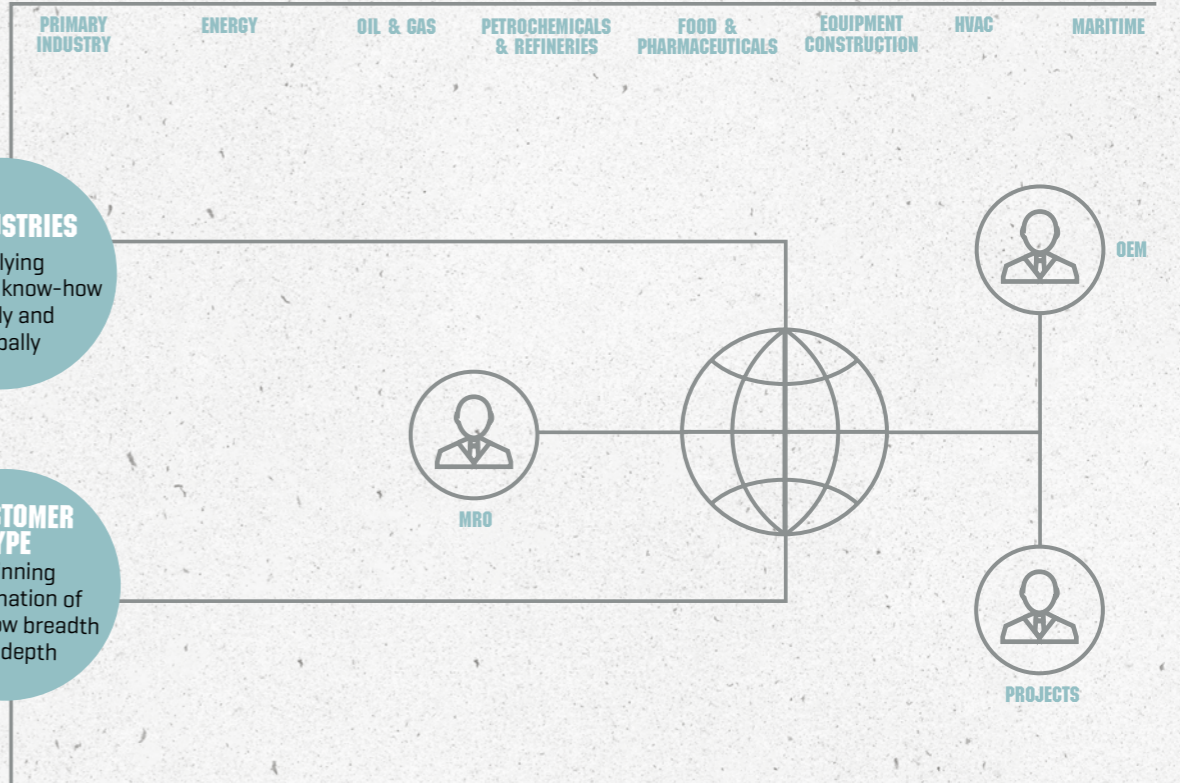
**/CORE ACTIVITIES**  
Knowledge and innovation driven specialists



**/INDUSTRIES**  
Applying industrial know-how locally and globally

**/CUSTOMER TYPE**  
A winning combination of know-how breadth and depth

**/SERVICES**  
Delivering the right solution in the right way



# GOOD BUSINESS

## /OUR VISION

Sustainability is good business. Good for our business, and good for our customers' businesses. It's good for our business because it can **drive efficiency**, and helps us to reduce our energy use, water consumption, waste production and our footprint on the planet.

Sustainability is also good for our business because, as Europe's leading industrial services partner, we are in a unique position to **influence change** amongst suppliers and customers.

So we can grow our business by providing expert advice on sustainable practices. By supplying more sustainable technology. And by maintaining

and repairing that technology. All of which is, in turn, good for our customers' businesses. Because it helps them to drive their own efficiency, to reduce their energy use and waste disposal costs, and even to increase their productivity.

But we are also part of a larger community. A community which provides our employees and our customers. So our actions must not only build business, but also **strengthen society**. That's why our vision of sustainability goes beyond our business and beyond profitability alone.

We aim to do good business. But only by *being* a good business.



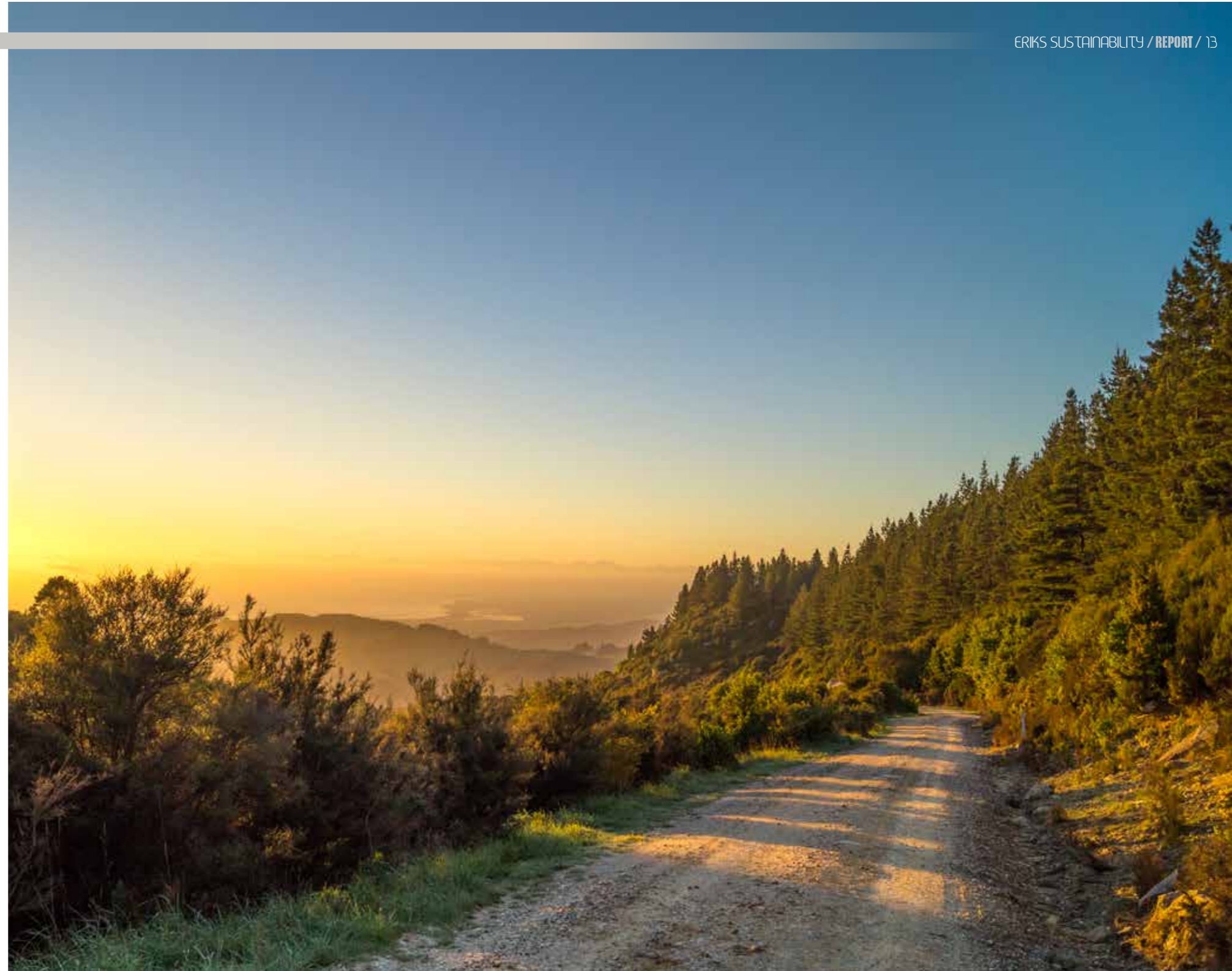
**/STRENGTHEN SOCIETY**



**/INFLUENCE CHANGE**



**/DRIVE EFFICIENCY**





# DEVELOPING OUR SUSTAINABILITY STRATEGY

**/ SUSTAINABILITY IS ESSENTIAL TO OUR FUTURE.** YET WITH SUCH AN ENORMOUS ISSUE, THERE'S A DANGER OF FAILURE TO FOCUS AND, THEREFORE, FAILURE TO ACHIEVE. THE AIM OF MATERIALITY ANALYSIS IS TO ESTABLISH THE MOST IMPORTANT SUSTAINABILITY ISSUES, SO THAT WE CAN ADOPT THE RELEVANT STRATEGIES AND TAKE THE MOST EFFECTIVE ACTIONS.

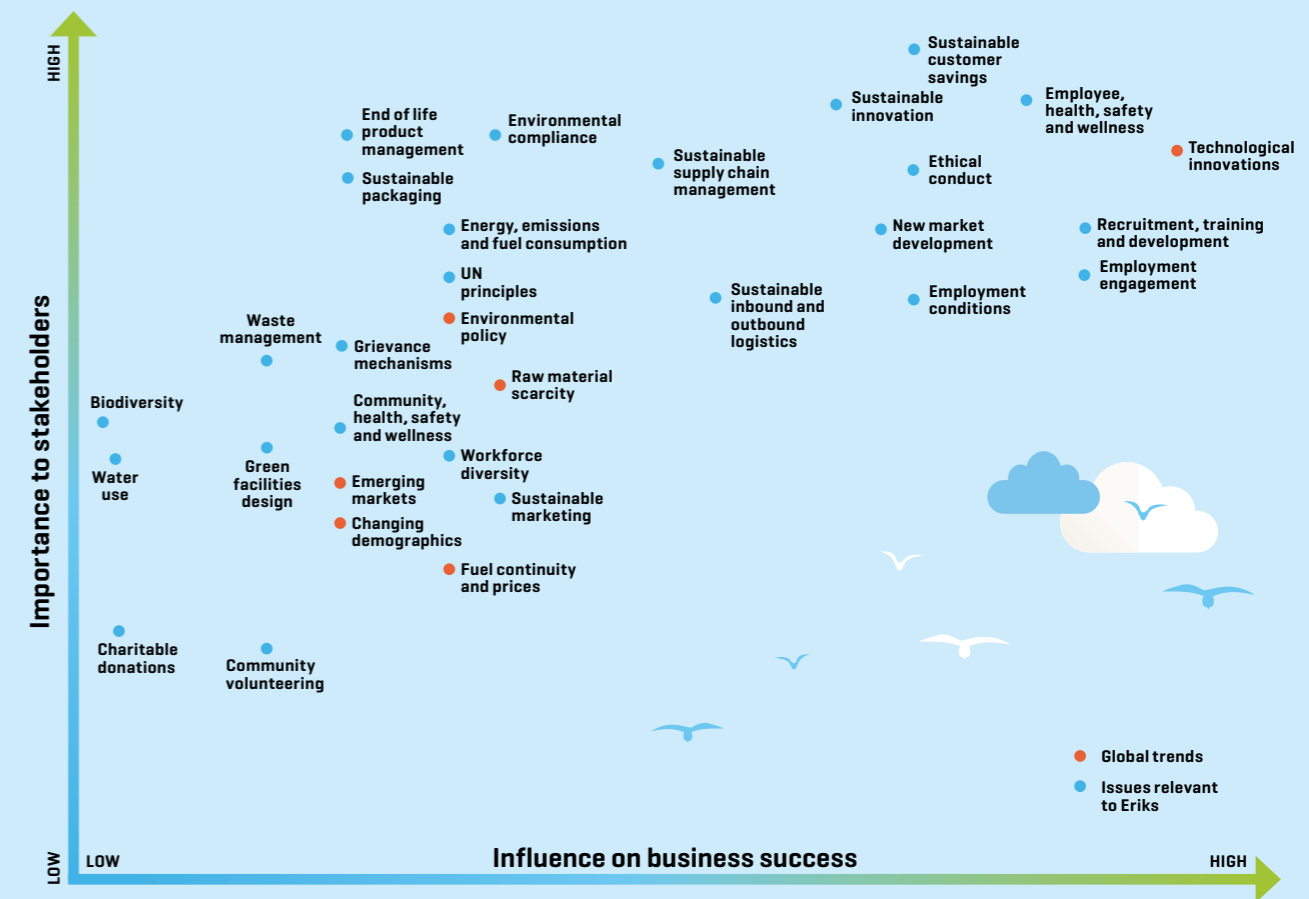
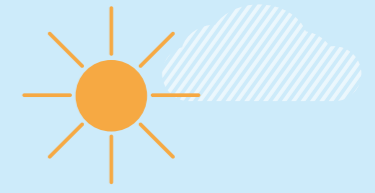
Sustainability is important not just to the ERIKS Group, but also to our customers and stakeholders. So part of the Materiality Analysis exercise has been to gain input from all interested parties.

Our first step was to identify relevant material issues, based on sustainability standards such as the Global Reporting Initiative, and informed by ERIKS Group and SHV strategic plans and values. We asked employees, Sustainability Champions, and Senior Management to rank the issues, according to their perception of the effect on our business success. ("Business success" includes value creation, reputation, employee productivity and customer satisfaction.) We also sought feedback from external stakeholders, on the relative importance to them of our taking action on the issues. The results are shown on the matrix

opposite, where the vertical axis represents importance to stakeholders, and the horizontal axis importance to business success. This first Materiality Analysis ever conducted by the ERIKS Group was carried out in parallel to our strategy planning. The results have verified that our strategy and targets largely address the issues identified.

### WHAT'S NEXT?

In future, a larger sample size of a wider range of responsibility levels and customer sizes will give us an even more representative result. And the analysis will be used to set strategies and targets, rather than to confirm them. Conducting a similar analysis on a regular basis will help us to identify any new issues, see what we have achieved, and see how much further we have to go on our sustainability journey.



● Global trends  
● Issues relevant to Eriks



# HOW OUR STRATEGY CAME TOGETHER

**/ THE BEST STRATEGIES ARE NOT IMPOSED, BUT GROW FROM STRONG ROOTS. OUR SUSTAINABILITY STRATEGY IS NO EXCEPTION.**

Using the Sustainovation Hub, an online ideation tool established by our parent company SHV, we challenged a wide group of stakeholders to propose ideas for achieving our vision of sustainability. This group of stakeholders included not only ERIKS employees but the wider SHV Group too. Though the challenge ran for just one week, delegates came forward from every corner of the globe, contributions were made by more than 100 people, over 70 ideas were generated, more than 220 enrichments were added and over 200 votes were cast for the best ideas.

**20X2020**

From the ideas selected, 20 targets were established to be achieved over the next 5 years across the three pillars of our

vision; strengthening society, influencing change and driving efficiency. These have been approved by the ERIKS Group Board of Directors, verified alongside our materiality analysis and brought into by all the Regional Senior Management Teams, who, in addition to sharing their views and ideas on embedding sustainability within the organisation, also agreed to focus on 5 of the targets to achieve in 2016.

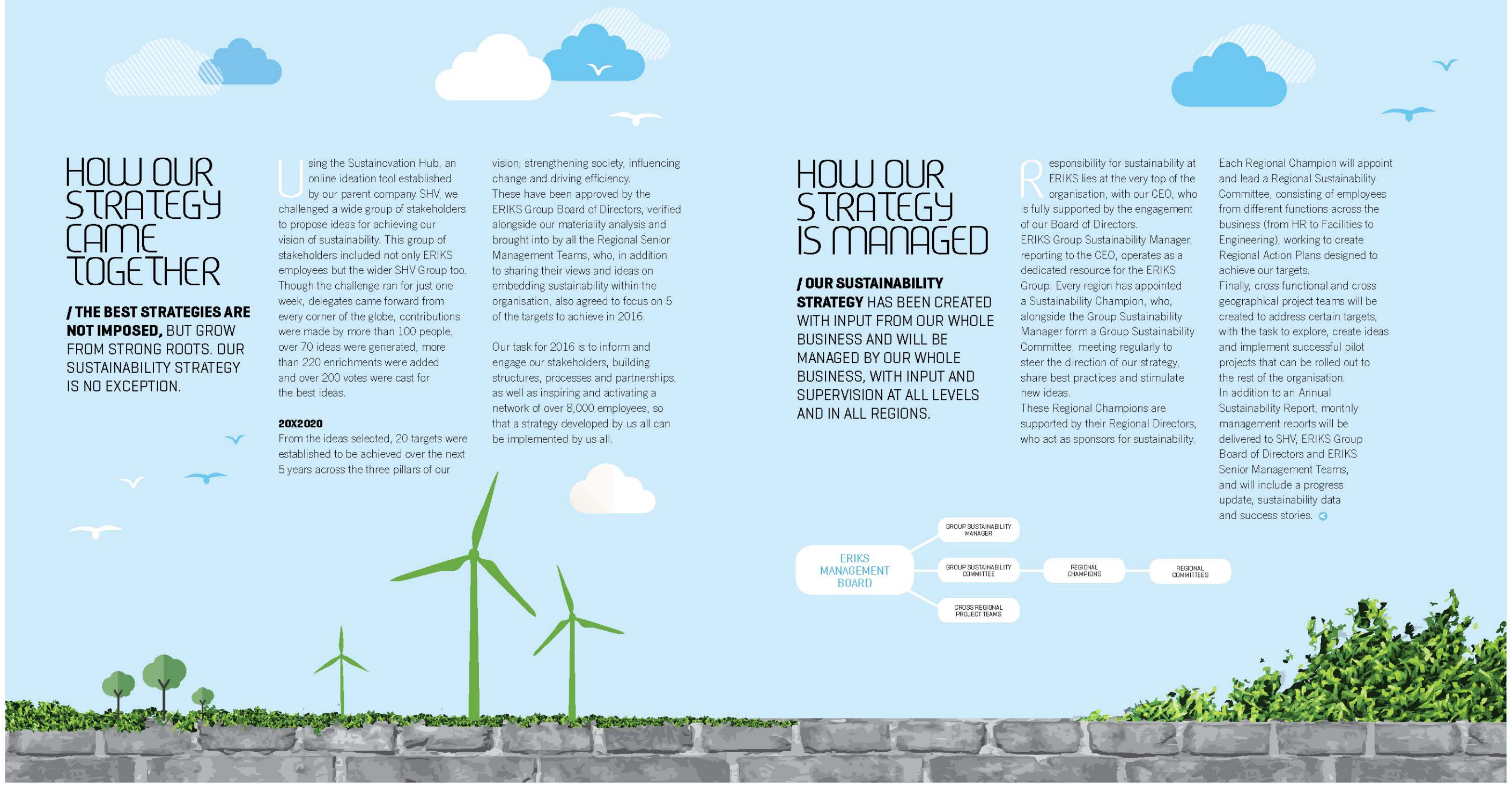
Our task for 2016 is to inform and engage our stakeholders, building structures, processes and partnerships, as well as inspiring and activating a network of over 8,000 employees, so that a strategy developed by us all can be implemented by us all.

# HOW OUR STRATEGY IS MANAGED

**/ OUR SUSTAINABILITY STRATEGY HAS BEEN CREATED WITH INPUT FROM OUR WHOLE BUSINESS AND WILL BE MANAGED BY OUR WHOLE BUSINESS, WITH INPUT AND SUPERVISION AT ALL LEVELS AND IN ALL REGIONS.**

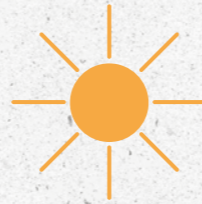
Responsibility for sustainability at ERIKS lies at the very top of the organisation, with our CEO, who is fully supported by the engagement of our Board of Directors. ERIKS Group Sustainability Manager, reporting to the CEO, operates as a dedicated resource for the ERIKS Group. Every region has appointed a Sustainability Champion, who, alongside the Group Sustainability Manager form a Group Sustainability Committee, meeting regularly to steer the direction of our strategy, share best practices and stimulate new ideas. These Regional Champions are supported by their Regional Directors, who act as sponsors for sustainability.

Each Regional Champion will appoint and lead a Regional Sustainability Committee, consisting of employees from different functions across the business (from HR to Facilities to Engineering), working to create Regional Action Plans designed to achieve our targets. Finally, cross functional and cross geographical project teams will be created to address certain targets, with the task to explore, create ideas and implement successful pilot projects that can be rolled out to the rest of the organisation. In addition to an Annual Sustainability Report, monthly management reports will be delivered to SHV, ERIKS Group Board of Directors and ERIKS Senior Management Teams, and will include a progress update, sustainability data and success stories.



# 20 BY 2020

**/ WE HAVE CREATED A 20 TARGET STRATEGY TO ACHIEVE BY 2020; A SET OF ACTION BASED INITIATIVES ACROSS OUR IDENTIFIED STAKEHOLDER GROUPS AND IN SUPPORT OF OUR SUSTAINABLE PILLARS – STRENGTHENING SOCIETY, DRIVING EFFICIENCY AND INFLUENCING CHANGE.**



<p><b>1. REDUCE</b> lost time incidents by <b>50%</b> by 2020</p> <p><b>5. IMPLEMENT</b> regional community volunteering programmes that engage <b>40%</b> of employees</p>	<p><b>2. ENGAGE</b> <b>40%</b> of employees in an annual calendar of campaigns to promote health and wellbeing</p> <p><b>6. OF WORKFORCE</b> <b>5%</b> employed on formal development contracts by 2020</p>	<p><b>3. COMMIT</b> to and report annually to United Nations Global Compact commencing <b>2016</b></p> <p><b>7. CREATE</b> partnerships to promote Women in Industry to <b>5,000</b> school age girls by 2020</p>	<p><b>4. DEVELOP</b> a global charity initiative with contributions exceeding €100,000 by <b>2020</b></p>
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**/ STRENGTHEN SOCIETY**

**/ INFLUENCE CHANGE**

**/ DRIVE EFFICIENCY**

<p><b>8. DEVELOP</b> Supplier Sustainability Code and audit <b>20%</b> of supplier base by 2020</p> <p><b>11. COLLABORATE</b> with customers and suppliers to exchange waste and raw materials through an online materials marketplace</p>	<p><b>9. DELIVER</b> and document <b>€10,000,000</b> of environmental savings to customers a year by 2020</p> <p><b>12. ENGAGE</b> stakeholders in three sustainable innovation challenges resulting in pilot or market ready solutions per year</p>	<p><b>10. COLLABORATE</b> with suppliers to reduce shipping mileage of ERIKS orders by <b>20%</b> by 2020</p> <p><b>13. DEVELOP</b> profitable environmental consultancy business delivering annual revenue of <b>€5,000,000</b> by 2020</p>
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<p><b>14. GENERATE</b> or purchase <b>50%</b> of electricity from renewable sources by 2020</p> <p><b>16. REDUCE</b> water withdrawal from utility sources by <b>10%</b> by 2020</p> <p><b>18. REDUCE</b> number of litres for transport by turnover by <b>10%</b> by 2020</p>	<p><b>15. REDUCE</b> energy consumption by <b>20%</b> by 2020</p> <p><b>17.</b> <b>80%</b> of non-hazardous waste diverted from landfill by 2020</p> <p><b>19.</b> <b>75%</b> of organisation covered by ISO 14001 certification by 2020</p> <p><b>20.</b> Develop a minimum standard for ERIKS facilities with <b>50%</b> of locations complying with the standard by 2020</p>
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TOP EMPLOYER  
THE NETHERLANDS



CSR LABEL 2015

**/ OFFICIALLY "WELL ABOVE AVERAGE"**

Econosto Mideast BV (EME) has been awarded the CSR Label 2015 by Dubai Chamber of Commerce and Industry. One of only 168 companies to achieve the certification, out of almost 2000 who applied in 2015, EME scored 66.4% overall. That is significantly above the average score of all other award recipients. Thoroughly audited for Corporate Social Responsibility by the Dubai Chamber, most companies were disqualified for failing to meet the certification requirements. However, EME achieved the required score – and more – in all categories, with particular strength in the Workplace and Environment classifications.



THE 2015 AI  
INTERNATIONAL  
FINANCE  
AWARDS



BEST IN-HOUSE HR & PAYROLL TEAM

**/ HONOUR FOR ERIKS PAYROLL TEAM**

The ERIKS UK payroll team were recently recognised as Best In-House HR & Payroll Team at the 2015 AI International Finance Awards. The Awards acknowledge payroll teams' innovations, and highlight examples of true excellence. Our payroll team of Tracey Green, Diane Hopkins and Rachel Thomas were awarded for their work in developing our in-house processes, and in particular for their recent migration of the weekly to monthly payroll.



BUPA WORKWELL ENGAGEMENT & WELLBEING BIG TICK AWARD

**/ THE AWARD WINNING ERIKS WELLBEING CHALLENGE**

The Business in the Community Responsible Business Awards scheme encourage and celebrate businesses which are stimulating local economies, addressing skills shortages and creating healthier and happier employees. Judged by business peers from all sectors, ERIKS initial 10/10 steps and weight loss Challenge received the BUPA Workwell Engagement & Wellbeing Big Tick Award. Subsequently this ongoing employee wellbeing challenge, which is now a global steps, exercise and health programme has been reaccredited for the award. The ERIKS Challenge was acknowledged for its enthusiastic approach to engaging colleagues across all roles within the company. Also recognised were the support of the management team, and the design and management of the initiative by Corporate HR Officer Helen Hill and the Marketing Team.

CREATING  
HEALTHIER  
& HAPPIER  
EMPLOYEES

**/ NUMBER ONE, TIMES THREE**

Being given one Top Employer Award is excellent. Being given three is exceptional. But that is exactly what has happened across the ERIKS Group, with ERIKS UK, ERIKS Netherlands and ERIKS Belgium all being given the award for 2015 in their respective countries. The power of three goes even further, as this is the third time both ERIKS UK and ERIKS Belgium have received the award. ERIKS was recognised for the high standard of its Working Conditions, Learning and Development Programmes, Career Development and Culture Management. The award, from the International HR Best Practices Survey, also commended the many employee benefits and wellbeing initiatives offered within the company, together with ERIKS' approach to being a responsible business and constant strive to improve.



TOP EMPLOYER AWARD UK



TOP EMPLOYER AWARD BELGIUM



TOP EMPLOYER AWARD THE NETHERLANDS

BEING GIVEN  
THREE AWARDS IS  
EXCEPTIONAL

# DUURZAAMHEID / FEITEN

/ 8 WEKEN WELZIJNSPROGRAMMA VOOR MEDEWERKERS



Samen zijn we **9.5 KEER** rond de wereld gelopen

Hebben we meer dan **500 MILJOEN STAPPEN** gezet



**6.000**

**REIZEN** per auto vermeden doordat medewerkers zich te voet, op de fiets of met het openbaar vervoer verplaatsen

€60.000 ingezameld en gedoneerd aan **GOEDE DOELEN**



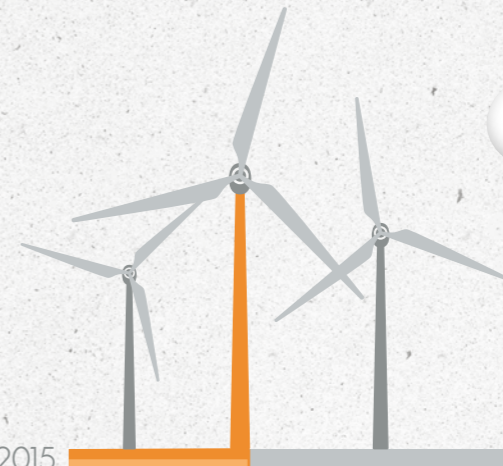
**WATER-GEbruIK**  
**120.908 M³ WATER**  
[48 Olympische zwembaden]



**5.6 MILJOEN LITER** brandstof voor eigen of leasevoertuigen

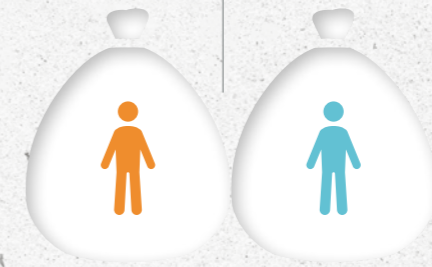


/ RANING VOOR DECEMBER 2015 OP BASIS VAN DE GEGEVENS JANUARI – JUNI 2015



**10.138** TON OF CO<sub>2</sub>

**470 KG AFVAL** per medewerker



**3.751.372** KWH elektriciteit



België, Frankrijk en het Midden-Oosten:

**NUL** afval

**NAAR DE STORTPLAATS**



Ruim 1.500 medewerkers namen deel aan de Global Challenge (Tri-2015)

**23%**

/STAND VAN ZAKEN JUNI 2015  
Aantal fulltime medewerkers

**8.031**

**55.000** UUR besteed aan de training van medewerkers

# LEADERSHIP IN INNOVATION

**/ INNOVATION** IS ONE OF THE GREATEST CHALLENGES INDUSTRY HAS TO FACE. SUCCESSFUL BUSINESSES HAVE TO BE AWARE OF INNOVATION TRENDS, THEN DECIDE WHETHER TO DO NOTHING, FOLLOW, OR LEAD.

This was the impetus behind the April 2014 workshop involving senior leaders from the SHV Group companies which included Board members and Senior Managers from ERIKS. Facilitated by Dutch innovation organisation Think Company, the workshop identified four technology developments with potential to affect ERIKS long term business models: the Internet of Things, Big Data, 3D printing and supercomputing/robotics. Having decided that doing nothing was not an option, the next step was to become either technology early adopters, or innovators.


## FOCUS ON INNOVATION

The decision was made to focus on a long-term project development horizon of 2-5 years, for achieving business results from innovation. Group Product Development Director Hanne van Elsen, Group Sustainability Manager Robyn Bradley and SHV Sustainovation Coordinator Katrien Wijsman took responsibility for moving the process forward and developing the methodology.

Cross-functional, multi-region teams were assembled to examine the technology developments, how they may affect ERIKS, and how ERIKS can make use of them. A pilot scheme for Big Data and 3D printing was then established to make recommendations and create an action plan.

## KICK-OFF MEETING

A kick-off meeting took place in October 2015, which included team-building, a project background briefing, an introduction to innovation processes, and briefings from experts on the technologies. Adopting a Sensing, Visioning, Prototyping and Scaling process, setting up customer panels, conducting customer interviews and utilising the SHV Sustainovation Hub, the teams are examining not only how innovative technologies can be adopted within the business, but also how they may disrupt our industry.

The approach to innovation, launched as an ERIKS' pilot, will ultimately be rolled out across SHV, to help the whole Group lead the way in innovation. 



## / INNOVATION TEAMS

The innovation project teams represent a wide range of business functions, locations and ages. Members have been selected via the ERIKS Talent Management Process, and whilst the primary function of the teams is to develop the innovation initiative, they also serve as a development programme for team members to gain knowledge and insight to help their career development. Team members also act as Innovation Catalysts for ERIKS.

# FRUIT, JOY AND SELF-BELIEF

## ERIKS GERMANY / FRUCHTALARM

ERIKS Germany's support for "Fruchtalarm" extends from financial, to physical, to wine gums.

**/ BEING A CHILD IN HOSPITAL IS HARD.** BEING A CHILD IN HOSPITAL AND SUFFERING FROM CANCER IS HARDER STILL. THAT IS WHY ERIKS GERMANY HAS BEEN ACTIVELY SUPPORTING AN INNOVATIVE PROJECT IN CHILDREN'S CANCER WARDS THROUGHOUT THE COUNTRY.

Once a week in hospitals, "Fruchtalarm" brings fruit, happiness and confidence to sick children. The fruit is used by the children to mix their own fruit cocktails, which give them not only valuable nutrition, but also fun and self-belief – things often lost in the daily routine of being in hospital.

### FRUITFUL SUPPORT

ERIKS Germany's support for "Fruchtalarm" extends from financial, to physical, to wine gums. A €12,000 donation from ERIKS has funded the opening of a new "Fruchtalarm" venue in a ward in Munich. This sum will cover all the operating costs of the venue for a whole year and the project is on in 14 cancer stations now. Four ERIKS colleagues also now regularly volunteer at the venue. Meanwhile, ERIKS Germany is spreading the word about the "Fruchtalarm" project in a number of different ways – hopefully encouraging more donations and more support. For example, a mention of the "Fruchtalarm" project is included on

all email signatures, and information is featured on the eriks.de website. Special Christmas cards were also printed for customers, and a Christmas message and music download were emailed to over 48,000 ERIKS customers, to promote the project. At every customer event there is a segment dedicated to "Fruchtalarm", and a promotional wine gum package has even been created to spread the news.

### INSIDE INFORMATION

As well as promoting the project to the wider community, ERIKS Germany keeps colleagues informed about developments. Regular updates are provided to ERIKS Germany employees by email and newsletter. Also, at the most recent annual Management Team Meeting, the "Fruchtalarm" organisers were invited to present details of their cause to the entire ERIKS Germany management team. "Fruchtalarm" is just one of the many ways in which ERIKS lives up to its social responsibilities – though it's probably the most nutritious and delicious. ➤



OUR MIDDLE EAST OFFICES HAVE THE BEST ART!



**/MAWAHEB**

Mawaheb is an art school for artists over 16 years old and with special needs - dedicated to bridging the gap between individuals and society for those who have just left school. This organisation is supported by colleagues in the Middle East with regular awareness days and through the purchase of paintings - our Middle East offices have the best art!

**/SAVE THE TOOLS**

ERIKS provides an enormous range of tools and maintenance products, all with guaranteed high precision and quality. Sometimes these products, although still perfectly useable will be written off. ERIKS Rotterdam recently found themselves in this position when they discovered the "Gered Gereedschap" (Saved Tools) Foundation. This foundation collects used tools, repairs them where necessary and then sends them to technical schools, entrepreneurs and technicians in Africa, Asia and Latin America. Pictured, is a container of used tools from ERIKS and a number of other organisations arriving in Cameroon.



ERIKS ROTTERDAM SUPPORTS 'GERED GEREEDSCHAP'



**/MOTHERS FOR MOTHERS**

ERIKS Belgium continue their long standing support for "Moeders voor Moeders", an organisation dedicated to supporting the poorest families and in particular mothers and their young children with care packages. ERIKS support extends beyond clothing drives and financial donations; employees have the opportunity to volunteer for the organisation during their work day.

ERIKS SUPPORT EXTENDS BEYOND CLOTHING DRIVES



**/EXERCISING THE BRAIN AND THE BODY**

Colleagues around the globe have been stepping up their fitness levels; in South East Asia employees participated in a morning workout encouraged by sports captains, and followed by a lunch time computer freeze - playing a video demonstrating easy to follow desk exercises. Colleagues in Denmark went a step further by investing in 'work style' treadmills - allowing employees to set up their workspace so that they can walk and work.



**/HEALTH AWARE**

As part of ERIKS UK's employee wellbeing programme - repair workshops in Swansea and Chesterfield as well as the UK Head Office took part in Cancer Research Health Talks from doctors and nurses. Colleagues learnt about ways to prevent developing the illness as well as the importance of frequent health checks - in addition to raising awareness about the excellent work undertaken by Cancer Research UK - ERIKS UK's nominated charity. 





# STEPPING UP TO THE CHALLENGE

**/EMPLOYEE WELLBEING IS AN IMPORTANT ISSUE FOR THE ERIKS GROUP, AND SINCE THE 2013 10/10 CHALLENGE ENCOURAGED COLLEAGUES TO WALK AT LEAST 10,000 STEPS A DAY, NEW CHALLENGES HAVE BEEN SET. THE TRI2015 CHALLENGE GAVE MORE PARTICIPANTS MORE WAYS TO COLLECT MORE STEPS TOWARDS THEIR TOTAL.**

**T**RI2015, which ran from 1st September – 31st October, offered the opportunity to take part not only for ERIKS Group companies, but also for colleagues from the SHV Head Office, where managers gave their firm support.

### POSITIVE IMPACT

An impressive 20% of the workforce joined in, and the variety of ways in which they accumulated their steps was as varied as the people who took part. As well as walking, running, cycling and swimming, participants collected steps by adopting “green” travel options to get to work, and even by volunteering in the community. As Group Employee Wellbeing Manager Helen Hill explained: “Giving something back to the community you are part of has a very positive impact on your life,

and this resonates with our company values and our sustainability strategy.”

A team spirit was encouraged across the regions, with updates on Twitter and pictures on Instagram including “Buildings seen on my walk” and “Who joins you?” – which produced some interesting pets-with-pedometers photos!

### ONE ERIKS

“TRI2015 helped to build our ‘One ERIKS’ team spirit with a global perspective”, said Helen Hill. “For the future, as well as our annual Challenges, we will be looking at a year-long programme, focusing not only on health and fitness but also, for example, on work/life balance, and other areas affecting employee wellbeing throughout the ERIKS Group.”




# SAVING ENERGY PROFITABLY

**/ THOUSANDS OF UK BUSINESSES** ARE AFFECTED BY THE GOVERNMENT'S ENERGY SAVINGS OPPORTUNITY SCHEME (ESOS), WHICH COMPELS THEM TO CALCULATE THEIR TOTAL ENERGY CONSUMPTION AND AUDIT THEIR USAGE. ERIKS UK HAS GONE NOT ONE, BUT TWO STEPS FURTHER.

**E**RIKS UK was an organisation obliged to undertake an audit under the terms of ESOS, and was also one of the first to do so. Once the results were in, ERIKS decided to use the know-how and experience gained from the process to help other affected organisations. Having a qualified Lead Assessor in-house, ERIKS has been able to offer an assessment service to other companies, to identify where they can save energy. This is part of the ESOS process but, in addition – as a leading industrial distributor – ERIKS knows which products and solutions will help to reduce energy usage, and can recommend, specify, install and commission those products.

## **SUSTAINING THE BOTTOM LINE**

Sustainability is not only good for the planet, but also good for business.

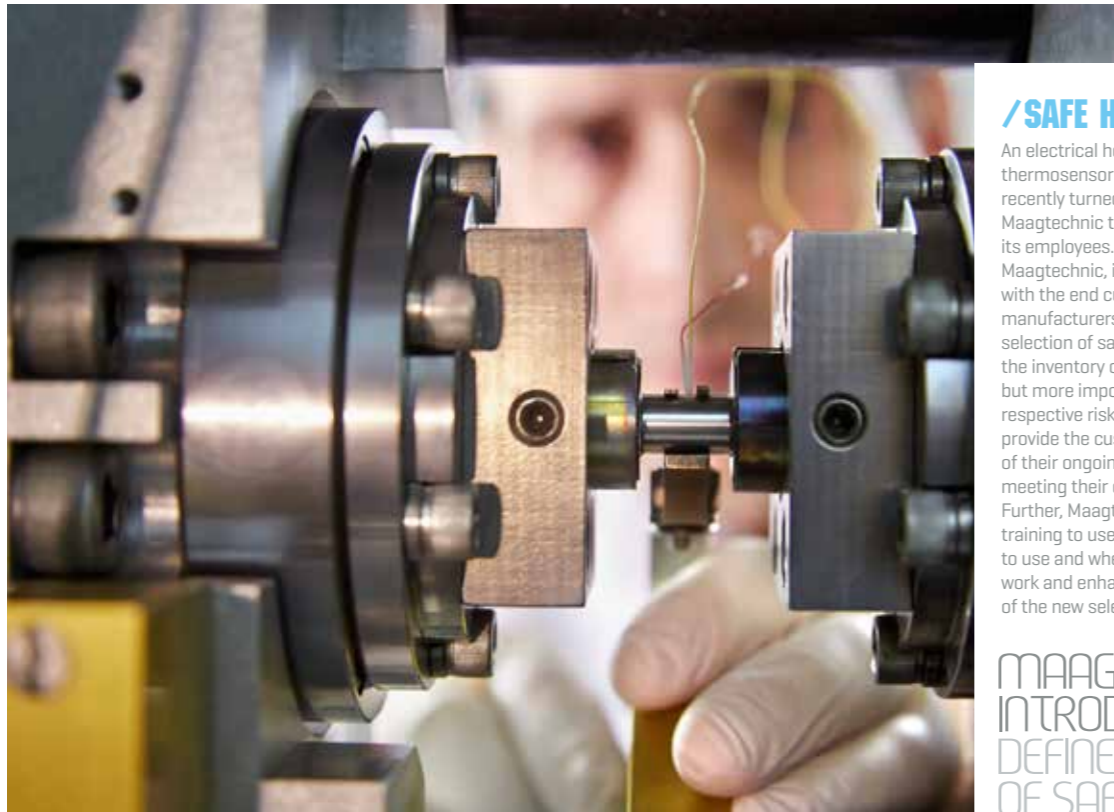
When energy use is monitored, managed and reduced effectively, it can be achieved without any compromise to productivity or profitability. In fact, it can even have a positive impact on both. By applying the knowledge gained through undertaking the process itself, ERIKS is helping customers really make the most of the opportunity in the Energy Savings Opportunity Scheme. 

## **/ COUNTING ON ERIKS**

No fewer than 7 customers have already arranged for ESOS audits with ERIKS, and 12 more are currently in negotiations [at time of going to print]. A large aggregate processor immediately saw the potential benefits of identifying and quantifying energy use, and has commissioned ERIKS' Energy Management Team to carry out a large sub-metering project at its plant.



ERIKS UK  
HAS GONE NOT  
ONE, BUT TWO  
STEPS  
FURTHER



### /SAFE HANDS

An electrical heating and thermosensor producer in Germany recently turned to ERIKS company Maagtechnic to protect the hands of its employees.

Maagtechnic, in partnership with the end customer and glove manufacturers introduced a defined selection of safety gloves; reducing the inventory of unnecessary types but more importantly tailored to the respective risks. Maagtechnic can now provide the customer with an overview of their ongoing orders, crucial in meeting their compliance obligations. Further, Maagtechnic provided training to users including what gloves to use and when; increasing safety at work and enhancing user acceptance of the new selection.

MAAGTECHNIC  
INTRODUCED A  
DEFINED SELECTION  
OF SAFETY GLOVES



### /REDUCING METHANE EMISSIONS

ERIKS recently collaborated with a large customer on a seal for gas generators. Open space in the cylinder head was resulting in the emission of unburned methane gas, but with ERIKS know-how it was discovered that a seal can be placed in the combustion chamber that not only reduces the gasoline needed but cuts emissions of methane gas by 35%; good for planet and profit.

### /BOILER ROOM EFFICIENCY

A large pharmaceutical device manufacturer contacted Industrial Controls, an ERIKS company, to improve the efficiency of the boilers used to supply their building heat, hot water and process heating steam.


Industrial Controls provided a Honeywell Control Links parallel positioning system which matches the fuel-to-air ratio curve to the peak boiler efficiency curve. The results speak for themselves – reduced emissions, reduced fuel usage, reduced exhaust stack temperature and an \$18,000 per year energy cost saving.



AN \$18,000 PER  
YEAR ENERGY  
COST SAVING



### /TARGETING COMPRESSED AIR

Contrary to popular belief, air is not free – compressed air is a surprisingly expensive resource and with industry sitting at an unhealthy 30% loss the energy savings potential is huge. ERIKS has launched its 'Compressed Air Savings Programme' supported by the Flexion brand and ERIKS impartial Fluid Power application engineers. Examining existing systems, identifying 'quick win' savings and comprehensive system audits are all included in the programme and guarantee to deliver not only financial savings but CO<sub>2</sub> savings too! 

### /ERIKS TOP 10 TIPS FOR ENERGY SAVING

- 1 Use more efficient motors [ask about ERIKS TCO Calculator and how it can help you identify and quantify savings]
- 2 Use thermography surveys to detect heat loss
- 3 Reduce friction with better bearings and seals
- 4 Vary motor speeds
- 5 Conduct a compressed air optimisation survey
- 6 Examine pump efficiency curves
- 7 Install energy efficient filters
- 8 Conduct vibration analysis
- 9 Examine pump efficiency curves
- 10 Undertake laser shaft alignment and dynamic balancing



# SUSTAINABLE COST SAVINGS

**/ THE ERIKS GROUP FIRMLY BELIEVES THAT SUSTAINABILITY SHOULD NOT COME AT A COST. BY APPLYING A TOTAL COST OF OWNERSHIP (TCO) APPROACH, ERIKS CAN MEASURE DIRECT AND INDIRECT COSTS OF SOLUTIONS. THIS MEANS CUSTOMERS OFTEN SEE NOT ONLY LOWER EMISSIONS, BUT ALSO LOWER ENERGY BILLS – AS DID A LARGE DAIRY MANUFACTURER IN THE NETHERLANDS.**


In the customer's dairy plant, pipes are cleaned with steam.

A key component of this system are steam traps, which keep steam in the system whilst removing the condensate. However, leaking steam traps waste a lot of energy. ERIKS measured the leakage in several plants, and based on these measurements recommended replacing traps which were leaking. The result was significant annual savings of carbon dioxide emissions, energy – and money.

#### INVESTING IN ENERGY EFFICIENCY

Sustainable cost savings can also be achieved with energy-efficient electric motors. In another of the customer's plants, a 450 kW electric motor powering an extractor had broken down and needed repair. The cost of repair was just 10% of the purchase cost of a new motor. However, ERIKS' TCO calculations

revealed the payback period for a new, more efficient motor. Based on these figures, the company bought a new motor and recouped the cost within fourteen months. Lastly, we surveyed the company's pneumatic systems in its packaging lines.

The air in the systems is pressurised by a compressor driven by an electric motor. If air is leaking out, the electric motor uses far more energy. Our investigation revealed that, in one plant alone, 433,000 cubic meters of air were lost to leaks every year. Our advice was to rectify the leaks by replacing components and refitting the pipe system. As a result of this work, energy consumption and costs fell significantly – proving once again that sustainability can save more than energy. 



ERIKS CAN  
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## CENTRALISING SUSTAINABLY

**/ A NEW ERIKS CENTRAL DISTRIBUTION CENTRE (CDC)** IN HALLE WESTFALEN, GERMANY, IS CURRENTLY AT THE PLANNING STAGE AND SCHEDULED TO BE OPERATIONAL BY LATE 2017. TO MEET THE GROUP'S COMMITMENT TO SUSTAINABILITY, THE BUILDING IS BEING DESIGNED IN LINE WITH THE GERMAN SUSTAINABLE BUILDING COUNCIL (DGNB) SYSTEM.

**D**GNB certification takes a range of factors into consideration, in the design and construction of a new building. These include economy, ecology, people, processes and technology. The planned ERIKS CDC building will not only include sustainable and energy-saving technology, but will also be built with consideration for the environmental impact of its lifecycle over a 50-year period. This means the resources used in its construction, the consumables used during its occupation, and the recycling of the building materials when it comes to the end of its life are all taken into account, and efforts made to reduce any negative effects on the environment.

### INCREASING EFFICIENCY

The ERIKS Group is a firm believer that sustainability should not compromise efficiency or profitability – and can even enhance them. The new CDC building will not only be efficient and sustainable

in itself, but the way it operates – centralising purchasing, stocking and shipping currently carried out at 18 regional centres across Germany – will also increase ERIKS' operational, purchasing and stockholding efficiency, as well as reducing energy use, water use, and waste.

### A GROWING SUCCESS

Designed to be built in three phases, the building can expand as the demands of the organisation expand, and it has also been planned for multi-purpose use. So, if the needs of the business change or develop, the building can easily and efficiently be repurposed without rebuilding. In fact, its position on the A33 autobahn, close to the border with The Netherlands and well-placed for other countries too, means that the idea of further centralizing distribution – not only for Germany but also The Netherlands, Belgium and Switzerland – is already being considered. ↩



### /BINS, BINNED

Having set a target of zero waste to landfill, ERIKS UK adopted a policy of segregated waste streams. This enables the company's waste management company to more easily divert recyclable waste away from landfill. At ERIKS UK Head Office, the major step was taken of removing individual desk waste bins and replacing them with central recycling points. This policy of "making the best choice the only choice" achieved high levels of employee engagement, and the company's level of recycling – across all UK sites – has risen from 15% when first analysed to the current figure of 97%. The ultimate target remains zero waste to landfill, which will hopefully be achieved by the end of the current financial year.



### /LEADING FROM THE TOP

When ERIKS UK recently underwent an ESOS assessment [see page 32-33], one area of potential energy-savings identified was the HVAC system at the company's Head Office. As a result, the system has been completely redesigned for greater energy efficiency. The inefficient gas-fired wet radiator heating system and independent air conditioning units have been replaced by a fully-integrated HVAC system. The two-storey Head Office building in Halesowen now benefits from a steady, controlled temperature and a controlled feed of fresh air. These have led to an improved working environment and drastically reduced gas and electricity consumption.



THESE HAVE LED TO AN IMPROVED WORKING ENVIRONMENT AND DRASTICALLY REDUCED GAS AND ELECTRICITY CONSUMPTION



### /TWICE THE BENEFITS

ERIKS North America realised twice the benefits when they tackled water consumption reduction in their hose testing facilities – tweaking and implementing a system that recycles and reuses water had the added benefit of improved health and safety for employees. Instead of kneeling and bending over to test the hoses, the new 'fine-tuned' design is mounted on a rack at a much more employee friendly height.

## ERIKS NETHERLANDS HAS CERTIFIED ITS ENTIRE OPERATION

### /ISO 14001

The international standard for Environmental Management Systems is widely implemented across the ERIKS organisation and aids compliance with legal requirements, environmental issues and the reduction of impact. ERIKS Netherlands has, in 2015, certified its entire operation to the standard – having previously certified several locations, and ERIKS Belgium will follow in 2016.



### /READY, SET ... PACK!

In Switzerland, Maagtechnic – an ERIKS company – set about reducing their environmental and financial impact from packaging. By setting up a process to re-use incoming packing materials for outgoing goods, Maagtechnic were able to reduce costs without slowing down the efficiency of their process and have now set a target for 10% of their outgoing packages as re-used material. This good practice is not limited to Switzerland – in ERIKS North America biodegradable starch type peanuts, bubble wrap made from recycled material and air pillows have taken center stage over traditional, more harmful packaging.



# OVER TO YOU

This year we have been laying the foundations for a sustainability strategy which we can build on for years to come. Much of this work has not been visible, but in the year ahead more of what we are undertaking will be evident – both to our employees and our stakeholders.

Our work to date has been strongly supported by our Sustainability Champions. They have helped to ensure sustainability has taken root in our regions and is spreading throughout our organisation. Now we are ready for everyone to get involved. We want our sustainability strategy to be a conversation between us all, not a set of rules imposed from above. So please join the conversation, and help us to make sustainability a reality and a success.

Robyn Bradley, Group Sustainability Manager



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